

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-Q**

(Mark One)

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

For the quarterly period ended March 31, 2022

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: 001-35666

Summit Midstream Partners, LP

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

910 Louisiana Street, Suite 4200

Houston, TX

(Address of principal executive offices)

45-5200503

(I.R.S. Employer
Identification No.)

77002

(Zip Code)

(832) 413-4770

(Registrant's telephone number, including area code)

Not applicable

(Former name, former address and former fiscal year, if changed since last report)

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	SMLP	New York Stock Exchange

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 every Interactive Data File required to be submitted 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 such files).

Yes No

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

Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company
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.

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	As of April 29, 2022
Common Units	10,165,987 units

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COMMONLY USED OR DEFINED TERMS

2015 Blacktail Release	a 2015 rupture of our four-inch produced water gathering pipeline near Williston, North Dakota
2022 Senior Notes	Summit Holdings' and Finance Corp.'s 5.5% senior unsecured notes due August 2022
2025 Senior Notes	Summit Holdings' and Finance Corp.'s 5.75% senior unsecured notes due April 2025
2026 Secured Notes	Summit Holdings' and Finance Corp.'s 8.500% senior secured second lien notes due 2026
ABL Facility	the asset-based lending credit facility governed by the ABL Agreement
ABL Agreement	Loan and Security Agreement, dated as of November 2, 2021, among Summit Holdings, as borrower, SMLP and certain subsidiaries from time to time party thereto, as guarantors, Bank of America, N.A., as agent, ING Capital LLC, Royal Bank of Canada and Regions Bank, as co-syndication agents, and Bank of America, N.A., ING Capital LLC, RBC Capital Markets and Regions Capital Markets, as joint lead arrangers and joint bookrunners
ASU	Accounting Standards Update
Bison Midstream	Bison Midstream, LLC
Board of Directors	the board of directors of our General Partner
condensate	a natural gas liquid with a low vapor pressure, mainly composed of propane, butane, pentane and heavier hydrocarbon fractions
Co-Issuers	Summit Holdings and Finance Corp.
DFW Midstream	DFW Midstream Services LLC
DJ Basin	Denver-Julesburg Basin
Double E	Double E Pipeline, LLC
Double E Pipeline	a 135 mile, 1.35 Bcf/d, FERC-regulated interstate natural gas transmission pipeline that commenced operations in November 2021 and provides transportation service from receipt points in the Delaware Basin to various delivery points in and around the Waha hub in Texas
Double E Project	the development and construction of the Double E Pipeline
ECP	Energy Capital Partners II, LLC and its parallel and co-investment funds
EPA	Environmental Protection Agency
Epping	Epping Transmission Company, LLC
EPU	earnings or loss per unit
FASB	Financial Accounting Standards Board
Finance Corp.	Summit Midstream Finance Corp.
GAAP	accounting principles generally accepted in the United States of America
General Partner	Summit Midstream GP, LLC
GP	general partner
GP Buy-In Transaction	the transactions contemplated by the Purchase Agreement dated May 3, 2020, between the Partnership and the affiliates of its then private equity sponsor, ECP, to acquire Summit Investments
Grand River	Grand River Gathering, LLC
Guarantor Subsidiaries	Bison Midstream and its subsidiaries, Grand River and its subsidiaries, DFW Midstream, Summit Marketing, Summit Permian, Permian Finance, OpCo, Summit Utica, Meadowlark Midstream, Summit Permian II and Mountaineer Midstream
Hub	geographic location of a storage facility and multiple pipeline interconnections
LIBOR	London Interbank Offered Rate
Mbbl/d	one thousand barrels per day
MD&A	Management's Discussion and Analysis of Financial Condition and Results of Operations
Meadowlark Midstream	Meadowlark Midstream Company, LLC
MMcf/d	one million cubic feet per day
Mountaineer Midstream	Mountaineer Midstream Company, LLC
MVC	minimum volume commitment

NGLs	natural gas liquids; the combination of ethane, propane, normal butane, iso-butane and natural gasolines that when removed from unprocessed natural gas streams become liquid under various levels of higher pressure and lower temperature
NYSE	New York Stock Exchange
Ohio Gathering	Ohio Gathering Company, L.L.C. and Ohio Condensate Company, L.L.C.
OpCo	Summit Midstream OpCo, LP
play	a proven geological formation that contains commercial amounts of hydrocarbons
Permian Finance	Summit Midstream Permian Finance, LLC
Permian Holdco	Summit Permian Transmission Holdco, LLC
Permian Term Loan Facility	the term loan governed by the Credit Agreement, dated as of March 8, 2021, among Summit Permian Transmission, LLC, as borrower, MUFG Bank Ltd., as administrative agent, Mizuho Bank (USA), as collateral agent, ING Capital LLC, Mizuho Bank, Ltd. and MUFG Union Bank, N.A., as L/C issuers, coordinating lead arrangers and joint bookrunners, and the lenders from time to time party thereto
Permian Transmission Credit Facilities	the credit facilities governed by the Credit Agreement, dated as of March 8, 2021, among Summit Permian Transmission, LLC, as borrower, MUFG Bank Ltd., as administrative agent, Mizuho Bank (USA), as collateral agent, ING Capital LLC, Mizuho Bank, Ltd. and MUFG Union Bank, N.A., as L/C issuers, coordinating lead arrangers and joint bookrunners, and the lenders from time to time party thereto
produced water	water from underground geologic formations that is a by-product of natural gas and crude oil production
Revolving Credit Facility	the Third Amended and Restated Credit Agreement dated as of May 26, 2017, as amended by the First Amendment to Third Amended and Restated Credit Agreement dated as of September 22, 2017, the Second Amendment to Third Amended and Restated Credit Agreement dated as of June 26, 2019, the Third Amendment to Third Amended and Restated Credit Agreement dated as of December 24, 2019 and the Fourth Amendment to Third Amended and Restated Credit Agreement dated as of December 18, 2020
SEC	Securities and Exchange Commission
Securities Act	Securities Act of 1933, as amended
segment adjusted EBITDA	total revenues less total costs and expenses; plus (i) other income excluding interest income, (ii) our proportional adjusted EBITDA for equity method investees, (iii) depreciation and amortization, (iv) adjustments related to MVC shortfall payments, (v) adjustments related to capital reimbursement activity, (vi) unit-based and noncash compensation, (vii) impairments and (viii) other noncash expenses or losses, less other noncash income or gains
Senior Notes	The 2025 Senior Notes and the 2026 Secured Notes, collectively
Series A Preferred Units	Series A Fixed-to-Floating Rate Cumulative Redeemable Perpetual Preferred Units
shortfall payment	the payment received from a counterparty when its volume throughput does not meet its MVC for the applicable period
SMLP	Summit Midstream Partners, LP
SMLP LTIP	SMLP Long-Term Incentive Plan
SMP Holdings	Summit Midstream Partners Holdings, LLC, also known as SMPH
SMPH Term Loan	the Term Loan Agreement, dated as of March 21, 2017, among SMP Holdings, as borrower, the lenders party thereto and Credit Suisse AG, Cayman Islands Branch, as Administrative Agent and Collateral Agent
Subsidiary Series A Preferred Units	Series A Fixed Rate Cumulative Redeemable Preferred Units issued by Permian Holdco
Summit Holdings	Summit Midstream Holdings, LLC
Summit Investments	Summit Midstream Partners, LLC
Summit Marketing	Summit Midstream Marketing, LLC
Summit Permian	Summit Midstream Permian, LLC

Summit Permian II	Summit Midstream Permian II, LLC
Summit Permian Transmission	Summit Permian Transmission, LLC
Summit Utica	Summit Midstream Utica, LLC
the Partnership	Summit Midstream Partners, LP and its subsidiaries
the Partnership Agreement	the Fourth Amended and Restated Agreement of Limited Partnership of the Partnership dated May 28, 2020
throughput volume	the volume of natural gas, crude oil or produced water gathered, transported or passing through a pipeline, plant or other facility during a particular period; also referred to as volume throughput
unconventional resource basin	a basin where natural gas or crude oil production is developed from unconventional sources that require hydraulic fracturing as part of the completion process, for instance, natural gas produced from shale formations and coalbeds; also referred to as an unconventional resource play
wellhead	the equipment at the surface of a well, used to control the well's pressure; also, the point at which the hydrocarbons and water exit the ground

PART I - FINANCIAL INFORMATION
Item 1. Financial Statements.

SUMMIT MIDSTREAM PARTNERS, LP AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2022	December 31, 2021
(In thousands, except per-unit amounts)		
ASSETS		
Cash and cash equivalents	\$ 8,559	\$ 7,349
Restricted cash	3,921	12,223
Accounts receivable	59,209	62,121
Other current assets	4,771	5,676
Total current assets	76,460	87,369
Property, plant and equipment, net	1,706,146	1,726,082
Intangible assets, net	167,649	172,927
Investment in equity method investees	525,387	523,196
Other noncurrent assets	19,138	12,888
TOTAL ASSETS	\$ 2,494,780	\$ 2,522,462
LIABILITIES AND CAPITAL		
Trade accounts payable	\$ 13,546	\$ 10,498
Accrued expenses	15,859	14,462
Deferred revenue	9,999	10,374
Ad valorem taxes payable	2,847	8,570
Accrued compensation and employee benefits	6,040	11,019
Accrued interest	31,359	12,737
Accrued environmental remediation	2,340	3,068
Current portion of long-term debt	6,072	—
Other current liabilities	6,559	8,509
Total current liabilities	94,621	79,237
Long-term debt	1,315,495	1,355,072
Noncurrent deferred revenue	41,575	42,570
Noncurrent accrued environmental remediation	2,362	2,538
Other noncurrent liabilities	31,568	32,357
Total liabilities	1,485,621	1,511,774
Commitments and contingencies (Note 13)		
Mezzanine Capital		
Subsidiary Series A Preferred Units (93,039 and 91,439 units issued and outstanding at March 31, 2022 and December 31, 2021, respectively)	112,038	106,325
Partners' Capital		
Series A Preferred Units (65,508 and 143,447 units issued and outstanding at March 31, 2022 and December 31, 2021, respectively)	79,402	169,769
Common limited partner capital (10,165,980 and 7,169,834 units issued and outstanding at March 31, 2022 and December 31, 2021, respectively)	817,719	734,594
Total partners' capital	897,121	904,363
TOTAL LIABILITIES AND CAPITAL	\$ 2,494,780	\$ 2,522,462

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

SUMMIT MIDSTREAM PARTNERS, LP AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended March 31,	
	2022	2021
(In thousands, except per-unit amounts)		
Revenues:		
Gathering services and related fees	\$ 64,020	\$ 70,348
Natural gas, NGLs and condensate sales	22,458	20,763
Other revenues	9,648	8,207
Total revenues	96,126	99,318
Costs and expenses:		
Cost of natural gas and NGLs	22,251	20,476
Operation and maintenance	17,062	16,593
General and administrative	12,960	10,344
Depreciation and amortization	30,445	28,511
Transaction costs	246	—
(Gain) loss on asset sales, net	3	(136)
Long-lived asset impairments	14	1,492
Total costs and expenses	82,981	77,280
Other income, net	—	55
Gain (loss) on interest rate swaps	7,028	(6)
Loss on ECP Warrants	—	(1,475)
Interest expense	(24,163)	(13,953)
Income (loss) before income taxes and equity method investment income	(3,990)	6,659
Income tax (expense) benefit	(50)	14
Income from equity method investees	4,035	2,315
Net income (loss)	\$ (5)	\$ 8,988
Net income attributable to Subsidiary Series A Preferred Units	(5,713)	(3,932)
Net income attributable to Summit Midstream Partners, LP	\$ (5,718)	\$ 5,056
Less: net income attributable to Series A Preferred Units	(2,220)	(4,287)
Add: deemed contribution from Preferred Exchange Offer	20,974	—
Net income attributable to common limited partners	\$ 13,036	\$ 769
Net income per limited partner unit:		
Common unit – basic	\$ 1.35	\$ 0.13
Common unit – diluted	\$ 1.32	\$ 0.12
Weighted-average limited partner units outstanding:		
Common units – basic	9,670	6,125
Common units – diluted	9,892	6,260

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

SUMMIT MIDSTREAM PARTNERS, LP AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PARTNERS' CAPITAL

	Partners' Capital		
	Series A Preferred Units	Partners' Capital	Total
	(In thousands)		
Partners' capital, January 1, 2022	\$ 169,769	\$ 734,594	\$ 904,363
Net income (loss)	2,220	(7,938)	(5,718)
Unit-based compensation	—	1,690	1,690
Tax withholdings and associated payments on vested SMLP LTIP awards	—	(562)	(562)
Tax withholdings on Series A Preferred Unit Exchange	—	(2,652)	(2,652)
Effect of Preferred Exchange Offer, inclusive of a \$20.9 million deemed contribution to common unit holders (Note 9)	(92,587)	92,587	—
Partners' capital, March 31, 2022	<u>\$ 79,402</u>	<u>\$ 817,719</u>	<u>\$ 897,121</u>

	Partners' Capital		
	Series A Preferred Units	Partners' Capital	Total
	(In thousands)		
Partners' capital, January 1, 2021	\$ 174,425	\$ 748,466	\$ 922,891
Net income	4,287	769	5,056
Unit-based compensation	—	1,967	1,967
Tax withholdings and associated payments on vested SMLP LTIP awards	—	(1,274)	(1,274)
Partners' capital, March 31, 2021	<u>\$ 178,712</u>	<u>\$ 749,928</u>	<u>\$ 928,640</u>

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

SUMMIT MIDSTREAM PARTNERS, LP AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31,	
	2022	2021
(In thousands)		
Cash flows from operating activities:		
Net income (loss)	\$ (5)	\$ 8,988
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	30,679	28,746
Noncash lease expense	279	289
Amortization of debt issuance costs	2,234	1,717
Unit-based and noncash compensation	1,690	1,967
Income from equity method investees	(4,035)	(2,315)
Distributions from equity method investees	10,224	6,268
Gain on asset sales, net	3	(136)
Loss on ECP Warrants and other	—	1,475
Gain (loss) on interest rate swaps, unsettled	(7,504)	6
Long-lived asset impairment	14	1,492
Changes in operating assets and liabilities:		
Accounts receivable	2,912	7,592
Trade accounts payable	4,467	4,544
Accrued expenses	1,379	(1,546)
Deferred revenue, net	(1,369)	(576)
Ad valorem taxes payable	(5,723)	(1,497)
Accrued interest	18,622	504
Accrued environmental remediation, net	(904)	324
Other, net	(6,917)	(6,412)
Net cash provided by operating activities	<u>46,046</u>	<u>51,430</u>
Cash flows from investing activities:		
Capital expenditures	(8,703)	(2,610)
Proceeds from asset sale	1,850	8,000
Investment in Double E equity method investee	(8,444)	(5,619)
Net cash used in investing activities	<u>(15,297)</u>	<u>(229)</u>
Cash flows from financing activities:		
Repayments on Revolving Credit Facility	—	(55,000)
Borrowings under Permian Transmission Credit Facility	—	17,500
Repayments on Permian Transmission Term Loan	(1,095)	—
Repayments on ABL Facility	(34,000)	—
Debt issuance costs	—	(4,909)
Proceeds from asset sale	—	143
Other, net	(2,746)	(179)
Net cash used in financing activities	<u>(37,841)</u>	<u>(42,445)</u>
Net change in cash, cash equivalents and restricted cash	(7,092)	8,756
Cash, cash equivalents and restricted cash, beginning of period	19,572	15,544
Cash, cash equivalents and restricted cash, end of period	<u>\$ 12,480</u>	<u>\$ 24,300</u>

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

SUMMIT MIDSTREAM PARTNERS, LP AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION, BUSINESS OPERATIONS AND PRESENTATION AND CONSOLIDATION

Organization. Summit Midstream Partners, LP (including its subsidiaries, collectively “SMLP” or the “Partnership”) is a Delaware limited partnership that was formed in May 2012 and began operations in October 2012. SMLP is a value-oriented limited partnership focused on developing, owning and operating midstream energy infrastructure assets that are strategically located in unconventional resource basins, primarily shale formations, in the continental United States. The Partnership’s business activities are primarily conducted through various operating subsidiaries, each of which is owned or controlled by its wholly owned subsidiary holding company, Summit Holdings, a Delaware limited liability company.

Business Operations. The Partnership provides natural gas gathering, compression, treating and processing services as well as crude oil and produced water gathering services pursuant to primarily long-term, fee-based agreements with its customers. The Partnership’s results are primarily driven by the volumes of natural gas that it gathers, compresses, treats and/or processes as well as by the volumes of crude oil and produced water that it gathers. Other than the Partnership’s investments in Double E and Ohio Gathering, all of its business activities are conducted through wholly owned operating subsidiaries.

Presentation and Consolidation. The Partnership prepares its condensed consolidated financial statements in accordance with GAAP as established by the FASB and pursuant to the rules and regulations of the SEC pertaining to interim financial information. The unaudited condensed consolidated financial statements contained in this report include all normal and recurring material adjustments that, in the opinion of management, are necessary for a fair statement of the financial position, results of operations and cash flows for the interim periods presented herein. These unaudited condensed consolidated financial statements and notes thereto should be read in conjunction with the consolidated financial statements and related notes that are included in the Partnership’s Annual Report on Form 10-K for the year ended December 31, 2021.

The Partnership makes estimates and assumptions that affect the reported amounts of assets and liabilities at the balance sheet dates, including fair value measurements, the reported amounts of revenues and expenses and the disclosure of commitments and contingencies. Although management believes these estimates are reasonable, actual results could differ from its estimates.

The unaudited condensed consolidated financial statements contained in this report include the assets, liabilities and results of operations of SMLP and its subsidiaries. All intercompany transactions among the consolidated entities have been eliminated in consolidation. Comprehensive income or loss is the same as net income or loss for all periods presented.

Risks and Uncertainties. The Partnership continues to closely monitor the impact of the COVID-19 pandemic on all aspects of its business, including how it has impacted and will impact its customers, employees, supply chain and distribution network. The Partnership is unable to predict the ultimate impact that COVID-19 may have on its business, future results of operations, financial position or cash flows.

Given the dynamic nature of the COVID-19 pandemic and related market conditions, the Partnership cannot reasonably estimate the period of time that these events will persist or the full extent of the impact they will have on its business. The full extent to which the Partnership’s operations continue to be impacted by the COVID-19 pandemic will depend largely on future developments, which remain highly uncertain and cannot be accurately predicted. While many of the restrictions and measures initially implemented during 2020 have since been softened or lifted in varying degrees in different locations around the world, and the manufacture and distribution of COVID-19 vaccines during 2021 helped to initiate a recovery from the pandemic, the uncertainty regarding new potential variants of COVID-19 and the success of any vaccines in respect thereof, may in the future cause a reduction in global economic activity or prompt the re-imposition of certain restrictions and measures. In addition, even if not required by governmental authorities, increases in COVID-19 cases, such as if a new variant emerges, may result in significantly reduced economic activity, particularly in affected areas, which could result in a sharp reduction in the demand for oil and a decline in oil prices as occurred during 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND RECENTLY ISSUED ACCOUNTING STANDARDS APPLICABLE TO THE PARTNERSHIP

There have been no changes to the Partnership’s significant accounting policies since December 31, 2021.

New accounting standards not yet implemented.

ASU No. 2020-6 Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity’s Own Equity (Subtopic 815-40) (“ASU 2020-6”). ASU 2020-6 simplifies the accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments and contracts on an entity’s own equity. The ASU is part of the FASB’s simplification initiative, which aims to reduce unnecessary complexity in GAAP. The ASU’s amendments are effective for fiscal years beginning after December 15, 2023, and interim periods within those

fiscal years. The Partnership is currently evaluating the provisions of ASU 2020-6 to determine its impact on the Partnership’s consolidated financial statements and disclosures.

ASU No. 2020-4 Reference Rate Reform (“ASU 2020-4”). ASU 2020-4 provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships and other transactions affected by reference rate reform on financial reporting. The amendments in ASU 2020-4 are effective as of March 12, 2020 through December 31, 2022. The Partnership does not expect the provisions of ASU 2020-4 will have a material impact on its consolidated financial statements and disclosures.

3. REVENUE

The following table presents estimated revenue expected to be recognized during the remainder of 2022 and over the remaining contract period related to performance obligations that are unsatisfied and are comprised of estimated minimum volume commitments.

	2022	2023	2024	2025	2026	Thereafter
Gathering services and related fees	\$ 61,535	\$ 63,214	\$ 52,412	\$ 35,805	\$ 21,024	\$ —

Revenue by Category. In the following tables, revenue is disaggregated by geographic area and major products and services. For more detailed information about reportable segments, see Note 14 – Segment Information.

	Three Months Ended March 31, 2022			
	Gathering services and related fees	Natural gas, NGLs and condensate sales	Other revenues	Total
	(In thousands)			
Reportable Segments:				
Northeast	\$ 14,636	\$ —	\$ —	\$ 14,636
Rockies	17,789	13,659	5,157	36,605
Permian	1,847	6,867	1,019	9,733
Piceance	20,071	1,895	1,275	23,241
Barnett	9,677	—	2,063	11,740
Total reportable segments	64,020	22,421	9,514	95,955
Corporate and other	—	37	134	171
Total	\$ 64,020	\$ 22,458	\$ 9,648	\$ 96,126

	Three Months Ended March 31, 2021			
	Gathering services and related fees	Natural gas, NGLs and condensate sales	Other revenues	Total
	(In thousands)			
Reportable Segments:				
Northeast	\$ 14,773	\$ —	\$ —	\$ 14,773
Rockies	18,896	12,337	5,210	36,443
Permian	2,199	6,518	759	9,476
Piceance	24,784	1,853	1,177	27,814
Barnett	9,696	55	1,061	10,812
Total reportable segments	70,348	20,763	8,207	99,318
Corporate and other	—	—	—	—
Total	\$ 70,348	\$ 20,763	\$ 8,207	\$ 99,318

Contract balances. Contract assets relate to the Partnership’s rights to consideration for work completed but not billed at the reporting date and consist of the estimated MVC shortfall payments expected from its customers and unbilled activity

associated with contributions in aid of construction. Contract assets are transferred to trade receivables when the rights become unconditional. The following table provides information about contract assets from contracts with customers:

	Total
	(In thousands)
Contract assets, beginning balance December 31, 2021	\$ 10,327
Additions	2,247
Transfers out	(8,580)
Contract assets, ending balance March 31, 2022	\$ 3,994

As of March 31, 2022, receivables with customers totaled \$53.6 million and contract assets totaled \$4.0 million and are included in the accounts receivable caption on the unaudited condensed consolidated balance sheets.

As of December 31, 2021, receivables with customers totaled \$50.5 million and contract assets totaled \$10.3 million and are included in the accounts receivable caption on the unaudited condensed consolidated balance sheets.

Contract liabilities (deferred revenue) relate to the advance consideration received from customers primarily for contributions in aid of construction. The Partnership recognizes contract liabilities under these arrangements in revenue over the contract period. See Note 6 – Deferred Revenue for additional details.

4. PROPERTY, PLANT AND EQUIPMENT

Details on the Partnership’s property, plant and equipment follow.

	March 31, 2022	December 31, 2021
	(In thousands)	
Gathering and processing systems and related equipment	\$ 2,231,472	\$ 2,225,267
Construction in progress	46,166	49,082
Land and line fill	10,748	10,644
Other	52,581	51,863
Total	2,340,967	2,336,856
Less: accumulated depreciation	(634,821)	(610,774)
Property, plant and equipment, net	\$ 1,706,146	\$ 1,726,082

Depreciation expense and capitalized interest for the Partnership follow.

	Three Months Ended March 31,	
	2022	2021
	(In thousands)	
Depreciation expense	\$ 24,048	\$ 21,466
Capitalized interest	333	1,060

5. EQUITY METHOD INVESTMENTS

The Partnership has equity method investments in Double E and Ohio Gathering, the balances of which are included in the Investment in equity method investees caption on the unaudited condensed consolidated balance sheets. Details of the Partnership’s equity method investments follow.

	March 31, 2022	December 31, 2021
	(In thousands)	
Double E	\$ 287,117	\$ 280,952
Ohio Gathering	238,270	242,244
Total	\$ 525,387	\$ 523,196

6. DEFERRED REVENUE

Certain of the Partnership's gathering and/or processing agreements provide for monthly or annual MVCs. The amount of the shortfall payment is based on the difference between the actual throughput volume shipped and/or processed for the applicable period and the MVC for the applicable period, multiplied by the applicable gathering or processing fee.

Many of the Partnership's gas gathering agreements contain provisions that can reduce or delay the cash flows that it expects to receive from MVCs to the extent that a customer's actual throughput volumes are above or below its MVC for the applicable contracted measurement period.

The balances in deferred revenue as of March 31, 2022 and December 31, 2021, are primarily related to contributions in aid of construction which will be recognized as revenue over the life of the contract.

A rollforward of current deferred revenue follows.

	Total (In thousands)
Current deferred revenue, January 1, 2022	\$ 10,374
Add: additions	1,345
Less: revenue recognized	(1,720)
Current deferred revenue, March 31, 2022	<u>\$ 9,999</u>

A rollforward of noncurrent deferred revenue follows.

	Total (In thousands)
Noncurrent deferred revenue, January 1, 2022	\$ 42,570
Add: additions	358
Less: reclassification to current deferred revenue	(1,353)
Noncurrent deferred revenue, March 31, 2022	<u>\$ 41,575</u>

7. DEBT

Debt for the Partnership at March 31, 2022 and December 31, 2021, follows:

	March 31, 2022	December 31, 2021
	(In thousands)	
ABL Facility: Summit Holdings' asset based credit facility due May 1, 2026	\$ 233,000	\$ 267,000
Permian Transmission Credit Facility: Permian Transmission's variable rate senior secured credit facility due March 8, 2028	—	160,000
Permian Transmission Term Loan: Permian Transmission's variable rate senior secured term loan due March 8, 2028	158,905	—
2025 Senior Notes: Summit Holdings' 5.75% senior unsecured notes due April 15, 2025	259,463	259,463
2026 Secured Notes: Summit Holdings' and Finance Corp's 8.50% senior unsecured notes due October 15, 2026	700,000	700,000
Less: unamortized debt discount and debt issuance costs	(29,801)	(31,391)
Total debt	<u>1,321,567</u>	<u>1,355,072</u>
Less: current portion	(6,072)	—
Total long-term debt	<u>\$ 1,315,495</u>	<u>\$ 1,355,072</u>

ABL Facility. The Partnership, the Partnership's subsidiary, Summit Holdings, and the subsidiaries of Summit Holdings party thereto entered into a first-lien, senior secured credit facility, consisting of a \$400.0 million asset-based revolving credit facility (the "ABL Facility"), subject to a borrowing base comprised of a percentage of eligible accounts receivable of Summit Holdings and its subsidiaries that guarantee the ABL Facility (collectively, the "ABL Facility Subsidiary Guarantors") and a percentage of eligible above-ground fixed assets including eligible compression units, processing plants, compression stations and related equipment of Summit Holdings and the ABL Facility Subsidiary Guarantors. As of March 31, 2022, the most recent

borrowing base determination of eligible assets totaled \$695.2 million, an amount greater than the \$400.0 million of aggregate commitments.

The ABL Facility will mature on May 1, 2026; provided that, (a) if the outstanding amount of the 2025 Senior Notes (or any permitted refinancing indebtedness in respect thereof that has a final maturity, scheduled amortization or any other scheduled repayment, mandatory prepayment, mandatory redemption or sinking fund obligation prior to the date that is 120 days after the Termination Date (as defined in the ABL Agreement)) on such date equals or exceeds \$50,000,000, then the ABL Facility will mature on December 13, 2024 and (b) if both (i) any amount of the 2025 Senior Notes (or any permitted refinancing indebtedness in respect thereof that has a final maturity, scheduled amortization or any other scheduled repayment, mandatory prepayment, mandatory redemption or sinking fund obligation prior to the date that is 120 days after the Termination Date) is outstanding on such date and (ii) Liquidity (as defined in the ABL Agreement) is less than an amount equal to the sum of the then aggregate outstanding principal amount of the 2025 Senior Notes (or any permitted refinancing indebtedness in respect thereof that has a final maturity, scheduled amortization or any other scheduled repayment, mandatory prepayment, mandatory redemption or sinking fund obligation prior to the date that is 120 days after the Termination Date) plus the Threshold Amount (as defined in the ABL Agreement) on such date, then the ABL Facility will mature on January 14, 2025.

As of March 31, 2022, the applicable margin under the adjusted LIBOR borrowings was 3.25%, the interest rate was 3.50% and the available borrowing capacity of the ABL Facility totaled \$148.6 million after giving effect to the issuance of \$18.4 million in outstanding but undrawn irrevocable standby letters of credit.

The ABL Facility requires that Summit Holdings not permit (i) the First Lien Net Leverage Ratio (as defined in the ABL Agreement) as of the last day of any fiscal quarter to be greater than 2.50:1.00, or (ii) the Interest Coverage Ratio (as defined in the ABL Agreement) as of the last day of any fiscal quarter to be less than 2.00:1.00. As of March 31, 2022, the First Lien Net Leverage Ratio was 0.97:1.00 and the Interest Coverage Ratio was 2.72:1.00.

Permian Transmission Credit Facility. On March 8, 2021 (the “Permian Closing Date”), the Partnership’s unrestricted subsidiary, Permian Transmission, entered into a Credit Agreement which provided for \$175.0 million of senior secured credit facilities (the “Permian Transmission Credit Facilities”), including a \$160.0 million Term Loan Facility and a \$15.0 million Working Capital Facility. Borrowings from the Permian Transmission Credit Facilities were used to finance Permian Transmission’s capital calls associated with its investment in Double E. In January 2022, in accordance with the terms of Permian Transmission Credit Facilities, the Partnership converted the \$160.0 million portion of the Permian Transmission Credit Facilities into a term loan facility (the “Permian Term Loan Facility”).

As of March 31, 2022, the applicable margin under adjusted LIBOR borrowings was 2.375%, the interest rate was 2.52% and the available borrowing capacity of the Permian Transmission Credit Facilities totaled \$7.5 million, subject to a commitment fee of 0.7% after giving effect to the issuance of \$7.5 million in outstanding but undrawn irrevocable standby letters of credit and surety bonds. As of March 31, 2022, the Partnership was in compliance with the financial covenants of the Permian Transmission Credit Facility.

Permian Transmission Term Loan. As described above, in January 2022, the Permian Transmission Term Loan Facility was converted into a Term Loan (the “Permian Transmission Term Loan”). The Permian Transmission Term Loan is due on May 8, 2028. As of March 31, 2022, the applicable margin under adjusted LIBOR borrowings was 2.375% and the interest rate was 2.52%. As of March 31, 2022, the Partnership was in compliance with the financial covenants governing the Permian Transmission Term Loan.

In accordance with the terms of the Permian Transmission Term Loan, Permian Transmission is required to make mandatory principal repayments. Below is a summary of the remaining mandatory principal repayments as of March 31, 2022 (in thousands):

	Total	2022	2023	2024	2025	2026	Thereafter
Amortizing principal repayments	\$ 158,905	\$ 3,552	\$ 10,507	\$ 15,524	\$ 16,580	\$ 16,967	\$ 95,775

2026 Secured Notes. In November 2021, the Co-Issuers issued the 2026 Secured Notes. The 2026 Secured Notes are senior secured second lien notes due 2026. The 2026 Secured Notes will pay interest semi-annually in cash in arrears on April 15 and October 15 of each year, commencing on April 15, 2022, and will be jointly and severally guaranteed, on a senior second-priority secured basis (subject to permitted liens), by the Partnership and each restricted subsidiary of the Partnership (other than the Co-Issuers) that is an obligor under the ABL Agreement, or under the Co-Issuers’ 2025 Senior Notes on the issue date of the 2026 Secured Notes.

The 2026 Secured Notes are effectively subordinated to any of our or the guarantors’ current and future secured first lien indebtedness, including indebtedness incurred under the ABL Facility, to the extent of the value of the collateral securing such indebtedness, and our and the guarantors’ current and future debt that is secured by liens on assets other than the collateral, to the extent of the value of such assets. The 2026 Secured Notes are structurally subordinated to all indebtedness and other

liabilities of our subsidiaries that do not guarantee the 2026 Secured Notes. The 2026 Secured Notes are effectively equal to our and the guarantors' obligations under any future second lien indebtedness and effectively senior to all of our future junior lien indebtedness and existing and future unsecured indebtedness, including our outstanding senior unsecured notes, to the extent of the value of the collateral, and senior to any of our future subordinated indebtedness. The 2026 Secured Notes will mature on October 15, 2026.

Before October 15, 2023, the Co-Issuers may redeem the 2026 Secured Notes, in whole or in part, at a price equal to 100% of their principal amount, plus a make-whole premium, together with accrued and unpaid interest to, but not including the redemption date. On and after October 15, 2023, the Co-Issuers may redeem all or part of the 2026 Secured Notes at redemption prices (expressed as percentages of principal amount) equal to: (a) 104.250% for the twelve-month period beginning October 15, 2023; (b) 102.125% for the twelve-month period beginning October 15, 2024; and (c) 100.000% for the twelve-month period beginning on October 15, 2025 and at any time thereafter, in each case plus accrued and unpaid interest, if any, to, but not including, the redemption date. As of March 31, 2022, the Partnership was in compliance with the financial covenants governing its 2026 Secured Notes.

2025 Senior Notes. In February 2017, the Co-Issuers co-issued the 2025 Senior Notes. The 2025 Senior Notes will pay interest semi-annually in cash in arrears on April 15 and October 15 of each year. The 2025 Senior Notes are senior, unsecured obligations and rank equally in right of payment with all of the Partnership's existing and future senior obligations. The 2025 Senior Notes are effectively subordinated in right of payment to all of the Partnership's secured indebtedness, to the extent of the collateral securing such indebtedness.

The Co-Issuers have the right to redeem all or part of the 2025 Senior Notes at a redemption price of 101.438% (on or after April 15, 2022, with the redemption price declining ratably each year to 100.00% on April 15, 2023), plus accrued and unpaid interest, if any, to, but not including the redemption date.

As of March 31, 2022, the Partnership was in compliance with the financial covenants governing its 2025 Senior Notes.

8. FINANCIAL INSTRUMENTS

Fair Value. A summary of the estimated fair value of our financial instruments follows.

	March 31, 2022		December 31, 2021	
	Carrying Value ⁽¹⁾	Estimated fair value (Level 2)	Carrying Value ⁽¹⁾	Estimated fair value (Level 2)
	(In thousands)			
2025 Senior Notes	\$ 259,463	\$ 208,976	\$ 259,463	\$ 234,814
2026 Secured Notes	700,000	672,000	700,000	718,083

⁽¹⁾ Excludes applicable unamortized debt issuance costs and debt discounts.

The carrying values on the balance sheets of the ABL Facility and Permian Transmission Credit Facility represents their fair value due to its floating interest rate. The fair values of the 2026 Secured Notes and 2025 Senior Notes are based on an average of nonbinding broker quotes as of March 31, 2022 and December 31, 2021. The use of different market assumptions or valuation methodologies may have a material effect on their estimated fair value.

Interest Rate Swaps. In connection with the Permian Transmission Credit Facility, the Partnership entered into amortizing interest rate swap agreements. As of March 31, 2022 and December 31, 2021, the outstanding notional amounts of interest rate swaps were \$139.8 million and \$144.0 million, respectively. These interest rate swaps manage exposure to variability in expected cash flows attributable to interest rate risk. Interest rate swaps convert a portion of the Partnership's variable rate debt to fixed rate debt. The Partnership chooses counterparties for its derivative instruments that it believes are creditworthy at the time the transactions are entered into, and the Partnership actively monitors the creditworthiness where applicable. However, there can be no assurance that a counterparty will be able to meet its obligations to the Partnership. The Partnership presents its derivative positions on a gross basis and does not net the asset and liability positions.

As of March 31, 2022, the Partnership's interest rate swap agreements had a fair value of \$6.7 million and are recorded within other noncurrent assets within the unaudited condensed consolidated balance sheets. Changes in the derivative instruments' fair value are determined using level 2 inputs from the fair value hierarchy. For the three months ended March 31, 2022, the Company recorded a gain on interest rate swaps of \$7.0 million.

9. PARTNERS' CAPITAL AND MEZZANINE CAPITAL

Common Units. A rollforward of the number of issued and outstanding common limited partner units follows for the period from December 31, 2021 to March 31, 2022.

	Common Units
Units, December 31, 2021	7,169,834
Preferred Exchange Offer, net of units withheld for taxes	2,853,875
Common units issued for SMLP LTIP, net	142,271
Units, March 31, 2022	<u>10,165,980</u>

Series A Preferred Units. As of March 31, 2022, the Partnership had 65,508 Series A Preferred Units outstanding and \$15.5 million of accrued and unpaid distributions on its Series A Preferred Units.

Series A Preferred Unit Exchange Offer. In January 2022, the Partnership completed the Preferred Exchange Offer (the "Preferred Exchange Offer") and exchanged its Series A Preferred Units for newly issued common units, whereby it issued 2,853,875 SMLP common units, net of units withheld for withholding taxes, in exchange for 77,939 Series A Preferred Units. As a result of the transaction, the Partnership recognized a deemed contribution of \$20.9 million from the Series A Preferred Unit holders to the common unit holders.

Subsidiary Series A Preferred Units. The Partnership records its Subsidiary Series A Preferred Units at fair value upon issuance, net of issuance costs, and subsequently records an effective interest method accretion amount each reporting period to accrete the carrying value to a most probable redemption value that is based on a predetermined internal rate of return measure. If the Partnership elects to make payment-in-kind ("PIK") distributions to holders of its Subsidiary Series A Preferred Units, these PIK distributions increase the liquidation preference on each Subsidiary Series A Preferred Unit. Net Income (Loss) attributable to our common units includes adjustments for PIK distributions and redemption accretion.

During the three months ended March 31, 2022, the Partnership elected to make PIK distributions and issued 1,600 Subsidiary Series A Preferred Units to the holders of its Subsidiary Series A Preferred Units. As of March 31, 2022, the Partnership has 93,039 Subsidiary Series A Preferred Units issued and outstanding.

If the Subsidiary Series A Preferred Units were redeemed on March 31, 2022, the redemption amount would be \$116.6 million when considering the applicable multiple of invested capital metric and make-whole amount provisions contained in the Subsidiary Series A Preferred Unit agreement.

The following table shows the change in our Subsidiary Series A Preferred Unit balance from January 1, 2022 to March 31, 2022, net of \$2.7 million of unamortized issuance costs at March 31, 2022:

	(In thousands)
Balance at January 1, 2022	\$ 106,325
PIK distributions	1,600
Redemption accretion, net of issuance cost amortization	4,113
Balance at March 31, 2022	<u>\$ 112,038</u>

Warrants. On May 28, 2020, and in connection with the GP Buy-In Transaction, the Partnership issued (i) a warrant to purchase up to 537,307 SMLP common units (8,059,609 SMLP common units prior to the Reverse Unit Split) to SMP TopCo, LLC, a Delaware limited liability company and affiliate of ECP ("ECP NewCo") (the "ECP NewCo Warrant"), and (ii) a warrant to purchase up to 129,360 SMLP common units (1,940,391 SMLP common units prior to the Reverse Unit Split) to SMLP Holdings, LLC, a Delaware limited liability company and affiliate of ECP ("ECP Holdings" and together with ECP NewCo, the "ECP Entities") (the "ECP Holdings Warrant" and together with the ECP NewCo Warrant, the "ECP Warrants").

On August 5, 2021, the ECP Entities cashlessly exercised all of the ECP Warrants for an aggregate of 414,447 SMLP common units, net of the exercise price, as calculated pursuant to Section 3(c) of the ECP Warrants (the "ECP Warrant Exercise").

Cash Distribution Policy. In connection with the GP Buy-In Transaction, the Partnership suspended its cash distributions to holders of its common units, commencing with respect to the quarter ended March 31, 2020. Upon the resumption of distributions, the Partnership Agreement requires that it distribute all available cash, subject to reserves established by its General Partner, within 45 days after the end of each quarter to unitholders of record on the applicable record date. The amount of distributions paid under this policy is subject to fluctuations based on the amount of cash the Partnership generates from its business and the decision to make any distribution is determined by the General Partner, taking into consideration the terms of the Partnership Agreement. There were no distributions paid during the three months ended March 31, 2022 or during the twelve months ended December 31, 2021.

10. EARNINGS PER UNIT

The following table details the components of EPU.

	Three Months Ended March 31,	
	2022	2021
(In thousands, except per-unit amounts)		
Numerator for basic and diluted EPU:		
Allocation of net income (loss) among limited partner interests:		
Net income	\$ (5)	\$ 8,988
Net income attributable to Subsidiary Series A Preferred Units	(5,713)	(3,932)
Net income attributable to Summit Midstream Partners, LP	\$ (5,718)	\$ 5,056
Less: Net income attributable to Series A Preferred Units	\$ (2,220)	\$ (4,287)
Add: Deemed capital contribution from Preferred Exchange Offer	20,974	—
Net income attributable to common limited partners	\$ 13,036	\$ 769
Denominator for basic and diluted EPU:		
Weighted-average common units outstanding – basic	9,670	6,125
Effect of nonvested phantom units	222	135
Weighted-average common units outstanding – diluted	<u>9,892</u>	<u>6,260</u>
Net income per limited partner unit:		
Common unit – basic	\$ 1.35	\$ 0.13
Common unit – diluted	\$ 1.32	\$ 0.12
Nonvested anti-dilutive phantom units excluded from the calculation of diluted EPU	—	44

11. SUPPLEMENTAL CASH FLOW INFORMATION

	Three Months Ended March 31,	
	2022	2021
(In thousands)		
Supplemental cash flow information:		
Cash interest paid	\$ 3,474	\$ 12,885
Cash paid for taxes	\$ —	\$ —
Noncash investing and financing activities:		
Capital expenditures in trade accounts payable (period-end accruals)	\$ 4,258	\$ 5,613
Accretion of Subsidiary Series A Preferred Units, net of issuance cost amortization	\$ 4,113	\$ 2,438
Preferred Exchange Offer	\$ 92,587	\$ —

12. UNIT-BASED AND NONCASH COMPENSATION

SMLP Long-Term Incentive Plan. The Partnership's Long-Term Incentive Plan ("SMLP LTIP") provides for equity awards to eligible officers, employees, consultants and directors of the Partnership, thereby linking the recipients' compensation directly to SMLP's performance. Significant items to note:

- For the three-month period ended March 31, 2022, the Partnership granted 146,529 phantom units and associated distribution equivalent rights to employees in connection with the Partnership's annual incentive compensation

award cycle. These awards had a grant date fair value of \$14.21 per common unit and vest ratably over a 3-year period.

- For the three-month period ended March 31, 2022, the Partnership issued 38,664 common units to the Partnership’s six independent directors in connection with their annual compensation plan. These awards had a grant date fair value of \$14.21 per common unit and vested immediately.
- As of March 31, 2022, approximately 0.2 million common units remained available for future issuance under the SMLP LTIP.
- In connection with the Partnership’s upcoming Annual Meeting of Limited Partners, scheduled to be held on May10, 2022, the common unitholders of the Partnership will vote on a new long-term incentive plan. For additional information, please see the Partnership’s definitive proxy statement filed with the SEC on March 31, 2022.

13. COMMITMENTS AND CONTINGENCIES

Environmental Matters. Although the Partnership believes that it is in material compliance with applicable environmental regulations, the risk of environmental remediation costs and liabilities are inherent in pipeline ownership and operation. Furthermore, the Partnership can provide no assurances that significant environmental remediation costs and liabilities will not be incurred in the future. The Partnership is currently not aware of any material contingent liabilities that exist with respect to environmental matters, except as noted below.

As of March 31, 2022, the Partnership has recognized (i) a current liability for remediation effort expenditures expected to be incurred within the next 12 months and (ii) a noncurrent liability for estimated remediation expenditures expected to be incurred subsequent to December 31, 2022. Each of these amounts represent the Partnership’s best estimate for costs expected to be incurred. Neither of these amounts have been discounted to their present value.

A rollforward of the Partnership’s undiscounted accrued environmental remediation follows and is primarily related to the 2015 Blacktail Release and other environmental remediation activities, as detailed below.

	(In thousands)
Accrued environmental remediation, December 31, 2021	\$ 5,606
Payments made	(1,021)
Changes in estimates	117
Accrued environmental remediation, March 31, 2022	\$ 4,702

In 2015, the Partnership learned of the rupture of a four-inch produced water gathering pipeline on the Meadowlark Midstream system near Williston, North Dakota (“2015 Blacktail Release”). On August 4, 2021, subsidiaries of the Partnership entered into the following agreements to resolve the U.S. federal and North Dakota state governments’ environmental claims with respect to the 2015 Blacktail Release: (i) a Consent Decree with the U.S. Department of Justice (“DOJ”) and the State of North Dakota (“Consent Decree”); (ii) a Plea Agreement with the United States (“Plea Agreement”); and (iii) a Consent Agreement with the North Dakota Industrial Commission (“Consent Agreement” together with the Consent Decree and Plea Agreement, the “Global Settlement”). As of March 31, 2022 and December 31, 2021, the accrued loss liability for the 2015 Blacktail Release was \$33.2 million.

Key terms of the Global Settlement included (i) payment of penalties and fines totaling \$36.3 million, consisting of \$1.25 million in natural resource damages to the federal and state governments payable after court approval of the Global Settlement, \$25.0 million payable to the federal government over 5, and \$10.0 million payable to the state governments over six years, with interest applied to unpaid amounts accruing at a fixed rate of 3.25%, and of which \$5.6 million is expected to be paid within the next twelve months; (ii) continuation of remediation efforts at the site of the 2015 Blacktail Release; (iii) other injunctive relief including but not limited to control room management, environmental management system audit, training, and reporting; (iv) guilty pleas for (a) one charge of negligent discharge of a harmful quantity of oil and (b) one charge of knowing failure to immediately report a discharge of oil; and (v) organizational probation for a minimum period of three years from sentencing, including payment in full of certain components of the fines and penalty amounts. The agreements comprising the Global Settlement are subject to the approval of the U.S. District Court for the District of North Dakota (the “U.S. District Court”). The U.S. District Court entered an order making the civil components of the Global Settlement effective on September 28, 2021 and accepted the sentencing in the Plea Agreement on December 6, 2021, completing approval of the Global Settlement.

In conjunction with the criminal proceedings under the Plea Agreement, the U.S. District Court received two claims for restitution, including claims for diminution in property value and the cost of additional environmental testing. The prosecution notified the U.S District Court that the government declined to support the claims, citing “insufficient evidence to support the

claims.” Defendant subsidiary of the Partnership has responded that restitution is not applicable in this matter because claimants did not provide any supporting evidence for their claims that showed any harm, and because the plea agreement in this matter does not permit restitution sought by the claimants. The U.S. District Court has not yet ruled on the claims.

Subsidiaries of the Partnership are also participating in two proceedings before the U.S. Environmental Protection Agency (“EPA”) as a result of the Plea Agreement becoming effective. Following the U.S. District Court’s entering judgment on Defendant subsidiary’s guilty plea to one count of negligent discharge of produced water in violation of the Clean Water Act, Defendant subsidiary was statutorily debarred pursuant to 33 U.S.C. § 1368(a). Defendant has submitted a petition for reinstatement which is pending before the EPA. The Partnership and subsidiaries have also received a show cause notice from the EPA requesting us to “show cause” why EPA should not issue a Notice of Proposed Debarment to the Defendant subsidiary and its affiliates under 2 C.F.R. § 180.800(d), to which we are responding.

Legal Proceedings. The Partnership is involved in various litigation and administrative proceedings arising in the ordinary course of business. In the opinion of management, any liabilities that may result from these claims or those arising in the ordinary course of business would not individually or in the aggregate have a material adverse effect on the Partnership's financial position or results of operations.

14. SEGMENT INFORMATION

In accordance with ASC No. 280 - Segment Reporting, the Partnership routinely evaluates whether its reportable segments have changed. In the fourth quarter of 2021, the Partnership changed its segment reporting to align with how the General Partner’s Chief Executive Officer, its chief operating decision maker, reviews financial information in order to allocate resources and assess performance. The new segment reporting resulted from changes enacted to optimize commercial efforts and geographic workforce in order to better align its commercial, engineering, and operational capabilities. As a result of the revised reportable segment structure, the Partnership has recast the corresponding segment information for all periods presented.

As of March 31, 2022, the Partnership’s reportable segments are:

- **Rockies** – Includes the Partnership’s wholly owned midstream assets located in the Williston Basin and the DJ Basin.
- **Permian** – Includes the Partnership’s wholly owned midstream assets located in the Permian Basin and the equity method investment in Double E.
- **Northeast** – Includes the Partnership’s wholly owned midstream assets located in the Utica and Marcellus shale plays and the equity method investment in Ohio Gathering that is focused on the Utica Shale.
- **Piceance** – Includes the Partnership’s wholly owned midstream assets located in the Piceance Basin.
- **Barnett** – Includes the Partnership’s wholly owned midstream assets located in the Barnett Shale.

Corporate and Other represents those results that: (i) are not specifically attributable to a reportable segment; (ii) are not individually reportable; or (iii) have not been allocated to a reportable segment for the purpose of evaluating their performance, including certain general and administrative expense items, certain natural gas and crude oil marketing services and transaction costs.

Assets by reportable segment follow.

	March 31, 2022	December 31, 2021
	(In thousands)	
Assets:		
Northeast	\$ 615,166	\$ 623,224
Rockies	581,572	592,148
Permian	462,670	458,988
Piceance	515,844	524,218
Barnett	309,887	315,055
Total reportable segment assets	2,485,139	2,513,633
Corporate and Other	9,641	8,829
Total assets	\$ 2,494,780	\$ 2,522,462

Segment adjusted EBITDA by reportable segment follows.

	Three Months Ended March 31,	
	2022	2021
	(In thousands)	
Reportable segment adjusted EBITDA		
Northeast	\$ 20,068	\$ 20,193
Rockies	15,830	16,152
Permian	4,149	1,250
Piceance	15,768	21,034
Barnett	9,286	8,016
Total of reportable segments' measures of profit	\$ 65,101	\$ 66,645

A reconciliation of income or loss before income taxes and income from equity method investees to total of reportable segments' measures of profit follows.

	Three Months Ended March 31,	
	2022	2021
	(In thousands)	
Reconciliation of income (loss) before income taxes and income from equity method investees to total of reportable segments' measures of profit:		
Income (loss) before income taxes and income from equity method investees	\$ (3,990)	\$ 6,659
Add:		
Corporate and Other expense	3,818	8,337
Interest expense	24,163	13,953
Depreciation and amortization ⁽¹⁾	30,679	28,746
Proportional adjusted EBITDA for equity method investees	10,452	6,872
Adjustments related to capital reimbursement activity	(1,728)	(1,245)
Unit-based and noncash compensation	1,690	1,967
Gain on asset sales, net	3	(136)
Long-lived asset impairment	14	1,492
Total of reportable segments' measures of profit	\$ 65,101	\$ 66,645

⁽¹⁾ Includes the amortization expense associated with our favorable gas gathering contracts as reported in other revenues.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

This Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”) is intended to inform the reader about matters affecting the financial condition and results of operations of the Partnership and its subsidiaries for the periods since December 31, 2021. As a result, the following discussion should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto included in this report and the MD&A and the audited consolidated financial statements and related notes that are included in the Partnership’s Annual Report on Form 10-K for the year ended December 31, 2021 (the “2021 Annual Report”). Among other things, those financial statements and the related notes include more detailed information regarding the basis of presentation for the following information. This discussion contains forward-looking statements that constitute our plans, estimates and beliefs. These forward-looking statements involve numerous risks and uncertainties, including, but not limited to, those discussed in Forward-Looking Statements. Actual results may differ materially from those contained in any forward-looking statements.

Overview

We are a value-driven limited partnership focused on developing, owning and operating midstream energy infrastructure assets that are strategically located in unconventional resource basins, primarily shale formations, in the continental United States.

Our financial results are driven primarily by volume throughput across our gathering systems and by expense management. We generate the majority of our revenues from the gathering, compression, treating and processing services that we provide to our customers. A majority of the volumes that we gather, compress, treat and/or process have a fixed-fee rate structure which enhances the stability of our cash flows by providing a revenue stream that is not subject to direct commodity price risk. We also earn a portion of our revenues from the following activities that directly expose us to fluctuations in commodity prices: (i) the sale of physical natural gas and/or NGLs purchased under percentage-of-proceeds or other processing arrangements with certain of our customers in the Rockies, Piceance, and Permian segments, (ii) the sale of natural gas we retain from certain Barnett segment customers, (iii) the sale of condensate we retain from our gathering services in the Piceance segment and (iv) additional gathering fees that are tied to the performance of certain commodity price indexes which are then added to the fixed gathering rates.

We also have indirect exposure to changes in commodity prices such that persistently low commodity prices may cause our customers to delay and/or cancel drilling and/or completion activities or temporarily shut-in production, which would reduce the volumes of natural gas and crude oil (and associated volumes of produced water) that we gather. If certain of our customers cancel or delay drilling and/or completion activities or temporarily shut-in production, the associated MVCs, if any, ensure that we will earn a minimum amount of revenue. Commodity prices have increased and remain at higher levels primarily due to Russia’s invasion of Ukraine beginning in February 2022, which mitigates the risk of cancelled or delayed drilling and/or completion activities.

The following table presents certain consolidated and reportable segment financial data. For additional information on our reportable segments, see the "Segment Overview for the Three Months Ended March 31, 2022 and 2021" section included herein.

	Three Months Ended March 31,	
	2022	2021
(In thousands)		
Net income (loss)	\$ (5)	\$ 8,988
Reportable segment adjusted EBITDA		
Northeast	\$ 20,068	\$ 20,193
Rockies	15,830	16,152
Permian	4,149	1,250
Piceance	15,768	21,034
Barnett	9,286	8,016
Net cash provided by operating activities	\$ 46,046	\$ 51,430
Capital expenditures ⁽¹⁾	8,703	2,610
Investment in Double E equity method investee ⁽²⁾	8,444	5,619
Repayments on Revolving Credit Facility	—	(55,000)
Repayments on Permian Transmission Term Loan	(1,095)	—
Borrowings under Permian Transmission Credit Facility	—	17,500
Repayments on ABL Facility	(34,000)	—

⁽¹⁾ See "Liquidity and Capital Resources" herein to the unaudited condensed consolidated financial statements for additional information on capital expenditures.

⁽²⁾ Inclusive of \$1.0 million of capitalized interest for the three months ended March 31, 2021. There was no capitalized interest recorded for the three months ended March 31, 2022.

Trends and Outlook

Our business has been, and we expect our future business to continue to be, affected by the following key trends:

- Ongoing impact of the COVID-19 pandemic and fluctuations in demand for oil and natural gas;
- Ongoing impact of the current Russia-Ukraine conflict and the international sanctions against Russia on commodity prices;
- Natural gas, NGL and crude oil supply and demand dynamics;
- Production from U.S. shale plays;
- Capital markets availability and cost of capital; and
- Inflation and shifts in operating costs.

Our expectations are based on assumptions made by us and information currently available to us. To the extent our underlying assumptions about, or interpretations of, available information prove to be incorrect, our actual results may vary materially from our expected results. For additional information, see the "Trends and Outlook" section of MD&A included in the 2021 Annual Report.

Ongoing impact of the COVID-19 pandemic and fluctuations in demand for oil and natural gas. We continue to closely monitor the impact of the COVID-19 pandemic, including its variants, on all aspects of our business, including how it has impacted and will impact our customers, employees, supply chain and distribution network. We are unable to predict the broader implications of and the ultimate impact that COVID-19, its variants and related factors may have on our business, future results of operations, financial position or cash flows. Given the dynamic nature of the COVID-19 pandemic and related market conditions, we cannot reasonably estimate the period of time that these events will persist or the full extent of the impact they will have on our business. The extent to which our operations continue to be impacted by the COVID-19 pandemic will

depend largely on future developments, which remain highly uncertain and cannot be accurately predicted, including changes in the severity of the pandemic, countermeasures taken by governments, businesses and individuals to slow the spread of the pandemic, and the development and availability of treatments and the extent to which these treatments and vaccines may remain effective as potential new strains of the coronavirus emerge.

We have collaborated extensively with our customer base regarding impacts to their drilling and completion activities in light of the COVID-19 pandemic. Based on recently updated production forecasts and 2022 development plans from our customers, we currently expect that 2022 activity will be lower than historical periods prior to COVID-19, notwithstanding the recent increase in commodity prices primarily driven by Russia's invasion of Ukraine in February 2022.

Ongoing impact of the current Russia-Ukraine conflict and the international sanctions against Russia on commodity prices. In February of 2022, Russia invaded Ukraine and is still engaged in active armed conflict against the country. As a result, governments in the European Union, the United States and other countries have enacted additional sanctions against Russia, certain of its citizens and Russian interests.

Although the Partnership does not operate in Ukraine, Russia or other parts of Europe, there are certain impacts arising from Russia's invasion of Ukraine that could have a potential effect on the Partnership, including, but not limited to, volatility in currencies and commodity prices, higher inflation, cost and supply chain pressures and availability and disruptions in banking systems and capital markets. As of the date of filing, there have been no material impacts.

Cost structure optimization and portfolio management. The Partnership intends to optimize its capital structure in the future by reducing its indebtedness with free cash flow and when appropriate, it may pursue opportunistic transactions with the objective of increasing long term unitholder value. This may include opportunistic acquisitions, divestitures, re-allocation of capital to new or existing areas, and development of joint ventures involving our existing midstream assets or new investment opportunities. We believe that our internally generated cash flow, our ABL Facility, the Permian Term Loan Facility, and access to debt or equity will be adequate to finance our strategic initiatives. To attain our overall corporate strategic objectives, we may conduct an asset divestiture, or divestitures, at a transaction valuation that is less than the net book value of the divested asset.

How We Evaluate Our Operations

We conduct and report our operations in the midstream energy industry through five reportable segments: Northeast, Rockies, Permian, Piceance and Barnett. Each of our reportable segments provides midstream services in a specific geographic area and our reportable segments reflect the way in which we internally report the financial information used to make decisions and allocate resources in connection with our operations. For additional information see Note 14 - Segment Information.

Our management uses a variety of financial and operational metrics to analyze our consolidated and segment performance. We view these metrics as important factors in evaluating our profitability. These metrics include:

- throughput volume;
- revenues;
- operation and maintenance expenses;
- capital expenditures; and
- segment adjusted EBITDA.

We review these metrics on a regular basis for consistency and trend analysis. There have been no changes in the composition or characteristics of these metrics during the three months ended March 31, 2022.

Additional Information. For additional information, see the "Results of Operations" section herein and the notes to the unaudited condensed consolidated financial statements. For additional information on how these metrics help us manage our business, see the "How We Evaluate Our Operations" section of MD&A included in the 2021 Annual Report. For information on impending accounting changes that are expected to materially impact our financial results reported in future periods, see Note 2 – Summary of Significant Accounting Policies and Recently Issued Accounting Standards applicable to the Partnership.

Results of Operations

Consolidated Overview for the Three Months Ended March 31, 2022 and 2021

The following table presents certain consolidated financial and operating data.

	Three Months Ended March 31,	
	2022	2021
(In thousands)		
Revenues:		
Gathering services and related fees	\$ 64,020	\$ 70,348
Natural gas, NGLs and condensate sales	22,458	20,763
Other revenues	9,648	8,207
Total revenues	96,126	99,318
Costs and expenses:		
Cost of natural gas and NGLs	22,251	20,476
Operation and maintenance	17,062	16,593
General and administrative	12,960	10,344
Depreciation and amortization	30,445	28,511
Transaction costs	246	—
(Gain) loss on asset sales, net	3	(136)
Long-lived asset impairment	14	1,492
Total costs and expenses	82,981	77,280
Other income, net	—	55
Gain (loss) on interest rate swaps	7,028	(6)
Loss on ECP Warrants	—	(1,475)
Interest expense	(24,163)	(13,953)
Income (loss) before income taxes and equity method investment income	(3,990)	6,659
Income tax (expense) benefit	(50)	14
Income from equity method investees	4,035	2,315
Net income (loss)	\$ (5)	\$ 8,988
Volume throughput ⁽¹⁾:		
Aggregate average daily throughput - natural gas (MMcf/d)	1,306	1,346
Aggregate average daily throughput - liquids (Mbbbl/d)	65	65

(1) Excludes volume throughput for Ohio Gathering and Double E. For additional information, see the Northeast and Permian sections herein under the caption “Segment Overview for the Three Months Ended March 31, 2022 and 2021”.

Volumes – Gas.

Natural gas throughput volumes decreased 40 MMcf/d for the three months ended March 31, 2022 compared to the three months ended March 31, 2021, primarily reflecting:

- a volume throughput increase of 2 MMcf/d for the Barnett segment.
- a volume throughput decrease of 6 MMcf/d for the Northeast segment.
- a volume throughput decrease of 28 MMcf/d for the Piceance segment.
- a volume throughput decrease of 2 MMcf/d for the Permian segment.
- a volume throughput decrease of 6 MMcf/d for the Rockies segment.

Volumes – Liquids.

Crude oil and produced water throughput volumes at the Rockies segment remained flat for the three months ended March 31, 2022, compared to the three months ended March 31, 2021, primarily as a result of 31 new well connections that came online subsequent to March 31, 2021, offset by natural production declines and weather related downtime.

For additional information on volumes, see the "Segment Overview for the Three Months Ended March 31, 2022 and 2021" section herein.

Revenues. Total revenues decreased \$3.2 million during the three months ended March 31, 2022 compared to the prior year period, comprised of a \$1.7 million increase in natural gas, NGLs and condensate sales, a \$1.4 million increase in Other Revenue; offset by a \$6.3 million decrease in gathering services and related fees.

Gathering Services and Related Fees. Gathering services and related fees decreased \$6.3 million compared to the three months ended March 31, 2021, primarily reflecting:

- a \$4.7 million decrease in gathering services and related fees in the Piceance, primarily due to decreased volume throughput; and
- a \$1.1 million decrease in gathering services and related fees in the Rockies, primarily as a result of a decrease in natural gas volume throughput as well as the expiration of a customer's minimum volume commitment contract in the DJ basin.

Natural Gas, NGLs and Condensate Sales. Natural gas, NGLs and condensate revenues increased \$1.7 million compared to the three months ended March 31, 2021, primarily reflecting:

- a \$1.3 million increase in revenues in the Rockies, primarily as a result of increased commodity prices.

Costs and Expenses. Total costs and expenses increased \$5.7 million during the three months ended March 31, 2022 compared to the three months ended March 31, 2021.

Cost of Natural Gas and NGLs. Cost of natural gas and NGLs increased \$1.8 million for the three months ended March 31, 2022 compared to the three months ended March 31, 2021, primarily driven by an increase in commodity prices.

Operation and Maintenance. Operation and maintenance expense increased \$0.5 million for the three months ended March 31, 2022 compared to the three months ended March 31, 2021.

General and Administrative. General and administrative expense increased \$2.6 million for the three months ended March 31, 2022 compared to the three months ended March 31, 2021, primarily related to increased employee severance costs of \$2.4 million during the three months ended March 31, 2022 and an increase in employee salaries and wages.

Depreciation and Amortization. Depreciation and amortization expense increased \$1.9 million for the three months ended March 31, 2022 compared to the three months ended March 31, 2021 as a result of increased depreciation expense on certain gas processing equipment.

Interest Expense. Interest expense increased \$10.2 million for the three months ended March 31, 2022, compared to the three months ended March 31, 2021, primarily due to higher interest costs resulting from the issuance of the 2026 Secured Notes and borrowings on the Permian Transmission Term Loan, partially offset by the repayment of the 2022 Senior Notes and Revolving Credit Facility.

Segment Overview for the Three Months Ended March 31, 2022 and 2021

Northeast

Volume throughput for the Northeast reportable segment follows.

	Northeast		
	Three Months Ended March 31,		Percentage Change
	2022	2021	
Average daily throughput (MMcf/d)	741	747	(1)%
Average daily throughput (MMcf/d) (Ohio Gathering)	598	558	7%

Volume throughput for the Northeast, excluding Ohio Gathering, decreased 1% compared to the three months ended March 31, 2021, primarily due to natural production declines, partially offset by 33 well connections that came online subsequent to March 31, 2021.

Volume throughput for the Ohio Gathering system increased 7% compared to the three months ended March 31, 2021, primarily as a result of 17 new well connections that came online subsequent to March 31, 2021, partially offset by natural production declines.

Financial data for our Northeast reportable segment follows.

	Northeast		
	Three Months Ended March 31,		Percentage Change
	2022	2021	
(In thousands)			
Revenues:			
Gathering services and related fees	\$ 14,636	\$ 14,773	(1)%
Total revenues	14,636	14,773	(1)%
Costs and expenses:			
Operation and maintenance	1,647	1,280	29%
General and administrative	183	151	21%
Depreciation and amortization	4,300	4,231	—
Gain on asset sales, net	(10)	(62)	*
Long-lived asset impairment	—	138	*
Total costs and expenses	6,120	5,738	7%
Add:			
Depreciation and amortization	4,300	4,231	
Adjustments related to capital reimbursement activity	(20)	(21)	
Gain on asset sales, net	(10)	(62)	
Long-lived asset impairment	—	138	
Proportional adjusted EBITDA for Ohio Gathering	7,276	6,872	
Other	6	—	
Segment adjusted EBITDA	\$ 20,068	\$ 20,193	(1)%

* Not considered meaningful

Three months ended March 31, 2022. Segment adjusted EBITDA decreased \$0.1 million compared to the three months ended March 31, 2021 primarily as a result of a \$0.4 million increase in operations and maintenance expense for the three months ended March 31, 2022, partially offset by a \$0.4 million increase in proportional adjusted EBITDA from Ohio Gathering.

Rockies.

Volume throughput for our Rockies reportable segment follows.

	Rockies		
	Three Months Ended March 31,		Percentage Change
	2022	2021	
Aggregate average daily throughput - natural gas (MMcf/d)	29	35	(17%)
Aggregate average daily throughput - liquids (Mbbbl/d)	65	65	0%

Natural gas. Natural gas volume throughput decreased 17% compared to the three months ended March 31, 2021, primarily reflecting natural production declines and weather related downtime, partially offset by three new well connections that came online subsequent to March 31, 2021.

Liquids. Liquids volume throughput remained flat compared to the three months ended March 31, 2021, primarily associated with 31 new well connections that came online subsequent to March 31, 2021, partially offset by natural production declines and operational and weather related downtime.

Financial data for our Rockies reportable segment follows.

	Rockies		
	Three Months Ended March 31,		Percentage Change
	2022	2021	
(In thousands)			
Revenues:			
Gathering services and related fees	\$ 17,789	\$ 18,896	(6)%
Natural gas, NGLs and condensate sales	13,659	12,337	11%
Other revenues	5,157	5,210	(1)%
Total revenues	<u>36,605</u>	<u>36,443</u>	0%
Costs and expenses:			
Cost of natural gas and NGLs	13,422	12,342	9%
Operation and maintenance	6,212	6,836	(9)%
General and administrative	684	672	2%
Depreciation and amortization	7,448	7,473	0%
Gain on asset sales, net	14	(17)	(182)%
Long-lived asset impairment	13	95	*
Total costs and expenses	<u>27,793</u>	<u>27,401</u>	1%
Add:			
Depreciation and amortization	7,448	7,473	
Adjustments related to capital reimbursement activity	(478)	(464)	
Gain on asset sales, net	14	(17)	
Long-lived asset impairment	13	95	
Other	21	23	
Segment adjusted EBITDA	<u>\$ 15,830</u>	<u>\$ 16,152</u>	(2)%

* Not considered meaningful

Three months ended March 31, 2022. Segment adjusted EBITDA decreased \$0.3 million compared to the three months ended March 31, 2021 primarily due to lower natural gas volume throughput on our systems as previously discussed, as well as the expiration of a customer's minimum volume commitment contract in the DJ basin, partially offset by \$0.6 million of lower operating and maintenance expenses.

Permian.

Volume throughput for our Permian reportable segment follows.

	Permian		
	Three Months Ended March 31,		Percentage Change
	2022	2021	
Average daily throughput (MMcf/d)	27	29	(7%)
Average daily throughput (MMcf/d) (Double E)	187	—	n/a

Volume throughput, excluding Double E, decreased compared to the three months ended March 31, 2021, primarily as a result of natural production declines, partially offset by four new connections that came online subsequent to March 31, 2021.

Double E commenced operations during November 2021. Volume throughput for Double E for the three months ended March 31, 2021 averaged 187 MMcf per day.

The following table presents the MVC quantities that Double E's shippers have contracted to with firm transportation service agreements and related negotiated rate agreements.

(Amounts in MMBTU/day)	2022	2023	2024	2025	2026-2031
Weighted average MVC quantities for the year ended December 31,	622,603	839,247	990,205	1,000,000	5,835,616

Financial data for our Permian reportable segment follows.

	Permian		
	Three Months Ended March 31,		Percentage Change
	2022	2021	
	(In thousands)		
Revenues:			
Gathering services and related fees	\$ 1,847	\$ 2,199	(16%)
Natural gas, NGLs and condensate sales	6,867	6,518	5%
Other revenues	1,019	759	34%
Total revenues	9,733	9,476	3%
Costs and expenses:			
Cost of natural gas and NGLs	7,092	7,016	1%
Operation and maintenance	1,304	992	31%
General and administrative	363	218	67%
Depreciation and amortization	1,497	1,469	2%
Total costs and expenses	10,256	9,695	6%
Add:			
Depreciation and amortization	1,497	1,469	
Proportional adjusted EBITDA for Double E	3,175	—	
Segment adjusted EBITDA	\$ 4,149	\$ 1,250	232%

*Not considered meaningful

Three months ended March 31, 2022. Segment adjusted EBITDA increased \$2.9 million compared to the three months ended March 31, 2021, primarily reflecting an increase in proportional adjusted EBITDA from Double E.

Piceance.

Volume throughput for our Piceance reportable segment follows.

	Piceance		
	Three Months Ended March 31,		Percentage Change
	2022	2021	
Aggregate average daily throughput (MMcf/d)	312	340	(8%)

Volume throughput decreased 8% compared to the three months ended March 31, 2021, as a result of natural production declines, partially offset by 9 new well connections that came online in October 2021.

Financial data for our Piceance reportable segment follows.

	Piceance		
	Three Months Ended March 31,		Percentage Change
	2022	2021	
	(In thousands)		
Revenues:			
Gathering services and related fees	\$ 20,071	\$ 24,784	(19%)
Natural gas, NGLs and condensate sales	1,895	1,853	2%
Other revenues	1,275	1,177	8%
Total revenues	<u>23,241</u>	<u>27,814</u>	(16%)
Costs and expenses:			
Cost of natural gas and NGLs	1,108	1,119	(1)%
Operation and maintenance	5,273	4,942	7%
General and administrative	328	298	10%
Depreciation and amortization	12,780	10,873	18%
Gain on asset sales, net	—	(57)	*
Long-lived asset impairment	—	970	*
Total costs and expenses	<u>19,489</u>	<u>18,145</u>	7%
Add:			
Depreciation and amortization	12,780	10,873	
Adjustments related to capital reimbursement activity	(899)	(427)	
Gain on asset sales, net	—	(57)	
Long-lived asset impairment	—	970	
Other	135	6	
Segment adjusted EBITDA	<u>\$ 15,768</u>	<u>\$ 21,034</u>	(25%)

*Not considered meaningful

Three months ended March 31, 2022. Segment adjusted EBITDA decreased \$5.3 million compared to the three months ended March 31, 2021, primarily reflecting a decrease in volume throughput as a result of natural production declines as discussed above as well as \$3.3 million in reduced revenue related to the expiration of a customer's minimum volume commitment contract in 2021.

Barnett.

Volume throughput for our Barnett reportable segment follows.

	Barnett		
	Three Months Ended March 31,		Percentage Change
	2022	2021	
Average daily throughput (MMcf/d)	197	195	1%

Volume throughput increased 1% compared to the three months ended March 31, 2021, primarily as a result of seven wells that were commissioned in the third quarter of 2021, partially offset by natural production declines.

Financial data for our Barnett reportable segment follows.

	Barnett		
	Three Months Ended March 31,		Percentage Change
	2022	2021	
	(In thousands)		
Revenues:			
Gathering services and related fees	\$ 9,677	\$ 9,696	0%
Natural gas, NGLs and condensate sales	—	55	(100%)
Other revenues ⁽¹⁾	2,063	1,061	94%
Total revenues	11,740	10,812	9%
Costs and expenses:			
Operation and maintenance	2,124	2,464	(14%)
General and administrative	242	235	3%
Depreciation and amortization	3,792	3,797	—
Long-lived asset impairment	—	289	*
Total costs and expenses	6,158	6,785	(9%)
Add:			
Depreciation and amortization	4,026	4,031	
Adjustments related to capital reimbursement activity	(327)	(331)	
Long-lived asset impairment	—	289	
Other	5	—	
Segment adjusted EBITDA	\$ 9,286	\$ 8,016	16%

*Not considered meaningful

(1) Includes the amortization expense associated with our favorable gas gathering contracts as reported in Other revenues.

Three months ended March 31, 2022. Segment adjusted EBITDA increased \$1.3 million compared to the three months ended March 31, 2021, primarily as a result of a \$1.0 million increase in other revenues for the three months ended March 31, 2022.

Corporate and Other Overview for the Three Months Ended March 31, 2022 and 2021

Corporate and Other represents those results that are not specifically attributable to a reportable segment or that have not been allocated to our reportable segments, including certain general and administrative expense items, natural gas and crude oil marketing services, transaction costs and interest expense.

	Corporate and Other		
	Three Months Ended March 31,		Percentage Change
	2022	2021	
	(In thousands)		
Revenues:			
Total revenues	\$ 171	\$ —	*
Costs and expenses:			
Operation and maintenance	502	79	*
General and administrative	11,157	9,005	24%
Transaction costs	246	—	*
Interest expense	24,163	13,953	73%

* Not considered meaningful

General and Administrative. General and administrative expense increased by 2.2 million, compared to the three months ended March 31, 2021, primarily related to increased employee severance costs of \$2.4 million during the three months ended March 31, 2022 and an increase in employee salaries and wages.

Interest Expense. The increase in interest expense for the three months ended March 31, 2022, compared to three months ended March 31, 2021, was primarily due to higher interest costs resulting from the issuance of the 2026 Secured Notes and borrowings on the Permian Transmission Term Loan, partially offset by the repayment of the 2022 Senior Notes and Revolving Credit Facility.

Liquidity and Capital Resources

We rely primarily on internally generated cash flows as well as external financing sources, including our ABL Facility, and the issuance of debt, equity and preferred equity securities, and proceeds from potential asset divestitures to fund our capital expenditures. We believe that our ABL Facility and Permian Transmission Credit Facility, together with internally generated cash flows and access to debt or equity capital markets, will be adequate to finance our operations for the next twelve months without adversely impacting our liquidity.

We may enter into off-balance sheet arrangements and transactions that can give rise to material off-balance sheet obligations. As of March 31, 2022, our material off-balance sheet arrangements and transactions include (i) letters of credit outstanding against our ABL Facility aggregating to \$18.4 million, (ii) letters of credit outstanding against our Permian Transmission Credit Facility aggregating to \$5.5 million, and (iii) outstanding surety bonds aggregating to \$2.0 million. There are no other transactions, arrangements or other relationships with unconsolidated entities or other persons that are reasonably likely to materially affect our liquidity or availability of our capital resources.

Indebtedness Compliance as of March 31, 2022. As of March 31, 2022, we were in compliance with all covenants contained in the Senior Notes, ABL Facility and the Permian Transmission Credit Facility. The ABL Facility requires that Summit Holdings not permit (i) the First Lien Net Leverage Ratio (as defined in the ABL Agreement) as of the last day of any fiscal quarter to be greater than 2.50:1.00, or (ii) the Interest Coverage Ratio (as defined in the ABL Agreement) as of the last day of any fiscal quarter to be less than 2.00:1.00. As of March 31, 2022, the First Lien Net Leverage Ratio and Interest Coverage Ratio was 0.97:1.00 and 2.72:1.00, respectively.

Credit Agreements and Financing Activities

ABL Facility. As of March 31, 2022, we had a \$400.0 million revolving ABL Facility with a maturity date of May 1, 2026. As of March 31, 2022, the outstanding balance of the ABL Facility was \$233.0 million and the available borrowing capacity totaled \$148.6 million after giving effect to the issuance thereunder of \$18.4 million of outstanding but undrawn irrevocable standby letters of credit.

We may in the future use a combination of cash, secured or unsecured borrowings and issuances of our common units or other securities and the proceeds from asset sales to retire or refinance our outstanding debt or Series A Preferred Units through privately negotiated transactions, open market repurchases, redemptions, exchange offers, tender offers or otherwise, but we are under no obligation to do so.

LIBOR Transition

LIBOR is the basic rate of interest widely used as a reference for setting the interest rates on loans globally. In 2017, the United Kingdom’s Financial Conduct Authority, which regulates LIBOR, announced that it intended to phase out LIBOR by the end of 2021. The U.S. Federal Reserve, in conjunction with the Alternative Reference Rates Committee, a steering committee comprised of large U.S. financial institutions, is considering replacing U.S. dollar LIBOR with a new index, the Secured Overnight Financing Rate (“SOFR”), calculated using short-term repurchase agreements backed by Treasury securities. After December 31, 2021, the United Kingdom ceased publications of certain LIBOR tenors and expects to cease publications of all USD LIBOR tenors after June 30, 2023. We are evaluating the potential impact of the eventual replacement of the LIBOR benchmark interest rate, however, we are not able to predict when LIBOR will cease to be available, whether SOFR will become a widely accepted benchmark in place of LIBOR or what the impact of such a possible transition to SOFR may be on our business, financial condition and results of operations.

The ABL Facility includes an ability of the administrative agent to transition loans based on LIBOR to loans based on term SOFR or daily simple SOFR. The adjustment rate upon a transition to term SOFR is 11.448 bps for a one-month tenor, 26.161 bps for a three-month tenor, 42.826 for a six-month tenor, and 71.513 for a twelve-month tenor. This transition has not yet occurred with the ABL Facility.

Cash Flows

The components of the net change in cash and cash equivalents were as follows:

	Three Months Ended March 31,	
	2022	2021
	(In thousands)	
Net cash provided by operating activities	\$ 46,046	\$ 51,430
Net cash used in investing activities	(15,297)	(229)
Net cash used in financing activities	(37,841)	(42,445)
Net change in cash, cash equivalents and restricted cash	<u>\$ (7,092)</u>	<u>\$ 8,756</u>

Operating activities.

Cash flows provided by operating activities for the three months ended March 31, 2022 primarily reflected:

- a \$12.5 million increase in working capital accounts; and
- positive adjustments of \$33.6 million for non-cash operating items.

Cash flows provided by operating activities for the three months ended March 31, 2021 primarily reflected:

- net income of \$9.0 million plus adjustments of \$39.5 million for non-cash items; and
- \$2.9 million increase in working capital accounts.

Investing activities.

Cash flows used in investing activities during the three months ended March 31, 2022 primarily reflected:

- \$8.4 million for investments in the Double E Project;
- \$8.7 million cash outflow for capital expenditures; offset by
- \$1.9 million of cash proceeds from the sale of a compressor.

Cash flows used in investing activities during the three months ended March 31, 2021 primarily reflected:

- \$5.6 million for cash investments in the Double E Project;
- \$2.6 million cash outflow for capital expenditures; offset by
- \$8.0 million of cash proceeds from the sale of compressors.

Financing activities.

Cash flows used in financing activities during the three months ended March 31, 2022 primarily reflected:

- \$34.0 million of cash outflow for repayments on the ABL Facility.

Cash flows used in financing activities during the three months ended March 31, 2021 primarily reflected:

- \$55.0 million of cash outflow for repayments on the Revolving Credit Facility; offset by
- \$17.5 million from borrowings under the Permian Transmission Credit Facility.

Capital Requirements

Overall.

Our business is capital intensive, requiring significant investment for the maintenance of existing gathering systems and the acquisition or construction and development of new gathering systems and other midstream assets and facilities. Our Partnership Agreement requires that we categorize our capital expenditures as either:

- maintenance capital expenditures, which are cash expenditures (including expenditures for the addition or improvement to, or the replacement of, our capital assets or for the acquisition of existing, or the construction or development of new, capital assets) made to maintain our long-term operating income or operating capacity; or
- expansion capital expenditures, which are cash expenditures incurred for acquisitions or capital improvements that we expect will increase our operating income or operating capacity over the long term.

For the three months ended March 31, 2022, cash paid for capital expenditures totaled \$8.7 million which included \$2.9 million of maintenance capital expenditures. For the three months ended March 31, 2022, there were no contributions to Ohio Gathering and we contributed \$8.4 million to Double E.

We rely primarily on internally generated cash flows as well as external financing sources, including commercial bank borrowings and the issuance of debt, equity and preferred equity securities, and proceeds from potential asset divestitures to fund our capital expenditures. We believe that our internally generated cash flows, our ABL Facility and the Permian Transmission Credit Facility, and access to debt or equity capital markets, will be adequate to finance our operations for the next twelve months without adversely impacting our liquidity.

Considering the current commodity price backdrop and continued uncertainty regarding impacts from the COVID-19 pandemic, we will remain disciplined with respect to future capital expenditures.

There are a number of risks and uncertainties that could cause our current expectations to change, including, but not limited to, (i) the ability to reach agreements with third parties; (ii) prevailing conditions and outlook in the natural gas, crude oil and NGLs and markets and (iii) our ability to obtain financing from commercial banks, the capital markets, or other financing sources.

Excess Cash Flow Offers to Purchase.

Starting in the first quarter of 2023 with respect to the fiscal year ended 2022, and continuing annually through fiscal year 2025, the Partnership is required under the terms of the 2026 Secured Notes Indenture to, if it has Excess Cash Flow (as defined in the 2026 Secured Notes Indenture), and subject to its ability to make such an offer under the ABL Credit Facility, offer to purchase an amount of the 2026 Secured Notes, at 100% of the principal amount plus accrued and unpaid interest, equal to 100% of the Excess Cash Flow generated in the prior year.

Generally, if the Partnership does not offer to purchase designated annual amounts of its 2026 Secured Notes or reduce its first lien capacity under the 2026 Secured Notes Indenture per annum from 2023 through 2025, the interest rate on the 2026 Secured Notes are subject to certain rate escalations. Per the terms of the 2026 Secured Notes Indenture, the designated amounts are

\$50.0 million in aggregate by April 1, 2023, otherwise the interest rate shall automatically increase by 50 basis points per annum; \$100.0 million in aggregate by April 1, 2024, otherwise the interest rate shall automatically increase by 100 basis points per annum (minus any amount previously increased); and \$200.0 million in aggregate by April 1, 2025, otherwise the interest rate shall automatically increase by 200 basis points per annum (minus any amount previously increased).

To the extent the Partnership makes an offer to purchase, and the offer is not fully accepted by the holders of the 2026 Secured Notes, the Partnership may use any remaining amount not accepted for any purpose not prohibited by the 2026 Secured Notes Indenture or the ABL Facility.

Credit and Counterparty Concentration Risks

We examine the creditworthiness of counterparties to whom we extend credit and manage our exposure to credit risk through credit analysis, credit approval, credit limits and monitoring procedures, and for certain transactions, we may request letters of credit, prepayments or guarantees.

Certain of our customers may be temporarily unable to meet their current obligations. While this may cause disruption to cash flows, we believe that we are properly positioned to deal with the potential disruption because the vast majority of our gathering assets are strategically positioned at the beginning of the midstream value chain. The majority of our infrastructure is connected directly to our customers' wellheads and pad sites, which means our gathering systems are typically the first third-party infrastructure through which our customers' commodities flow and, in many cases, the only way for our customers to get their production to market.

We have exposure due to nonperformance under our MVC contracts whereby a potential customer, may not have the wherewithal to make its MVC shortfall payments when they become due. We typically receive payment for all prior-year MVC shortfall billings in the quarter immediately following billing. Therefore, our exposure to risk of nonperformance is limited to and accumulates during the current year-to-date contracted measurement period.

Off-Balance Sheet Arrangements

During the three months ended March 31, 2022, there were no material changes to the off-balance sheet obligations disclosed in our 2021 Annual Report.

Summarized Financial Information

The supplemental summarized financial information below reflects SMLP's separate accounts, the combined accounts of the Summit Holdings and Finance Corp. (together, the "Co-Issuers") and its guarantor subsidiaries (the "Guarantor Subsidiaries" and together with the Co-Issuers, the "Obligor Group") for the dates and periods indicated. The financial information of the Obligor Group is presented on a combined basis and intercompany balances and transactions between the Co-Issuers and Guarantor Subsidiaries have been eliminated. There were no reportable transactions between the Co-Issuers and Obligor Group and the subsidiaries that were not issuers or guarantors of the Senior Notes.

Payments to holders of the Senior Notes are affected by the composition of and relationships among the Co-Issuers, the Guarantor Subsidiaries and Permian Holdco and Summit Permian Transmission, both of which are unrestricted subsidiaries of SMLP and are not issuers or guarantors of the Senior Notes. The assets of our unrestricted subsidiaries are not available to satisfy the demands of the holders of the Senior Notes. In addition, our unrestricted subsidiaries are subject to certain contractual restrictions related to the payment of dividends, and other rights in favor of their non-affiliated stakeholders, that limit their ability to satisfy the demands of the holders of the Senior Notes.

A list of each of SMLP's subsidiaries that is a guarantor, issuer or co-issuer of our registered securities subject to the reporting requirements in Release 33-10762 is filed as Exhibit 22.1 to this report.

Summarized Balance Sheet Information. Summarized balance sheet information as of March 31, 2022 and December 31, 2021 follow.

	March 31, 2022	
	SMLP	Obligor Group
	(In thousands)	
Assets		
Current assets	\$ 2,368	\$ 66,010
Noncurrent assets	5,230	2,129,341
Liabilities		
Current liabilities	\$ 9,551	\$ 77,209
Noncurrent liabilities	1,662	1,241,004

	December 31, 2021	
	SMLP	Obligor Group
	(In thousands)	
Assets		
Current assets	\$ 2,495	\$ 70,483
Noncurrent assets	4,776	2,149,300
Liabilities		
Current liabilities	\$ 12,463	\$ 58,658
Noncurrent liabilities	1,771	1,274,803

Summarized Statements of Operations Information. For the purposes of the following summarized statements of operations, we allocate a portion of general and administrative expenses recognized at the SMLP parent to the Obligor Group to reflect what those entities' results would have been had they operated on a stand-alone basis. Summarized statements of operations for the three months ended March 31, 2022 and for the year ended December 31, 2021 follow.

	Three Months Ended March 31, 2022	
	SMLP	Obligor Group
	(In thousands)	
Total revenues	\$ —	\$ 96,126
Total costs and expenses	607	82,015
Loss before income taxes and income from equity method investees	(607)	(8,757)
Income from equity method investees	—	3,323
Net loss	\$ (657)	\$ (5,434)

	Year Ended December 31, 2021	
	SMLP	Obligor Group
	(In thousands)	
Total revenues	\$ —	\$ 400,619
Total costs and expenses	23,989	317,975
Income (loss) before income taxes and loss from equity method investees	(37,618)	13,931
Income from equity method investees	—	9,116
Net income (loss)	\$ (37,291)	\$ 23,047

Critical Accounting Estimates

We prepare our financial statements in accordance with GAAP. These principles are established by the FASB. We employ methods, estimates and assumptions based on currently available information when recording transactions resulting from business operations. There have been no significant changes to our critical accounting estimates from those disclosed on Form 10-K for the fiscal year ended December 31, 2021.

Forward-Looking Statements

Investors are cautioned that certain statements contained in this report as well as in periodic press releases and certain oral statements made by our officers and employees during our presentations are “forward-looking” statements. Forward-looking statements include, without limitation, any statement that may project, indicate or imply future results, events, performance or achievements and may contain the words “expect,” “intend,” “plan,” “anticipate,” “estimate,” “believe,” “will be,” “will continue,” “will likely result,” and similar expressions, or future conditional verbs such as “may,” “will,” “should,” “would,” and “could.” In addition, any statement concerning future financial performance (including future revenues, earnings or growth rates), ongoing business strategies or prospects, and possible actions taken by us or our subsidiaries are also forward-looking statements. These forward-looking statements involve various risks and uncertainties, including, but not limited to, those described in Part II. Item 1A. Risk Factors included in this report.

Forward-looking statements are based on current expectations and projections about future events and are inherently subject to a variety of risks and uncertainties, many of which are beyond the control of our management team. All forward-looking statements in this report and subsequent written and oral forward-looking statements attributable to us, or to persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements in this paragraph. These risks and uncertainties include, among others:

- our decision whether to pay, or our ability to grow, our cash distributions;
- fluctuations in natural gas, NGLs and crude oil prices, including as a result of political or economic measures taken by various countries or OPEC or as a result of the Russia-Ukraine conflict;
- the extent and success of our customers' drilling and completion efforts, as well as the quantity of natural gas, crude oil and produced water volumes produced within proximity of our assets;
- the current and potential future impact of the COVID-19 pandemic on our business, results of operations, financial position or cash flows;
- failure or delays by our customers in achieving expected production in their natural gas, crude oil and produced water projects;
- competitive conditions in our industry and their impact on our ability to connect hydrocarbon supplies to our gathering and processing assets or systems;
- actions or inactions taken or nonperformance by third parties, including suppliers, contractors, operators, processors, transporters and customers, including the inability or failure of our shipper customers to meet their financial obligations under our gathering agreements and our ability to enforce the terms and conditions of certain of our gathering agreements in the event of a bankruptcy of one or more of our customers;
- our ability to divest of certain of our assets to third parties on attractive terms, which is subject to a number of factors, including prevailing conditions and outlook in the natural gas, NGL and crude oil industries and markets;
- the ability to attract and retain key management personnel;
- commercial bank and capital market conditions and the potential impact of changes or disruptions in the credit and/or capital markets;
- changes in the availability and cost of capital and the results of our financing efforts, including availability of funds in the credit and/or capital markets;
- our ability to refinance near-term maturities on favorable terms or at all and the related impact on our ability to continue as a going concern;
- restrictions placed on us by the agreements governing our debt and preferred equity instruments;
- the availability, terms and cost of downstream transportation and processing services;
- natural disasters, accidents, weather-related delays, casualty losses and other matters beyond our control;
- operational risks and hazards inherent in the gathering, compression, treating and/or processing of natural gas, crude oil and produced water;
- our ability to comply with the terms of the agreements comprising the Global Settlement;
- weather conditions and terrain in certain areas in which we operate;
- any other issues that can result in deficiencies in the design, installation or operation of our gathering, compression, treating and processing facilities;

- timely receipt of necessary government approvals and permits, our ability to control the costs of construction, including costs of materials, labor and rights-of-way and other factors that may impact our ability to complete projects within budget and on schedule;
- our ability to finance our obligations related to capital expenditures, including through opportunistic asset divestitures or joint ventures and the impact any such divestitures or joint ventures could have on our results;
- the effects of existing and future laws and governmental regulations, including environmental, safety and climate change requirements and federal, state and local restrictions or requirements applicable to oil and/or gas drilling, production or transportation;
- changes in tax status;
- the effects of litigation;
- changes in general economic conditions; and
- certain factors discussed elsewhere in this report.

Developments in any of these areas could cause actual results to differ materially from those anticipated or projected or cause a significant reduction in the market price of our common units, preferred units and senior notes.

The foregoing list of risks and uncertainties may not contain all of the risks and uncertainties that could affect us. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements contained in this document may not in fact occur. Accordingly, undue reliance should not be placed on these statements. We undertake no obligation to publicly update or revise any forward-looking statements as a result of new information, future events or otherwise, except as otherwise required by law.

Information About Us

Investors should note that we make available, free of charge on our website at www.summitmidstream.com, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. We also post announcements, updates, events, investor information and presentations on our website in addition to copies of all recent news releases. We may use the Investors section of our website to communicate with investors. It is possible that the financial and other information posted there could be deemed to be material information. Documents and information on our website are not incorporated by reference herein.

The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements, and other information regarding issuers, including us, that file electronically with the SEC.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Interest Rate Risk

Our current interest rate risk exposure is largely related to our indebtedness. As of March 31, 2022, we had approximately \$959.5 million principal of fixed-rate debt, \$233.0 million outstanding under our variable rate ABL Facility and \$158.9 million outstanding under the variable rate Permian Transmission Term Loan (see Note 7 - Debt). As of March 31, 2022, we had \$139.8 million of interest rate exposure hedged to offset the impact of changes in interest rates on our Permian Transmission Term Loan. While existing fixed-rate debt mitigates the downside impact of fluctuations in interest rates, future issuances of long-term debt could be impacted by increases in interest rates, which could result in higher overall interest costs. In addition, the borrowings under our ABL Facility, which have a variable interest rate, also expose us to the risk of increasing interest rates. For additional information, see the "Interest Rate Risk" section included in Item 7A. Quantitative and Qualitative Disclosures About Market Risk of the 2021 Annual Report and updates to our risk factors included herein.

Commodity Price Risk

We generate a majority of our revenues pursuant to primarily long-term and fee-based gathering agreements, many of which include MVCs and areas of mutual interest. Our direct commodity price exposure relates to (i) the sale of physical natural gas and/or NGLs purchased under percentage-of-proceeds and other processing arrangements with certain of our customers in the Rockies, Piceance, and Permian segments, (ii) the sale of natural gas we retain from certain Barnett segment customers and (iii) the sale of condensate we retain from certain gathering services in the Piceance segment. Our gathering agreements with certain Barnett customers permit us to retain a certain quantity of natural gas that we sell to offset the power costs we incur to operate our electric-drive compression assets. We manage our direct exposure to natural gas and power prices through the use of forward power purchase contracts with wholesale power providers that require us to purchase a fixed quantity of power at a fixed heat rate based on prevailing natural gas prices on the Henry Hub Index. We sell retainage natural gas at prices that are based on the Atmos Zone 3 Index. By basing the power prices on a system and basin-relevant market, we are able to closely associate the relationship between the compression electricity expense and natural gas retainage sales. We do not enter into risk management contracts for speculative purposes. Our current commodity price risk exposure has not changed materially since December 31, 2021. For additional information, see the "Commodity Price Risk" section included in Item 7A. Quantitative and Qualitative Disclosures About Market Risk of the 2021 Annual Report.

Item 4. Controls and Procedures.

Under the direction of our General Partner's Chief Executive Officer and Chief Financial Officer, we evaluated our disclosure controls and procedures and internal control over financial reporting and concluded that (i) our disclosure controls and procedures were effective as of March 31, 2022 and (ii) no change in internal control over financial reporting occurred during the quarter ended March 31, 2022, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

Although we may, from time to time, be involved in litigation and claims arising out of our operations in the ordinary course of business, we are not currently a party to any significant legal or governmental proceedings, except as described below. In addition, we are not aware of any significant legal or governmental proceedings contemplated to be brought against us, under the various environmental protection statutes to which we are subject.

Moore Control Systems

Moore Control Systems, Inc. (“MCSI”) initiated an arbitration in December 2020 related to the construction of Summit’s Lane Gas Processing Plant in Eddy County, New Mexico (the “Lane Plant”). MCSI was the EPC contractor on the Lane Plant under a lump sum contract. During the course of construction, the parties executed change orders that increased the lump sum price. Summit paid the adjusted lump sum amount in full upon the plant’s completion in June 2019.

The arbitration is currently set for hearing in the third quarter of 2022 in Houston. MCSI seeks alleged damages on various theories, including breach of contract, quantum meruit and fraud, plus interest, fees and costs. Summit denies all liability and seeks to recover all costs and fees associated with defending the arbitration. We do not currently believe that the eventual outcome of this matter could have a material adverse effect on our business, financial condition, results of operations or cash flows.

Item 1A. Risk Factors.

The risk factors contained in the Item 1A. Risk Factors of the 2021 Annual Report are incorporated herein by reference except to the extent they address risks arising from or relating to the failure of events described therein to occur, which events have since occurred.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit number	Description
3.1	Fourth Amended and Restated Agreement of Limited Partnership of Summit Midstream Partners, LP, dated May 28, 2020 (Incorporated herein by reference to Exhibit 3.1 to SMLP's Current Report on Form 8-K dated June 2, 2020 (Commission File No. 001-35666))
3.2	Second Amended and Restated Limited Liability Company Agreement of Summit Midstream GP, LLC, dated May 28, 2020 (Incorporated herein by reference to Exhibit 3.2 to SMLP's Current Report on Form 8-K filed June 2, 2020 (Commission File No. 001-35666))
3.3	Certificate of Limited Partnership of Summit Midstream Partners, LP (Incorporated herein by reference to Exhibit 3.1 to SMLP's Form S-1 Registration Statement dated August 21, 2012 (Commission File No. 333-183466))
3.4	Certificate of Formation of Summit Midstream GP, LLC (Incorporated herein by reference to Exhibit 3.4 to SMLP's Form S-1 Registration Statement dated August 21, 2012 (Commission File No. 333-183466))
10.1	Form of Summit Midstream Partners, LP 2012 Long-Term Incentive Plan Grant Award Agreement (Incorporated herein by reference to Exhibit 10.54 to SMLP's Annual Report on Form 10-K filed February 28, 2022 (Commission File No. 001-35666))
10.2	+ Amended and Restated Employment Agreement, effective as of September 4, 2020, by and between Summit Operating Services Company, LLC and Heath Deneke
22.1	Summit Midstream Partners, LP Subsidiary Issuers and Guarantors of Registered Securities (Incorporated herein by reference to Exhibit 22.1 to SMLP's Report on Form 10-Q filed May 8, 2020 (Commission File No. 001-35666))
31.1	+ Rule 13a-14(a)/15d-14(a) Certification, executed by Heath Deneke, President, Chief Executive Officer and Director
31.2	+ Rule 13a-14(a)/15d-14(a) Certification, executed by William J. Mault, Executive Vice President and Chief Financial Officer
32.1	+ Certifications required by Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350), executed by Heath Deneke, President, Chief Executive Officer and Director, and William J. Mault, Executive Vice President and Chief Financial Officer
101.INS	* Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	* Inline XBRL Taxonomy Extension Schema
101.CAL	* Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF	* Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB	* Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	* Inline XBRL Taxonomy Extension Presentation Linkbase
104	* Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

+ Filed herewith.

* Pursuant to Rule 406T of Regulation S-T, the Interactive Data Files on Exhibit 101 hereto are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections. The financial information contained in the XBRL (eXtensible Business Reporting Language)-related documents is unaudited and unreviewed.

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 thereunto duly authorized.

Summit Midstream Partners, LP

(Registrant)

By: Summit Midstream GP, LLC (its General Partner)

May 4, 2022

/s/ WILLIAM J. MAULT

William J. Maul, Executive Vice President and Chief Financial Officer (Principal Financial Officer)

Amended and Restated Employment Agreement

This Amended and Restated Employment Agreement (the “Agreement”), effective **September 4, 2020** (the “Effective Date”), is made by and between Heath Deneke (the “Executive”) and Summit Operating Services Company, LLC (together with any of its subsidiaries and affiliates as may employ the Executive from time to time, and any successor(s) thereto, the “Company”).

RECITALS

1. The Company and the Executive are parties to an employment agreement, dated **August 8, 2019** (the “Original Employment Agreement”).
2. The Company and the Executive desire to amend and restate the Original Employment Agreement in the form hereof.
3. The Company desires to assure itself of the services of the Executive by engaging the Executive to perform services under the terms hereof.
4. The Executive desires to provide services to the Company on the terms herein provided.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and of the respective covenants and agreements set forth below the parties hereto agree as follows:

1. Certain Definitions.

- (a) “AAA” shall have the meaning set forth in Section 18.
- (b) “Affiliate” shall mean, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, such Person where “control” shall have the meaning given such term under Rule 405 of the Securities Act of 1933, as amended from time to time.
- (c) “Agreement” shall have the meaning set forth in the preamble hereto.
- (d) “Annual Base Salary” shall have the meaning set forth in Section 3(a).
- (e) “Annual Bonus” shall have the meaning set forth in Section 3(b).
- (f) “Annual LTIP Target” means the annual grant-date LTIP target award value, which value may vary in the Board’s discretion based on Executive’s or the Company’s performance prior to each annual LTIP grant.
- (g) “Board” shall mean the Board of Managers of the General Partner, or any successor governing body of the Partnership.

- (h) The Company shall have “Cause” to terminate the Executive’s employment hereunder upon: (i) the Executive’s willful failure to substantially perform the duties set forth herein (other than any such failure resulting from the Executive’s Disability); (ii) the Executive’s willful failure to carry out, or comply with, in any material respect any lawful directive of the Board; (iii) the Executive’s commission at any time of any act or omission that results in, or may reasonably be expected to result in, a conviction, plea of no contest, plea of *nolo contendere*, or imposition of unadjudicated probation for any felony or crime involving moral turpitude; (iv) the Executive’s unlawful use (including being under the influence) or possession of illegal drugs on the Company’s premises or while performing the Executive’s duties and responsibilities hereunder; (v) the Executive’s commission at any time of any act of fraud, embezzlement, misappropriation, material misconduct, conversion of assets of the Company, or breach of fiduciary duty against the Company (or any predecessor thereto or successor thereof); or (vi) the Executive’s material breach of this Agreement, or other agreements with the Company (including, without limitation, any breach of the restrictive covenants of any such agreement).
- (i) “Change in Control” shall mean: (i) any “person” or “group” within the meaning of Sections 13(d) and 14(d)(2) of the Exchange Act shall become the beneficial owners, by way of merger, acquisition, consolidation, recapitalization, reorganization or otherwise, of fifty percent (50%) or more of the combined voting power of the equity interests in the General Partner or the Partnership; (ii) the limited partners of the Partnership approve, in one or a series of transactions, a plan of complete liquidation of the Partnership, (iii) the sale or other disposition by the General Partner or the Partnership of all or substantially all of the Partnership’s assets in one or more transactions to any Person other than the Company, the General Partner, or the Partnership; or (iv) a transaction resulting in a Person other than the Company, the General Partner, or any of their respective Affiliates (as determined immediately prior to the consummation of any such transaction) being the sole general partner of the Partnership. Notwithstanding any of the foregoing, or anything to the contrary expressed or implied by any other provision of this Agreement, in no event shall a “Change in Control” result from a mutually agreed transaction or out-of-court settlement between the parties, or a voluntary or involuntary foreclosure, reorganization, bankruptcy or similar judicial proceeding, the result of which is that certain equity interests in the General Partner or the Partnership that are pledged to the lenders as collateral to secure Summit Midstream Partners Holdings, LLC’s obligations under the Term Loan (as defined below) are transferred to one or more of such lenders in full and final satisfaction of the term loan obligations.
- (j) “Code” shall mean the Internal Revenue Code of 1986, as amended.
- (k) “Company” shall, except as otherwise provided in Section 7(i), have the meaning set forth in the preamble hereto.
- (l) “Compensation Committee” shall mean the Compensation Committee of the Board, or if no such committee exists, the Board.

- (m) "Date of Termination" shall mean (i) if the Executive's employment is terminated due to the Executive's death, the date of the Executive's death; (ii) if the Executive's employment is terminated due to the Executive's Disability, the date determined pursuant to Section 4(a)(ii); (iii) if the Executive's employment is terminated pursuant to Section 4(a)(iii)-(vi) or Section 4(a)(ix), either the date indicated in the Notice of Termination or the date specified by the Company pursuant to Section 4(b), whichever is earlier; or (iv) if the Executive's employment is terminated pursuant to Section 4(a)(vii)-(viii), the date immediately following the expiration of the then-current Term.
- (n) "Disability" shall mean the Executive's inability, with or without reasonable accommodation, to perform the essential functions of his position by reason of any medically determinable physical or mental impairment that can be expected to result in death or that can be expected to last for a continuous period of not less than twelve (12) months as determined by a physician jointly selected by the Company and the Executive.
- (o) "Effective Date" shall have the meaning set forth in the preamble hereto.
- (p) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.
- (q) "Excise Tax" shall have the meaning set forth in Section 6(b).
- (r) "Executive" shall have the meaning set forth in the preamble hereto.
- (s) "Extension Term" shall have the meaning set forth in Section 2(b).
- (t) "First Payment Date" shall have the meaning set forth in Section 5(b)(ii).
- (u) "General Partner" means Summit Midstream GP, LLC, a Delaware limited liability company.
- (v) "Good Reason" will mean the occurrence of one or more of the following conditions: (i) a material diminution in the Executive's authority, duties, or responsibilities, as described herein; (ii) a material diminution in the aggregated total of the Executive's (A) Annual Base Salary, (B) target Annual Bonus (as a percentage of Annual Base Salary) and (C) Annual LTIP Target, in each case as described herein; provided, however that any diminution of the Annual LTIP Target in accordance with the proviso of the definition thereof shall be disregarded for purposes of this definition; (iii) a material change in the geographic location at which the Executive must perform the Executive's services hereunder that requires the Executive to relocate his or her residence to a location more than fifty (50) miles from Houston, Texas; provided that the foregoing shall only constitute Good Reason under this Agreement if (1) as of the Effective Date, Executive's residence is located within fifty (50) miles of Houston, Texas or (2) at the request of the Company, Executive relocates his or her residence to within fifty (50) miles of Houston, Texas during the Term; (iv) a change in the Executive's reporting relationship resulting in the Executive no longer reporting

directly to the Board of Managers of the General Partner; or (v) any other action or inaction that constitutes a material breach of this Agreement by the Company. For the avoidance of doubt, the following will not constitute "Good Reason": (x) the notification and placement of Executive on administrative leave with compensation and benefit continuation pending a potential determination by the Board that Executive may be terminated for Cause and (y) non-extension of the Term by the Executive.

- (w) "Initial Term" shall have the meaning set forth in Section 2(b).
- (x) "Installment Payments" shall have the meaning set forth in Section 5(b)(ii).
- (y) "LTIP" shall mean the Summit Midstream Partners, LP 2012 Long-Term Incentive Plan adopted by the Partnership in connection with Registration Statement 333-184214, filed by the Partnership with the Securities and Exchange Commission on October 1, 2012, and any additional long-term incentive plan adopted in the future and identified by the Company or the Partnership, in the adopting resolution or otherwise, as an "LTIP" pursuant hereto.
- (z) "Notice of Termination" shall have the meaning set forth in Section 4(b).
- (aa) "Original Employment Agreement" shall have the meaning set forth in the recitals hereto.
- (bb) "Partnership" means Summit Midstream Partners LP, a Delaware limited partnership.
- (cc) "Performance Targets" shall have the meaning set forth in Section 3(b).
- (dd) "Person" shall mean any individual, natural person, corporation (including any non-profit corporation), general partnership, limited partnership, limited liability partnership, joint venture, estate, trust, company (including any company limited by shares, limited liability company or joint stock company), incorporated or unincorporated association, governmental authority, firm, society or other enterprise, organization or other entity of any nature.
- (ee) "Proprietary Information" shall have the meaning set forth in Section 7(c).
- (ff) "Prorated Termination Bonus" shall have the meaning set forth in Section 3(b)
- (gg) "Release" shall have the meaning set forth in Section 5(b)(ii).
- (hh) "Restricted Business" shall mean any business (i) relating to midstream assets (including, without limitation, the gathering, processing and transportation of natural gas and crude oil), which competes with the business of the Company, its parent, Affiliates, related entities, or any of their direct or indirect subsidiaries, or (ii) which the Company, its parent, Affiliates, related entities, or any of their direct or indirect subsidiaries have taken active steps to engage in or acquire, but

only if the Executive directly or indirectly engaged in, had any equity interest in, or managed or operated, such business or activity (whether as director, officer, employee, agent, representative, partner, security holder, consultant or otherwise) at any time during the twelve (12)-month period immediately prior to the Date of Termination.

- (ii) "Restricted Period" shall mean the period from the Date of Termination through the first (1st) anniversary of the Date of Termination.
- (jj) "Restricted Territory" shall mean (i) those counties set forth on Exhibit A to this Agreement, (ii) those counties in which the Company, its parent, Affiliates, related entities, or any of their direct or indirect subsidiaries engaged in operations or owned or operated assets at any time during the twelve (12)-month period immediately prior to the Date of Termination, and (iii) those counties in which the Company, its parent, Affiliates, related entities, or any of their direct or indirect subsidiaries took active steps to engage in operations or acquire or operate assets, but only if the Executive directly or indirectly engaged in, had any equity interest in, or managed or operated, such business or activity (whether as director, officer, employee, agent, representative, partner, security holder, consultant or otherwise) at any time during the twelve (12)-month period immediately prior to the Date of Termination.
- (kk) "Section 409A" shall mean Section 409A of the Code and the Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Effective Date.
- (ll) "Severance Payment" shall have the meaning set forth in Section 5(b)(i).
- (mm) "Severance Period" shall mean the period beginning on the Date of Termination and ending on the first (1st) anniversary of the Date of Termination, unless earlier terminated pursuant to the last sentence of Section 7(a).
- (nn) "Term" shall have the meaning set forth in Section 2(b)
- (oo) "Term Loan" shall mean the Term Loan Agreement dated as of March 21, 2017 by and between Summit Midstream Partners Holdings, LLC, as Borrower, the several Lenders party thereto, and Credit Suisse AG, Cayman Islands Branch, as Administrative Agent and Collateral Agent (as amended).
- (pp) "Total Payments" shall have the meaning set forth in Section 6(b).

2. Employment.

(a) In General. The Company shall employ the Executive and the Executive shall enter the employ of the Company, for the period set forth in Section 2(b), in the position set forth in Section 2(c), and upon the other terms and conditions herein provided.

(b) Term of Employment. The initial term of employment under this Agreement (the “Initial Term”) shall be for the period beginning on the Effective Date and ending on the second (2nd) anniversary of the Effective Date, unless earlier terminated as provided in Section 4. The Initial Term shall automatically be extended for successive one (1) year periods (each, an “Extension Term” and, collectively with the Initial Term, the “Term”), unless either party hereto gives notice of non-extension to the other no later than thirty (30) days prior to the expiration of the then-applicable Term.

(c) Position and Duties. During the Term, the Executive: (i) shall serve as **President and CEO** of the Company, with responsibilities, duties and authority customary for such position, subject to direction by the Board; (ii) shall report to **the Board**; (iii) shall devote substantially all the Executive’s working time and efforts to the business and affairs of the Company and its subsidiaries, provided that the Executive may (1) serve on corporate, civic, charitable, industry or professional association boards or committees, subject to the Board’s prior written consent in the case of any such board or committee that relates directly or indirectly to the business of the Company or its subsidiaries (which consent shall not unreasonably be withheld), (2) deliver lectures, fulfill speaking engagements or teach at educational institutions and (3) manage his personal investments, so long as none of such activities meaningfully interferes with the performance of the Executive’s duties and responsibilities hereunder, or involves a conflict of interest with the Executive’s duties or responsibilities hereunder or a breach of the covenants contained in Section 7; and (iv) agrees to observe and comply with the Company’s rules and policies as adopted by the Company from time to time, which have been made available to the Executive. As of the Effective Date, the Executive shall be appointed or elected to the Board of Managers of the General Partner, and shall be entitled to serve as a member of the Board of Managers of the General Partner at all times during the Term.

3. Compensation and Related Matters.

(a) Annual Base Salary. During the Term, the Executive shall receive a base salary at a rate of **\$600,000** per annum, which shall be paid in accordance with the customary payroll practices of the Company, subject to review and upward, but not downward without Executive’s written consent, adjustment by the Board in its sole discretion (the “Annual Base Salary”).

(b) Annual Bonus. With respect to each calendar year that ends during the Term, the Executive shall be eligible to receive an annual cash bonus (the “Annual Bonus”), prorated for the first calendar year of the Term, ranging from zero to **three hundred percent (300%)** of the Annual Base Salary, with a target Annual Bonus equal to **one hundred fifty percent (150%)** of the Annual Base Salary, based upon annual performance targets (the “Performance Targets”) established by the Board in its sole discretion. The amount of the Annual Bonus shall be based upon attainment of the Performance Targets, as determined by the Board (or any authorized committee of the Board) in its sole discretion. Each such Annual Bonus shall be payable on such date as is determined by the Board, but in any event on or prior to March 15 of the calendar year immediately following the calendar year with respect to which such Annual Bonus relates. Notwithstanding the foregoing, no bonus shall be payable with respect to any calendar year unless the Executive remains continuously employed with the Company during the period beginning on the Effective Date and ending

on December 31 of such year; provided that if the Executive's employment is terminated pursuant to Section 4(a)(i), (ii), (iv), (v) or (vii), the Company shall pay to the Executive a prorated Annual Bonus with respect to the calendar year in which the Date of Termination occurs equal to the target Annual Bonus for such calendar year multiplied by a fraction, the numerator of which is the number of calendar days during such calendar year that the Executive was continuously employed by the Company and the denominator of which is 365 (the "Prorated Termination Bonus"); provided further that, in the case of a termination pursuant to Section 4(a)(ii), (iv), (v) or (vii), no portion of the Prorated Termination Bonus shall be paid unless the Executive timely executes the Release and does not revoke the Release within the time periods set forth in Section 5(b)(ii).

(c) LTIP Award. During the Term, the Executive shall be eligible to receive annual equity award grants pursuant to the LTIP, as determined by the Board or a committee thereof. For calendar year 2020 and beyond, the Annual LTIP Target will be equal to 275% of the Annual Base Salary. Any awards issued to the Executive under the LTIP are governed by and subject to the terms of the LTIP and the underlying award agreements.

(d) Benefits. The Executive shall be eligible to participate in benefit plans, programs and arrangements of the Company, as in effect from time to time (including, without limitation, medical and dental insurance and a 401(k) plan).

(e) Vacation; Holidays. During the Term, the Executive shall be entitled to paid time off ("PTO") each full calendar year as provided by the Company's PTO policies for similarly situated employees. The PTO shall be used for vacation and sick days. Any vacation shall be taken at the reasonable and mutual convenience of the Company and the Executive. Any PTO that the Executive is entitled to in any calendar year that is not used by the end of such calendar year shall be forfeited, except for up to five days of PTO each year that may be carried forward to the following year. Holidays shall be provided in accordance with Company policy, as in effect from time to time.

(f) Business Expenses. During the Term, the Company shall reimburse the Executive for all reasonable travel and other business expenses incurred by the Executive in the performance of the Executive's duties to the Company in accordance with the Company's applicable expense reimbursement policies and procedures. In addition to the foregoing, the Company shall reimburse the Executive for annual tax preparation services and ongoing tax advice of up to \$12,000 per year, beginning with such expenses incurred in 2019. In addition, the Company shall reimburse the Executive for an annual executive physical at a medical facility of the Executive's choice. The Executive shall also be reimbursed for up to \$15,000 per year for annual international and local chapter dues associated with membership in YPO.

4. Termination.

The Executive's employment hereunder may be terminated by the Company or the Executive, as applicable, without any breach of this Agreement only under the following circumstances:

(a) Circumstances

(i) Death. The Executive's employment hereunder shall terminate upon the Executive's death.

(ii) Disability. If the Executive incurs a Disability, the Company may give the Executive written notice of its intention to terminate the Executive's employment. In that event, the Executive's employment with the Company shall terminate, effective on the later of the thirtieth (30th) day after receipt of such notice by the Executive or the date specified in such notice; provided that Executive's Disability continues beyond such thirty (30) day notice period.

(iii) Termination for Cause. The Company may terminate the Executive's employment for Cause. Executive's termination will not be deemed to be for Cause unless the Company has provided a written Notice of Termination (defined in Section 4(b) below) to Executive specifying the event or condition claimed to constitute Cause and, in the case of a termination pursuant to Section 1(h)(i), (ii), or (vi), Executive has failed to cure Executive's failure or breach within thirty (30) days following the Executive's receipt of the Company's Notice of Termination (to the extent that, in the reasonable judgment of the Board, such failure or breach can be cured by the Executive).

(iv) Termination without Cause. The Company may terminate the Executive's employment without Cause.

(v) Resignation for Good Reason. The Executive may resign from employment for Good Reason. Executive's resignation will not be deemed to be for Good Reason if Executive has consented to the condition claimed to constitute Good Reason, nor will Executive's resignation be deemed to be for Good Reason, unless Executive has provided a written Notice of Termination (defined in Section 4(b) below) to the Company specifying the event or condition claimed to constitute Good Reason within ninety (90) days following the initial existence of such event or condition, and the Company has, after receipt of such notice of Good Reason from Executive, failed to cure or correct such condition or event within thirty (30) days following the Company's receipt of Executive's Notice of Termination evidencing intent to resign for Good Reason.

(vi) Resignation without Good Reason. The Executive may resign from the Executive's employment without Good Reason.

(vii) Non-Extension of Term by the Company. The Company may give notice of non-extension to the Executive pursuant to Section 2(b). For the avoidance of doubt, non-extension of the Term by the Company shall not constitute termination by the Company without Cause.

(viii) Non-Extension of Term by the Executive. The Executive may give notice of non-extension to the Company pursuant to Section 2(b).

(ix) Resignation following a Change in Control. The Executive may resign from the Executive's employment within sixty (60) days following a Change in Control.

(b) Notice of Termination. Any termination of the Executive's employment by the Company or by the Executive under this Section 4 (other than a termination pursuant to Section

4(a)(i) above) shall be communicated by a written notice to the other party hereto: (i) indicating the specific termination provision in this Agreement relied upon, (ii) except with respect to a termination pursuant to Section 4(a)(iv), (vi), (vii), (viii), or (ix), setting forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, and (iii) specifying a Date of Termination which, if submitted by the Executive (or, in the case of a termination described in Section 4(a)(ii), by the Company), shall be at least thirty (30) days following the date of such notice (a "Notice of Termination"); provided, however, that a Notice of Termination delivered by the Company pursuant to Section 4(a)(ii) shall not be required to specify a Date of Termination, in which case the Date of Termination shall be determined pursuant to Section 4(a)(ii); and provided, further, that in the event that the Executive delivers a Notice of Termination (other than a notice of non-extension under Section 4(a)(viii) above) to the Company, the Company may, in its sole discretion, accelerate the Date of Termination to any date that occurs following the date of Company's receipt of such Notice of Termination (even if such date is prior to the date specified in such Notice of Termination). A Notice of Termination submitted by the Company may provide for a Date of Termination on the date the Executive receives the Notice of Termination, or any date thereafter elected by the Company in its sole discretion. The failure by the Company or the Executive to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Cause or Good Reason shall not waive any right of the Company or the Executive hereunder or preclude the Company or the Executive from asserting such fact or circumstance in enforcing the Company's or the Executive's rights hereunder.

(c) Post-Termination Assistance. Executive agrees to make reasonable efforts to assist the Company after the termination of Executive's employment, including but not limited to, transitioning of Executive's job duties as well as assisting with any legal proceeding, lawsuit, or claim involving matters occurring during Executive's employment with the Company. The Company shall reimburse Executive for reasonable expenses incurred in connection with such cooperation.

(d) Deemed Resignations. Unless otherwise agreed to in writing by the Company and the Executive prior to the termination of the Executive's employment, any termination of the Executive's employment shall, without changing the basis for termination of employment or the impact of such termination on the Executive's rights, if any, under this Agreement, constitute (i) an automatic resignation of the Executive from any position held as an officer of the Company and any of its Affiliates and (ii) an automatic resignation of the Executive from the Board of Managers of the General Partner (if applicable), from the board of directors or similar governing body of any Affiliate of the Company and from the board of directors or similar governing body of any corporation, limited liability entity or other entity in which the Company or any Affiliate holds an equity interest and with respect to which board or similar governing body the Executive serves as the Company's or such Affiliate's designee or other representative.

5. Company Obligations Upon Termination of Employment.

(a) In General. Upon a termination of the Executive's employment for any reason, the Executive (or the Executive's estate) shall be entitled to receive: (i) any portion of the Executive's Annual Base Salary through the Date of Termination not theretofore paid, (ii) any expenses owed to the Executive under Section 3(f), (iii) any accrued but unused PTO pursuant to Section 3(e), and (iv) any amount arising from the Executive's participation in, or benefits under,

any employee benefit plans, programs or arrangements under Section 3(d), which amounts shall be payable in accordance with the terms and conditions of such employee benefit plans, programs or arrangements. Any Annual Bonus earned for any calendar year completed prior to the Date of Termination, but unpaid prior to such date, and any Prorated Termination Bonus owed pursuant to the last sentence of Section 3(b), shall be paid within sixty (60) days after the Date of Termination (but in any event on or prior to March 15 of the calendar year immediately following such completed calendar year with respect to which such Annual Bonus or Prorated Termination Bonus was earned). Except as otherwise set forth in Section 5(b) below, the payments and benefits described in this Section 5(a) shall be the only payments and benefits payable in the event of the Executive's termination of employment for any reason.

(b) Severance Payment

(i) In addition to the payments and benefits described in Section 5(a) above, if the Executive's employment shall be terminated by the Company without Cause pursuant to Section 4(a)(iv), by the Executive's resignation for Good Reason pursuant to Section 4(a)(v), or due to non-extension of the Initial Term or any Extension Term by the Company pursuant to Section 4(a)(vii), the Company shall pay to Executive severance in the total gross amount equal to **two and one-half (2.5) times** the sum of (1) the Annual Base Salary for the year in which the Date of Termination occurs, and (2) the higher of the target Annual Bonus or the Annual Bonus paid to the Executive in respect of the calendar year immediately preceding the year in which the Date of Termination occurs (the "Severance Payment").

(ii) The Severance Payment shall be in lieu of notice or any other severance benefits to which the Executive might otherwise be entitled. Notwithstanding anything herein to the contrary, (A) no portion of the Severance Payment shall be paid unless, on or prior to the sixtieth (60th) day following the Date of Termination, the Executive timely executes a general waiver and release of claims agreement, in a form substantially similar to that attached to this Agreement as Exhibit B (the "Release"), which Release shall not have been revoked by the Executive prior to the expiration of the period (if any) during which any portion of such Release is revocable under applicable law, and (B) as of the first date on which the Executive violates any covenant contained in Section 7, any remaining unpaid portion of the Severance Payment shall thereupon be forfeited. Subject to the provisions of Section 9, the Severance Payment shall be paid in equal installments during the Severance Period, at the same time and in the same manner as the Annual Base Salary would have been paid had the Executive remained in active employment during the Severance Period, in accordance with the Company's normal payroll practices in effect on the Date of Termination; provided that any installment that would otherwise have been paid prior to the first normal payroll payment date occurring on or after the sixtieth (60th) day following the Date of Termination (such payroll date, the "First Payment Date") shall instead be paid on the First Payment Date. For purposes of Section 409A (including, without limitation, for purposes of Section 1.409A-2(b)(2)(iii) of the Department of Treasury Regulations), the Executive's right to receive the Severance Payment in the form of installment payments (the "Installment Payments") shall be treated as a right to receive a series of separate payments and, accordingly, each Installment Payment shall at all times be considered a separate and distinct payment.

(c) During the lesser of the period during which Executive or a qualifying beneficiary (as defined in Section 607 of ERISA) has in effect an election for post-termination continuation coverage for medical and dental benefits under applicable law, including Section 4980 of the Code (“COBRA”), or the period ending on the 18-month anniversary of the Date of Termination, Executive (or, if applicable, the qualifying beneficiary) shall be entitled to such coverage at an out-of-pocket premium cost that does not exceed the out-of-pocket premium cost applicable to similarly situated active employees (and their eligible dependents).

(d) The provisions of this Section 5 shall supersede in their entirety any severance payment provisions in any severance plan, policy, program or other arrangement maintained by the Company.

(e) Recharacterization of Termination. Notwithstanding any other provision of this Agreement, if following the termination of employment the Company discovers that grounds existed as of the Date of Termination for a termination for Cause, then such termination shall be deemed to be a termination for Cause and Executive shall only be entitled to the payments and benefits provided in Section 5(a). In the event Executive’s termination is reclassified as a termination for Cause pursuant to this Section 5(e), Executive’s termination shall be so treated and classified for all purposes under this Agreement and any other agreements between Executive and the Company, and Executive shall repay to the Company any monies or benefits received by Executive following termination to which Executive would not have been entitled upon being terminated for Cause.

6. Change in Control

(a) Equity Awards. Notwithstanding anything to the contrary in this Agreement or any other agreement, including the LTIP and any award agreement thereunder, all equity awards granted to the Executive under the LTIP and held by the Executive as of immediately prior to a Change in Control, to the extent unvested, shall become fully vested immediately prior to the Change in Control.

(b) Golden Parachute Excise Tax Protection. Notwithstanding any provision of this Agreement, if any portion of the payments or benefits provided to the Executive hereunder, or under any other agreement with the Executive or any plan, policy or arrangement of the Company or any of its Affiliates (in the aggregate, “Total Payments”), would constitute an “excess parachute payment” and would, but for this Section 6(b), result in the imposition on the Executive of an excise tax under Section 4999 of the Code (the “Excise Tax”), then the Total Payments to be made to the Executive shall either be (i) delivered in full, or (ii) reduced by such amount such that no portion of the Total Payments would be subject to the Excise Tax, whichever of the foregoing results in the receipt by the Executive of the greatest benefit on an after-tax basis (taking into account the applicable federal, state and local income taxes and the Excise Tax). The determination of whether a reduction in Total Payments is necessary and the amount of any such reduction shall be made by the Company in its reasonable discretion and in reliance on its tax advisors. If the Company so determines that a reduction in Total Payments is required, such reduction shall apply first pro rata to (A) cash payments subject to Section 409A of the Code as “deferred compensation” and (B) cash payments not subject to Section 409A of the Code (in each case with the cash payments otherwise scheduled to be paid latest in time reduced first), and then pro rata to (C) equity-based compensation subject to Section 409A of the

Code as “deferred compensation” and (D) equity-based compensation not subject to Section 409A of the Code.

7. Restrictive Covenants.

(a) The Executive shall not, at any time during the Term or, in the event of a termination of Executive’s employment pursuant to Section 4(a)(iv), (v), or (vii), during the Restricted Period, directly or indirectly, (i) engage in the Restricted Business within the Restricted Territory, or (ii) have any equity interest in or manage, participate in, assist, or operate any Person (whether as director, officer, employee, agent, representative, partner, security holder, consultant or otherwise) that engages in the Restricted Business within the Restricted Territory. Notwithstanding the foregoing, the Executive shall be permitted to acquire a passive stock or equity interest in such a business; provided that such stock or other equity interest is publicly traded and the amount acquired by Executive is not more than five percent (5%) of the outstanding interest in such business. Notwithstanding the foregoing, at any time during the Restricted Period, Executive may, at Executive’s option, serve on the Company a written notice waiving the right to any and all future installments of the Severance Payment pursuant to Section 5(b) (a “Severance Waiver Notice”), and upon delivery of the Severance Waiver Notice, Executive shall no longer be bound by the restrictions set forth in this Section 7(a) for the period on and after the date on which the Severance Waiver Notice is delivered to the Company; *provided, however*, that notwithstanding the delivery of a Severance Waiver Notice, Executive will continue to be bound by the remaining obligations set forth in this Agreement, including but not limited to those covenants of Executive set forth in Sections 7(b)-(g) hereof.

(b) The Executive shall not, at any time during the Term or during the Restricted Period, directly or indirectly, either for himself or on behalf of any other Person, (i) recruit or otherwise solicit or induce any employee of the Company to terminate his, her or its employment or arrangement with the Company, or otherwise change his, her or its relationship with the Company, (ii) hire, or cause to be hired, any person who was employed by the Company and served in a capacity of “vice president” (or any person serving in a capacity senior to vice president) at any time during the twelve (12)-month period immediately prior to the Date of Termination, or (iii) influence, induce, or encourage any customer, subscriber, or supplier of the Company to discontinue, reduce, or materially change its relationship or business with the Company.

(c) Except as the Executive reasonably and in good faith determines to be required in the faithful performance of the Executive’s duties hereunder or in accordance with Section 7(e), the Executive shall, during the Term and after the Date of Termination, maintain in confidence and shall not directly or indirectly, use, disseminate, disclose or publish, or use for the Executive’s benefit or the benefit of any Person, any confidential or proprietary information or trade secrets of or relating to the Company, including, without limitation, information with respect to the Company’s operations, processes, protocols, products, inventions, business practices, finances, principals, vendors, suppliers, customers, potential customers, marketing methods, costs, prices, contractual relationships, regulatory status, compensation paid to employees or other terms of employment (“Proprietary Information”), or deliver to any Person, any document, record, notebook, computer program or similar repository of or containing any such Proprietary Information. The Executive’s obligation to maintain and not use, disseminate, disclose or publish, or use for the Executive’s benefit or the benefit of any Person, any

Proprietary Information after the Date of Termination will continue so long as such Proprietary Information is not, or has not by legitimate means become, generally known and in the public domain (other than by means of the Executive's direct or indirect disclosure of such Proprietary Information) and continues to be maintained as Proprietary Information by the Company. The parties hereby stipulate and agree that as between them, the Proprietary Information identified herein is important, material and affects the successful conduct of the businesses of the Company (and any successor or assignee of the Company).

(d) Upon termination of the Executive's employment with the Company for any reason, the Executive will promptly deliver to the Company all correspondence, drawings, manuals, letters, notes, notebooks, reports, programs, plans, proposals, financial documents, or any other documents concerning the Company's customers, business plans, marketing strategies, products or processes.

(e) The Executive may respond to a lawful and valid subpoena or other legal process but shall give the Company (if lawfully permitted to do so) the earliest possible notice thereof, and shall, as much in advance of the return date as possible, make available to the Company and its counsel the documents and other information sought, and shall assist such counsel in resisting or otherwise responding to such process. Upon notification from Executive of such subpoena or other legal process, the Company shall, at its reasonable expense, retain mutually acceptable legal counsel to represent Executive in connection with Executive's response to any such subpoena or other legal process. The Executive may also disclose Proprietary Information if: (i) in the reasonable written opinion of counsel for the Executive furnished to the Company, such information is required to be disclosed for the Executive not to be in violation of any applicable law or regulation or (ii) the Executive is required to disclose such information in connection with the enforcement of any rights under this Agreement or any other agreements between the Executive and the Company.

(f) Executive shall refrain from publishing any oral or written statements about the Company or any of its Affiliates, or any of their respective officers, employees, shareholders, investors, directors, agents or representatives that are malicious, obscene, threatening, harassing, intimidating or discriminatory and which are designed to harm any of the foregoing, at any time; provided that the Executive may confer in confidence with the Executive's legal representatives, make truthful statements to any government agency in sworn testimony, or make truthful statements as otherwise required by law. The Company agrees that, upon the termination of the Executive's employment hereunder, it shall advise its directors and executive officers to refrain from publishing any oral or written statements about Executive that are malicious, obscene, threatening, harassing, intimidating or discriminatory and which are designed to harm Executive, at any time; provided that they may confer in confidence with the Company's and their legal representatives and make truthful statements as required by law.

(g) Prior to accepting other employment or any other service relationship during the Restricted Period, the Executive shall provide a copy of this Section 7 to any recruiter who assists the Executive in obtaining other employment or any other service relationship and to any employer or Person with which the Executive discusses potential employment or any other service relationship.

(h) Executive agrees and hereby acknowledges that: (i) the provisions of this Section 7 do not impose a greater restraint than is necessary to protect the goodwill, trade secrets, or other business interests of the Company; (ii) such provisions contain reasonable limitations as to time, scope of activity, and geographical area to be restrained; (iii) the provisions of this Section 7 are necessary and essential to protect the Proprietary Information, trade secrets, and goodwill of the Company, as well as due to Executive's position as an executive and/or management employee of the Company, and (iv) the consideration provided hereunder, including without limitation, the Proprietary Information provided to Executive, is sufficient to compensate Executive for the restrictions contained in this Section 7. In consideration of the foregoing and in light of Executive's education, skills, and abilities, Executive agrees that Executive will not assert that, and it should not be considered that, any provisions of Section 7 otherwise are void, voidable, or unenforceable or should be voided or held unenforceable. In the event the terms of this Section 7 shall be determined by any court of competent jurisdiction to be unenforceable by reason of its extending for too great a period of time or over too great a geographical area or by reason of its being too extensive in any other respect, it will be interpreted to extend only over the maximum period of time for which it may be enforceable, over the maximum geographical area as to which it may be enforceable, or to the maximum extent in all other respects as to which it may be enforceable, all as determined by such court in such action.

(i) As used in this Section 7, the term "Company" shall include the Company, its parent, Affiliates, related entities, and any of its direct or indirect subsidiaries.

8. Injunctive Relief. The Executive recognizes and acknowledges that a breach of the covenants contained in Section 7 will cause irreparable damage to the Company and its goodwill, the exact amount of which will be difficult or impossible to ascertain, and that the remedies at law for any such breach will be inadequate. Accordingly, the Executive agrees that in the event of a breach of any of the covenants contained in Section 7, in addition to any other remedy that may be available at law or in equity, the Company will be entitled to specific performance and injunctive relief.

9. Section 409A.

(a) General. The parties hereto acknowledge and agree that, to the extent applicable, this Agreement shall be interpreted in accordance with, and incorporate the terms and conditions required by, Section 409A. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company determines that any amounts payable hereunder will be immediately taxable to the Executive under Section 409A, the Company reserves the right to (without any obligation to do so or to indemnify the Executive for failure to do so) (i) adopt such amendments to this Agreement or adopt such other policies and procedures (including amendments, policies and procedures with retroactive effect) that it determines to be necessary or appropriate to preserve the intended tax treatment of the benefits provided by this Agreement, to preserve the economic benefits of this Agreement and to avoid less favorable accounting or tax consequences for the Company and/or (ii) take such other actions it determines to be necessary or appropriate to exempt the amounts payable hereunder from Section 409A or to comply with the requirements of Section 409A and thereby avoid the application of penalty taxes thereunder. Notwithstanding anything herein to the contrary, no provision of this Agreement shall be interpreted or construed to transfer any liability for failure to comply with the requirements of Section 409A from the Executive or any other individual to the Company or any of its Affiliates, employees or agents.

(b) Separation from Service under Section 409A; Section 409A Compliance.

Notwithstanding anything herein to the contrary: (i) no termination or other similar payments and benefits hereunder shall be payable unless the Executive's termination of employment constitutes a "separation from service" within the meaning of Section 1.409A-1(h) of the Department of Treasury Regulations; (ii) if the Executive is deemed at the time of the Executive's separation from service to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of any portion of any termination or other similar payments and benefits to which the Executive may be entitled hereunder (after taking into account all exclusions applicable to such payments or benefits under Section 409A) is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of such payments and benefits shall not be provided to the Executive prior to the earlier of (x) the expiration of the six (6)-month period measured from the date of the Executive's "separation from service" with the Company (as such term is defined in the Department of Treasury Regulations issued under Section 409A) and (y) the date of the Executive's death; provided that upon the earlier of such dates, all payments and benefits deferred pursuant to this Section 9(b)(ii) shall be paid in a lump sum to the Executive, and any remaining payments and benefits due hereunder shall be provided as otherwise specified herein; (iii) the determination of whether the Executive is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code as of the time of the Executive's separation from service shall be made by the Company in accordance with the terms of Section 409A (including, without limitation, Section 1.409A-1(i) of the Department of Treasury Regulations and any successor provision thereto); (iv) to the extent that any Installment Payments under this Agreement are deemed to constitute "nonqualified deferred compensation" within the meaning of Section 409A, for purposes of Section 409A (including, without limitation, for purposes of Section 1.409A-2(b)(2)(iii) of the Department of Treasury Regulations), each such payment that the Executive may be eligible to receive under this Agreement shall be treated as a separate and distinct payment; (v) to the extent that any reimbursements or corresponding in-kind benefits provided to the Executive under this Agreement are deemed to constitute "deferred compensation" under Section 409A, such reimbursements or benefits shall be provided reasonably promptly, but in no event later than December 31 of the year following the year in which the expense was incurred, and in any event in accordance with Section 1.409A-3(i)(1)(iv) of the Department of Treasury Regulations; and (vi) the amount of any such payments or expense reimbursements in one calendar year shall not affect the expenses or in-kind benefits eligible for payment or reimbursement in any other calendar year, other than an arrangement providing for the reimbursement of medical expenses referred to in Section 105(b) of the Code, and the Executive's right to such payments or reimbursement of any such expenses shall not be subject to liquidation or exchange for any other benefit.

10. Assignment and Successors. The Company may, without Executive's consent, assign its rights and obligations under this Agreement to any entity, including any successor to all or substantially all the assets of the Company, by merger or otherwise, and may assign or encumber this Agreement and its rights hereunder as security for indebtedness of the Company and its Affiliates. The Executive may not assign the Executive's rights or obligations under this Agreement to any individual or entity. This Agreement shall be binding upon and inure to the benefit of the Company, the Executive and their respective successors, assigns, personnel and legal representatives, executors, administrators, heirs, distributees, devisees, and legatees, as applicable.

11. Governing Law. This Agreement shall be governed, construed, interpreted and forced in accordance with the substantive laws of the State of Delaware, without reference to the principles of conflicts of law of Delaware or any other jurisdiction, and where applicable, the laws of the United States.

12. Notices. Any notice, request, claim, demand, document and other communication hereunder to any party hereto shall be effective upon receipt (or refusal of receipt) and shall be in writing and delivered personally or sent by telex, telecopy, or certified or registered mail, postage prepaid, to the following address (or at any other address as any party hereto shall have specified by notice in writing to the other party hereto):

(a) If to the Company:

Summit Operating Services Company, LLC
Attn: General Counsel
910 Louisiana Street
Suite 4200
Houston, Texas 77042
Facsimile: (832) 413-4780

with copies to:

Robert M. Wohleber
910 Louisiana Street
Suite 4200
Houston, Texas 77042
Facsimile: (832) 413-4780

And

Locke Lord LLP
Attn: Jeffrey M. McPhaul, Partner
2800 JPMorgan Chase Tower
600 Travis St.
Houston, TX 77002
T: 713-226-1269
F: 713-229-2537
jmcphaul@lockelord.com

If to the Executive, at the address set forth on the signature page hereto.

13. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement.

14. Entire Agreement. This Agreement (together with any other agreements and instruments contemplated hereby or referred to herein) is intended by the parties hereto to be the final expression of their agreement with respect to the employment of the Executive by the Company and may not be contradicted by evidence of any prior or contemporaneous agreement (including, without limitation, any term sheet or offer letter). The parties hereto further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement. This Agreement expressly supersedes the Original Employment Agreement.

15. Amendments; Waivers. This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by the Executive and a duly authorized officer of the Company and approved by the Board, which expressly identifies the amended provision of this Agreement. By an instrument in writing similarly executed and approved by the Board, the Executive or a duly authorized officer of the Company may waive compliance by the other party or parties hereto with any provision of this Agreement that such other party was or is obligated to comply with or perform; provided, however, that such waiver shall not operate as a waiver of, or estoppel with respect to, any other or subsequent failure to comply or perform. No failure to exercise and no delay in exercising any right, remedy, or power hereunder shall preclude any other or further exercise of any other right, remedy, or power provided herein or by law or in equity.

16. No Inconsistent Actions. The parties hereto shall not voluntarily undertake or fail to undertake any action or course of action inconsistent with the provisions or essential intent of this Agreement. Furthermore, it is the intent of the parties hereto to act in a fair and reasonable manner with respect to the interpretation and application of the provisions of this Agreement.

17. Construction. This Agreement shall be deemed drafted equally by both of the parties hereto. Its language shall be construed as a whole and according to its fair meaning. Any presumption or principle that the language is to be construed against any party hereto shall not apply. The headings in this Agreement are only for convenience and are not intended to affect construction or interpretation. Any references to paragraphs, subparagraphs, sections or subsections are to those parts of this Agreement, unless the context clearly indicates to the

contrary. Also, unless the context clearly indicates to the contrary, (a) the plural includes the singular and the singular includes the plural; (b) “and” and “or” are each used both conjunctively and disjunctively; (c) “any,” “all,” “each,” or “every” means “any and all,” and “each and every”; (d) “includes” and “including” are each “without limitation”; (e) “herein,” “hereof,” “hereunder” and other similar compounds of the word “here” refer to the entire Agreement and not to any particular paragraph, subparagraph, section or subsection; and (f) all pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the entities or persons referred to may require.

18. Arbitration. Any dispute or controversy based on, arising under or relating to this Agreement shall be settled exclusively by final and binding arbitration, conducted before a single neutral arbitrator in Houston, Texas in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association (the “AAA”) then in effect. Due to the interstate nature of the Company’s operations, the parties agree that the Federal Arbitration Act shall apply to this Agreement. Arbitration may be compelled, and judgment may be entered on the arbitration award in any court having jurisdiction; provided, however, that the Company shall be entitled to seek a restraining order or injunction in any court of competent jurisdiction to prevent any continuation of any violation of the provisions of Section 7, and the Executive hereby consents that such restraining order or injunction may be granted without requiring the Company to post a bond (or, if required by applicable law, a bond of \$500). Only individuals who are (a) lawyers engaged full-time in the practice of law and (b) on the AAA roster of arbitrators shall be selected as an arbitrator. Within twenty (20) days of the conclusion of the arbitration hearing, the arbitrator shall prepare written findings of fact and conclusions of law. The arbitrator shall be entitled to award any relief available in a court of law. Each party shall bear its own costs and attorneys’ fees in connection with an arbitration; provided that the Company shall bear the cost of the arbitrator and the AAA’s administrative fees.

19. Notice of Immunity. The Executive acknowledges that the Company has provided the Executive with the following notice of immunity rights in compliance with the requirements of the Defend Trade Secrets Act of 2016: (i) the Executive shall not be held criminally or civilly liable under any U.S. federal or state trade secret law for the disclosure of Proprietary Information that is made in confidence to a U.S. federal, state or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law; (ii) the Executive shall not be held criminally or civilly liable under any U.S. federal or state trade secret law for the disclosure of Proprietary Information that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (iii) if the Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Executive may disclose the Proprietary Information to the Executive’s attorney and use the Proprietary Information in the court proceeding, if the Executive files any document containing the Proprietary Information under seal, and does not disclose the Proprietary Information, except pursuant to court order. However, under no circumstance will the Executive be authorized to disclose any information covered by attorney-client privilege or attorney work product of the Company without prior written consent of the Company’s General Counsel or other officer designated by the Company. Notwithstanding anything to the contrary contained herein, no provision of this Agreement shall be interpreted so as to impede the Executive (or any other individual) from reporting possible violations of U.S. federal law or regulation to any governmental agency or entity, including but not limited to the U.S. Department of Justice, the U.S. Securities and Exchange Commission, the U.S. Congress, and any agency Inspector General

of the U.S. government, or making other disclosures under the whistleblower provisions of U.S. federal law or regulation. The Executive does not need the prior authorization of the Company to make any such reports or disclosures and the Executive shall not be required to notify the Company that such reports or disclosures have been made.

20. Enforcement. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the term of this Agreement, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a portion of this Agreement; and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of such illegal, invalid or unenforceable provision there shall be added automatically as part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

21. Waiver of Breach. Failure of the Company to demand strict compliance with any of the terms, covenants or conditions hereof will not be deemed a waiver of the term, covenant or condition, nor will any waiver or relinquishment by the Company of any right or power under this Agreement at any one time or more times be deemed a waiver or relinquishment of the right or power at any other time or times.

22. Withholding. The Company shall be entitled to withhold from any amounts payable under this Agreement, any federal, state, local or foreign withholding or other taxes or charges which the Company is required to withhold. The Company shall be entitled to rely on an opinion of counsel if any questions as to the amount or requirement of withholding shall arise.

23. Absence of Conflicts; Executive Acknowledgement. The Executive hereby represents that from and after the Effective Date the performance of the Executive's duties hereunder will not breach any other agreement to which the Executive is a party. The Executive acknowledges that the Executive has read and understands this Agreement, is fully aware of its legal effect, has not acted in reliance upon any representations or promises made by the Company other than those contained in writing herein, and has entered into this Agreement freely based on the Executive's own judgment.

24. Survival. The expiration or termination of the Term shall not impair the rights or obligations of any party hereto that shall have accrued prior to such expiration or termination.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

COMPANY

By: /s/ James Johnston

James Johnston

EVP, General Counsel, & Chief Compliance Officer

EXECUTIVE

By: /s/ Heath Deneke

Heath Deneke

10 Hedwig Circle

Houston, Texas 77024

EXHIBIT A

1. **Garfield County, Colorado**
2. **Mesa County, Colorado**
3. **Moffat County, Colorado**
4. **Rio Blanco County, Colorado**
5. **Weld County, Colorado**
6. **Eddy County, New Mexico**
7. **Lea County, New Mexico**
8. **Laramie County, Wyoming**
9. **Burke County, North Dakota**
10. **Divide County, North Dakota**
11. **Mountrail County, North Dakota**
12. **Williams County, North Dakota**
13. **Dallas County, Texas**
14. **Ellis County, Texas**
15. **Johnson County, Texas**
16. **Tarrant County, Texas**
17. **Belmont County, Ohio**
18. **Guernsey County, Ohio**
19. **Harrison County, Ohio**
20. **Monroe County, Ohio**
21. **Noble County, Ohio**
22. **Doddridge County, West Virginia**
23. **Harrison County, West Virginia**

EXHIBIT B
RELEASE AGREEMENT

This Release Agreement (“Release Agreement”) is by and between **Heath Deneke** (the “Executive”) and Summit Operating Services Company, LLC (the “Company”). Executive and the Company may sometimes be referred to individually as a “Party” or collectively as the “Parties”.

RECITALS

WHEREAS, Executive and the Company previously entered into that certain Amended and Restated Employment Agreement, dated as of **September 4, 2020** (the “Employment Agreement”);

WHEREAS, Executive and the Company mutually agreed, pursuant to Section 3(b) and Section 5(b) of the Employment Agreement, that as a condition to receiving any Prorated Termination Bonus or Severance Payment, Executive must timely execute, and not revoke, this Release Agreement; and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Employment Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements of the Parties set forth in this Release Agreement and the Employment Agreement, and for such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. Release of All Claims and Promise Not to Sue. In return for the Company’s promises in this Release Agreement and the Employment Agreement, including payment of the Prorated Termination Bonus and/or the Severance Payment, Executive voluntarily and knowingly hereby waives, releases, and discharges (A) the Company and any of its past or present parents, subsidiaries, owners, shareholders, members, or Affiliates (all collectively the “Company Parties”); (B) any past or present officer, director, manager or employee of the Company Parties, in their individual and official capacities; and (C) any predecessors, parent companies, subsidiaries, investors, owners, shareholders, stockholders, members, managers, operating units, Affiliates, divisions, agents, representatives, officers, directors, partners, members, employees, benefit plans, fiduciaries, insurers, attorneys, successors, and assigns of the entities and Persons named in (A)-(B) (all collectively, the “Released Parties”) from all claims, liabilities, demands, and causes of action, known or unknown, fixed or contingent, which Executive may have or claim to have against any of them as a result of Executive’s employment with the Company and/or separation from employment with the Company and/or as a result of any other matter arising through the date of Executive’s signature on this Release Agreement. Executive agrees not to file a lawsuit against any Released Party to assert any such released claims, and Executive agrees not to accept any monetary damages or other personal relief (including legal or equitable relief) in connection with any administrative agency report,

disclosure, claim or lawsuit filed by any Person or governmental agency with the exception of the same in connection with a report or disclosure to the Securities and Exchange Commission ("SEC"). Executive represents Executive has not already made, transferred or assigned any rights to the claims released in this Release Agreement. This waiver, release, and discharge includes, but is not limited to:

- (a) claims arising under federal, state, or local laws regarding employment or prohibiting employment discrimination such as, without limitation, Title VII of the Civil Rights Act of 1964, the Equal Pay Act, the Age Discrimination in Employment Act, the Older Workers' Benefit Protection Act, the Genetic Information Nondiscrimination Act, the Occupational Safety and Health Act, the National Labor Relations Act, the Civil Rights Act of 1866 (42 U.S.C. § 1981), the Americans with Disabilities Act, the Fair Labor Standards Act, the Family and Medical Leave Act (FMLA), the Texas Commission on Human Rights Act; and Chapters 21, 61 and 451 of the Texas Labor Code, Comprehensive Omnibus Budget Reconciliation Act of 1985 (COBRA), the Worker Adjustment and Retraining Notification (WARN) Act;
- (b) claims based on any express or implied contract, including, without limitation, under the Employment Agreement, or other agreement or representation relating to the terms and conditions of Executive's employment, which may have been alleged to exist between Executive and the Company or any other Released Party, and claims that the Company violated its personnel policies, handbooks, or any covenant of good faith and fair dealing;
- (c) claims for personal injury, harm, or other damages (whether intentional or unintentional and whether occurring on the job or not, including, without limitation, negligence, defamation, misrepresentation, fraud, intentional infliction of emotional distress, assault, battery, invasion of privacy, and other such tort or injury claims);
- (d) claims growing out of any legal restrictions on the Released Parties' right to terminate employment of their respective employees including any claims based on any violation of public policy or retaliation for taking a protected action;
- (e) claims regarding any restrictions on the Released Parties' right to enforce any of Executive's post-termination obligations regarding non-disclosure, non-disparagement, non-competition, non-solicitation, and non-interference; and
- (f) claims for equity or other ownership or profits interests, wages, back pay, overtime pay, severance pay, future pay, bonuses, commissions, and any other compensation, including, without limitation, pursuant to the Employment Agreement or the Award Letters.

NOTHING IN THIS RELEASE AGREEMENT SHALL WAIVE OR MODIFY THE FOLLOWING RIGHTS IF EXECUTIVE OTHERWISE HAS SUCH RIGHTS:

- (g) any right or claim provided under this Release Agreement;
- (h) benefit claims under employee pension or welfare benefit plans in which the Executive is a participant by virtue of his employment with any of the Company Parties;

- (i) any rights of indemnification the Executive may have under any written agreement between the Executive and the Company (or its Affiliates), the Company's Certificate of Incorporation, the Partnership's LP Agreement, the General Corporation Law of the State of Delaware, any applicable statute or common law, or pursuant to any applicable insurance policy,
- (j) contractual rights to vested equity awards;
- (k) any right to COBRA continuation coverage;
- (l) any right to seek unemployment compensation benefits if Executive is otherwise qualified under applicable law;
- (m) any rights regarding a pending workers' compensation claim, however, Executive states that Executive has no unfiled workers' compensation claim or unreported injury;
- (n) any rights that may not be waived as a matter of law; or
- (o) any claim based on facts occurring after this Release Agreement is signed.

2. Executive's Release of Age Discrimination Claims. In addition, Executive acknowledges the following:

- (a) This Release Agreement is written in a manner calculated to be understood by Executive and that Executive in fact understands the terms, conditions and effect of this Release Agreement.
- (b) This Release Agreement refers to rights or claims arising under the Age Discrimination in Employment Act and Older Workers' Benefit Protection Act.
- (c) Executive does not waive rights or claims that may arise after the date this Release Agreement is executed.
- (d) Executive waives rights or claims only in exchange for consideration in addition to anything of value to which Executive is already entitled.
- (e) Executive is advised in writing to consult with an attorney prior to executing the Release Agreement.
- (f) Executive has [21/45] days in which to consider this Release Agreement before accepting, but need not take that long if Executive does not wish to, and any decision to sign this Release Agreement before the [21/45] days have expired was done so voluntarily and not because of any fraud or coercion or improper conduct by any of the Released Parties.
- (g) This Release Agreement allows a period of seven (7) days following Executive's signature on the agreement during which Executive may revoke this Release Agreement. This Release Agreement is not effective until after the revocation period has been exhausted without any revocation by Executive. No payments shall be made until after the Release Agreement becomes effective.

- (h) Executive fully understands all of the terms of this waiver agreement and knowingly and voluntarily enters into this Release Agreement.
- (i) Executive has been given this Release Agreement to consider on [●] (the “Consideration Date”). Any notice of acceptance or revocation should be made by Executive to the Company as specified in Section 12 of the Employment Agreement.
- (j) Any changes made to the version of this Release Agreement provided to Executive on the Consideration Date are not material or were made at the Executive’s request and will not restart the required [21/45]-day consideration period.

3. Executive’s Representations. Executive is, and will continue to be, in full compliance with any non-disclosure, non-disparagement, non-competition, and non-solicitation obligations owed to the Company Parties under any agreement or applicable law. Executive further represents and warrants that Executive has returned all information and property as required by Section 7(d) of the Employment Agreement.

4. Reporting to Government Agencies. Nothing in this Release Agreement or in any other agreement referenced in this Release Agreement shall prevent Executive from filing a charge or complaint or making a disclosure or report of possible unlawful activity, including a challenge to the validity of this Release Agreement, with any governmental agency, including but not limited to the Equal Employment Opportunity Commission (“EEOC”), the National Labor Relations Board (“NLRB”), or the SEC, or from participating in any investigation or proceeding conducted by the EEOC, NLRB, SEC, or any federal, state or local agency. This Release Agreement does not impose any condition precedent (such as prior disclosure to any Released Party), any penalty, or any other restriction or limitation adversely affecting Executive’s rights regarding any governmental agency disclosure, report, claim or investigation. Executive understands and recognizes, however, that even if a report or disclosure is made or a charge is filed by Executive or on Executive’s behalf with a governmental agency other than the SEC, Executive will not be entitled to any damages or payment of any money or other relief personal to Executive relating to any event which occurred prior to Executive’s execution of this Release Agreement.

5. Entire Agreement. Executive has carefully read and fully understands all of the terms of this Release Agreement. Executive agrees that this Release Agreement, together with the Employment Agreement, constitutes the complete agreement of the Parties in respect of the subject matter hereof and shall supersede all prior agreements between the Parties in respect of the subject matter hereof except to the extent set forth herein. For the avoidance of doubt, however, nothing in this Release Agreement shall constitute a waiver of any of the Company Parties’ rights to enforce any obligations of the Executive under the Employment Agreement that survive the Employment Agreement’s termination, including without limitation, any obligations concerning arbitration, confidentiality, non-competition, non-solicitation, and post-employment cooperation.

6. No Admission. Executive understands this Release Agreement is not and shall not be deemed or construed to be an admission by any of the Released Parties of any wrongdoing of

any kind or of any breach of any contract, law, obligation, policy, or procedure of any kind or nature.

7. Injunctive Relief. Executive acknowledges that damages may be difficult to calculate and/or wholly inadequate for certain breaches of this Release Agreement. The Released Parties may seek immediate injunctive or other equitable relief to enforce the terms of this Release Agreement, in addition to any legal or other relief to which the Released Parties may be entitled, including damages and attorneys' fees.

8. Representations; Modifications; Severability. Executive acknowledges that Executive has not relied upon any representations or statements, written or oral, not set forth in this Release Agreement. This Release Agreement cannot be modified except in writing and signed by all Parties. The foregoing notwithstanding, if any part of this Release Agreement is found to be unenforceable by a court of competent jurisdiction, then such unenforceable portion will be modified to be enforceable, or severed from this Release Agreement if it cannot be modified, and such modification or severance shall have no effect upon the remaining portions of the Release Agreement which shall remain in full force and effect.

9. Assignment and Successors. The Company may, without Executive's consent, assign its rights and obligations under this Agreement to any entity, including any successor to all or substantially all the assets of the Company, by merger or otherwise. The Executive may not assign the Executive's rights or obligations under this Agreement to any individual or entity. This Agreement shall be binding upon and inure to the benefit of the Company, the Executive and their respective successors, assigns, personnel and legal representatives, executors, administrators, heirs, distributees, devisees, and legatees, as applicable.

10. Governing Law. This Agreement shall be governed, construed, interpreted and enforced in accordance with the substantive laws of the State of Delaware, without reference to the principles of conflicts of law of Delaware or any other jurisdiction, and where applicable, the laws of the United States

11. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Release Agreement to be signed by its duly authorized officer, and Executive has executed this Release Agreement on the day and year written below.

COMPANY

By: _____
Name: _____
Title: _____
Date: _____

EXECUTIVE

By: _____
Heath Deneke
President and Chief Executive Officer
Date: _____

CERTIFICATIONS

I, Heath Deneke, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Summit Midstream Partners, LP;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2022

/s/ Heath Deneke

Heath Deneke
President, Chief Executive Officer and Director of Summit
Midstream GP, LLC (the general partner of Summit
Midstream Partners, LP)

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report on Form 10-Q of Summit Midstream Partners, LP (the "Registrant") for the quarterly period ended March 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Heath Deneke, as President, Chief Executive Officer and Director of Summit Midstream GP, LLC, the general partner of the Registrant, and William J. Mault, as Executive Vice President and Chief Financial Officer of Summit Midstream GP, LLC, the general partner of the Registrant, each hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ Heath Deneke

Name: Heath Deneke
Title: President, Chief Executive Officer and Director of Summit Midstream GP, LLC
(the general partner of Summit Midstream Partners, LP)
Date: May 4, 2022

/s/ William J. Mault

Name: William J. Mault
Title: Executive Vice President and Chief Financial Officer of Summit Midstream GP, LLC
(the general partner of Summit Midstream Partners, LP)
Date: May 4, 2022