

# [***Osprey Energy Acquisition Corp. and Blackstone's Royal Resources Announce Combination to Form Falcon Minerals Corporation, a Publicly Traded Oil-Weighted Minerals Company***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5SGP-HHY1-J9XT-P0FG-00000-00&context=1516831)

Plus Company Updates(PCU)

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**Body**

New York City: The Blackstone Group L.P. (BX) has issued the following press release: Osprey ***Energy*** Acquisition Corp. (“Osprey”) (NASDAQ: OSPR, OSPRU, OSPRW), an ***energy***-focused special purpose acquisition entity, today announced it has entered into a definitive agreement to acquire the assets of Royal Resources (“Royal”), an entity owned by funds managed by Blackstone ***Energy*** Partners and Blackstone Capital Partners ("Blackstone"). The acquired Royal assets represent the entirety of Blackstone's mineral interests in the Eagle Ford Shale, and the transaction will create a company with a total enterprise value of approximately $894 million. The combined company, which will be named Falcon Minerals Corporation (“Falcon Minerals”), will be led by Osprey’s management team: Jonathan Cohen, Edward Cohen and Daniel Herz.

Blackstone will retain a significant ownership stake in Falcon Minerals at closing representing approximately 47% of outstanding common stock. The formation of Falcon Minerals creates a unique, high growth, core-of-the-core oil and gas minerals company with top-tier Eagle Ford and Austin Chalk asset positions covering 251,000 gross unit mineral acres. Net production over the first quarter was 4,764 boe per day increasing recently to a rate approaching 7,000 boe per day from new wells coming on line. Net production for 2018 is expected to be approximately 6,352 boe per day. Falcon Minerals is expected to have over 85% of its reserve value in long-lived, undeveloped acreage with over 3,000 locations which generate IRRs to operators in excess of 100%. The three largest operators on Falcon Minerals’ lands, which contribute over 90% of reserve value, are ConocoPhillips, EOG and BHP/Devon. Falcon Minerals expects to generate cash margins above 90%, and to distribute nearly all of its free cash flow, and currently expects to pay an initial cash dividend after closing of the transactions of $0.90 per share per year. Currently, there are over 1,789 producing wells on the properties with expected 2018 liquids production of greater than 73%, and over 80% of revenue derived from oil. The Eagle Ford and Austin Chalk benefit from proximity to the US Gulf Coast market and significant in-place infrastructure, supporting a premium price for crude oil sales relative to WTI, further advantaging the economics of both plays. Falcon Minerals is further exposed to potential value in the Marcellus Shale with over 58,000 gross unit mineral acres. "Osprey went public in July 2017 with the intent to find a world class and unique ***energy*** business that was poised to benefit from a new phase as a public company, and we believe that is exactly what we are creating with Falcon Minerals," said Jonathan Z. Cohen, CEO of Osprey ***Energy*** Acquisition Corp. "We will have a unique opportunity to benefit from some of the highest quality acreage in the United States, driven by the best operators in the play dedicated to significantly growing their production across our position. There is a tremendous opportunity to build on this excellent business by utilizing our organic growth and acquisition skills in a highly fragmented oil and gas minerals industry, and we are thrilled to partner with Blackstone and benefit from their vast experience in the sector.”

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