Noble Corp plc
Form 4
January 31, 2014

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL
OMB Number: 3235-0287
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(Print or Type Responses)

1. Name and Address of Reporting Person *
HALL GORDON T

(Last) (First) (Middle)

2414 CYPRESS HILL

(Street)

SUGAR LAND, TX 77479

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
Noble Corp plc [NE]

3. Date of Earliest Transaction (Month/Day/Year)
01/29/2014

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Shares	01/29/2014		A		7,248	A	$ 0	40,316	D	
Shares	01/29/2014		F		3,202	D	$ 31.87	37,114	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
								Date Exercisable	Expiration Date	Title	Amount or Number of Shares		
				Code	V	(A)	(D)						

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HALL GORDON T 2414 CYPRESS HILL SUGAR LAND, TX 77479	X			

Signatures

/s/ Julie J. Robertson By Power of Attorney Dated July 29, 2011	01/31/2014
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. n;text-indent:-.25in;">

Recent Achievements

Our compensation structure is designed to reward our officers for achieving above-market returns for our unitholders. Our achievements during the year ended March 31, 2015 included the following:

• Significantly expanded our refined products and renewables segment through the acquisition of TransMontaigne and related operations;

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Explanation of Responses:

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- Completed a successful open season and began construction of Grand Mesa to transport crude oil from Weld County, Colorado to Cushing, Oklahoma;

- Acquired a strategically-located natural gas liquids salt dome storage facility in Utah; and

- Increased our distribution from $0.5513 per common unit in May 2014 to $0.6250 per common unit in May 2015 (an increase of over 13%).

Compensation Highlights

- We paid no cash bonuses to our named executive officers during fiscal year 2015.

- The salaries of most of our named executive officers remain below the median of our benchmark peer group. This enables us to grant more performance-based compensation to maintain competitive total compensation packages.

- We introduced a new performance-based restricted unit program for which no payout will be made unless the return on our common units exceeded the median returns for a specified peer group over specified periods of time.

Factors Enhancing Alignment with Unitholder Interests

- Majority of officer pay is incentive compensation at risk based on annual financial performance and growth in unitholder value;

- Equity-based incentives are the largest single component of officer compensation;

- Certain of the officers equity awards are subject to achievement of above-median total unitholder return relative to our performance peer group;

- No excise tax gross-ups; and

- Compensation committee engages an independent compensation adviser.

Compensation Setting Process

Our compensation program for our named executive officers supports our philosophy of pay-for-performance.

- **Role of Management:** Our Chief Executive Officer also provides periodic recommendations to the compensation committee and the board of directors regarding the compensation of our other named executive officers.

- **Role of the Compensation Committee s Consultant:** In carrying out its responsibilities for establishing, implementing and monitoring the effectiveness of our executive compensation philosophy, plans and programs, our compensation committee has the authority to engage outside experts to assist in its deliberations. During fiscal year 2015, the compensation committee received compensation advice and data from Pearl Meyer & Partners (PM&P). PM&P conducted a competitive review of the principal components of compensation for our executives, including our named executive officers. PM&P also provided input on peer group selection (compensation and performance peers), and short and long-term incentive plan design. The compensation committee reviewed the services provided by PM&P and determined that they are independent in providing executive compensation consulting services. In making this determination, the compensation committee noted that during fiscal year 2015:

- PM&P did not provide any services to the Partnership or management other than compensation consulting services requested by or with the approval of the compensation committee;

- PM&P does not provide, directly or indirectly through affiliates, any non-compensation services such as pension consulting or human resource outsourcing;

- PM&P maintains a conflicts policy, which was provided to the compensation committee with specific policies and procedures designed to ensure independence;

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- Fees paid to PM&P by the Partnership during fiscal year 2015 were less than 1% of PM&P s total revenue;

- None of the PM&P consultants working on Partnership matters had any business or personal relationship with compensation committee members;

- None of the PM&P consultants working on Partnership matters (or any consultants at PM&P) had any business or personal relationship with any executive officer of the Partnership; and

- None of the PM&P consultants working on Partnership matters own Partnership interests.

The compensation committee continues to monitor the independence of its compensation consultant on a periodic basis. The compensation committee considered the recommendations provided by PM&P in the process of designing the fiscal year 2015 compensation program.

Elements of Executive Compensation

As part of our pay-for-performance approach to executive compensation, the compensation of our executive officers includes a significant component of incentive compensation based on our performance. We use three primary elements of compensation in our executive compensation program:

			Objective Supported		
Element	**Primary Purpose**	**How Amount Determined**	**Attract & Retain**	**Motivate & Pay for Performance**	**Unitholder Alignment**
Base Salary	• Fixed income to compensate executive officers for their level of responsibility, expertise and experience	• Based on competition in the marketplace for executive talent and abilities	X		
Cash Bonus Awards	• Rewards achievement of specific annual financial and operational performance goals • Recognizes individual contributions to our performance	• Based on the named executive officer s relative contribution to achieving or exceeding annual goals	X	X	X
Long-Term Equity Incentive Awards	• Motivates and rewards the achievement of long-term	• Based on the named executive officer s expected contribution	X	X	X

	performance goals, including increasing the market price of our common units and the quarterly distributions to our unitholders • Provides a forfeitable long-term incentive to encourage executive retention	to long-term performance goals

Base Salary

The compensation committee periodically reviews the base salaries of our named executive officers and may recommend adjustments as necessary. We do not make automatic annual adjustments to base salary.

• Mr. Krimbill s initial base salary of $120,000 was originally determined as part of the negotiations for our formation transactions. In setting the base salaries, the parties considered various factors, including the compensation needed to attract or retain the officers, the historical compensation of the officers, and each officer s expected individual contribution to our performance. At the request of Mr. Krimbill, the parties agreed that he should receive a lower base salary than our other executive officers at the time because, as our Chief Executive Officer, a significant portion of his compensation should be performance-based, to further align his interests with the interests of our unitholders. In February 2012, the base salary of Mr. Krimbill was reduced to $60,000, based on our operating and financial performance as a result of an unusually warm winter. The base salary of Mr. Krimbill was restored to $120,000 effective November 12, 2012. Effective July 1, 2014, the Board of Directors increased Mr. Krimbill s salary to $350,000, in

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consideration of the fact that his salary was low relative to the benchmark peer group (and remains below the 25th percentile of the peer group).

- Mr. Atanasov s base salary of $195,000 was negotiated prior to his joining our management team in November 2011. The base salary of Mr. Atanasov was increased to $250,000 in July 2013 and to $300,000 in July 2014, in consideration of the fact that his salary was low relative to the benchmark peer group.

- Mr. Burke s base salary of $353,000 became effective on June 19, 2012 when Mr. Burke joined our management team upon completion of our merger with High Sierra. Mr. Burke s base salary was increased to $375,000 in July 2013 and to $384,000 in June 2014. Mr. Burke was given a lower salary increase than the other named executive officers, based on the fact this his salary is higher relative to the benchmark peer group than the other named executive officers (his current salary is close to the 50th percentile of the peer group).

- Dr. Coady s base salary of $300,000 was determined as part of the negotiations for our formation transactions. In February 2012, the base salary of Dr. Coady was reduced to $200,000 based on our operating and financial performance as a result of an unusually warm winter. The base salary of Dr. Coady was restored to $300,000 effective November 12, 2012. Dr. Coady s base salary was increased to $315,000 in July 2014, in consideration of the fact that his salary was low relative to the benchmark peer group.

- Mr. Osterman s initial base salary of $125,000 was negotiated at the time Mr. Osterman joined our management team upon completion of our acquisition of Osterman Propane. Mr. Osterman s salary was increased to $200,000 in January 2013 and to $250,000 in July 2013, in consideration of the fact that his salary was low relative to the benchmark peer group.

Cash Bonus Awards

No cash bonuses were paid to the named executive officers during fiscal year 2015. None of the named executive officers is subject to a formal cash bonus plan, and any cash bonuses are at the discretion of the Compensation Committee or the Board of Directors, (in the case of Mr. Krimbill) or the Compensation Committee (in the case of the other named executive officers).

Long-Term Equity Incentive Awards

Certain restricted units granted to the named executive officers vest in tranches, contingent only on the continued service of the recipient through the vesting date (the Service Awards). Grants of Service Award units to the named executive officers are summarized below:

	Unvested Units at March 31, 2014	Units Granted		Units Vested in Fiscal Year 2015	Total Unvested Units at March 31, 2015
		in July 2014	in March 2015		

Atanas H. Atanasov	32,000	7,000	24,000	(27,000)	36,000
James J. Burke	40,000		25,000	(20,000)	45,000
Shawn W. Coady	10,000	7,000	45,000	(17,000)	45,000
Vincent J. Osterman	10,000	7,000	45,000	(17,000)	45,000

The vesting dates of the unvested Service Award units at March 31, 2015 are summarized below:

	Service Award Units by Vesting Date			Total Unvested Units
	July 1, 2015	**July 1, 2016**	**July 1, 2017**	**at March 31, 2015**
Atanas H. Atanasov	12,000	12,000	12,000	36,000
James J. Burke	15,000	15,000	15,000	45,000
Shawn W. Coady	15,000	15,000	15,000	45,000
Vincent J. Osterman	15,000	15,000	15,000	45,000

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The Service Award units granted in July 2014 were intended as discretionary bonuses for performance during fiscal year 2014. Of the Service Award units granted in March 2015 to Mr. Atanasov and Mr. Burke, 10,000 of the units were intended as a bonus for performance during fiscal year 2015. No Service Award units were granted to Mr. Krimbill until April 2015, at the request of Mr. Krimbill.

The number of Service Award units to be granted was determined by reference to peer groups. Assuming a value of $30 value per unit for this purpose, the annual Service Award value falls between the 25th and 50th percentile of the peer group for Mr. Burke, Dr. Coady, and Mr. Osterman, and below the 25th percentile of the peer group for Mr. Atanasov.

Fiscal Year 2016 Awards

During April 2015, the board of directors granted certain Service Award units to Mr. Krimbill, which will vest in tranches of 71,191 each on July 1, 2015, July 1, 2016, and July 1, 2017. The number of award units was calculated based on the median value of equity award units granted to chief executive officers in the benchmark peer group.

During April 2015, the Partnership granted awards that are contingent both on the continued service of the recipients through the vesting date and also on the performance of our common units relative to the performance of other entities in the Alerian MLP Index (the Index) over specified periods of time (the Performance Awards). The maximum number of units that could vest on the Performance Awards granted to each named executive officer is summarized below:

	Maximum Performance Award Units by Vesting Date			
	July 1, 2015	**July 1, 2016**	**July 1, 2017**	**Total**
H. Michael Krimbill	142,382	142,382	142,382	427,146
Atanas H. Atanasov	24,000	24,000	24,000	72,000
James J. Burke	30,000	30,000	30,000	90,000
Shawn W. Coady	30,000	30,000	30,000	90,000
Vincent J. Osterman	30,000	30,000	30,000	90,000

The number of Performance Award units that will vest is contingent on the performance of our common units relative to the performance of the other entities in the Index. Performance will be calculated based on the return on our common units (including changes in the market price of the common units and distributions paid during the performance period) relative to the returns on the common units of the other entities in the Index. Performance will be measured over the following periods:

Vesting Date of Tranche	**Performance Period for Tranche**
July 1, 2015	July 1, 2012 through June 30, 2015
July 1, 2016	July 1, 2013 through June 30, 2016
July 1, 2017	July 1, 2014 through June 30, 2017

The percentage of the maximum Performance Award units that will vest will depend on the percentage of entities in the Index that NGL outperforms, as summarized in the table below:

Performance Relative to Index	Percentage of Maximum Performance Award Units to Vest
Less than 50th percentile	0%
50th 75th percentile	25% 50%
75th 90th percentile	50% 100%
Greater than 90 percentile	100%

The Performance Award units were determined in consideration of the fact that the base salaries and the service-based equity awards for the named executive officers are in most cases below the median value for officers in their respective peer groups. The compensation committee believes that if the performance of NGL s common units falls below the median performance of the Index, the named executive officers should receive lower compensation than their peers, but that if the performance of NGL s common units exceeds the median of the Index, the compensation of the named executive officers should be increased.

Under the provisions of Accounting Standards Codification (ASC) 718, the grant date for the Performance Award units was in April 2015, as the performance metrics were not finalized and communicated to the recipients until April 2015. As a result, these awards are not listed in the Summary Compensation Table for fiscal year 2015 below.

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Severance and Change in Control Benefits

We do not provide any severance or change of control benefits to our named executive officers. The board of directors has the option to accelerate the vesting of the restricted units in the event of a change in control of the Partnership, although it is not under any obligation to do so.

401(k) Plan

We have established a defined contribution 401(k) plan to assist our eligible employees in saving for retirement on a tax-deferred basis. The 401(k) plan permits all eligible employees, including our named executive officers, to make voluntary pre-tax contributions to the plan, subject to applicable tax limitations. We make an employer matching contribution equal to 3.5% of the employee s contribution that is not in excess of 6% of the employee s eligible compensation (subject to annual Internal Revenue Service contribution limits). Our matching contributions prior to January 1, 2015 vest over 5 years and, effective January 1, 2015, our matching contributions vest over 2 years.

Other Benefits

We do not maintain a defined benefit or pension plan for our executive officers, because we believe such plans primarily reward longevity rather than performance. We provide a basic benefits package available to substantially all full-time employees, which includes a 401(k) plan and medical, dental, vision, disability and life insurance.

Other Officers

Certain officers who have leadership roles within our individual business units, but who are not executive officers, participate in formulaic bonus programs that are based on the performance of the individual business units with which they are involved. In most cases, similar programs were in place prior to our acquisition of the businesses, and we have left the programs substantially intact.

Competitive Review and Fiscal Year 2015 Compensation Program

During fiscal year 2015, PM&P conducted a competitive review of our executive compensation program and provided input to the compensation committee regarding competitive compensation levels and compensation program design. In order to provide guidance to the compensation committee regarding competitive rates of compensation, PM&P collected pay data from the following sources:

- Compensation surveys including data from published compensation surveys representative of other energy industry and broader general industry companies with revenues of between $1 billion and $6 billion; and

- Peer group data including pay data from 10-K and proxy filings for a group of 20 publicly traded midstream oil & gas partnerships of similar size and scope to us.

Compensation Peer Group Companies

[redacted]

PM&P defines market as the combination of survey data and peer group data. As described above, the Compensation Committee considered this data in establishing salaries for fiscal year 2015 and in determining the number of Service Award and Performance Award units to grant to the named executive officers.

Employment Agreements

We do not have employment agreements with any of our named executive officers.

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Deductibility of Compensation

We believe that the compensation paid to the named executive officers is generally fully deductible for federal income tax purposes. We are a limited partnership and we do not meet the definition of a corporation subject to deduction limitations under Section 162(m) of the Internal Revenue Code of 1986, as amended.

Compensation Committee Report

The compensation committee of the board of directors of our general partner has reviewed and discussed the Compensation Discussion and Analysis set forth above with management. Based on this review and discussion, the compensation committee recommended to the board of directors of our general partner that the Compensation Discussion and Analysis be included in this Annual Report.

Members of the compensation committee:

Stephen L. Cropper (Chairman)
Bryan K. Guderian
James C. Kneale

Relation of Compensation Policies and Practices to Risk Management

Our compensation arrangements contain a number of design elements that serve to minimize the incentive for taking excessive or inappropriate risk to achieve short-term, unsustainable results. This includes using restricted unit grants as a significant element of the executive compensation, as the restricted units are designed to reward the executives based on the long-term performance of the Partnership. In combination with our risk-management practices, we do not believe that risks arising from our compensation policies and practices for our employees are reasonably likely to have a material adverse effect on us.

Compensation Committee Interlocks and Insider Participation

During fiscal year 2015, Stephen L. Cropper, Bryan K. Guderian, and James C. Kneale served on the Compensation Committee. None of these individuals is an employee or an officer of our general partner. As described under Part I, Item 13 Transactions with Related Persons, Mr. Guderian is an executive officer of WPX, and we entered into certain transactions with WPX during fiscal year 2015. Shawn Coady is an executive officer and a member of the board of directors. Dr. Coady also serves on the board of directors of HOH, a family-owned company, and in this capacity Dr. Coady participates in the compensation setting process of the HOH board of directors.

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Summary Compensation Table for 2015

The following table includes the compensation earned by our named executive officers for fiscal years 2013 through 2015.

Name and Position	Fiscal Year	Salary ($)	Bonus (1) ($)	Restricted Unit Awards (2) ($)	All Other Compensation (3) ($)	Total ($)
H. Michael Krimbill	2015	292,500			9,319	301,819
Chief Executive Officer	2014	117,693	475,000		6,493	599,186
	2013	82,849			2,492	85,341
Atanas H. Atanasov	2015	287,500		864,664	9,346	1,161,510
Chief Financial Officer	2014	232,500	195,000	259,696	7,038	694,234
	2013	195,000		743,440	2,738	941,178
James J. Burke (4)	2015	381,750		602,270	26,467	1,010,487
President	2014	367,385	450,000		24,651	842,036
	2013	275,630		836,400	13,015	1,125,045
Shawn W. Coady	2015	311,250		1,331,501	19,153	1,661,904
President and Chief Operating	2014	300,000	200,000		19,630	519,630
Officer, Retail Division	2013	238,462		613,700	17,730	869,892
Vincent J. Osterman (5)	2015	250,000		1,331,501	31,763	1,613,264
President, Eastern Retail						
Propane Operations						

(1) Amounts for fiscal year 2014 include discretionary bonuses paid in fiscal year 2014 based on contributions of the individuals since the time they joined the Partnership through the date of the bonus and based on expectations of future performance.

(2) The fair values of the restricted units shown in the table above were calculated based on the closing market prices of our limited partner units on the grant dates, with adjustments made to reflect the fact that the restricted units are not entitled to distributions during the vesting period. The impact of the lack of distribution rights during the vesting period was estimated using the value of the most recent distribution prior to the grant date and assumptions that a market participant might make about future distribution growth. This calculation of fair value is consistent with the provisions of Accounting Standards Codification 718 Stock Compensation.

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(3) The amounts in this column include matching contributions to our 401(k) plan. Amounts for Mr. Burke include a club membership and a car allowance. Amounts for Dr. Coady include the incremental cost of the use of a company car, including depreciation, maintenance, insurance, and fuel. Amounts for Mr. Osterman include propane provided to him and to members of his family (valued for this purpose at the cost of the propane to NGL). These amounts are summarized in the table below:

Name	Fiscal Year	401 (k) Match	Car Allowance	Club Membership	Propane	Total Other Compensation
James J. Burke	2015	$ 9,343	$ 9,000	$ 8,124	$	$ 26,467
	2014	7,527	9,000	8,124		24,651
	2013	4,891		8,124		13,015
Shawn W. Coady	2015	9,796	9,357			19,153
	2014	8,750	10,880			19,630
	2013	7,154	10,576			17,730
Vincent J. Osterman	2015	18,468			13,295	31,763

(4) Mr. Burke joined our management team upon completion of our merger with High Sierra on June 19, 2012.

(5) Mr. Osterman was not a named executive officer prior to fiscal year 2015.

Restricted Unit Awards

During fiscal year 2015, the Committee granted awards for which units vest at specified dates, contingent only on the continued service of the recipient through the service date (the Service Awards).

2015 Grants of Plan Based Awards Table

The number of restricted Service Award units granted to our named executive officers, and their grant date fair values, are summarized below:

Name	Grant Date	Total Number of Service Award Units	Grant Date Fair Value of Service Award Units ($)
H. Michael Krimbill	n/a		
Atanas H. Atanasov	July 24, 2014	7,000	307,090

	March 30, 2015	24,000	557,574
James J. Burke	March 30, 2015	25,000	602,270
Shawn W. Coady	July 24, 2014	7,000	307,090
	March 30, 2015	45,000	1,024,411
Vincent J. Osterman	July 24, 2014	7,000	307,090
	March 30, 2015	45,000	1,024,411

The fair value of the restricted Service Award units shown in the table above were calculated based on the closing market price of our limited partner units on the grant dates, with adjustments made to reflect the fact that restricted units are not entitled to distributions during the vesting period.

We record in our consolidated financial statements the expense for each tranche on a straight-line basis over the period beginning with the vesting of the previous tranche and ending with the vesting of the tranche. We adjust the cumulative expense recorded through each reporting date using the estimated fair value of the awards at the reporting date.

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Outstanding Equity Awards as of March 31, 2015

The number of unvested Service Award units outstanding at March 31, 2015, and their fair values at March 31, 2015, are summarized below:

Name	Number of Service Award Units That Have Not Yet Vested at March 31, 2015	Fair Value of Unvested Service Award Units as of March 31, 2015 ($)
H. Michael Krimbill		
Atanas H. Atanasov	36,000	944,280
James J. Burke	45,000	1,180,350
Shawn W. Coady	45,000	1,180,350
Vincent J. Osterman	45,000	1,180,350

The fair values of the restricted units shown in the table above were calculated based on the closing market price of our common units at March 31, 2015 of $26.23. No adjustments were made to reflect the fact that the restricted units are not entitled to distributions during the vesting period.

2015 Option Exercises and Stock Vested

During fiscal year 2015, certain of the restricted Service Award units vested. The value of the awards on the vesting date summarized in the table below was calculated based of the closing market price per unit on the vesting dates.

Name	Number of Units Acquired on Vesting	Value Realized on Vesting ($)
H. Michael Krimbill		
Atanas H. Atanasov	27,000	989,770
James J. Burke	20,000	694,300
Shawn W. Coady	17,000	727,470
Vincent J. Osterman	17,000	727,470

Upon vesting, certain of the named executive officers elected for us to remit payments to taxing authorities in lieu of issuing units. The following table summarizes the number of units issued and the number of units withheld for taxes:

Name	Number of Units Issued	Number of Units Withheld	Total
Atanas H. Atanasov	18,149	8,851	27,000

James J. Burke	13,333	6,667	20,000
Shawn W. Coady	10,501	6,499	17,000
Vincent J. Osterman	14,718	2,282	17,000

Subsequent to vesting, regularly-scheduled distributions were paid on the common units. The following table summarizes the distributions paid during fiscal year 2015 on the units that vested and were issued during fiscal year 2015:

Name	**Distributions**
Atanas H. Atanasov	$ 18,020
James J. Burke	12,376
Shawn W. Coady	16,271
Vincent J. Osterman	23,935

Performance Awards

As described under Long-Term Equity Incentive Awards in the Compensation Discussion and Analysis earlier in this Item 11, the Compensation Committee has also granted restricted unit awards that are contingent both on the continued service of the recipients through the vesting date and also on the performance of NGL s common units relative to the performance of other entities in the Alerian MLP Index (the Performance Awards). These Performance Award units are not included in the Summary Compensation Table for 2015 and related disclosures above, as the grant date of the Performance Award units was in fiscal year 2016.

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Potential Payments upon Termination or Change in Control

We do not provide any severance or change of control benefits to our named executive officers. The board of directors has the option to accelerate the vesting of the restricted units in the event of a change in control of the Partnership, although it is not under any obligation to do so. If the board of directors were to exercise its discretion to accelerate the vesting of restricted units upon a change in control, the value of such units would be the same as reported in the Outstanding Equity Awards as of March 31, 2015 table above.

Director Compensation

Officers or employees of our general partner and its affiliates who also serve as directors do not receive additional compensation for their service as a director of our general partner. Each director who is not an officer or employee of our general partner or its affiliates receives the following cash compensation for his board service:

- an annual retainer of $60,000;
- an annual retainer of $10,000 for the chairman of the audit committee; and
- an annual retainer of $5,000 for each member of the audit committee other than the chairman.

In addition, each director who is not an officer or an employee of our general partner has been granted awards of restricted units. In June 2012, such directors were granted restricted units that vested in tranches of 5,000 units each on January 1, 2013, July 1, 2013, and July 1, 2014. In April 2015, such directors were granted restricted units that vest in tranches of 5,000 units each on July 1, 2015, July 1, 2016, and July 1, 2017.

All of our directors are also reimbursed for all out-of-pocket expenses incurred in connection with attending board or committee meetings. Each director is indemnified for his actions associated with being a director to the fullest extent permitted under Delaware law.

Director Compensation for Fiscal Year 2015

The following table summarizes the compensation earned during fiscal year 2015 by each director who is not an officer or employee of our general partner or its affiliates:

Name	Fees Earned or Paid in Cash ($)	Restricted Unit Awards ($)	Total ($)
James M. Collingsworth			
Stephen L. Cropper	65,000		65,000
Bryan K. Guderian	65,000		65,000
James C. Kneale	70,000		70,000

Mr. Collingsworth joined the board of directors in January 2015. He will earn annual fees to be paid in cash of $65,000.

These directors did not receive any equity grants under the LTIP during fiscal year 2015. During fiscal year 2013, Mr. Cropper, Mr. Guderian, and Mr. Kneale received a grant of unvested units under the LTIP. These units vested in tranches, contingent on the continued service of the directors. During fiscal year 2015, a tranche of 5,000 units vested for each of these directors. Subsequent to the vesting, these individuals received distributions of $1.82 on each of the vested units.

During April 2015, the board of directors granted restricted units to the four directors listed above. For each of these directors, the awards will vest in tranches of 5,000 each on July 1, 2015, July 1, 2016, and July 1, 2017.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Unitholder Matters

Security Ownership of Certain Beneficial Owners and Management

The following table summarizes the beneficial ownership, as of May 25, 2015 of our units by:

- each person or group of persons known by us to be a beneficial owner of more than 5% of our outstanding units;

- each director of our general partner;

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- each named executive officer of our general partner; and

- all directors and executive officers of our general partner as a group.

Beneficial Owners	Common Units Beneficially Owned	Percentage of Common Units Beneficially Owned (1)
5% or greater unitholders (other than officers and directors):		
Oppenheimer Funds, Inc. (2)	10,304,835	9.69%
Magnum NGL HoldCo LLC (3)	7,396,973	6.96%
Neuberger Berman Group LLC (4)	5,374,770	5.05%
Directors and officers:		
Atanas H. Atanasov (5)	66,073	*
James J. Burke (6)	326,285	*
Shawn W. Coady (7)	2,502,231	2.35%
James M. Collingsworth (8)	17,000	*
Stephen L. Cropper (9)	40,000	*
Bryan K. Guderian	35,000	*
James C. Kneale (10)	34,500	*
H. Michael Krimbill (11)	1,741,976	1.64%
Vincent J. Osterman (12)	3,931,095	3.70%
John T. Raymond (13)	176,634	*
Patrick Wade		
All directors and executive officers as a group (11 persons) (14)	8,870,794	8.34%

* Less than 1.0%

(1) Based on 106,328,594 common units outstanding at May 25, 2015.

(2) The mailing address for OppenheimerFunds, Inc. is Two World Financial Center, 225 Liberty Street, New York, NY 10281. OppenheimerFunds, Inc. reported shared voting and dispositive power with respect to all common units beneficially owned. This information related to OppenheimerFunds, Inc. is based upon its Form 13G filed with the SEC on February 6, 2015.

(3) The mailing address for Magnum NGL HoldCo LLC. is 2603 Augusta, Suite 900, Houston, TX 77057. Magnum NGL HoldCo LLC reported shared voting and dispositive power with respect to all common units beneficially owned. This information related to Magnum NGL HoldCo LLC is based upon its Form 13G filed with the SEC on February 27, 2015.

(4) The mailing address for Neuberger Berman Group LLC is 605 Third Avenue, 41st Floor, New York, NY 10158. Neuberger Berman Group LLC reported shared voting and dispositive power with respect to all common units beneficially owned. This information related to Neuberger Berman Group LLC is based upon its Form 13G filed with the SEC on February 6, 2015.

(5) Atanas H. Atanasov also owns a 0.40% interest in our general partner.

(6) Impact Development, LLC owns 33,872 of these common units. Impact Development, LLC is solely owned by James J. Burke, who may be deemed to have sole voting and investment power over these units, but disclaims such beneficial ownership except to the extent of his pecuniary interest therein. Impact Development, LLC also owns a 2.87% interest in our general partner.

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(7) Shawn W. Coady owns 71,840 of these common units. SWC Family Partnership LP owns 2,320,391 of these common units. SWC Family Partnership LP is solely owned by SWC General Partner, LLC, of which Shawn W. Coady is the sole partner. Shawn W. Coady may be deemed to have sole voting and investment power over these units, but disclaims such beneficial ownership except to the extent of his pecuniary interest therein. The 2012 Shawn W. Coady Irrevocable Insurance Trust, which was established for the benefit of Shawn W. Coady s children, owns 110,000 of these common units. Shawn W. Coady may be deemed to have sole voting and investment power over these units, but disclaims such beneficial ownership except to the extent of his pecuniary interest therein. Shawn W. Coady also owns a 12.27% interest in our general partner through Coady Enterprises, LLC, of which he owns 100% of the membership interests.

(8) James M. Collingsworth owns 15,000 of these common units. James M. Collingsworth holds 2,000 common units jointly with his spouse, Cindy Collingsworth.

(9) Stephen L. Cropper owns 15,000 of these common units. The Donna L. Cropper Living Trust owns 25,000 of these common units. Stephen L. Cropper and his spouse, Donna L. Cropper, are the Trustees of the Trust.

(10) James C. Kneale owns 15,000 of these common units. The Suzanne and Jim Kneale Living Trust owns 19,500 of these common units.

(11) H. Michael Krimbill owns 453,573 of these common units. Krim2010, LLC owns 904,848 of these common units. Krimbill Enterprises LP, H. Michael Krimbill and James E. Krimbill own 90.89%, 4.05%, and 5.06% of Krim2010, LLC, respectively. Krimbill Enterprises LP owns 20,000 of these common units. Krimbill Enterprises LP is controlled by H. Michael Krimbill via his ownership of its general partner, Krimbill Holding Company. H. Michael Krimbill exercises the sole voting and disposition power for Krimbill Enterprises LP, and disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein. H. Michael Krimbill may be deemed to have sole voting and investment power over these units, but disclaims such beneficial ownership except to the extent of his pecuniary interest therein. H. Michael Krimbill also owns a 14.81% interest in our general partner through KrimGP2010, LLC, of which he owns 100% of the membership interests. KrimGP2010 LLC owns 363,555 of these common units. KrimGP2010 LLC is solely owned by H. Michael Krimbill. H. Michael Krimbill may be deemed to have sole voting and investment power over these units.

(12) Vincent J. Osterman owns 76,458 of these common units. The remaining common units are owned by AO Energy, Inc. (110,587 common units), E. Osterman, Inc. (394,350 common units), E. Osterman Gas Services, Inc. (301,700 common units), E. Osterman Propane, Inc. (669,300 common units), Milford Propane, Inc. (559,784 common units), Osterman Family Foundation (122,016 common units), Osterman Propane, Inc. (1,445,850 common units), Propane Gas, Inc. (36,450 common units) and Saveway Propane Gas Service, Inc. (214,600 common units). Each of these holding entities may be deemed to have sole voting and investment power over its own common units and Propane Gas, LLC, as sole shareholder of Propane Gas, Inc., may be deemed to have sole voting and investment power over those common units. Vincent J. Osterman is a director, executive officer and shareholder or member of each of these entities and may be deemed to have sole voting and investment power over 745,758 common units and shared voting and investment power (with his father, Ernest Osterman) over 3,185,337 common units, but disclaims beneficial ownership except to the extent of his pecuniary interest therein. Vincent J. Osterman also owns a 0.75% interest in our general partner through VE Properties XI LLC.

(13) EMG NGL HC, LLC owns all of these common units. John T. Raymond is the Chief Executive Officer and Managing Partner of NGP MR GP, LLC, the general partner of NGP MR, LP, the general partner of NGP Midstream & Resources, LLC, a member holding a majority interest in EMG NGL HC, LLC. John T. Raymond may be deemed to have shared voting and investment power over these units, but

disclaims beneficial ownership except to the extent of his pecuniary interest therein. EMG I NGL GP Holdings, LLC, an affiliate of EMG NGL HC, LLC, owns a 5.73% interest in our general partner. EMG II NGL GP Holdings, LLC, an affiliate of EMG NGL HC, LLC, owns a 5.36% interest in our general partner.

(14) The directors and executive officers of our general partner also collectively own a 42.20% interest in our general partner.

Unless otherwise noted, each of the individuals listed above is believed to have sole voting and investment power with respect to the units beneficially held by them. The mailing address for each of the officers and directors of our general partner listed above is 6120 South Yale Avenue, Suite 805, Tulsa, Oklahoma 74136.

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Securities Authorized for Issuance Under Equity Compensation Plan

The following table summarizes information regarding the securities that may be issued under the LTIP at March 31, 2015.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuances Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)(1)
Equity Compensation Plans Approved by Security Holders			
Equity Compensation Plans Not Approved by Security Holders (2)	2,260,400		7,080,006
Total	2,260,400		7,080,006

(1) The number of common units that may be delivered pursuant to awards under the LTIP is limited to 10% of our issued and outstanding common units. The maximum number of common units deliverable under the LTIP automatically increases to 10% of the issued and outstanding common units immediately after each issuance of common units, unless the plan administrator determines to increase the maximum number of units deliverable by a lesser amount.

(2) Our general partner adopted the LTIP in connection with the completion of our initial public offering (IPO) in May 2011. The adoption of the LTIP did not require the approval of our unitholders.

Item 13. Certain Relationships and Related Transactions and Director Independence

Our directors, executive officers, and greater than 5% unitholders collectively own an aggregate of 31,947,372 common units, representing an aggregate 30.05% limited partner interest in us. In addition, our general partner owns a 0.1% general partner interest in us and all of our incentive distribution rights (IDRs).

Distributions and Payments to Our General Partner and Its Affiliates

Our general partner and its affiliates do not receive any management fee or other compensation for the management of our business and affairs, but they are reimbursed for all expenses that they incur on our behalf, including general and administrative expenses. Our general partner determines the amount of these expenses. In addition, our general partner owns the 0.1% general partner interest and all of the IDRs. Our general partner is entitled to receive incentive distributions if the amount we distribute with respect to any quarter exceeds levels specified in our partnership agreement.

The following table summarizes the distributions and payments to be made by us to our directors, officers, and greater than 5% owners and our general partner in connection with our ongoing operation and any liquidation. These distributions and payments were determined by and among affiliated entities before our IPO and, consequently, are not the result of arm s length negotiations.

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[redacted]

Transactions With Related Persons

SemGroup

SemGroup holds an 11.78% ownership interest in our general partner. We sell product to and purchase product from SemGroup, and these transactions are included within revenues and cost of sales in our consolidated statements of operations (although certain of the purchases and sales that were entered into in contemplation of each other are recorded on a net basis within revenues in our consolidated statement of operations). We also lease crude oil storage from SemGroup. The transactions with SemGroup are summarized below for the year ended March 31, 2015 (in thousands):

Sales to SemGroup	$	290,172
Purchases from SemGroup		332,030

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WPX

Bryan Guderian is a member of our board of directors and an executive officer of WPX. We purchase crude oil from and sell crude oil to WPX (certain of the purchases and sales that were entered into in contemplation of each other are recorded on a net basis within revenues in our consolidated statement of operations). In October 2014, we announced plans to build a crude oil rail transloading facility, backed by executed producer commitments. Subsequent to executing these commitments, the producers, which included WPX, requested to be released from the commitments. We agreed to release WPX from its commitments in return for a cash payment in March 2015 and additional cash payments over the next five years. These payments are included in the sales to WPX in the table below. The transactions with WPX are summarized below for the year ended March 31, 2015 (in thousands):

Income from WPX	$	325,141
Purchases from WPX		371,540

Other Transactions

We purchase goods and services from certain entities that are partially owned by our executive officers. These transactions are summarized below for the year ended March 31, 2015:

Entity	Nature of Purchases		Amount Purchased (in thousands)	Ownership Interest in Entity
Dr. Coady:				
Hicks Motor Sales	Vehicle purchases	$	551	50.0%
Mr. Kehoe:				
Cowhouse Partners, L.L.C	Terminaling services and transportation services		143	27.5%
Fluid Services, LLC	Condensate purchases and transportation services		337	20.0%
Mr. Osterman:				
VE Properties III, LLC	Office space rental		149	100.0%

As of March 31, 2015, we no longer purchase goods or services from Cowhouse Partners, L.L.C. or Fluid Services, LLC.

We provide goods and services to several entities that are partially owned by our executive officers. These transactions are summarized below for the year ended March 31, 2015:

	Revenues	Ownership Interest

Entity	Nature of Services	Generated (in thousands)		in Entity
Mr. Burke:				
Impact Energy Services, LLC	Truck transportation services	$	552	50.0%

Todd Coady, an employee of the Partnership, is the brother of Shawn Coady, who is an officer of the Partnership and a member of the board of directors. Todd Coady s annual base compensation was $225,000 until July 1, 2014, when it was increased to $250,000. Todd Coady was also eligible to participate in the Partnership s 401(k) plan, and he received $7,077 of employer matching contributions during the year ended March 31, 2015. In July 2014, Todd Coady was granted a bonus of 5,000 restricted units that vested during August 2014. The grant date fair value of this bonus was $219,350. Todd Coady was also granted 24,000 restricted units

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that are scheduled to vest in three tranches of 8,000 units each on July 1, 2015, July 1, 2016, and July 1, 2017. The aggregate grant date fair value of these awards was $546,353.

Timothy Osterman, an employee of the Partnership, is the son of Vincent J. Osterman, who is an executive officer of the Partnership and a member of the board of directors. Timothy Osterman s base compensation during the year ended March 31, 2015 was $110,000. Timothy Osterman was also eligible to participate in the Partnership s 401(k) plan, and he received $3,515 of employer matching contributions during the year ended March 31, 2015. In July 2014, Tim Osterman was granted a bonus of 3,000 restricted units that vested during August 2014. The grant date fair value of this bonus was $131,610. Tim Osterman was also granted 2,000 restricted units that are scheduled to vest in two tranches of 1,000 units each on July 1, 2015 and July 1, 2016. The aggregate grant date fair value of these awards was $48,271.

Registration Rights Agreement

We have entered into a registration rights agreement (as amended, the Registration Rights Agreement) with certain third parties (the registration rights parties) pursuant to which we agreed to register for resale under the Securities Act of 1933, as amended (Securities Act) common units, including any common units issued upon the conversion of subordinated units, owned by the parties to the Registration Rights Agreement. In connection with our IPO, we granted registration rights to the NGL Energy LP Investor Group, and subsequently, we have granted registration rights in connection with several acquisitions. We will not be required to register such common units if an exemption from the registration requirements of the Securities Act is available with respect to the number of common units desired to be sold. Subject to limitations specified in the Registration Rights Agreement, the registration rights of the registration rights parties include the following:

- *Demand Registration Rights.* Certain registration rights parties deemed Significant Holders under the agreement may, to the extent that they continue to own more than 4% of our common units, require us to file a registration statement with the SEC registering the offer and sale of a specified number of common units, subject to limitations on the number of requests for registration that can be made in any twelve-month period as well as customary cutbacks at the discretion of the underwriters relating to a potential offering. All other registration rights parties are entitled to notice of a Significant Holder s exercise of its demand registration rights and may include their common units in such registration. We can only be required to file a total of eight registration statements upon the Significant Holders exercise of these demand registration rights and are only required to effect demand registration if the aggregate proposed offering price to the public is at least $10.0 million.

- *Piggyback Registration Rights.* If we propose to file a registration statement under the Securities Act to register our common units, the registration rights parties are entitled to notice of such registration and have the right to include their common units in the registration, subject to limitations that the underwriters relating to a potential offering may impose on the number of common units included in the registration. These counterparties also have the right to include their units in our future registrations, including secondary offerings of our common units.

- *Expenses of Registration.* With specified exceptions, we are required to pay all expenses incidental to any registration of common units, excluding underwriting discounts and commissions

Review, Approval or Ratification of Transactions with Related Parties

The board of directors of our general partner has adopted a Code of Business Conduct and Ethics that, among other things, sets forth our policies for the review, approval and ratification of transactions with related persons. The Code of Business Conduct and Ethics provides that the board of directors of our general partner or its authorized committee will periodically review all related person transactions that are required to be disclosed under SEC rules and, when appropriate, initially authorize or ratify all such transactions. In the event that the board of directors of our general partner or its authorized committee considers ratification of a related person transaction and determines not to so ratify, the Code of Business Conduct and Ethics provides that our officers will make all reasonable efforts to cancel or annul the transaction.

The Code of Business Conduct and Ethics provides that, in determining whether or not to recommend the initial approval or ratification of a related party transaction, the board of directors of our general partner or its authorized committee should consider all of the relevant facts and circumstances available, including (if applicable) but not limited to:

- whether there is an appropriate business justification for the transaction;

- the benefits that accrue to the Partnership as a result of the transaction;

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- the terms available to unrelated third parties entering into similar transactions;
- the impact of the transaction on a director s independence (in the event the related party is a director, an immediate family member of a director or an entity in which a director is a partner, shareholder or executive officer);
- the availability of other sources for comparable products or services;
- whether it is a single transaction or a series of ongoing, related transactions; and
- whether entering into the transaction would be consistent with the Code of Business Conduct and Ethics.

Director Independence

The NYSE does not require a listed publicly traded partnership like us to have a majority of independent directors on the board of directors of our general partner. For a discussion of the independence of the board of directors of our general partner, please see Part III, Item 10 Directors, Executive Officers and Corporate Governance Board of Directors of our General Partner.

Item 14. Principal Accountant Fees and Services

We have engaged Grant Thornton LLP as our independent registered public accounting firm. The following table summarizes fees we have paid Grant Thornton LLP to audit our annual consolidated financial statements and for other services for the years ended March 31, 2015 and 2014:

	2015	2014
Audit fees (1)	$ 2,762,764	$ 2,531,229
Audit-related fees		
Tax fees (2)	30,000	70,091
All other fees		
Total	$ 2,792,764	$ 2,601,320

(1) Includes fees for audits of the Partnership s financial statements, reviews of the related quarterly financial statements, and services that are normally provided by the independent accountants in connection with statutory and regulatory filings or engagements, including reviews of

documents filed with the SEC and the preparation of letters to underwriters and other requesting parties.

(2) Includes fees for tax services in connection with tax compliance and consultation on tax matters.

Audit Committee Approval of Audit and Non-Audit Services

The audit committee of the board of directors of our general partner has adopted a pre-approval policy with respect to services which may be performed by Grant Thornton LLP. This policy lists specific audit-related services as well as any other services that Grant Thornton LLP is authorized to perform and sets out specific dollar limits for each specific service, which may not be exceeded without additional audit committee authorization. The audit committee receives quarterly reports on the status of expenditures pursuant to the pre-approval policy. The audit committee reviews the policy at least annually in order to approve services and limits for the current year. Any service that is not clearly enumerated in the policy must receive specific pre-approval by the audit committee prior to engagement.

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PART IV

Item 15. **Exhibits and Financial Statement Schedules**

(a) The following documents are filed as part of this Annual Report:

1. *Financial Statements*. Please see the accompanying Index to Financial Statements.

2. *Financial Statement Schedules*. All schedules have been omitted because they are either not applicable, not required or the information required in such schedules appears in the financial statements or the related notes.

3. *Exhibits*.

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Exhibit Number	Description
2.1	LLC Interest Transfer Agreement, dated as of August 1, 2013, by and among Oilfield Water Lines, LP, as the Representative, OWL Pearsall SWD, LLC, OWL Pearsall Holdings, LLC, NGL Energy Partners, LP and High Sierra Water-Eagle Ford, LLC (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on August 7, 2013)
2.2	LLC Interest Transfer Agreement, dated as of August 1, 2013, by and among Oilfield Water Lines, LP, as the Representative, OWL Karnes SWD, LLC, OWL Karnes Holdings, LLC, NGL Energy Partners, LP and High Sierra Water-Eagle Ford, LLC (incorporated by reference to Exhibit 2.2 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on August 7, 2013)
2.3	LLC Interest Transfer Agreement, dated as of August 1, 2013, by and among Oilfield Water Lines, LP, OWL Cotulla SWD, LLC, Terry Bailey, as trustee of the PJB Irrevocable Trust, NGL Energy Partners, LP and High Sierra Water-Eagle Ford, LLC (incorporated by reference to Exhibit 2.3 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on August 7, 2013)
2.4	LLC Interest Transfer Agreement, dated as of August 1, 2013, by and among Oilfield Water Lines, LP, OWL Nixon SWD, LLC, Terry Bailey, as trustee of the PJB Irrevocable Trust, NGL Energy Partners, LP and High Sierra Water-Eagle Ford, LLC (incorporated by reference to Exhibit 2.4 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on August 7, 2013)
2.5	LLC Interest Transfer Agreement, dated as of August 1, 2013, by and among Oilfield Water Lines, LP, HR OWL, LLC, OWL Operating, LLC, Lotus Oilfield Services, L.L.C., OWL Lotus, LLC, NGL Energy Partners, LP, High Sierra Water-Eagle Ford, LLC and High Sierra Transportation, LLC (incorporated by reference to Exhibit 2.5 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on August 7, 2013)
2.6	Equity Interest Purchase Agreement, dated November 5, 2013, by and among NGL Energy Partners LP, High Sierra Energy, LP, Gavilon, LLC and Gavilon Energy Intermediate, LLC (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on December 5, 2013)
3.1	Certificate of Limited Partnership of NGL Energy Partners LP (incorporated by reference to Exhibit 3.1 to the Registration Statement on Form S-1 (File No. 333-172186) filed on April 15, 2011)
3.2	Certificate of Amendment to Certificate of Limited Partnership of NGL Energy Partners LP (incorporated by reference to Exhibit 3.2 to the Registration Statement on Form S-1 (File No. 333-172186) filed on April 15, 2011)
3.3	Second Amended and Restated Agreement of Limited Partnership of NGL Energy Partners LP (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-35172) filed on May 17, 2011)
3.4	First Amendment to Second Amended and Restated Agreement of Limited Partnership of NGL Energy Partners LP (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-35172) filed on October 26, 2011)
3.5	Second Amendment to Second Amended and Restated Agreement of Limited Partnership of NGL Energy Partners LP (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-35172) filed on January 9, 2012)
3.6	Third Amendment to Second Amended and Restated Agreement of Limited Partnership of NGL Energy Partners LP (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-35172) filed on January 26, 2012)
3.7	Fourth Amendment to Second Amended and Restated Agreement of Limited Partnership of NGL Energy Partners LP (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on July 17, 2012)

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Exhibit Number	Description
3.8	Certificate of Formation of NGL Energy Holdings LLC (incorporated by reference to Exhibit 3.4 to the Registration Statement on Form S-1 (File No. 333-172186) filed on April 15, 2011)
3.9	Certificate of Amendment to Certificate of Formation of NGL Energy Holdings LLC (incorporated by reference to Exhibit 3.5 to the Registration Statement on Form S-1 (File No. 333-172186) filed on April 15, 2011)
3.10	Third Amended and Restated Limited Liability Company Agreement of NGL Energy Holdings LLC (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-35172) filed on February 28, 2013)
3.11	Amendment No. 1 to Third Amended and Restated Limited Liability Company Agreement of NGL Energy Holdings LLC, dated as of August 6, 2013 (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on August 7, 2013)
3.12	Amendment No. 2 to Third Amended and Restated Limited Liability Company Agreement of NGL Energy Holdings LLC, dated as of June 27, 2014 (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on July 3, 2014)
4.1	First Amended and Restated Registration Rights Agreement, dated October 3, 2011, by and among the Partnership, Hicks Oils & Hicksgas, Incorporated, NGL Holdings, Inc., Krim2010, LLC, Infrastructure Capital Management, LLC, Atkinson Investors, LLC, E. Osterman Propane, Inc. and the other holders party thereto (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed on October 7, 2011)
4.2	Amendment No. 1 and Joinder to First Amended and Restated Registration Rights Agreement dated as of November 1, 2011 by and among the Partnership and SemStream (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed on November 4, 2011)
4.3	Amendment No. 2 and Joinder to First Amended and Restated Registration Rights Agreement, dated January 3, 2012, by and among NGL Energy Holdings LLC, Liberty Propane, L.L.C., Pacer-Enviro Propane, L.L.C., Pacer-Pittman Propane, L.L.C., Pacer-Portland Propane, L.L.C., Pacer Propane (Washington), L.L.C., Pacer-Salida Propane, L.L.C. and Pacer-Utah Propane, L.L.C. (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed on January 9, 2012)
4.4	Amendment No. 3 and Joinder to First Amended and Restated Registration Rights Agreement, dated May 1, 2012, by and between NGL Energy Holdings LLC and Downeast Energy Corp. (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on May 4, 2012)
4.5	Amendment No. 4 and Joinder to First Amended and Restated Registration Rights Agreement, dated June 19, 2012, by and between NGL Energy Holdings LLC and NGP M&R HS LP LLC (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on June 25, 2012)
4.6	Amendment No. 5 and Joinder to First Amended and Restated Registration Rights Agreement, dated October 1, 2012, by and between NGL Energy Holdings LLC and Enstone, LLC (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on October 3, 2012)
4.7	Amendment No. 6 and Joinder to First Amended and Restated Registration Rights Agreement, dated November 13, 2012, by and between NGL Energy Holdings LLC and Gerald L. Jensen, Thrift Opportunity Holdings, LP, Jenco Petroleum Corporation, Caritas Trust, Animosus Trust and Nitor Trust (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on November 19, 2012)
4.8	Amendment No. 7 and Joinder to First Amended and Restated Registration Rights Agreement, dated as of August 1, 2013, by and among NGL Energy Holdings LLC, Oilfield Water Lines, LP and Terry G. Bailey (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on August 7, 2013)

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Exhibit Number	Description
4.9*	Amendment No. 8 and Joinder to First Amended and Restated Registration Rights Agreement, dated as of February 17, 2015, by and among NGL Energy Holdings LLC and Magnum NGL Holdco LLC
4.10	Note Purchase Agreement, dated June 19, 2012, by and among NGL and the purchasers named therein (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on June 25, 2012)
4.11	Amendment No. 1 to Note Purchase Agreement, dated as of January 15, 2013, among the Partnership and the purchasers named therein (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on January 18, 2013)
4.12	Amendment No. 2 to Note Purchase Agreement, dated as of May 8, 2013, among the Partnership and the purchasers named therein (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed on May 9, 2013)
4.13	Amendment No. 3 to Note Purchase Agreement, dated September 30, 2013, among NGL Energy Partners LP and the holders of NGL s 6.65% senior secured notes due 2022 signatory thereto (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on October 3, 2013)
4.14	Amendment No. 4 to Note Purchase Agreement, dated as of November 5, 2013, among the Partnership and the purchasers named therein (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on November 8, 2013)
4.15	Amendment No. 5 to Note Purchase Agreement, dated as of December 23, 2013, among the Partnership and the purchasers named therein (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on December 30, 2013)
4.16	Amendment No. 6 to Note Purchase Agreement, dated as of June 30, 2014, among the Partnership and the purchasers named therein (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on July 3, 2014)
4.17	Amendment No. 7 to Note Purchase Agreement, dated as of December 19, 2014 and effective as of December 26, 2014, among the Partnership and the purchasers named therein (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed on January 2, 2015)
4.18*	Amendment No. 8 to Note Purchase Agreement, dated as of May 1, 2015, among the Partnership and the purchasers named therein
4.19	Indenture, dated as of October 16, 2013, by and among NGL Energy Partners LP, NGL Energy Finance Corp., the Guarantors party thereto and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on October 16, 2013)
4.20	Forms of 6.875% Senior Notes due 2021 (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on October 16, 2013)
4.21	First Supplemental Indenture, dated as of December 2, 2013, among NGL Energy Partners LP, NGL Energy Finance Corp., the Guaranteeing Subsidiaries party thereto, the Guarantors party thereto and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.19 to the Annual Report on Form 10 K (File No. 001-35172) for the year ended March 31, 2014 filed with the SEC on May 30, 2014)
4.22	Second Supplemental Indenture, dated as of April 22, 2014, among NGL Energy Partners LP, NGL Energy Finance Corp., the Guaranteeing Subsidiary party thereto, the Guarantors party thereto and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.20 to the Annual Report on Form 10 K (File No. 001-35172) for the year ended March 31, 2014 filed with the SEC on May 30, 2014)

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Exhibit Number	Description
4.23	Third Supplemental Indenture, dated as of July 31, 2014, among NGL Energy Partners LP, NGL Energy Finance Corp., the Guaranteeing Subsidiary party thereto and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.6 to the Quarterly Report on Form 10-Q (File No. 001-35172) for the quarter ended September 30, 2014 filed with the SEC on November 10, 2014)
4.24*	Fourth Supplemental Indenture, dated as of December 1, 2014, among NGL Energy Partners LP, NGL Energy Finance Corp., the Guaranteeing Subsidiaries party thereto, the Guarantors party thereto and U.S. Bank National Association, as Trustee
4.25*	Fifth Supplemental Indenture, dated as of February 17, 2015, among NGL Energy Partners LP, NGL Energy Finance Corp., the Guaranteeing Subsidiaries party thereto, the Guarantors party thereto and U.S. Bank National Association, as Trustee
4.26	Registration Rights Agreement, dated as of October 16, 2013, by and among NGL Energy Partners LP, NGL Energy Finance Corp., the Guarantors listed therein on Exhibit A and RBC Capital Markets, LLC as representative of the several initial purchasers (incorporated by reference to Exhibit 4.3 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on October 16, 2013)
4.27	Registration Rights Agreement, dated December 2, 2013, by and among NGL Energy Partners LP and the purchasers set forth on Schedule A thereto (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on December 5, 2013)
4.28	Indenture, dated as of July 9, 2014, by and among NGL Energy Partners LP, NGL Energy Finance Corp., the Guarantors party thereto and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on July 9, 2014)
4.29	Forms of 5.125% Senior Notes due 2019 (incorporated by reference and included as Exhibits A1 and A2 to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on July 9, 2014)
4.30	Registration Rights Agreement, dated July 9, 2014, by and among NGL Energy Partners LP, NGL Energy Finance Corp., the Guarantors listed therein on Exhibit A and RBS Securities Inc. as representative of the several initial purchasers (incorporated by reference to Exhibit 4.3 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on July 9, 2014)
4.31	First Supplemental Indenture, dated as of July 31, 2014, among NGL Energy Partners LP, NGL Energy Finance Corp., the Guaranteeing Subsidiaries party thereto and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.5 to the Quarterly Report on Form 10-Q (File No. 001-35172) for the quarter ended September 30, 2014 filed with the SEC on November 10, 2014)
4.32*	Second Supplemental Indenture, dated as of December 1, 2014, among NGL Energy Partners LP, NGL Energy Finance Corp., the Guaranteeing Subsidiaries party thereto, the Guarantors party thereto and U.S. Bank National Association, as Trustee
4.33*	Third Supplemental Indenture, dated as of February 17, 2015, among NGL Energy Partners LP, NGL Energy Finance Corp., the Guaranteeing Subsidiaries party thereto, the Guarantors party thereto and U.S. Bank National Association, as Trustee
10.1	Credit Agreement, dated as of June 19, 2012, among NGL Energy Partners LP, the NGL subsidiary borrowers, the lenders party thereto and Deutsche Bank Trust Company Americas, as administrative agent (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on June 25, 2012)
10.2	Facility Increase Agreement, dated as of November 1, 2012, among NGL Energy Operating LLC, NGL Energy Partners LP, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on

November 7, 2012)

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Exhibit Number	Description
10.3	Amendment No. 1 to Credit Agreement, dated as of January 15, 2013, among NGL Energy Operating LLC, the Partnership, the subsidiary borrowers party thereto, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on January 18, 2013)
10.4	Amendment No. 2 to Credit Agreement, dated as of May 8, 2013, among NGL Energy Operating LLC, the Partnership, the subsidiary borrowers party thereto, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No 001-35172) filed on May 9, 2013)
10.5	Amendment No. 3 to Credit Agreement, dated September 30, 2013, among NGL Energy Partners LP, NGL Energy Operating LLC, each subsidiary of NGL identified as a Borrower therein, Deutsche Bank AG, New York Branch, as technical agent, Deutsche Bank Trust Company Americas, as administrative agent and collateral agent and each financial institution identified as a Lender or Issuing Bank therein (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on October 3, 2013)
10.6	Amendment No. 4 to Credit Agreement, dated as of November 5, 2013, among NGL Energy Operating LLC, the Partnership, the subsidiary borrowers party thereto, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on November 8, 2013)
10.7	Amendment No. 5 to Credit Agreement, dated as of December 23, 2013, among NGL Energy Operating LLC, the Partnership, the subsidiary borrowers party thereto, Deutsche Bank and Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on December 30, 2013)
10.8	Facility Increase Agreement, dated as of December 30, 2013, among NGL Energy Operating LLC, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on January 3, 2014)
10.9	Amendment No. 6 to Credit Agreement, dated as of June 12, 2014, among NGL Energy Operating LLC, the Partnership, the subsidiary borrowers party thereto, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on June 16, 2014)
10.10	Amendment No. 7 to Credit Agreement, dated as of June 27, 2014, among NGL Energy Operating LLC, the Partnership, the subsidiary borrowers party thereto, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on July 3, 2014)
10.11	Facility Increase Agreement, dated December 1, 2014, among NGL Energy Operating LLC, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on December 1, 2014)
10.12	Amendment No. 8 to Credit Agreement, dated as of December 19, 2014 and effective as of December 26, 2014, among NGL Energy Operating LLC, the Partnership, the subsidiary borrowers party thereto, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed on January 2, 2015)
10.13*	Amendment No. 9 to Credit Agreement, dated as of May 1, 2015, among NGL Energy Operating LLC, the Partnership, the subsidiary borrowers party thereto, Deutsche Bank Trust Company Americas and the other financial institutions party thereto
10.14	Common Unit Purchase Agreement, dated November 5, 2013, by and among NGL Energy Partners LP and the purchasers listed on Schedule A thereto (incorporated by reference to Exhibit 10.1 to the Current Report on

Form 8-K (File No. 001-35172) filed with the SEC on December 5, 2013)

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Explanation of Responses:

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Exhibit Number	Description
10.15+	Letter Agreement among Silverthorne Energy Holdings LLC, Shawn W. Coady and Todd M. Coady dated October 14, 2010 (incorporated by reference to Exhibit 10.11 to the Registration Statement on Form S-1 (File No. 333-172186) filed on April 15, 2011)
10.16+	NGL Energy Partners LP 2011 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed on May 17, 2011)
10.17+	Form of Restricted Unit Award Agreement under the NGL Energy Partners LP 2011 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q (File No. 001-35172) for the quarter ended June 30, 2012 filed with the SEC on August 14, 2012)
10.18*+	NGL Performance Unit Program
12.1*	Computation of ratios of earnings to fixed charges
21.1*	List of Subsidiaries of NGL Energy Partners LP
23.1*	Consent of Grant Thornton LLP
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS**	XBRL Instance Document
101.SCH**	XBRL Schema Document
101.CAL**	XBRL Calculation Linkbase Document
101.DEF**	XBRL Definition Linkbase Document
101.LAB**	XBRL Label Linkbase Document
101.PRE**	XBRL Presentation Linkbase Document

* Exhibits filed with this report.

** The following documents are formatted in XBRL (Extensible Business Reporting Language): (i) Consolidated Balance Sheets at March 31, 2015 and 2014, (ii) Consolidated Statements of Operations for the years ended March 31, 2015, 2014, and 2013, (iii) Consolidated Statements of Comprehensive Income for the years ended March 31, 2015, 2014, and 2013, (iv) Consolidated Statements of Changes in Equity for the years ended March 31, 2015, 2014, and 2013, (v) Consolidated Statements of Cash Flows for the years ended March 31, 2015, 2014, and 2013, and (vi) Notes to Consolidated Financial Statements.

+ Management contracts or compensatory plans or arrangements.

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Explanation of Responses:

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on June 1, 2015.

NGL ENERGY PARTNERS LP

By: NGL Energy Holdings LLC, its general partner

By: /s/ H. Michael Krimbill
H. Michael Krimbill
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ H. Michael Krimbill H. Michael Krimbill	Chief Executive Officer and Director (Principal Executive Officer)	June 1, 2015
/s/ Atanas H. Atanasov Atanas H. Atanasov	Chief Financial Officer (Principal Financial Officer)	June 1, 2015
/s/ Jeffrey A. Herbers Jeffrey A. Herbers	Chief Accounting Officer (Principal Accounting Officer)	June 1, 2015
/s/ James J. Burke James J. Burke	Director	June 1, 2015
/s/ Shawn W. Coady Shawn W. Coady	Director	June 1, 2015
/s/ James M. Collingsworth James M. Collingsworth	Director	June 1, 2015
/s/ Stephen L. Cropper Stephen L. Cropper	Director	June 1, 2015
/s/ Bryan K. Guderian Bryan K. Guderian	Director	June 1, 2015
/s/ James C. Kneale James C. Kneale	Director	June 1, 2015
/s/ Vincent J. Osterman Vincent J. Osterman	Director	June 1, 2015

John T. Raymond	Director	June 1, 2015
Patrick Wade	Director	June 1, 2015

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INDEX TO FINANCIAL STATEMENTS

NGL ENERGY PARTNERS LP

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Partners

NGL Energy Partners LP

We have audited the accompanying consolidated balance sheets of NGL Energy Partners LP (a Delaware limited partnership) and subsidiaries (the Partnership) as of March 31, 2015 and 2014, and the related consolidated statements of operations, comprehensive income, changes in equity, and cash flows for each of the three years in the period ended March 31, 2015. These financial statements are the responsibility of the Partnership s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of NGL Energy Partners LP and subsidiaries as of March 31, 2015 and 2014, and the results of their operations and their cash flows for each of the three years in the period ended March 31, 2015 in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Partnership s internal control over financial reporting as of March 31, 2015, based on criteria established in the 2013 *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated June 1, 2015 expressed an unqualified opinion.

/s/ GRANT THORNTON LLP

Tulsa, Oklahoma
June 1, 2015

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Partners

NGL Energy Partners LP

We have audited the internal control over financial reporting of NGL Energy Partners LP (a Delaware limited partnership) and subsidiaries (the Partnership) as of March 31, 2015, based on criteria established in the 2013 *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Partnership s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management s Report on Internal Control Over Financial Reporting (Management s Report). Our responsibility is to express an opinion on the Partnership s internal control over financial reporting based on our audit. Our audit of, and opinion on, the Partnership s internal control over financial reporting does not include the internal control over financial reporting of the refined products marketing operations of TransMontaigne LLC (TransMontaigne) and certain related operations whose financial statements reflect total assets and revenues constituting 9 and 23 percent, respectively, of the related consolidated financial statement amounts as of and for the year ended March 31, 2015. As indicated in Management s Report, the refined products marketing operations of TransMontaigne and certain related operations were acquired during the year ended March 31, 2015. Management s assertion on the effectiveness of the Partnership s internal control over financial reporting excluded internal control over financial reporting of the refined products marketing operations of TransMontaigne and certain related operations.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company s internal control over financial reporting is a process designed 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. A company s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Partnership maintained, in all material respects, effective internal control over financial reporting as of March 31, 2015, based on criteria established in the 2013 *Internal Control Integrated Framework* issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements of the Partnership as of and for the year ended March 31, 2015, and our report dated June 1, 2015 expressed an unqualified opinion on those financial statements.

/s/ GRANT THORNTON LLP

Tulsa, Oklahoma
June 1, 2015

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NGL ENERGY PARTNERS LP AND SUBSIDIARIES

Consolidated Balance Sheets

(U.S. Dollars in Thousands, except unit amounts)

	March 31, 2015		March 31, 2014	
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	$	41,303	$	10,440
Accounts receivable trade, net of allowance for doubtful accounts of $4,367 and $2,822, respectively		1,024,226		877,904
Accounts receivable affiliates		17,198		7,445
Inventories		441,762		310,160
Prepaid expenses and other current assets		120,855		80,350
Total current assets		1,645,344		1,286,299
PROPERTY, PLANT AND EQUIPMENT, net of accumulated depreciation of $202,959 and $109,564, respectively		1,617,389		835,848
GOODWILL		1,402,761		1,085,393
INTANGIBLE ASSETS, net of accumulated amortization of $220,517 and $116,728, respectively		1,288,343		736,106
INVESTMENTS IN UNCONSOLIDATED ENTITIES		472,673		194,821
LOAN RECEIVABLE AFFILIATES		8,154		
OTHER NONCURRENT ASSETS		112,837		9,164
Total assets	$	6,547,501	$	4,147,631
LIABILITIES AND EQUITY				
CURRENT LIABILITIES:				
Accounts payable trade	$	833,380	$	719,303
Accounts payable affiliates		25,794		76,846
Accrued expenses and other payables		195,116		141,690
Advance payments received from customers		54,234		29,965
Current maturities of long-term debt		4,472		7,080
Total current liabilities		1,112,996		974,884
LONG-TERM DEBT, net of current maturities		2,745,299		1,629,834
OTHER NONCURRENT LIABILITIES		16,086		11,060
COMMITMENTS AND CONTINGENCIES				
EQUITY:				
General partner, representing a 0.1% interest, 103,899 and 79,420 notional units at March 31, 2015 and 2014, respectively		(37,021)		(45,287)
Limited partners, representing a 99.9% interest -				
Common units, 103,794,870 and 73,421,309 units issued and outstanding at March 31, 2015 and 2014, respectively		2,162,924		1,570,074
Subordinated units, 5,919,346 units issued and outstanding at March 31, 2014				2,028
Accumulated other comprehensive loss		(109)		(236)
Noncontrolling interests		547,326		5,274
Total equity		2,673,120		1,531,853
Total liabilities and equity	$	6,547,501	$	4,147,631

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

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NGL ENERGY PARTNERS LP AND SUBSIDIARIES

Consolidated Statements of Operations

(U.S. Dollars in Thousands, except unit and per unit amounts)

	Year Ended March 31, 2015	2014	2013
REVENUES:			
Crude oil logistics	$ 6,635,384	$ 4,558,545	$ 2,316,288
Water solutions	200,042	143,100	62,227
Liquids	2,243,825	2,650,425	1,604,746
Retail propane	489,197	551,815	430,273
Refined products and renewables	7,231,693	1,357,676	
Other	1,916	437,713	4,233
Total Revenues	16,802,057	9,699,274	4,417,767
COST OF SALES:			
Crude oil logistics	6,560,506	4,477,397	2,244,647
Water solutions	(30,506)	11,738	5,611
Liquids	2,111,614	2,518,099	1,530,459
Retail propane	278,538	354,676	258,393
Refined products and renewables	7,035,472	1,344,176	
Other	2,583	426,613	
Total Cost of Sales	15,958,207	9,132,699	4,039,110
OPERATING COSTS AND EXPENSES:			
Operating	372,176	259,799	169,612
Loss on disposal or impairment of assets, net	41,184	3,597	187
General and administrative	149,430	75,860	52,698
Depreciation and amortization	193,949	120,754	68,853
Operating Income	87,111	106,565	87,307
OTHER INCOME (EXPENSE):			
Earnings of unconsolidated entities	12,103	1,898	
Interest expense	(110,123)	(58,854)	(32,994)
Loss on early extinguishment of debt			(5,769)
Other income, net	37,171	86	1,521
Income Before Income Taxes	26,262	49,695	50,065
INCOME TAX (PROVISION) BENEFIT	3,622	(937)	(1,875)
Net Income	29,884	48,758	48,190
LESS: NET INCOME ALLOCATED TO GENERAL PARTNER	(45,679)	(14,148)	(2,917)
LESS: NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	(13,223)	(1,103)	(250)
NET INCOME (LOSS) ALLOCATED TO LIMITED PARTNERS	$ (29,018)	$ 33,507	$ 45,023
BASIC AND DILUTED INCOME (LOSS) PER COMMON UNIT	$ (0.29)	$ 0.51	$ 0.96

BASIC AND DILUTED WEIGHTED AVERAGE COMMON UNITS OUTSTANDING	86,359,300	61,970,471	41,353,574

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

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NGL ENERGY PARTNERS LP AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

(U.S. Dollars in Thousands)

	Year Ended March 31, 2015	2014	2013
Net income	$ 29,884	$ 48,758	$ 48,190
Other comprehensive income (loss)	127	(260)	(7)
Comprehensive income	$ 30,011	$ 48,498	$ 48,183

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

NGL ENERGY PARTNERS LP AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the Years Ended March 31, 2015, 2014, and 2013

(U.S. Dollars in Thousands, except unit amounts)

		Limited Partners						
	General Partner	Common Units	Amount	Subordinated Units	Amount	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests	Total Equity
BALANCES AT MARCH 31, 2012	$ 442	23,296,253	$ 384,604	5,919,346	$ 19,824	$ 31	$ 428	$ 405,329
Distributions	(1,778)		(59,841)		(9,989)		(74)	(71,682)
Contributions	510						403	913
Business combinations	(52,588)	24,250,258	550,873				4,733	503,018
Equity issued pursuant to incentive compensation plan		156,802	3,657					3,657
Net income	2,917		41,705		3,318		250	48,190
Other comprehensive loss						(7)		(7)
BALANCES AT MARCH 31, 2013	(50,497)	47,703,313	920,998	5,919,346	13,153	24	5,740	889,418
Distributions	(9,703)		(123,467)		(11,920)		(840)	(145,930)
Contributions	765						2,060	2,825
Business combinations		2,860,879	80,591					80,591
Sales of units, net of offering costs		22,560,848	650,155					650,155
Equity issued pursuant to incentive compensation plan		296,269	9,085					9,085
Disposal of noncontrolling interest							(2,789)	(2,789)
Net income	14,148		32,712		795		1,103	48,758
Other comprehensive loss						(260)		(260)
BALANCES AT MARCH 31, 2014	(45,287)	73,421,309	1,570,074	5,919,346	2,028	(236)	5,274	1,531,853
Distributions	(38,236)		(197,611)		(6,748)		(27,147)	(269,742)
Contributions	823						9,433	10,256
Business combinations		8,851,105	259,937				546,740	806,677
Sales of units, net of offering costs		15,017,100	541,128					541,128
Equity issued pursuant to incentive compensation plan		586,010	23,134					23,134
Net income (loss)	45,679		(25,005)		(4,013)		13,223	29,884
Other comprehensive income						127		127
Conversion of subordinated units to common units		5,919,346	(8,733)	(5,919,346)	8,733			
Other							(197)	(197)

BALANCES AT MARCH 31, 2015	$	(37,021)	103,794,870	$	2,162,924	$		$	(109)	$	547,326	$	2,673,120

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

NGL ENERGY PARTNERS LP AND SUBSIDIARIES

Consolidated Statements of Cash Flows

(U.S. Dollars in Thousands)

	Year Ended March 31, 2015	2014	2013
OPERATING ACTIVITIES:			
Net income	$ 29,884	$ 48,758	$ 48,190
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization, including debt issuance cost amortization	210,475	132,653	77,513
Loss on early extinguishment of debt			5,769
Non-cash equity-based compensation expense	32,767	14,054	8,670
Loss on disposal or impairment of assets, net	41,184	3,597	187
Provision for doubtful accounts	3,838	2,172	1,315
Commodity derivative (gain) loss	(219,421)	43,655	4,376
Earnings of unconsolidated entities	(12,103)	(1,898)	
Distributions of earnings from unconsolidated entities	12,539		
Other	127	312	375
Changes in operating assets and liabilities, exclusive of acquisitions:			
Accounts receivable trade	50,887	21,388	2,562
Accounts receivable affiliates	(9,225)	18,002	(12,877)
Inventories	243,292	(73,321)	18,433
Prepaid expenses and other assets	(34,505)	20,308	22,585
Accounts payable trade	(1,965)	(167,060)	(16,913)
Accounts payable affiliates	(51,121)	67,361	(6,813)
Accrued expenses and other liabilities	(53,844)	(41,671)	(9,689)
Advance payments received from customers	19,585	(3,074)	(11,049)
Net cash provided by operating activities	262,394	85,236	132,634
INVESTING ACTIVITIES:			
Purchases of long-lived assets	(203,760)	(165,148)	(72,475)
Purchases of pipeline capacity allocations	(24,218)		
Purchase of equity interest in Grand Mesa Pipeline	(310,000)		
Acquisitions of businesses, including acquired working capital, net of cash acquired	(960,922)	(1,268,810)	(490,805)
Cash flows from commodity derivatives	199,165	(35,956)	11,579
Proceeds from sales of assets	26,262	24,660	5,080
Investments in unconsolidated entities	(33,528)	(11,515)	
Distributions of capital from unconsolidated entities	10,823	1,591	
Loan for facility under construction	(63,518)		
Payments on loan for facility under construction	1,625		
Loans to affiliates	(8,154)		
Other	4	(195)	
Net cash used in investing activities	(1,366,221)	(1,455,373)	(546,621)
FINANCING ACTIVITIES:			
Proceeds from borrowings under revolving credit facilities	3,764,500	2,545,500	1,227,975
Payments on revolving credit facilities	(3,280,000)	(2,101,000)	(964,475)
Issuances of notes	400,000	450,000	250,000

Proceeds from borrowings on other long-term debt				880		653
Payments on other long-term debt		(6,688)		(8,819)		(4,837)
Debt issuance costs		(11,076)		(24,595)		(20,189)
Contributions from general partner		823		765		510
Contributions from noncontrolling interest owners		9,433		2,060		403
Distributions to partners		(242,595)		(145,090)		(71,608)
Distributions to noncontrolling interest owners		(27,147)		(840)		(74)
Proceeds from sale of common units, net of offering costs		541,128		650,155		(642)
Taxes paid on behalf of equity incentive plan participants		(13,491)				
Other		(197)				
Net cash provided by financing activities		1,134,690		1,369,016		417,716
Net increase (decrease) in cash and cash equivalents		30,863		(1,121)		3,729
Cash and cash equivalents, beginning of period		10,440		11,561		7,832
Cash and cash equivalents, end of period	$	41,303	$	10,440	$	11,561

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

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NGL ENERGY PARTNERS LP AND SUBSIDIARIES

Notes to Consolidated Financial Statements

At March 31, 2015 and 2014, and for the Years Ended March 31, 2015, 2014, and 2013

Note 1 Nature of Operations and Organization

NGL Energy Partners LP (we, us, our, or the Partnership) is a Delaware limited partnership formed in September 2010. NGL Energy Holdings LLC serves as our general partner. On May 17, 2011, we completed our initial public offering (IPO). Subsequent to our IPO, we significantly expanded our operations through numerous acquisitions, as described below. At March 31, 2015, our operations include:

- Our crude oil logistics segment, the assets of which include owned and leased crude oil storage terminals, owned and leased pipeline injection stations, a fleet of owned trucks and trailers, a fleet of owned and leased railcars, a fleet of owned and leased barges and towboats, and a 50% interest in a crude oil pipeline. Our crude oil logistics segment purchases crude oil from producers and transports it for resale at owned and leased pipeline injection stations, storage terminals, barge loading facilities, rail facilities, refineries, and other trade hubs.

- Our water solutions segment, the assets of which include water treatment and disposal facilities. Our water solutions segment generates revenues from the treatment and disposal of wastewater generated from crude oil and natural gas production, from the sale of recycled water and recovered hydrocarbons, and from the disposal of solids such as tank bottoms and drilling fluids.

- Our liquids segment, which supplies natural gas liquids to retailers, wholesalers, refiners, and petrochemical plants throughout the United States and in Canada, and which provides natural gas liquids terminaling services through its 21 owned terminals throughout the United States and railcar transportation services through its fleet of leased railcars. Our liquids segment purchases propane, butane, and other products from refiners, processing plants, producers, and other parties, and sells the products to retailers, refiners, petrochemical plants, and other participants in the wholesale markets.

- Our retail propane segment, which sells propane, distillates, and equipment and supplies to end users consisting of residential, agricultural, commercial, and industrial customers and to certain resellers in 25 states and the District of Columbia.

- Our refined products and renewables segment, which conducts gasoline, diesel, ethanol, and biodiesel marketing operations. We also own the 2.0% general partner interest and a 19.6% limited partner interest in TransMontaigne Partners L.P. (TLP), which conducts refined products terminaling operations. TLP also owns a 42.5% interest in Battleground Oil Specialty Terminal Company LLC (BOSTCO) and a 50% interest in Frontera Brownsville LLC (Frontera), which are entities that own refined products storage facilities.

Acquisitions

At the time of our IPO, we owned a retail propane business operating primarily in Illinois and Indiana and a natural gas liquids wholesale business with three natural gas liquids terminals. Subsequent to our IPO, we significantly expanded our operations through numerous acquisitions, including the following, among others:

Year Ended March 31, 2012

- In October 2011, we completed a business combination with E. Osterman Propane, Inc., its affiliated companies, and members of the Osterman family, whereby we acquired retail propane operations in the northeastern United States.

- In November 2011, we completed a business combination with SemStream, L.P. (SemStream), whereby we acquired SemStream s wholesale natural gas liquids supply and marketing operations and its 12 natural gas liquids terminals.

- In January 2012, we completed a business combination with seven companies associated with Pacer Propane Holding, L.P., whereby we acquired retail propane operations, primarily in the western United States.

- In February 2012, we completed a business combination with North American Propane, Inc., whereby we acquired retail propane and distillate operations in the northeastern United States.

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Year Ended March 31, 2013

- In May 2012, we acquired the retail propane and distillate operations of Downeast Energy Corp. These operations are primarily in the northeastern United States.

- In June 2012, we completed a business combination with High Sierra Energy, LP and High Sierra Energy GP, LLC (collectively, High Sierra), whereby we acquired all of the ownership interests in High Sierra. High Sierra s businesses include crude oil gathering, transportation and marketing; water treatment, disposal, and transportation; and natural gas liquids transportation and marketing.

- In November 2012, we completed a business combination whereby we acquired Pecos Gathering & Marketing, L.L.C. and certain of its affiliated companies (collectively, Pecos). The business of Pecos consists primarily of crude oil purchasing and logistics operations in Texas and New Mexico.

- In December 2012, we completed a business combination whereby we acquired all of the membership interests in Third Coast Towing LLC (Third Coast). The business of Third Coast consists primarily of transporting crude oil via barge.

Year Ended March 31, 2014

- In July 2013, we completed a business combination whereby we acquired the operating assets of Crescent Terminals, LLC, which operates a leased crude oil storage and dock facility in Port Aransas, Texas, and the ownership interests in Cierra Marine, LP and its affiliated companies, whereby we acquired a fleet of four towboats and seven crude oil barges operating in the intercoastal waterways of Texas.

- In July 2013, we completed a business combination with High Roller Wells Big Lake SWD No. 1, Ltd., whereby we acquired a water treatment and disposal facility in the Permian Basin in Texas. We also entered into a development agreement that provides us the right to purchase water treatment and disposal facilities developed by the other party to the agreement, and we are also party to a solids facilities development agreement with this other party. During March 2014, we purchased one additional facility under this development agreement. During the year ended March 31, 2015, we purchased 16 water treatment and disposal facilities under this development agreement.

- In August 2013, we completed a business combination whereby we acquired seven entities affiliated with Oilfield Water Lines LP (collectively, OWL). The businesses of OWL include four water treatment and disposal facilities in the Eagle Ford shale play in Texas.

- In September 2013, we completed a business combination with Coastal Plains Disposal #1, LLC, whereby we acquired the ownership interests in three water treatment and disposal facilities in the Eagle Ford shale play in Texas, and the option to acquire an additional facility which we exercised in March 2014.

- In December 2013, we acquired the ownership interests in Gavilon, LLC (Gavilon Energy). The assets of Gavilon Energy include crude oil terminals in Oklahoma, Texas, and Louisiana, a 50% interest in Glass Mountain Pipeline, LLC (Glass Mountain), which owns a crude oil pipeline that originates in western Oklahoma and terminates in Cushing, Oklahoma and became operational in February 2014, and an interest in an ethanol production facility in the Midwest. The operations of Gavilon Energy include the marketing of crude oil, refined products, ethanol, biodiesel, and natural gas liquids, and also include crude oil storage in Cushing, Oklahoma.

Year Ended March 31, 2015

- In July 2014, we acquired TransMontaigne Inc. (TransMontaigne). As part of this transaction, we also purchased inventory from the previous owner of TransMontaigne. The operations of TransMontaigne include the marketing of refined products. As part of this transaction, we acquired the 2.0% general partner interest, the incentive distribution rights, a 19.7% limited partner interest in TLP, and assumed certain terminaling service agreements with TLP from an affiliate of the previous owner of TransMontaigne.

- In November 2014, we completed the acquisition of two saltwater disposal facilities in the Bakken shale play in North Dakota.

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- In February 2015, we acquired Sawtooth NGL Caverns, LLC (Sawtooth), which owns a natural gas liquids salt dome storage facility in Utah with rail and truck access to western U.S. markets and entered into a construction agreement to expand the storage capacity of the facility.

Note 2 Significant Accounting Policies

Basis of Presentation

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The accompanying consolidated financial statements include our accounts and those of our controlled subsidiaries. Investments where we do not have the ability to exercise control, but do have the ability to exercise significant influence, are accounted for using the equity method of accounting. All significant intercompany transactions and account balances have been eliminated in consolidation.

We have made certain reclassifications to prior period financial statements to conform to classification methods used in fiscal year 2015. These reclassifications had no impact on previously reported amounts of equity or net income. In addition, certain balances at March 31, 2014 were adjusted to reflect the final acquisition accounting for certain business combinations.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the period.

Critical estimates we make in the preparation of our consolidated financial statements include determining the fair value of assets and liabilities acquired in business combinations; the collectability of accounts receivable; the recoverability of inventories; useful lives and recoverability of property, plant and equipment and amortizable intangible assets; the impairment of goodwill; the fair value of asset retirement obligations; the value of equity-based compensation; and accruals for various commitments and contingencies, among others. Although we believe these estimates are reasonable, actual results could differ from those estimates.

Fair Value Measurements

We apply fair value measurements to certain assets and liabilities, principally our commodity derivative instruments and assets and liabilities acquired in business combinations. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the measurement date. Fair value is based upon assumptions that market participants would use when pricing an asset or liability, including assumptions about risk and risks inherent in valuation techniques and inputs to valuations. This includes not only the credit standing of counterparties and credit enhancements but also the impact of our own nonperformance risk on our liabilities. Fair value measurements assume that the transaction occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market for the asset or liability (the market for which the reporting entity would be able to maximize the amount received or minimize the amount paid). We evaluate the need for credit adjustments to our derivative instrument fair values in accordance with the requirements noted above. Such adjustments were not material to the fair values of our derivative instruments.

We use the following fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets and liabilities that we have the ability to access at the measurement date.

- Level 2 Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for the asset or liability, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived from observable market data by correlation or other means. Instruments categorized in Level 2 include non-exchange traded derivatives such as over-the-counter commodity price swap and option contracts and interest rate protection agreements. We determine the fair value of all of our derivative financial instruments utilizing pricing models for significantly similar instruments. Inputs to the pricing models include publicly available prices and forward curves generated from a compilation of data gathered from third parties.

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- Level 3 Unobservable inputs for the asset or liability including situations where there is little, if any, market activity for the asset or liability.

The fair value hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable data (Level 3). In some cases, the inputs used to measure fair value might fall into different levels of the fair value hierarchy. The lowest level input that is significant to a fair value measurement determines the applicable level in the fair value hierarchy. Assessing the significance of a particular input to the fair value measurement requires judgment, considering factors specific to the asset or liability.

Derivative Financial Instruments

We record our derivative financial instrument contracts at fair value in our consolidated balance sheets, with changes in the fair value of our commodity derivative instruments included in our consolidated statements of operations in cost of sales. Contracts that qualify for the normal purchase or sale election and are designated as such are not accounted for as derivatives at fair value and, accordingly, are recorded when the delivery occurs.

We have not designated any financial instruments as hedges for accounting purposes. All mark-to-market gains and losses on commodity derivative instruments that do not qualify as normal purchases or sales, whether cash transactions or non-cash mark-to-market adjustments, are reported within cost of sales in our consolidated statements of operations, regardless of whether the contract is physically or financially settled.

We utilize various commodity derivative financial instrument contracts to help reduce our exposure to variability in future commodity prices. We do not enter into such contracts for trading purposes. Changes in assets and liabilities from commodity derivative financial instruments result primarily from changes in market prices, newly originated transactions, and the timing of settlements. We attempt to balance our contractual portfolio in terms of notional amounts and timing of performance and delivery obligations. However, net unbalanced positions can exist or are established based on our assessment of anticipated market movements. Inherent in the resulting contractual portfolio are certain business risks, including market risk and credit risk. Market risk is the risk that the value of the portfolio will change, either favorably or unfavorably, in response to changing market conditions. Credit risk is the risk of loss from nonperformance by suppliers, customers, or financial counterparties to a contract. We take an active role in managing and controlling market risk and credit risk and have established control procedures that we review on an ongoing basis. We monitor market risk through a variety of techniques and attempt to minimize credit risk exposure through credit policies and periodic monitoring procedures.

Revenue Recognition

We record revenues from product sales at the time title to the product transfers to the purchaser, which typically occurs upon receipt of the product by the purchaser. We record terminaling, transportation, storage, and service revenues at the time the service is performed, and we record tank and other rentals over the term of the lease. Pursuant to terminaling services agreements with certain of our throughput customers, we are entitled to the volume of product gained resulting from differences in the measurement of product volumes received and distributed at our terminaling facilities. Such measurement differentials occur as the result of the inherent variances in measurement devices and methodology. We recognize as revenue the net proceeds from the sale of the product gained. Revenues for our water solutions segment are recognized upon receipt of the wastewater at our treatment and disposal facilities.

We report taxes collected from customers and remitted to taxing authorities, such as sales and use taxes, on a net basis. Amounts billed to customers for shipping and handling costs are included in revenues in our consolidated statements of operations.

We enter into certain contracts whereby we agree to purchase product from a counterparty and sell the same volume of product to the same counterparty at a different location or time. When such agreements are entered into concurrently and are entered into in contemplation of each other, we record the revenues for these transactions net of cost of sales.

Revenues during the year ended March 31, 2015 include $0.7 million associated with the amortization of a liability recorded in the acquisition accounting for an acquired business related to certain out-of-market revenue contracts.

Cost of Sales

We include in cost of sales all costs we incur to acquire products, including the costs of purchasing, terminaling, and transporting inventory, prior to delivery to our customers. Cost of sales does not include any depreciation of our property, plant and equipment. Cost of sales does include amortization of certain contract-based intangible assets of $7.8 million, $6.2 million, and $5.3 million during the years ended March 31, 2015, 2014, and 2013, respectively.

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Depreciation and Amortization

Depreciation and amortization in our consolidated statements of operations includes all depreciation of our property, plant and equipment and amortization of intangible assets other than debt issuance costs, for which the amortization is recorded to interest expense, and certain contract-based intangible assets, for which the amortization is recorded to cost of sales.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand and time deposits, and funds invested in highly liquid instruments with maturities of three months or less at the date of purchase. At times, certain account balances may exceed federally insured limits.

Supplemental Cash Flow Information

Supplemental cash flow information is as follows:

	Year Ended March 31, 2015	2014 (in thousands)	2013
Interest paid, exclusive of debt issuance costs and letter of credit fees	$ 90,556	$ 31,827	$ 27,384
Income taxes paid	$ 22,816	$ 1,639	$ 1,027

Cash flows from settlements of commodity derivative instruments are classified as cash flows from investing activities in our consolidated statements of cash flows, and adjustments to the fair value of commodity derivative instruments are included in the reconciliation of net income to net cash provided by operating activities.

Accounts Receivable and Concentration of Credit Risk

We operate in the United States and Canada. We grant unsecured credit to customers under normal industry standards and terms, and have established policies and procedures that allow for an evaluation of each customer s creditworthiness as well as general economic conditions. The allowance for doubtful accounts is based on our assessment of the collectability of customer accounts, which assessment considers the overall creditworthiness of customers and any specific disputes. Accounts receivable are considered past due or delinquent based on contractual terms. We write off accounts receivable against the allowance for doubtful accounts when collection efforts have been exhausted.

We execute netting agreements with certain customers to mitigate our credit risk. Receivables and payables are reflected at a net balance to the extent a netting agreement is in place and we intend to settle on a net basis.

Our accounts receivable consist of the following:

	March 31, 2015		March 31, 2014	
Segment	**Gross Receivable**	**Allowance for Doubtful Accounts**	**Gross Receivable**	**Allowance for Doubtful Accounts**
		(in thousands)		
Crude oil logistics	$ 600,896	$ 382	$ 410,746	$ 105
Water solutions	38,689	709	25,700	405
Liquids	99,699	1,133	169,827	617
Retail propane	55,147	1,619	75,606	1,667
Refined products and renewables	233,265	524	160,182	
Other	897		38,665	28
Total	$ 1,028,593	$ 4,367	$ 880,726	$ 2,822

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Changes in the allowance for doubtful accounts are as follows:

	Year Ended March 31, 2015	2014	2013
	(in thousands)		
Allowance for doubtful accounts, beginning of period	$ 2,822	$ 1,760	$ 818
Provision for doubtful accounts	3,838	2,172	1,315
Write off of uncollectible accounts	(2,293)	(1,110)	(373)
Allowance for doubtful accounts, end of period	$ 4,367	$ 2,822	$ 1,760

Sales of crude oil and natural gas liquids to our largest customer represented 16%, 10%, and 10% of consolidated total revenues for the years ended March 31, 2015, 2014, and 2013, respectively.

Inventories

We value our inventories at the lower of cost or market, with cost determined using either the weighted-average cost or the first in, first out (FIFO) methods, including the cost of transportation and storage. Market is determined based on estimated replacement cost using prices at the end of the reporting period. In performing this analysis, we consider fixed-price forward sale commitments and the opportunity to transfer propane inventory from our wholesale liquids business to our retail propane business to sell the inventory in retail markets. At March 31, 2015, our inventory values were reduced by $16.8 million of lower-of-cost-or-market adjustments.

Inventories consist of the following:

	March 31, 2015	2014
	(in thousands)	
Crude oil	$ 145,412	$ 156,473
Natural gas liquids		
Propane	44,535	85,159
Butane	8,668	15,106
Other	3,874	3,945
Refined products		
Gasoline	128,092	15,597
Diesel	59,097	7,612
Renewables	44,668	11,778
Other	7,416	14,490
Total	$ 441,762	$ 310,160

Investments in Unconsolidated Entities

In December 2013, as part of our acquisition of Gavilon Energy, we acquired a 50% interest in Glass Mountain and an interest in a limited liability company that owns an ethanol production facility in the Midwest. In June 2014, we acquired an interest in a limited liability company that operates a water supply company in the DJ Basin. On July 1, 2014, as part of our acquisition of TransMontaigne, we acquired the 2.0% general partner interest and a 19.7% limited partner interest in TLP, which owns a 42.5% interest in BOSTCO and a 50% interest in Frontera. We account for these investments using the equity method of accounting. Under the equity method, we do not report the individual assets and liabilities of these entities in our consolidated balance sheets; instead, our ownership interests are reported within investments in unconsolidated entities in our consolidated balance sheets. Under the equity method, the investment is recorded at acquisition cost, increased by our proportionate share of any earnings and additional capital contributions and decreased by our proportionate share of any losses, distributions paid, and amortization of any excess investment. Excess investment is the amount by which our total investment exceeds our proportionate share of the historical net book value of the net assets of the investee.

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Our investments in unconsolidated entities consist of the following:

Entity	Segment	March 31, 2015	March 31, 2014
		(in thousands)	
Glass Mountain (1)	Crude oil logistics	$ 187,590	$ 186,488
BOSTCO (2)	Refined products and renewables	238,146	
Frontera (2)	Refined products and renewables	16,927	
Water supply company	Water solutions	16,471	
Ethanol production facility	Refined products and renewables	13,539	8,333
Total		$ 472,673	$ 194,821

(1) When we acquired Gavilon Energy, we recorded the investment in Glass Mountain at fair value. Our investment in Glass Mountain exceeds our share of the historical net book value of Glass Mountain s net assets by $76.7 million at March 31, 2015. This difference relates primarily to goodwill and customer relationships.

(2) When we acquired TransMontaigne, we recorded the investments in BOSTCO and Frontera at fair value. Our investments in BOSTCO and Frontera exceed our share of the historical net book value of BOSTCO s and Frontera s net assets by $14.7 million at March 31, 2015. This difference relates primarily to goodwill.

The following table summarizes the cumulative earnings (loss) from our unconsolidated entities and cumulative distributions received from our unconsolidated entities:

Entity	Cumulative Earnings (Loss) From Unconsolidated Entities	Cumulative Distributions Received From Unconsolidated Entities
	(in thousands)	
Glass Mountain	$ 3,704	$ 8,733
BOSTCO	4,505	9,725
Frontera	959	1,532
Water supply company	(29)	
Ethanol production facility	4,860	4,963

The summarized financial information of our unconsolidated entities was as follows:

Balance sheets:

	Water Supply	Ethanol Production

	Glass Mountain		BOSTCO	Frontera	Company	Facility	
				March 31,			
	2015	2014	2015	2015	2015	2015	2014
				(in thousands)			
Current assets	$ 8,456	$ 4,915	$ 13,710	$ 4,608	$ 3,160	$ 38,607	$ 43,522
Noncurrent assets	214,494	214,063	507,655	43,805	32,447	85,277	72,751
Current liabilities	1,080	3,181	11,189	1,370	644	15,755	17,707
Noncurrent liabilities	37	50			26,251	21,403	11,356

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Statements of operations:

	Glass Mountain		BOSTCO	Frontera	Water Supply Company	Ethanol Production Facility	
	Year Ended March 31,						
	2015	2014	2015	2015	2015	2015	2014
	(in thousands)						
Revenues	$ 37,539	$ 3,979	$ 45,067	$ 10,643	$ 8,326	$ 159,148	$ 61,929
Cost of sales	2,771					117,222	39,449
Net income (loss)	12,345	445	11,074	1,352	(104)	24,607	17,599

Other Noncurrent Assets

Other noncurrent assets consist of the following:

	March 31,	
	2015	2014
	(in thousands)	
Loan receivable (1)	$ 58,050	$
Linefill (2)	35,060	
Other	19,727	9,164
Total	$ 112,837	$ 9,164

(1) Represents a loan receivable associated with our financing of the construction of a natural gas liquids facility to be utilized by a third party.

(2) Represents minimum volumes of crude oil we are required to leave on certain third-party owned pipelines under long-term shipment commitments. At March 31, 2015, linefill consisted of 487,104 barrels of crude oil.

Accrued Expenses and Other Payables

Accrued expenses and other payables consist of the following:

	March 31,	
	2015	2014
	(in thousands)	
Accrued compensation and benefits	$ 52,078	$ 45,006

Excise and other tax liabilities		43,847		13,421
Derivative liabilities		27,950		42,214
Accrued interest		23,065		18,668
Product exchange liabilities		15,480		3,719
Other		32,696		18,662
Total	$	195,116	$	141,690

Property, Plant and Equipment

We record property, plant and equipment at cost, less accumulated depreciation. Acquisitions and improvements are capitalized, and maintenance and repairs are expensed as incurred. As we dispose of assets, we remove the cost and related accumulated depreciation from the accounts, and any resulting gain or loss is included in loss on disposal or impairment of assets, net. We compute depreciation expense on a majority of our property, plant and equipment using the straight-line method over the estimated useful lives of the assets (see Note 5).

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We evaluate the carrying value of our property, plant and equipment for potential impairment when events and circumstances warrant such a review. A long-lived asset group is considered impaired when the anticipated undiscounted future cash flows from the use and eventual disposition of the asset group is lower than its carrying value. In that event, we recognize a loss equal to the amount by which the carrying value exceeds the fair value of the asset group.

Intangible Assets

Our intangible assets include contracts and arrangements acquired in business combinations, including customer relationships, pipeline capacity rights, a water facility development agreement, executory contracts and other agreements, covenants not to compete, trade names, and customer commitments. In addition, we capitalize certain debt issuance costs incurred in our long-term debt arrangements. We amortize the majority of our intangible assets on a straight-line basis over the assets estimated useful lives (see Note 7). We amortize debt issuance costs over the terms of the related debt on a method that approximates the effective interest method.

We evaluate the carrying value of our amortizable intangible assets for potential impairment when events and circumstances warrant such a review. A long-lived asset group is considered impaired when the anticipated undiscounted future cash flows from the use and eventual disposition of the asset group is lower than its carrying value. In that event, we recognize a loss equal to the amount by which the carrying value exceeds the fair value of the asset group. When we cease to use an acquired trade name, we test the trade name for impairment using the relief from royalty method and we begin amortizing the trade name over its estimated useful life as a defensive asset.

Goodwill

Goodwill represents the excess of cost over the fair value of net assets of acquired businesses. Business combinations are accounted for using the acquisition method (see Note 4). We expect that substantially all of our goodwill at March 31, 2015 is deductible for income tax purposes.

Goodwill and intangible assets determined to have an indefinite useful life are not amortized, but instead are evaluated for impairment periodically. We evaluate goodwill and indefinite-lived intangible assets for impairment annually, or more often if events or circumstances indicate that the assets might be impaired. We perform the annual evaluation at January 1 of each year.

To perform this assessment, we consider qualitative factors to determine whether it is more likely than not that the fair value of each reporting unit exceeds its carrying amount. If we conclude that it is more likely than not that the fair value of a reporting unit exceeds its carrying amount, we perform the following two-step goodwill impairment test:

- In the first step of the goodwill impairment test, we compare the fair value of the reporting unit with its carrying amount, including goodwill. If the fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is not considered impaired. If the carrying amount of a reporting unit exceeds its fair value, we perform the second step of the goodwill impairment test to measure the amount of impairment loss, if any.

- In the second step of the goodwill impairment test, we compare the implied fair value of reporting unit goodwill with the carrying amount of that goodwill. If the carrying amount of the reporting unit goodwill exceeds the implied fair value of that goodwill, an impairment loss is recognized in an amount equal to that excess.

Estimates and assumptions used to perform the impairment evaluation are inherently uncertain and can significantly affect the outcome of the analysis. The estimates and assumptions we used in the annual assessment for impairment of goodwill included market participant considerations and future forecasted operating results. Changes in operating results and other assumptions could materially affect these estimates. For our January 1, 2015 goodwill impairment assessment for our water solutions segment, we completed the first step of the impairment test and concluded that the fair value of the reporting unit exceeded the book value. For our other segments, based on our assessment of qualitative factors, we determined that the two-step impairment test was not required. Accordingly, we did not record any goodwill impairments during the years ended March 31, 2015, 2014, and 2013.

Product Exchanges

Quantities of products receivable or returnable under exchange agreements are reported within prepaid expenses and other current assets or within accrued expenses and other payables in our consolidated balance sheets. We estimate the value of product exchange assets and liabilities based on the weighted-average cost basis of the inventory we have delivered or will deliver on the exchange, plus or minus location differentials.

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Advance Payments Received from Customers

We record customer advances on product purchases as a liability in our consolidated balance sheets.

Noncontrolling Interests

We have certain consolidated subsidiaries in which outside parties own interests. The noncontrolling interest shown in our consolidated financial statements represents the other owners interest in these entities.

On July 1, 2014, as part of our acquisition of TransMontaigne, we acquired a 19.7% limited partner interest in TLP. We have attributed net earnings allocable to TLP s limited partners to the controlling and noncontrolling interests based on the relative ownership interests in TLP as well as including certain adjustments related to our acquisition accounting. Earnings allocable to TLP s limited partners are net of the earnings allocable to TLP s general partner interest. The earnings allocable to TLP s general partner interest include the distributions of available cash (as defined by TLP s partnership agreement) attributable to the period to TLP s general partner interest and incentive distribution rights, net of adjustments for TLP s general partner s share of undistributed earnings. Undistributed earnings are allocated to TLP s limited partners and TLP s general partner interest based on their respective sharing of earnings or losses specified in TLP s partnership agreement, which is based on their ownership percentages of 98% and 2%, respectively.

Business Combination Measurement Period

We record the assets acquired and liabilities assumed in a business combination at their acquisition date fair values. Pursuant to GAAP, an entity is allowed a reasonable period of time (not to exceed one year) to obtain the information necessary to identify and measure the value of the assets acquired and liabilities assumed in a business combination. As described in Note 4, certain of our acquisitions during the year ended March 31, 2015 are still within this measurement period, and as a result, the acquisition date fair values we have recorded for the assets acquired and liabilities assumed are subject to change.

Also as described in Note 4, we made certain adjustments during the year ended March 31, 2015 to our estimates of the acquisition date fair values of assets acquired and liabilities assumed in business combinations that occurred during the year ended March 31, 2014. We retrospectively adjusted the March 31, 2014 consolidated balance sheet for these adjustments. Due to the immateriality of these adjustments, we did not retrospectively adjust our consolidated statement of operations for the year ended March 31, 2014 for these measurement period adjustments.

Recent Accounting Pronouncements

In April 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-03, Simplifying the Presentation of Debt Issuance Costs. ASU No. 2015-03 requires that debt issuance costs be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability. The ASU is effective for the Partnership for both annual and interim periods beginning April 1, 2016 and requires retrospective application for all prior periods presented. Early adoption of this ASU is permitted for financial statements that have not been previously issued. We plan to adopt this ASU effective March 31, 2016, at which time we will begin presenting debt issuance costs as a reduction to long-term debt, rather than as an intangible asset.

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers. ASU No. 2014-09 will replace most existing revenue recognition guidance in GAAP. The core principle of this ASU is that an entity should recognize revenue for the transfer of goods or services equal to the amount that it expects to be entitled to receive for those goods or services. The ASU is effective for the Partnership beginning April 1, 2017, and allows for both full retrospective and modified retrospective (with cumulative effect) methods of adoption. We are in the process of determining the method of adoption and assessing the impact of this ASU on our consolidated financial statements.

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Note 3 Earnings Per Unit

Our earnings per common unit were computed as follows:

	Year Ended March 31, 2015	2014	2013
	(in thousands, except unit and per unit amounts)		
Net income attributable to parent equity	$ 16,661	$ 47,655	$ 47,940
Less: Net income allocated to general partner (1)	(45,679)	(14,148)	(2,917)
Less: Net loss (income) allocated to subordinated unitholders (2)	4,013	(1,893)	(5,506)
Net income (loss) allocated to common unitholders	$ (25,005)	$ 31,614	$ 39,517
Weighted average common units outstanding	86,359,300	61,970,471	41,353,574
Income (loss) per common unit - basic and diluted	$ (0.29)	$ 0.51	$ 0.96

(1) Net income allocated to the general partner includes distributions to which it is entitled as the holder of incentive distribution rights, which are described in Note 11.

(2) All outstanding subordinated units converted to common units in August 2014. Since the subordinated units did not share in the distribution of cash generated subsequent to June 30, 2014, we did not allocate any income or loss subsequent to that date to the subordinated unitholders. During the years ended March 31, 2014 and 2013, 5,919,346 subordinated units were outstanding. The income per subordinated unit was $0.32 and $0.93 for the years ended March 31, 2014 and 2013, respectively.

The restricted units described in Note 11 were antidilutive for the years ended March 31, 2015, 2014, and 2013, but could impact earnings per unit in future periods.

Note 4 Acquisitions

Year Ended March 31, 2015

As described in Note 2, pursuant to GAAP, an entity is allowed a reasonable period of time (not to exceed one year) to obtain the information necessary to identify and measure the fair value of the assets acquired and liabilities assumed in a business combination. The business combinations for which this measurement period was still open as of March 31, 2015 are summarized below.

Natural Gas Liquids Storage Acquisition

In February 2015, we acquired Sawtooth, which owns a natural gas liquids salt dome storage facility in Utah with rail and truck access to western U.S. markets and entered into a construction agreement to expand the storage capacity of the facility. We paid $97.6 million of cash, net of cash acquired, and issued 7,396,973 common units, valued at $218.5 million, in exchange for these assets and operations. The agreement for this acquisition contemplates post-closing payments for certain working capital items. We are in the process of identifying and determining the fair value of the assets acquired and liabilities assumed in this business combination. The estimates of fair value at March 31, 2015 are subject to change, and such changes could be material. We have preliminarily estimated the fair value of the assets acquired (and useful lives) and liabilities assumed as follows (in thousands):

Accounts receivable trade	$	42
Prepaid expenses and other current assets		600
Property, plant and equipment:		
Natural gas liquids terminal and storage assets (2 30 years)		62,205
Vehicles and railcars (3 25 years)		75
Land		68
Other		32
Construction in progress		19,525
Goodwill		151,853
Intangible assets:		
Customer relationships (15 years)		85,000
Non-compete agreements (10 years)		12,000
Accounts payable trade		(931)
Accrued expenses and other payables		(6,511)
Advance payments received from customers		(1,015)
Other noncurrent liabilities		(6,817)
Fair value of net assets acquired	$	316,126

Goodwill represents the excess of the consideration paid for the acquired business over the fair value of the individual assets acquired, net of liabilities assumed. Goodwill primarily represents the value of synergies between the acquired business and the Partnership, the opportunity to use the acquired business as a platform for growth, and the acquired assembled workforce. We estimate that all of the goodwill will be deductible for federal income tax purposes.

We estimated the value of the customer relationship intangible asset using the income approach, which uses valuation techniques to convert future amounts (for example, cash flows or earnings) to a single present amount (discounted). The measurement is based on the value indicated by current market expectations about those future amounts.

The acquisition method of accounting requires that executory contracts that are at unfavorable terms relative to current market conditions at the acquisition date be recorded as assets or liabilities in the acquisition accounting. Since certain natural gas liquids storage lease commitments were at unfavorable terms relative to acquisition-date market conditions, we recorded a liability of

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$12.8 million related to these lease commitments in the acquisition accounting, and we amortized $0.7 million of this balance as an increase to revenues during the year ended March 31, 2015. We will amortize the remainder of this liability over the term of the leases. The future amortization of this liability is shown below (in thousands):

Year Ending March 31,		
2016	$	5,807
2017		4,905
2018		1,306
2019		88

The operations of this acquisition have been included in our consolidated statements of operations since the acquisition date. Our consolidated statement of operations for the year ended March 31, 2015 includes revenues of $1.7 million that were generated by the operations of this business after we acquired them.

Bakken Water Solutions Facilities

On November 21, 2014, we completed the acquisition of two saltwater disposal facilities in the Bakken shale play in North Dakota for $34.6 million of cash.

We are in the process of identifying and determining the fair value of the assets acquired and liabilities assumed in this business combination. The estimates of fair value at March 31, 2015 are subject to change, and such changes could be material. We expect to complete this process prior to finalizing our financial statements for the three months ending September 30, 2015. We have preliminarily estimated the fair values of the assets acquired (and useful lives) and liabilities assumed as follows (in thousands):

Property, plant and equipment:		
Vehicles (10 years)	$	63
Water treatment facilities and equipment (5 40 years)		5,815
Buildings and leasehold improvements (3 7 years)		130
Land		100
Goodwill		6,560
Intangible asset:		
Customer relationships (6 years)		22,000
Other noncurrent liabilities		(68)
Fair value of net assets acquired	$	34,600

Goodwill represents the excess of the consideration paid for the acquired business over the fair value of the individual assets acquired, net of liabilities assumed. Goodwill primarily represents the value of synergies between the acquired business and the Partnership and the opportunity to use the acquired business as a platform for growth. We estimate that all of the goodwill will be deductible for federal income tax purposes.

The operations of these water treatment and disposal facilities have been included in our consolidated statement of operations since their acquisition date. Our consolidated statement of operations for the year ended March 31, 2015 includes revenues of $3.6 million and operating income of $1.0 million that were generated by the operations of these facilities after we acquired them.

TransMontaigne Inc.

On July 1, 2014, we acquired TransMontaigne for $200.3 million of cash, net of cash acquired (including $174.1 million paid at closing and $26.2 million paid upon completion of the working capital settlement). As part of this transaction, we also purchased $380.4 million of inventory from the previous owner of TransMontaigne (including $346.9 million paid at closing and $33.5 million subsequently paid as the working capital settlement process progressed). The operations of TransMontaigne include the marketing of refined products. As part of this transaction, we acquired the 2.0% general partner interest, the incentive distribution rights, a 19.7% limited partner interest in TLP, and assumed certain terminaling service agreements with TLP from an affiliate of the previous owner of TransMontaigne.

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We are in the process of identifying and determining the fair value of the assets acquired and liabilities assumed in this business combination. The estimates of fair value at March 31, 2015 are subject to change, and such changes could be material. We expect to complete this process prior to finalizing our financial statements for the three months ending June 30, 2015. We have preliminarily estimated the fair values of the assets acquired (and useful lives) and liabilities assumed as follows (in thousands):

Cash and cash equivalents	$	1,469
Accounts receivable trade		197,829
Accounts receivable affiliates		528
Inventories		373,870
Prepaid expenses and other current assets		15,001
Property, plant and equipment:		
Refined products terminal assets and equipment (20 years)		399,323
Vehicles		1,698
Crude oil tanks and related equipment (20 years)		1,058
Information technology equipment		7,253
Buildings and leasehold improvements (20 years)		14,770
Land		70,529
Tank bottoms (indefinite life)		46,900
Other		15,534
Construction in progress		4,487
Goodwill		28,074
Intangible assets:		
Customer relationships (15 years)		76,100
Pipeline capacity rights (30 years)		87,618
Investments in unconsolidated entities		240,583
Other noncurrent assets		3,911
Accounts payable trade		(113,066)
Accounts payable affiliates		(69)
Accrued expenses and other payables		(78,427)
Advance payments received from customers		(1,919)
Long-term debt		(234,000)
Other noncurrent liabilities		(33,227)
Noncontrolling interests		(545,120)
Fair value of net assets acquired	$	580,707

Goodwill represents the excess of the consideration paid for the acquired business over the fair value of the individual assets acquired, net of liabilities assumed. Goodwill primarily represents the value of synergies between the acquired business and the Partnership, the opportunity to use the acquired business as a platform for growth, and the acquired assembled workforce. We estimate that all of the goodwill will be deductible for federal income tax purposes.

We estimated the value of the customer relationship intangible asset using the income approach, which uses valuation techniques to convert future amounts (for example, cash flows or earnings) to a single present amount (discounted). The measurement is based on the value indicated by current market expectations about those future amounts.

The intangible asset for pipeline capacity rights relates to capacity allocations on a third-party refined products pipeline. Demand for use of this pipeline exceeds the pipeline s capacity, and the limited capacity is allocated based on a shipper s historical shipment volumes.

The fair value of the noncontrolling interests was calculated by multiplying the closing price of TLP s common units on the acquisition date by the number of TLP common units held by parties other than us, adjusted for a lack-of-control discount.

In the acquisition accounting, we recorded a liability of $2.5 million related to certain crude oil contracts with terms that were unfavorable at current market conditions. We amortized this balance to cost of sales during the year ended March 31, 2015.

Employees of TransMontaigne participate in a plan whereby they are entitled to certain termination benefits in the event of a change in control of TransMontaigne and a subsequent change in job status. We recorded expense of $9.3 million during the year

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ended March 31, 2015 related to these termination benefits.

The operations of TransMontaigne have been included in our consolidated statements of operations since TransMontaigne was acquired on July 1, 2014. Our consolidated statement of operations for the year ended March 31, 2015 includes revenues of $3.9 billion and operating income of $36.3 million that were generated by the operations of TransMontaigne after we acquired them. We have not provided supplemental pro forma financial information as though the business combination had occurred on April 1, 2013 as the previous owner of TransMontaigne conducted trading operations, whereas we strive to generate more reliable and predictable cash flows. Because of the difference in strategies between the pre-acquisition and post-acquisition periods, the pre-acquisition operations of TransMontaigne have limited importance as an indicator of post-acquisition results.

Water Solutions Facilities

As described below, we are party to a development agreement that provides us a right to purchase water treatment and disposal facilities developed by the other party to the agreement, and we are also party to a solids facilities development agreement with this other party. During the year ended March 31, 2015, we purchased 16 water treatment and disposal facilities under this development agreement over the course of the year. We also purchased a 75% interest in one additional water treatment and disposal facility in July 2014 from a different seller. On a combined basis, we paid $190.0 million of cash and issued 1,322,032 common units, valued at $37.8 million, in exchange for these 17 facilities.

We are in the process of identifying and determining the fair value of the assets acquired and liabilities assumed in these business combinations. The estimates of fair value at March 31, 2015 are subject to change, and such changes could be material. We expect to complete this process prior to finalizing our financial statements for the three months ending December 31, 2015. We have preliminarily estimated the fair values of the assets acquired (and useful lives) and liabilities assumed as follows (in thousands):

Accounts receivable trade	$	939
Inventories		253
Prepaid expenses and other current assets		62
Property, plant and equipment:		
Water treatment facilities and equipment (5 40 years)		79,706
Buildings and leasehold improvements (3 7 years)		10,250
Land		3,109
Other (7 years)		129
Goodwill		132,770
Intangible asset:		
Customer relationships (4 years)		10,000
Other noncurrent assets		50
Accounts payable trade		(58)
Accrued expenses and other payables		(3,092)
Other noncurrent liabilities		(582)
Noncontrolling interest		(5,775)
Fair value of net assets acquired	$	227,761

Goodwill represents the excess of the consideration paid for the acquired business over the fair value of the individual assets acquired, net of liabilities assumed. Goodwill primarily represents the value of synergies between the acquired business and the Partnership and the opportunity to use the acquired business as a platform for growth. We estimate that all of the goodwill will be deductible for federal income tax purposes.

The operations of these water treatment and disposal facilities have been included in our consolidated statement of operations since their acquisition date. Our consolidated statement of operations for the year ended March 31, 2015 includes revenues of $27.9 million and operating income of $10.5 million that were generated by the operations of these facilities after we acquired them.

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Retail Propane Acquisitions

During the year ended March 31, 2015, we completed eight acquisitions of retail propane businesses. On a combined basis, we paid $39.1 million of cash and issued 132,100 common units, valued at $3.7 million, in exchange for these assets and operations. The agreements for these acquisitions contemplate post-closing payments for certain working capital items. We are in the process of identifying and determining the fair value of the assets acquired and liabilities assumed in certain of these business combinations. The estimates of fair value at March 31, 2015 are subject to change, and such changes could be material. We expect to complete this process prior to finalizing our financial statements for the three months ending December 31, 2015. We have preliminarily estimated the fair value of the assets acquired (and useful lives) and liabilities assumed as follows (in thousands):

Accounts receivable trade	$	2,237
Inventories		771
Prepaid expenses and other current assets		110
Property, plant and equipment:		
Retail propane equipment (15 20 years)		13,177
Vehicles and railcars (5 7 years)		2,332
Buildings and leasehold improvements (30 years)		784
Land		655
Other (5 7 years)		116
Goodwill		8,097
Intangible assets:		
Customer relationships (10 15 years)		17,563
Non-compete agreements (5 7 years)		500
Trade names (3 12 years)		950
Accounts payable trade		(1,921)
Advance payments received from customers		(1,750)
Current maturities of long-term debt		(78)
Long-term debt, net of current maturities		(760)
Fair value of net assets acquired	$	42,783

Goodwill represents the excess of the consideration paid for the acquired businesses over the fair value of the individual assets acquired, net of liabilities assumed. Goodwill primarily represents the value of synergies between the acquired businesses and the Partnership, the opportunity to use the acquired businesses as a platform for growth, and the acquired assembled workforce. We estimate that all of the goodwill will be deductible for federal income tax purposes.

We estimated the value of the customer relationship intangible asset using the income approach, which uses valuation techniques to convert future amounts (for example, cash flows or earnings) to a single present amount (discounted). The measurement is based on the value indicated by current market expectations about those future amounts.

Water Supply Company

On June 9, 2014, we paid cash of $15.0 million in exchange for an interest in a water supply company operating in the DJ Basin. The company holds exclusive rights to construct water disposal facilities on a dedicated acreage. We account for this investment using the equity method of accounting.

Year Ended March 31, 2014

Gavilon Energy

On December 2, 2013, we completed a business combination in which we acquired Gavilon Energy. We paid $832.4 million of cash, net of cash acquired, in exchange for these assets and operations.

The assets of Gavilon Energy include crude oil terminals in Oklahoma, Texas, and Louisiana, a 50% interest in Glass Mountain, which owns a crude oil pipeline that originates in western Oklahoma and terminates in Cushing, Oklahoma, and an interest in an ethanol production facility in the Midwest. The operations of Gavilon Energy include the marketing of crude oil, refined products, ethanol, biodiesel, and natural gas liquids, and also include crude oil storage in Cushing, Oklahoma.

During the year ended March 31, 2015, we completed the acquisition accounting for this business combination. The following table presents the final calculation of the fair values of the assets acquired (and useful lives) and liabilities assumed for this acquisition:

	Final	Estimated at March 31, 2014	Change
		(in thousands)	
Accounts receivable trade	$ 326,484	$ 349,529	$ (23,045)
Accounts receivable affiliates	2,564	2,564	
Inventories	107,430	107,430	
Prepaid expenses and other current assets	68,322	68,322	
Property, plant and equipment:			
Vehicles (3 years)	327	791	(464)
Crude oil tanks and related equipment (3 40 years)	83,797	77,429	6,368
Information technology equipment (3 7 years)	4,049	4,046	3
Buildings and leasehold improvements (3 40 years)	7,817	7,716	101
Land	6,427	6,427	
Tank bottoms (indefinite life)	16,930	15,230	1,700
Other (7 years)	162	170	(8)
Construction in progress	7,180	7,190	(10)
Goodwill (1)	342,769	359,169	(16,400)
Intangible assets:			
Customer relationships (10 20 years)	107,950	101,600	6,350
Lease agreements (1 5 years)	8,700	8,700	
Pipeline capacity rights (30 years)	7,800		7,800
Investments in unconsolidated entities	183,000	178,000	5,000
Other noncurrent assets	2,287	9,918	(7,631)
Accounts payable trade	(342,792)	(342,792)	
Accounts payable affiliates	(2,585)	(2,585)	
Accrued expenses and other payables	(49,447)	(70,999)	21,552
Advance payments received from customers	(10,667)	(10,667)	
Other noncurrent liabilities	(46,056)	(44,740)	(1,316)
Fair value of net assets acquired	$ 832,448	$ 832,448	$

(1) Of this goodwill, $302.8 million was allocated to our crude oil logistics segment, $36.0 million was allocated to our refined products and renewables segment, and $4.0 million was allocated to our liquids segment.

We estimated the value of the customer relationship intangible asset using the income approach, which uses valuation techniques to convert future amounts (for example, cash flows or earnings) to a single present amount (discounted). The measurement is based on the value indicated by current market expectations about those future amounts.

The acquisition method of accounting requires that executory contracts that are at unfavorable terms relative to current market conditions at the acquisition date be recorded as assets or liabilities in the acquisition accounting. Since certain crude oil storage lease commitments were at unfavorable terms relative to acquisition-date market conditions, we recorded a liability of $15.9 million related to these lease commitments in the acquisition accounting, and we amortized $8.7 million of this balance as a reduction to cost of sales during the year ended March 31, 2015. We will amortize the remainder of this liability over the term of the leases. The future amortization of this liability is shown below (in thousands):

Year Ending March 31,	
2016	$ 4,040
2017	360

Certain personnel who were employees of Gavilon Energy were entitled to a bonus, half of which was payable upon successful completion of the business combination and the remainder of which was paid in December 2014. We recorded this as compensation expense over the vesting period. We recorded expense of $6.5 million during the year ended March 31, 2015 related to these bonuses.

Oilfield Water Lines, LP

On August 2, 2013, we completed a business combination with entities affiliated with OWL, whereby we acquired water disposal and transportation assets in Texas. We issued 2,463,287 common units, valued at $68.6 million, and paid $167.7 million of cash, net of cash acquired, in exchange for OWL. During the year ended March 31, 2015, we completed the acquisition accounting for this business combination. The following table presents the final calculation of the fair values of the assets acquired (and useful lives) and liabilities assumed for this acquisition:

	Final	**Estimated at March 31, 2014**	**Change**
		(in thousands)	
Accounts receivable trade	$ 6,837	$ 7,268	$ (431)
Inventories	154	154	
Prepaid expenses and other current assets	402	402	
Property, plant and equipment:			
Vehicles (5 10 years)	8,143	8,157	(14)
Water treatment facilities and equipment (3 30 years)	23,173	23,173	
Buildings and leasehold improvements (7 30 years)	2,198	2,198	
Land	710	710	
Other (3 5 years)	53	53	
Goodwill	90,144	89,699	445
Intangible assets:			
Customer relationships (8 10 years)	110,000	110,000	
Non-compete agreements (3 years)	2,000	2,000	
Accounts payable trade	(6,469)	(6,469)	
Accrued expenses and other payables	(992)	(992)	
Other noncurrent liabilities	(64)	(64)	
Fair value of net assets acquired	$ 236,289	$ 236,289	$

We estimated the value of the customer relationship intangible asset using the income approach, which uses valuation techniques to convert future amounts (for example, cash flows or earnings) to a single present amount (discounted). The measurement is based on the value indicated by current market expectations about those future amounts.

Other Water Solutions Acquisitions

During the year ended March 31, 2014, we completed two separate acquisitions of businesses to expand our water solutions operations in Texas. On a combined basis, we issued 222,381 common units, valued at $6.8 million, and paid $151.6 million of cash, net of cash acquired, in exchange for these assets and operations. During the year ended March 31, 2015, we completed the acquisition accounting for these business combinations. The following table presents the final calculation of the fair values of the assets acquired (and useful lives) and liabilities assumed for these acquisitions:

	Final	Estimated at March 31, 2014 (in thousands)	Change
Accounts receivable trade	$ 2,146	$ 2,146	$
Inventories	192	192	
Prepaid expenses and other current assets	62	61	1
Property, plant and equipment:			
Vehicles (5 10 years)	76	90	(14)
Water treatment facilities and equipment (3 30 years)	11,717	14,394	(2,677)
Buildings and leasehold improvements (7 30 years)	3,278	1,906	1,372
Land	207	206	1
Other (3 5 years)	12	12	
Goodwill	49,067	47,750	1,317
Intangible assets:			
Customer relationships (8 10 years)	72,000	72,000	
Trade names (indefinite life)	3,325	3,325	
Non-compete agreements (3 years)	260	260	
Water facility development agreement (5 years)	14,000	14,000	
Water facility option agreement	2,500	2,500	
Accounts payable trade	(119)	(119)	
Accrued expenses and other payables	(293)	(293)	
Other noncurrent liabilities	(64)	(64)	
Fair value of net assets acquired	$ 158,366	$ 158,366	$

As part of one of these business combinations, we entered into an option agreement with the seller of the business whereby we had the option to purchase a saltwater disposal facility that was under construction. We recorded an intangible asset of $2.5 million at the acquisition date related to this option agreement. On March 1, 2014, we purchased the saltwater disposal facility for additional cash consideration of $3.8 million.

In addition, as part of one of these business combinations, we entered into a development agreement that provides us a right to purchase water treatment and disposal facilities that may be developed by the seller through June 2018. On March 1, 2014, we purchased our first water treatment and disposal facility pursuant to the development agreement for $21.0 million.

During the year ended March 31, 2015, we completed the acquisition accounting for these business combinations. The following table presents the final calculation of the fair values of the assets acquired (and useful lives) and liabilities assumed for these acquisitions:

	Final	Estimated at March 31, 2014 (in thousands)	Change
Accounts receivable trade	$ 124	$ 245	$ (121)
Inventories	119	197	(78)
Property, plant and equipment:			
Water treatment facilities and equipment (3 30 years)	10,539	10,540	(1)
Buildings and leasehold improvements (7 30 years)	1,130	1,130	
Land	213	213	
Other (3 5 years)	1	1	
Goodwill	15,443	15,281	162
Accounts payable trade	(232)	(263)	31
Accrued expenses and other payables		(7)	7
Other noncurrent liabilities	(50)	(50)	
Fair value of net assets acquired	$ 27,287	$ 27,287	$

Crude Oil Logistics Acquisitions

During the year ended March 31, 2014, we completed two separate acquisitions of businesses to expand our crude oil logistics operations in Texas and Oklahoma. On a combined basis, we issued 175,211 common units, valued at $5.3 million, and paid $67.8 million of cash, net of cash acquired, in exchange for these assets and operations. During the year ended March 31, 2015, we completed the acquisition accounting for these business combinations. The following table presents the final calculation of the fair values of the assets acquired (and useful lives) and liabilities assumed for these acquisitions:

	Final	Estimated at March 31, 2014 (in thousands)	Change
Accounts receivable trade	$ 1,221	$ 1,235	$ (14)
Inventories	1,021	1,021	
Prepaid expenses and other current assets	58	54	4
Property, plant and equipment:			
Vehicles (5 10 years)	2,980	2,977	3
Crude oil tanks and related equipment (2 30 years)	3,822	3,462	360
Barges and towboats (20 years)	20,065	20,065	
Buildings and leasehold improvements (5 30 years)	58	280	(222)
Other (3 5 years)	57	53	4
Goodwill	30,730	37,867	(7,137)
Intangible assets:			
Customer relationships (3 years)	13,300	6,300	7,000
Non-compete agreements (3 years)	35	35	
Trade names (indefinite life)	530	530	
Accounts payable trade	(521)	(665)	144
Accrued expenses and other payables	(266)	(124)	(142)

Fair value of net assets acquired	$	73,090	$	73,090	$

Retail Propane and Liquids Acquisitions

During the year ended March 31, 2014, we completed four acquisitions of retail propane businesses and the acquisition of four natural gas liquids terminals. On a combined basis, we paid $21.9 million of cash to acquire these assets and operations. During the year ended March 31, 2015, we completed the acquisition accounting for these business combinations. The final calculation of the fair values of the assets acquired and liabilities assumed for these acquisitions did not materially change from the previous estimates of the fair values of the assets acquired and liabilities assumed for these acquisitions.

Note 5 Property, Plant and Equipment

Our property, plant and equipment consists of the following:

Description and Estimated Useful Lives	March 31, 2015	March 31, 2014
	(in thousands)	
Natural gas liquids terminal and storage assets (2 30 years)	$ 132,851	$ 75,141
Refined products terminal assets and equipment (20 years)	403,609	
Retail propane equipment (2 30 years)	181,140	160,758
Vehicles and railcars (3 25 years)	180,679	152,187
Water treatment facilities and equipment (3 40 years)	317,317	178,307
Crude oil tanks and related equipment (2 40 years)	109,909	101,853
Barges and towboats (5 40 years)	59,848	52,217
Information technology equipment (3 7 years)	34,915	20,771
Buildings and leasehold improvements (3 40 years)	98,989	61,255
Land	107,098	30,242
Tank bottoms	62,656	15,103
Other (3 30 years)	34,415	17,337
Construction in progress	96,922	80,241
	1,820,348	945,412
Accumulated depreciation	(202,959)	(109,564)
Net property, plant and equipment	$ 1,617,389	$ 835,848

Depreciation expense was $105.7 million, $59.9 million and $39.2 million during the years ended March 31, 2015, 2014 and 2013, respectively. During the years ended March 31, 2015 and 2014, we capitalized $0.1 million and $0.7 million of interest expense, respectively. We did not capitalize any interest expense during the year ended March 31, 2013. Product volumes required for the operation of storage tanks, known as tank bottoms, are recorded at historical cost. We recover tank bottoms when we no longer use the storage tanks or the storage tanks are removed from service.

The following table summarizes the tank bottoms included in the table above at March 31, 2015 (in thousands):

Product	Volume	Book Value
Gasoline (barrels)	219	$ 25,710
Crude oil (barrels)	184	16,835

Diesel (barrels)	124		15,153
Renewables (barrels)	41		4,220
Other	504		738
Total		$	62,656

Note 6 Goodwill

The changes in the balance of goodwill were as follows:

	Year Ended March 31, 2015	2014	2013
		(in thousands)	
Beginning of period, as retrospectively adjusted	$ 1,085,393	$ 555,220	$ 167,245
Acquisitions (Note 4)	327,350	530,173	387,975
Disposals (Note 14)	(9,982)		
End of period, as retrospectively adjusted	$ 1,402,761	$ 1,085,393	$ 555,220

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Goodwill by reportable segment is as follows:

	March 31, 2015	March 31, 2014
	(in thousands)	
Crude oil logistics	$ 579,846	$ 579,846
Water solutions	401,656	264,127
Liquids	234,803	91,135
Retail propane	122,382	114,285
Refined products and renewables	64,074	36,000
Total	$ 1,402,761	$ 1,085,393

Note 7 Intangible Assets

Our intangible assets consist of the following:

	Amortizable Lives	March 31, 2015 Gross Carrying Amount	March 31, 2015 Accumulated Amortization	March 31, 2014 Gross Carrying Amount	March 31, 2014 Accumulated Amortization
		(in thousands)			
Amortizable					
Customer relationships	3 20 years	$ 921,418	$ 159,215	$ 710,755	$ 83,261
Pipeline capacity rights	30 years	119,636	2,571	7,800	
Water facility development agreement	5 years	14,000	4,900	14,000	2,100
Executory contracts and other agreements	2 10 years	23,920	18,387	23,920	13,190
Non-compete agreements	2 10 years	26,662	10,408	14,161	6,388
Trade names	2 12 years	15,439	7,569	15,489	3,081
Debt issuance costs	5 10 years	55,165	17,467	44,089	8,708
Total amortizable		1,176,240	220,517	830,214	116,728
Non-amortizable					
Customer commitments		310,000			
Trade names		22,620		22,620	
Total non-amortizable		332,620		22,620	
Total		$ 1,508,860	$ 220,517	$ 852,834	$ 116,728

The weighted-average remaining amortization period for intangible assets is approximately 12 years.

Amortization expense is as follows:

Recorded In	Year Ended March 31, 2015	2014	2013
	(in thousands)		
Depreciation and amortization	$ 88,262	$ 60,855	$ 29,657
Cost of sales	7,767	6,172	5,285

Interest expense	8,759	5,727	3,375
Loss on early extinguishment of debt			5,769
Total	$ 104,788	$ 72,754	$ 44,086

Expected amortization of our intangible assets, exclusive of assets that are not yet amortizable, is as follows (in thousands):

Year Ending March 31,		
2016	$	111,356
2017		104,633
2018		100,654
2019		91,799
2020		84,791
Thereafter		462,490
Total	$	955,723

Note 8 Long-Term Debt

Our long-term debt consists of the following:

	March 31,			
		2015		**2014**
	(in thousands)			
Revolving credit facility				
Expansion capital borrowings	$	702,500	$	532,500
Working capital borrowings		688,000		389,500
5.125% Notes due 2019		400,000		
6.875% Notes due 2021		450,000		450,000
6.650% Notes due 2022		250,000		250,000
TLP credit facility		250,000		
Other long-term debt		9,271		14,914
		2,749,771		1,636,914
Less: Current maturities		4,472		7,080
Long-term debt	$	2,745,299	$	1,629,834

Credit Agreement

We have entered into a credit agreement (as amended, the Credit Agreement) with a syndicate of banks. The Credit Agreement includes a revolving credit facility to fund working capital needs (the Working Capital Facility) and a revolving credit facility to fund acquisitions and expansion projects (the Expansion Capital Facility, and together with the Working Capital Facility, the Revolving Credit Facility). At March 31, 2015, our Revolving Credit Facility had a total capacity of $2.296 billion.

The Expansion Capital Facility had a total capacity of $858.0 million for cash borrowings at March 31, 2015. At that date, we had outstanding borrowings of $702.5 million on the Expansion Capital Facility. The Working Capital Facility had a total capacity of $1.438 billion for cash borrowings and letters of credit at March 31, 2015. At that date, we had outstanding borrowings of $688.0 million and outstanding letters of credit of $108.6 million on the Working Capital Facility. The capacity available under the Working Capital Facility may be limited by a borrowing base, as defined in the Credit Agreement, which is calculated based on the value of certain working capital items at any point in time.

The commitments under the Credit Agreement expire on November 5, 2018. We have the right to prepay outstanding borrowings under the Credit Agreement without incurring any penalties, and prepayments of principal may be required if we enter into certain transactions to sell assets or obtain new borrowings.

All borrowings under the Credit Agreement bear interest, at our option, at (i) an alternate base rate plus a margin of 0.50% to 1.50% per annum or (ii) an adjusted LIBOR rate plus a margin of 1.50% to 2.50% per annum. The applicable margin is determined based on our consolidated leverage ratio, as defined in the Credit Agreement. At March 31, 2015, all borrowings under the Credit Agreement were LIBOR borrowings with an interest rate at March 31, 2015 of 2.18%, calculated as the LIBOR rate of 0.18% plus a margin of 2.0%. At March 31, 2015, the interest rate in effect on letters of credit was 2.25%. Commitment fees are charged at a rate ranging from 0.38% to 0.50% on any unused capacity.

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The Credit Agreement is secured by substantially all of our assets. The Credit Agreement specifies that our leverage ratio, as defined in the Credit Agreement, cannot exceed 4.25 to 1 at any quarter end. The leverage coverage ratio in our Credit Agreement excludes TLP s debt. At March 31, 2015, our leverage ratio was approximately 3.2 to 1. The Credit Agreement also specifies that our interest coverage ratio, as defined in the Credit Agreement, cannot be less than 2.75 to 1 at any quarter end. At March 31, 2015, our interest coverage ratio was approximately 5.9 to 1.

The Credit Agreement contains various customary representations, warranties, and additional covenants, including, without limitation, limitations on fundamental changes and limitations on indebtedness and liens. Our obligations under the Credit Agreement may be accelerated following certain events of default (subject to applicable cure periods), including, without limitation, (i) the failure to pay principal or interest when due, (ii) a breach by the Partnership or its subsidiaries of any material representation or warranty or any covenant made in the Credit Agreement, or (iii) certain events of bankruptcy or insolvency.

At March 31, 2015, we were in compliance with the covenants under the Credit Agreement.

2019 Notes

On July 9, 2014, we issued $400.0 million of 5.125% Senior Notes Due 2019 (the 2019 Notes). We received net proceeds of $393.5 million, after the initial purchasers discount of $6.0 million and offering costs of $0.5 million.

The 2019 Notes mature on July 15, 2019. Interest is payable on January 15 and July 15 of each year. We have the right to redeem the 2019 Notes prior to the maturity date, although we would be required to pay a premium for early redemption.

The Partnership and NGL Energy Finance Corp. are co-issuers of the 2019 Notes, and the obligations under the 2019 Notes are guaranteed by certain of our existing and future restricted subsidiaries that incur or guarantee indebtedness under certain of our other indebtedness, including the Revolving Credit Facility. The indenture governing the 2019 Notes contains various customary covenants, including, without limitation, limitations on fundamental changes and limitations on indebtedness and liens. Our obligations under the indenture may be accelerated following certain events of default (subject to applicable cure periods), including, without limitation, (i) the failure to pay principal or interest when due, (ii) experiencing an event of default on certain other debt agreements, or (iii) certain events of bankruptcy or insolvency.

At March 31, 2015, we were in compliance with the covenants under the indenture governing the 2019 Notes.

2021 Notes

On October 16, 2013, we issued $450.0 million of 6.875% Senior Notes Due 2021 (the 2021 Notes). We received net proceeds of $438.4 million, after the initial purchasers discount of $10.1 million and offering costs of $1.5 million.

The 2021 Notes mature on October 15, 2021. Interest is payable on April 15 and October 15 of each year. We have the right to redeem the 2021 Notes prior to the maturity date, although we would be required to pay a premium for early redemption.

The Partnership and NGL Energy Finance Corp. are co-issuers of the 2021 Notes, and the obligations under the 2021 Notes are guaranteed by certain of our existing and future restricted subsidiaries that incur or guarantee indebtedness under certain of our other indebtedness, including the Revolving Credit Facility. The indenture governing the 2021 Notes contains various customary covenants, including, without limitation, limitations on fundamental changes and limitations on indebtedness and liens. Our obligations under the indenture may be accelerated following certain events of default (subject to applicable cure periods), including, without limitation, (i) the failure to pay principal or interest when due, (ii) experiencing an event of default on certain other debt agreements, or (iii) certain events of bankruptcy or insolvency.

At March 31, 2015, we were in compliance with the covenants under the indenture governing the 2021 Notes.

2022 Notes

On June 19, 2012, we entered into a Note Purchase Agreement (as amended, the Note Purchase Agreement) whereby we issued $250.0 million of Senior Notes in a private placement (the 2022 Notes). The 2022 Notes bear interest at a fixed rate of 6.65%, which is payable quarterly. The 2022 Notes are required to be repaid in semi-annual installments of $25.0 million beginning on December 19, 2017 and ending on the maturity date of June 19, 2022. We have the option to prepay outstanding principal, although we would incur a prepayment penalty. The 2022 Notes are secured by substantially all of our assets and rank equal in priority with borrowings under the Credit Agreement.

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The Note Purchase Agreement contains various customary representations, warranties, and additional covenants that, among other things, limit our ability to (subject to certain exceptions): (i) incur additional debt, (ii) pay dividends and make other restricted payments, (iii) create or permit certain liens, (iv) create or permit restrictions on the ability of certain of our subsidiaries to pay dividends or make other distributions to us, (v) enter into transactions with affiliates, (vi) enter into sale and leaseback transactions and (vii) consolidate or merge or sell all or substantially all or any portion of our assets. In addition, the Note Purchase Agreement contains similar leverage ratio and interest coverage ratio requirements to those of our Credit Agreement, which is described above.

The Note Purchase Agreement provides for customary events of default that include, among other things (subject in certain cases to customary grace and cure periods): (i) nonpayment of principal or interest, (ii) breach of certain covenants contained in the Note Purchase Agreement or the 2022 Notes, (iii) failure to pay certain other indebtedness or the acceleration of certain other indebtedness prior to maturity if the total amount of such indebtedness unpaid or accelerated exceeds $10.0 million, (iv) the rendering of a judgment for the payment of money in excess of $10.0 million, (v) the failure of the Note Purchase Agreement, the 2022 Notes, or the guarantees by the subsidiary guarantors to be in full force and effect in all material respects and (vi) certain events of bankruptcy or insolvency. Generally, if an event of default occurs (subject to certain exceptions), the trustee or the holders of at least 51% in aggregate principal amount of the then outstanding 2022 Notes of any series may declare all of the 2022 Notes of such series to be due and payable immediately.

At March 31, 2015, we were in compliance with the covenants under the Note Purchase Agreement.

TLP Credit Facility

TLP is party to a credit agreement with a syndicate of banks that provides for a revolving credit facility (the TLP Credit Facility). The TLP Credit Facility provides for a maximum borrowing line of credit equal to the lesser of (i) $400 million and (ii) 4.75 times Consolidated EBITDA (as defined in the TLP Credit Facility). The terms of the TLP Credit Facility include covenants that restrict TLP s ability to make cash distributions, acquisitions and investments, including investments in joint ventures. TLP may make distributions of cash to the extent of TLP s available cash as defined in TLP s partnership agreement. TLP may make acquisitions and investments that meet the definition of permitted acquisitions ; other investments which may not exceed 5% of consolidated net tangible assets ; and additional future permitted JV investments up to $125 million, which may include additional investments in BOSTCO. The principal balance of loans and any accrued and unpaid interest are due and payable in full on the maturity date of July 31, 2018.

The following table summarizes our basis in the assets and liabilities of TLP at March 31, 2015, inclusive of the impact of our acquisition accounting for the business combination with TransMontaigne (in thousands):

Cash and cash equivalents	$	918
Accounts receivable trade		9,069
Accounts receivable affiliates		583
Inventories		1,361
Prepaid expenses and other current assets		1,410
Property, plant and equipment, net		475,506
Goodwill		28,074
Intangible assets, net		72,295
Investments in unconsolidated affiliates		255,073

Other noncurrent assets		2,458
Accounts payable trade		(6,565)
Accounts payable affiliates		(76)
Net intercompany payable		(1,965)
Accrued expenses and other payables		(8,715)
Advanced payments received from customers		(146)
Long-term debt		(250,000)
Other noncurrent liabilities		(3,541)
Net assets	$	575,739

TLP may elect to have loans under the TLP Credit Facility bear interest either (i) at a rate of LIBOR plus a margin ranging from 2% to 3% depending on the total leverage ratio then in effect, or (ii) at the base rate plus a margin ranging from 1% to 2% depending on the total leverage ratio then in effect. TLP also pays a commitment fee on the unused amount of commitments, ranging

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from 0.375% to 0.5% per annum, depending on the total leverage ratio then in effect. For the period from July 1, 2014 to March 31, 2015, the weighted-average interest rate on borrowings under the TLP Credit Facility was approximately 2.10%. TLP s obligations under the TLP Credit Facility are secured by a first priority security interest in favor of the lenders in the majority of TLP s assets, including TLP s investments in unconsolidated entities. At March 31, 2015, TLP had outstanding borrowings under the TLP Credit Facility of $250 million and no outstanding letters of credit.

The TLP Credit Facility also contains customary representations and warranties (including those relating to organization and authorization, compliance with laws, absence of defaults, material agreements and litigation) and customary events of default (including those relating to monetary defaults, covenant defaults, cross defaults and bankruptcy events). The primary financial covenants contained in the TLP Credit Facility are (i) a total leverage ratio test (not to exceed 4.75 times), (ii) a senior secured leverage ratio test (not to exceed 3.75 times) in the event TLP issues senior unsecured notes, and (iii) a minimum interest coverage ratio test (not less than 3.0 times). These financial covenants are based on a defined financial performance measure within the TLP Credit Facility known as Consolidated EBITDA.

TLP s Credit Facility is non-recourse to NGL.

Other Long-Term Debt

We have executed various noninterest bearing notes payable, primarily related to non-compete agreements entered into in connection with acquisitions of businesses. We also have certain notes payable related to equipment financing.

Debt Maturity Schedule

The scheduled maturities of our long-term debt are as follows at March 31, 2015:

Year Ending March 31,	Revolving Credit Facility	2019 Notes	2021 Notes	2022 Notes	TLP Credit Facility	Other Long-Term Debt	Total
				(in thousands)			
2016	$	$	$	$	$	$ 4,473	$ 4,473
2017						2,567	2,567
2018				25,000		1,626	26,626
2019	1,390,500			50,000	250,000	362	1,690,862
2020		400,000		50,000		105	450,105
Thereafter			450,000	125,000		138	575,138
Total	$ 1,390,500	$ 400,000	$ 450,000	$ 250,000	$ 250,000	$ 9,271	$ 2,749,771

Previous Credit Facility

On June 19, 2012, we made a principal payment of $306.8 million to retire a then-existing revolving credit facility. Upon retirement of this facility, we wrote off the portion of the debt issuance cost intangible asset that had not yet been amortized. This expense is reported as Loss on early extinguishment of debt in our consolidated statement of operations for the year ended March 31, 2013.

Note 9 Income Taxes

We qualify as a partnership for income tax purposes. As such, we generally do not pay United States federal income tax. Rather, each owner reports his or her share of our income or loss on his or her individual tax return. The aggregate difference in the basis of our net assets for financial and tax reporting purposes cannot be readily determined, as we do not have access to information regarding each partner s basis in the Partnership.

We have certain taxable corporate subsidiaries in the United States and in Canada, and our operations in Texas are subject to a state franchise tax that is calculated based on revenues net of cost of sales. Our fiscal years 2011 to 2014 generally remain subject to examination by federal, state, and Canadian tax authorities. We utilize the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply in the years in which these temporary differences are expected to be recovered or settled. Changes in tax rates are recognized in income in the period that includes the enactment date.

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We acquired TransMontaigne Inc. on July 1, 2014. TransMontaigne Inc. and certain of its subsidiaries were taxable corporations until we converted them to non-taxable limited liability companies on December 31, 2014. The following table is a rollforward of the income tax liability associated with these entities (in thousands):

Acquisition-date deferred tax liability	$	28,530
Income tax benefit (July 1, 2014 to December 31, 2014)		(6,276)
Tax payments		(21,397)
Current tax liability at March 31, 2015	$	857

A publicly traded partnership is required to generate at least 90% of its gross income (as defined for federal income tax purposes) from certain qualifying sources. Income generated by our taxable corporate subsidiaries is excluded from this qualifying income calculation. Although we routinely generate income outside of our corporate subsidiaries that is non-qualifying, we believe that at least 90% of our gross income has been qualifying income for each of the calendar years since our IPO.

We evaluate uncertain tax positions for recognition and measurement in the consolidated financial statements. To recognize a tax position, we determine whether it is more likely than not that the tax position will be sustained upon examination, including resolution of any related appeals or litigation, based on the technical merits of the position. A tax position that meets the more likely than not threshold is measured to determine the amount of benefit to be recognized in the consolidated financial statements. We had no material uncertain tax positions that required recognition in our consolidated financial statements at March 31, 2015 or 2014.

Note 10 Commitments and Contingencies

Legal Contingencies

We are party to various claims, legal actions, and complaints arising in the ordinary course of business. In the opinion of our management, the ultimate resolution of these claims, legal actions, and complaints, after consideration of amounts accrued, insurance coverage, and other arrangements, will not have a material adverse effect on our consolidated financial position, results of operations or cash flows. However, the outcome of such matters is inherently uncertain, and estimates of our liabilities may change materially as circumstances develop.

Customer Dispute

A customer of our crude oil logistics segment disputed the transportation rate schedule we used to bill the customer for services that we provided from November 2012 through February 2013, which was the same rate schedule that Pecos used to bill the customer from April 2011 through October 2012 (prior to our November 1, 2012 acquisition of Pecos). During August 2013, the customer notified us that it intended to withhold payment due for services performed by us during the period from June 2013 through August 2013, pending resolution of the dispute, although the customer did not dispute the validity of the amounts billed for services performed during this time frame.

During September 2014, we reached an agreement with the former customer whereby the former customer agreed to pay us an agreed-upon amount to dismiss its claims against us, in return for which we agreed to dismiss our claims against the former customer. We did not record a gain or loss upon settlement, as the amount we received approximated the amount we had recorded as receivable from the customer.

Contractual Disputes

During the year ended March 31, 2015, we settled two separate contractual disputes and recorded $5.5 million of proceeds to other income in our consolidated statement of operations. Also during the year ended March 31, 2015, we offered to settle another contractual dispute, and recorded $1.2 million to other expense as an estimate of the probable loss.

Environmental Matters

Our operations are subject to extensive federal, state, and local environmental laws and regulations. Although we believe our operations are in substantial compliance with applicable environmental laws and regulations, risks of additional costs and liabilities are inherent in our business, and there can be no assurance that significant costs will not be incurred. Moreover, it is possible that other developments, such as increasingly stringent environmental laws, regulations and enforcement policies thereunder, and claims for damages to property or persons resulting from the operations, could result in substantial costs. Accordingly, we have adopted policies, practices, and procedures in the areas of pollution control, product safety, occupational health, and the handling, storage, use, and

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disposal of hazardous materials designed to prevent material environmental or other damage, and to limit the financial liability that could result from such events. However, some risk of environmental or other damage is inherent in our business.

Asset Retirement Obligations

We have recorded a liability of $3.9 million at March 31, 2015 for asset retirement obligations. This liability is related to facilities for which we have contractual and regulatory obligations to perform remediation and, in some instances, dismantlement and removal activities when the assets are retired.

In addition to the obligations described above, we may be obligated to remove facilities or perform other remediation upon retirement of certain other assets. We do not believe the present value of these asset retirement obligations, under current laws and regulations, after taking into consideration the estimated lives of our facilities, is material to our consolidated financial position or results of operations.

Operating Leases

We have executed various noncancelable operating lease agreements for product storage, office space, vehicles, real estate, railcars, and equipment. Future minimum lease payments under these agreements at March 31, 2015 are as follows (in thousands):

Year Ending March 31,		
2016	$	119,817
2017		102,394
2018		87,302
2019		63,205
2020		53,423
Thereafter		115,704
Total	$	541,845

Rental expense relating to operating leases was $125.5 million, $98.3 million, and $84.2 million during the years ended March 31, 2015, 2014, and 2013, respectively.

Pipeline Capacity Agreements

We have executed noncancelable agreements with crude oil and refined products pipeline operators, which guarantee us minimum monthly shipping capacity on the pipelines. In exchange, we are obligated to pay the minimum shipping fees in the event actual shipments are less than our allotted capacity. Future minimum throughput payments under these agreements at March 31, 2015 are as follows (in thousands):

Year Ending March 31,		
2016	$	122,052
2017		81,935
2018		82,016
2019		81,222
2020		53,511
Thereafter		90,972
Total	$	511,708

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Sales and Purchase Contracts

We have entered into sales and purchase contracts for products to be delivered in future periods for which we expect the parties to physically settle the contracts with inventory. At March 31, 2015, we had the following such commitments outstanding:

	Volume		Value
	(in thousands)		
Purchase commitments:			
Natural gas liquids fixed-price (gallons)	57,792	$	35,476
Natural gas liquids index-price (gallons)	659,603		352,563
Crude oil index-price (barrels)	8,450		375,699
Sale commitments:			
Natural gas liquids fixed-price (gallons)	104,153		77,674
Natural gas liquids index-price (gallons)	223,234		184,866
Crude oil fixed-price (barrels)	1,580		79,242
Crude oil index-price (barrels)	6,684		321,863

We account for the contracts shown in the table above as normal purchases and normal sales. Under this accounting policy election, we do not record the contracts at fair value at each balance sheet date; instead, we record the purchase or sale at the contracted value once the delivery occurs. Contracts in the table above may have offsetting derivative contracts (described in Note 12) or inventory positions (described in Note 2).

Certain other forward purchase and sale contracts do not qualify for the normal purchase and normal sale election. These contracts are recorded at fair value in our consolidated balance sheet and are not included in the table above. These contracts are included in the derivative disclosures in Note 12, and represent $33.2 million of our prepaid expenses and other current assets and $26.6 million of our accrued expenses and other payables at March 31, 2015.

Note 11 Equity

Partnership Equity

The Partnership s equity consists of a 0.1% general partner interest and a 99.9% limited partner interest, which consists of common units. Prior to August 2014, the Partnership s limited partner interest also included subordinated units. The subordination period ended in August 2014, at which time all remaining subordinated units were converted into common units on a one-for-one basis. Our general partner is not obligated to make any additional capital contributions or to guarantee or pay any of our debts and obligations.

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Common Units Issued in Business Combinations

We issued common units as partial consideration for several acquisitions. These are summarized below:

March 31, 2013	
High Sierra combination	20,703,510
Retail propane combinations	850,676
Crude oil logistics and water solutions combinations	516,978
Pecos combination	1,834,414
Third Coast combination	344,680
Total	24,250,258
March 31, 2014	
Water solutions combinations	222,381
Crude oil logistics combinations	175,211
OWL combination	2,463,287
Total	2,860,879
March 31, 2015	
Retail propane combinations	132,100
Natural gas liquids storage combination	7,396,973
Water solutions combinations	1,322,032
Total	8,851,105

In connection with the completion of certain of these acquisitions, we amended our registration rights agreement, which provides for certain registration rights for certain holders of our common units.

Equity Issuances

The following table summarizes our equity issuances for fiscal years 2014 and 2015 (in millions, except unit amounts). There were no equity issuances during fiscal year 2013.

Issuance Date	**Type of Offering**	**Number of Common Units Issued**	**Gross Proceeds**	**Underwriting Discounts and Commissions**	**Offering Costs**	**Net Proceeds**
March 11, 2015	Public Offering	6,250,000	$ 172.3	$ 1.4	$ 0.2	$ 170.7
June 23, 2014	Public Offering	8,767,100	383.2	12.3	0.5	370.4
December 2, 2013	Private Placement	8,110,848	240.0		4.9	235.1
September 25, 2013	Public Offering	4,100,000	132.8	5.0	0.2	127.6
July 5, 2013	Public Offering	10,350,000	300.2	12.0	0.7	287.5

Our Distribution Policy

Our general partner has adopted a cash distribution policy that requires us to pay a quarterly distribution to unitholders as of the record date to the extent we have sufficient cash from operations after establishment of cash reserves and payment of fees and expenses, including payments to the general partner and its affiliates, referred to as available cash. The general partner will also receive, in addition to distributions on its 0.1% general partner interest, additional distributions based on the level of distributions to the limited partners. These distributions are referred to as incentive distributions or IDRs. Our general partner currently holds the IDRs, but may transfer these rights separately from its general partner interest, subject to restrictions in our partnership agreement.

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The following table illustrates the percentage allocations of available cash from operating surplus between our unitholders and our general partner based on the specified target distribution levels. The amounts set forth under Marginal Percentage Interest In Distributions are the percentage interests of our general partner and our unitholders in any available cash from operating surplus we distribute up to and including the corresponding amount in the column Total Quarterly Distribution Per Unit, until available cash from operating surplus we distribute reaches the next target distribution level, if any. The percentage interests shown for our unitholders and our general partner for the minimum quarterly distribution are also applicable to quarterly distribution amounts that are less than the minimum quarterly distribution. The percentage interests set forth below for our general partner include its 0.1% general partner interest, and assume that our general partner has contributed any additional capital necessary to maintain its 0.1% general partner interest and has not transferred its IDRs.

	Total Quarterly Distribution Per Unit						Marginal Percentage Interest In Distributions	
							Unitholders	**General Partner**
Minimum quarterly distribution					$	0.337500	99.9%	0.1%
First target distribution	above	$	0.337500	up to	$	0.388125	99.9%	0.1%
Second target distribution	above	$	0.388125	up to	$	0.421875	86.9%	13.1%
Third target distribution	above	$	0.421875	up to	$	0.506250	76.9%	23.1%
Thereafter	above	$	0.506250				51.9%	48.1%

The following table summarizes the distributions declared subsequent to our IPO:

Date Declared	Record Date	Date Paid	Amount Per Unit	Amount Paid To Limited Partners (in thousands)	Amount Paid To General Partner (in thousands)
July 25, 2011	August 3, 2011	August 12, 2011	$ 0.1669	$ 2,467	$ 3
October 21, 2011	October 31, 2011	November 14, 2011	0.3375	4,990	5
January 24, 2012	February 3, 2012	February 14, 2012	0.3500	7,735	10
April 19, 2012	April 30, 2012	May 15, 2012	0.3625	9,165	10
July 24, 2012	August 3, 2012	August 14, 2012	0.4125	13,574	134
October 17, 2012	October 29, 2012	November 14, 2012	0.4500	22,846	707
January 24, 2013	February 4, 2013	February 14, 2013	0.4625	24,245	927
April 25, 2013	May 6, 2013	May 15, 2013	0.4775	25,605	1,189
July 25, 2013	August 5, 2013	August 14, 2013	0.4938	31,725	1,739
October 23, 2013	November 4, 2013	November 14, 2013	0.5113	35,908	2,491
January 24, 2014	February 4, 2014	February 14, 2014	0.5313	42,150	4,283
April 24, 2014	May 5, 2014	May 15, 2014	0.5513	43,737	5,754
July 24, 2014	August 4, 2014	August 14, 2014	0.5888	52,036	9,481
October 24, 2014	November 4, 2014	November 14, 2014	0.6088	53,902	11,141
January 26, 2015	February 6, 2015	February 13, 2015	0.6175	54,684	11,860
April 24, 2015	May 5, 2015	May 15, 2015	0.6250	59,651	13,446

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Several of our business combination agreements contained provisions that temporarily limited the distributions to which the newly issued units were entitled. The following table summarizes the number of equivalent units that were not eligible to receive a distribution on each of the record dates:

Record Date	Equivalent Units Not Eligible
October 31, 2011	4,000,000
February 3, 2012	7,117,031
April 30, 2012	3,932,031
August 3, 2012	17,862,470
October 29, 2012	516,978
February 4, 2013	1,202,085
November 4, 2013	979,886
February 6, 2015	132,100
May 5, 2015	8,352,904

TLP s Distribution Policy

TLP s partnership agreement requires it to pay a quarterly distribution to unitholders as of the record date to the extent TLP has sufficient cash from operations after establishment of cash reserves and payment of fees and expenses, including payments to TLP s general partner and its affiliates, referred to as available cash. TLP s general partner will also receive, in addition to distributions on its 2.0% general partner interest, additional distributions based on the level of distributions to the limited partners. These distributions are referred to as incentive distributions. TLP s general partner currently holds the incentive distribution rights, but may transfer these rights separately from its general partner interest, subject to restrictions in TLP s partnership agreement.

The following table illustrates the percentage allocations of available cash from operating surplus between TLP s unitholders and TLP s general partner based on the specified target distribution levels. The amounts set forth under Marginal Percentage Interest In Distributions are the percentage interests of TLP s general partner and TLP s unitholders in any available cash from operating surplus TLP distributes up to and including the corresponding amount in the column Total Quarterly Distribution Per Unit, until available cash from operating surplus TLP distributes reaches the next target distribution level, if any. The percentage interests shown for TLP s unitholders and TLP s general partner for the minimum quarterly distribution are also applicable to quarterly distribution amounts that are less than the minimum quarterly distribution. The percentage interests set forth below for TLP s general partner include its 2.0% general partner interest, and assume that TLP s general partner has contributed any additional capital necessary to maintain its 2.0% general partner interest and has not transferred its incentive distribution rights.

	Total Quarterly Distribution Per Unit						Marginal Percentage Interest In Distributions	
							Unitholders	General Partner
Minimum quarterly distribution					$	0.40	98%	2%
First target distribution	above	$	0.40	up to	$	0.44	98%	2%
Second target distribution	above	$	0.44	up to	$	0.50	85%	15%
Third target distribution	above	$	0.50	up to	$	0.60	75%	25%
Thereafter	above	$	0.60				50%	50%

The following table summarizes the distributions declared by TLP subsequent to our acquisition of general and limited partner interests in TLP (exclusive of the distribution declared in July 2014, the proceeds of which we remitted to the former owners of TransMontaigne, pursuant to agreements entered into at the time of the business combination):

Date Declared	Record Date	Date Paid	Amount Per Unit	Amount Paid To NGL (in thousands)	Amount Paid To Other Partners (in thousands)
October 13, 2014	October 31, 2014	November 7, 2014	$ 0.6650	$ 4,010	$ 8,614
January 8, 2015	January 30, 2015	February 6, 2015	0.6650	4,010	8,614
April 13, 2015	April 30, 2015	May 7, 2015	0.6650	4,007	8,617

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Equity-Based Incentive Compensation

Our general partner has adopted a long-term incentive plan (LTIP), which allows for the issuance of equity-based compensation. Our general partner has granted certain restricted units to employees and directors, which vest in tranches, subject to the continued service of the recipients. The awards may also vest in the event of a change in control, at the discretion of the board of directors. No distributions accrue to or are paid on the restricted units during the vesting period.

The restricted units include awards that vest contingent on the continued service of the recipients through the vesting date (the Service Awards). The restricted units also include awards that are contingent both on the continued service of the recipients through the vesting date and also on the performance of our common units relative to other entities in the Alerian MLP Index (the Index) over specified periods of time (the Performance Awards).

The following table summarizes the Service Award activity during the years ended March 31, 2015, 2014 and 2013:

Unvested Service Award units at March 31, 2012	
Units granted	1,684,400
Units vested and issued	(156,802)
Units withheld for employee taxes	(61,698)
Units forfeited	(21,000)
Unvested Service Award units at March 31, 2013	1,444,900
Units granted	494,000
Units vested and issued	(296,269)
Units withheld for employee taxes	(122,531)
Units forfeited	(209,000)
Unvested Service Award units at March 31, 2014	1,311,100
Units granted	2,093,139
Units vested and issued	(586,010)
Units withheld for employee taxes	(354,829)
Units forfeited	(203,000)
Unvested Service Award units at March 31, 2015	2,260,400

The scheduled vesting of our Service Award units is summarized below:

[redacted]	
2016	739,500
[redacted]	
2018	679,200
[redacted]	
2020	20,000
[redacted]	

We record the expense for the first tranche of each Service Award on a straight-line basis over the period beginning with the grant date of the awards and ending with the vesting date of the tranche. We record the expense for succeeding tranches over the period beginning with the vesting date of the previous tranche and ending with the vesting date of the tranche.

At each balance sheet date, we adjust the cumulative expense recorded using the estimated fair value of the awards at the balance sheet date. We calculate the fair value of the awards using the closing price of our common units on the New York Stock Exchange on the balance sheet date, adjusted to reflect the fact that the holders of the unvested units are not entitled to distributions during the vesting period. We estimate the impact of the lack of distribution rights during the vesting period using the value of the most recent distribution and assumptions that a market participant might make about future distribution growth.

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We estimate that the future expense we will record on the unvested Service Award units at March 31, 2015 will be as follows (in thousands), after taking into consideration an estimate of forfeitures of approximately 129,000 units. For purposes of this calculation, we used the closing price of our common units on March 31, 2015, which was $26.23.

Year Ending March 31,		
2016	$	26,304
2017		16,938
2018		5,369
2019		1,033
2020		105
Total	$	49,749

Following is a rollforward of the liability related to the Service Award units, which is reported within accrued expenses and other payables in our consolidated balance sheets (in thousands):

Balance at March 31, 2012	$	
Expense recorded		10,138
Value of units vested and issued		(3,657)
Taxes paid on behalf of participants		(1,438)
Balance at March 31, 2013		5,043
Expense recorded		17,804
Value of units vested and issued		(9,085)
Taxes paid on behalf of participants		(3,750)
Balance at March 31, 2014		10,012
Expense recorded		32,767
Value of units vested and issued		(23,134)
Taxes paid on behalf of participants		(13,491)
Balance at March 31, 2015	$	6,154

The weighted-average fair value of the Service Award units at March 31, 2015 was $22.61 per common unit, which was calculated as the closing price of the common units on March 31, 2015, adjusted to reflect the fact that the restricted units are not entitled to distributions during the vesting period. The impact of the lack of distribution rights during the vesting period was estimated using the value of the most recent distribution and assumptions that a market participant might make about future distribution growth.

During April 2015, our general partner granted Performance Award units to certain employees. The maximum number of units that could vest on these Performance Awards for each vesting tranche is summarized below:

Vesting Date	Maximum Performance Award Units
July 1, 2015	681,382
July 1, 2016	679,382
July 1, 2017	641,382
Total	2,002,146

The number of Performance Award units that will vest is contingent on the performance of our common units relative to the performance of the other entities in the Index. Performance will be calculated based on the return on our common units (including changes in the market price of the common units and distributions paid during the performance period) relative to the returns on the common units of the other entities in the Index. Performance will be measured over the following periods:

Vesting Date of Tranche	Performance Period for Tranche
July 1, 2015	July 1, 2012 through June 30, 2015
July 1, 2016	July 1, 2013 through June 30, 2016
July 1, 2017	July 1, 2014 through June 30, 2017

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The percentage of the maximum Performance Award units that will vest will depend on the percentage of entities in the Index that NGL outperforms, as summarized in the table below:

Percentage of Entities in the Index that NGL Outperforms	**Percentage of Maximum Performance Award Units to Vest**
Less than 50%	0%
50% 75%	25% 50%
75% 90%	50% 100%
Greater than 90%	100%

Beginning in fiscal year 2016, we will record the expense for each of the three tranches on a straight-line basis over the period beginning with the April 2015 grant date and ending with the vesting date. At each balance sheet date, we will adjust the cumulative expense recorded using the estimated fair value of the awards at the balance sheet date. We will calculate the fair value of the awards using a Monte Carlo simulation.

The number of common units that may be delivered pursuant to awards under the LTIP is limited to 10% of the issued and outstanding common units. The maximum number of units deliverable under the plan automatically increases to 10% of the issued and outstanding common units immediately after each issuance of common units, unless the plan administrator determines to increase the maximum number of units deliverable by a lesser amount. Units withheld to satisfy tax withholding obligations are not considered to be delivered under the LTIP. In addition, when an award is forfeited, canceled, exercised, paid or otherwise terminates or expires without the delivery of units, the units subject to such award are again available for new awards under the LTIP. At March 31, 2015, approximately 7.1 million common units remain available for issuance under the LTIP.

Note 12 Fair Value of Financial Instruments

Our cash and cash equivalents, accounts receivable, accounts payable, accrued expenses, and other current assets and liabilities (excluding derivative instruments) are carried at amounts which reasonably approximate their fair values due to their short-term nature.

Commodity Derivatives

The following table summarizes the estimated fair values of our commodity derivative assets and liabilities reported in our consolidated balance sheet at March 31, 2015:

	Derivative Assets	**Derivative Liabilities**
	(in thousands)	
Level 1 measurements	$ 83,779	$ (3,969)
Level 2 measurements	34,963	(28,764)
	118,742	(32,733)

Netting of counterparty contracts (1)		(1,804)		1,804
Cash collateral provided (held)		(56,660)		2,979
Commodity derivatives on consolidated balance sheet	$	60,278	$	(27,950)

(1) Relates to commodity derivative assets and liabilities that are expected to be net settled on an exchange or through a master netting arrangement with the counterparty.

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The following table summarizes the estimated fair values of our commodity derivative assets and liabilities reported in our consolidated balance sheet at March 31, 2014:

	Derivative Assets	Derivative Liabilities
	(in thousands)	
Level 1 measurements	$ 4,990	$ (3,258)
Level 2 measurements	49,605	(43,303)
	54,595	(46,561)
Netting of counterparty contracts (1)	(4,347)	4,347
Net cash collateral provided	456	
Commodity derivatives on consolidated balance sheet	$ 50,704	$ (42,214)

(1) Relates to commodity derivative assets and liabilities that are expected to be net settled on an exchange or through a master netting arrangement with the counterparty.

Our commodity derivative assets and liabilities are reported in the following accounts in our consolidated balance sheets:

	March 31, 2015	March 31, 2014
	(in thousands)	
Prepaid expenses and other current assets	$ 60,278	$ 50,704
Accrued expenses and other payables	(27,950)	(42,214)
Net commodity derivative asset	$ 32,328	$ 8,490

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The following table summarizes our open commodity derivative contract positions at March 31, 2015 and 2014. We do not account for these derivatives as hedges.

Contracts	Settlement Period		Net Long (Short) Notional Units (Barrels)		Fair Value of Net Assets (Liabilities)
			(in thousands)		
At March 31, 2015					
Cross-commodity (1)	April 2015	March 2016	98	$	(105)
Crude oil fixed-price (2)	April 2015	June 2015	(1,113)		(171)
Crude oil index-price (3)	April 2015	July 2015	751		1,835
Propane fixed-price (4)	April 2015	December 2016	193		(2,842)
Refined products fixed-price (4)	April 2015	December 2015	(3,005)		84,996
Other	April 2015	December 2015			2,296
					86,009
Net cash collateral held					(53,681)
Net commodity derivatives on consolidated balance sheet				$	32,328
At March 31, 2014					
Cross-commodity (1)	April 2014	March 2015	140	$	(1,876)
Crude oil fixed-price (2)	April 2014	March 2015	(1,600)		(2,796)
Crude oil index-price (3)	April 2014	December 2015	3,598		6,099
Propane fixed-price (4)	April 2014	March 2015	60		1,753
Refined products fixed-price (4)	April 2014	July 2014	732		560
Renewables fixed-price (4)	April 2014	July 2014	106		4,084
Other	April 2014				210
					8,034
Net cash collateral provided					456
Net commodity derivatives on consolidated balance sheet				$	8,490

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(1) Cross-commodity We may purchase or sell a physical commodity where the underlying contract pricing mechanisms are tied to different commodity price indices. The contracts listed in this table as Cross-commodity represent derivatives we have entered into as an economic hedge against the risk of one commodity price moving relative to another commodity price.

(2) Crude oil fixed-price Our crude oil logistics segment routinely purchases crude oil inventory to enable us to fulfill future orders expected to be placed by our customers. The contracts listed in this table as Crude oil fixed-price represent derivatives we have entered into as an economic hedge against the risk that crude oil prices will decline while we are holding the inventory.

(3) Crude oil index-price Our crude oil logistics segment may purchase or sell crude oil where the underlying contract pricing mechanisms are tied to different crude oil indices. These indices may vary in the type or location of crude oil, or in the timing of delivery within a given month. The contracts listed in this table as Crude oil index-price represent derivatives we have entered into as an economic hedge against the risk of one crude oil index moving relative to another crude oil index.

(4) Commodity fixed-price We may have fixed price physical obligations, including inventory, offset by floating price physical sales or have floating price physical purchases offset by fixed price physical sales. The contracts listed in the this table as fixed-price represent derivatives we

have entered into as an economic hedge against the risk of mismatches between fixed and floating price physical obligations.

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We recorded the following net gains (losses) from our commodity derivatives to cost of sales (in thousands):

Year Ending March 31,		
2015	$	219,421
2014		(43,655)
2013		(4,376)

Credit Risk

We maintain credit policies with regard to our counterparties on the derivative financial instruments that we believe minimize our overall credit risk, including an evaluation of potential counterparties financial condition (including credit ratings), collateral requirements under certain circumstances and the use of standardized agreements, which allow for netting of positive and negative exposure associated with a single counterparty.

We may enter into industry standard master netting agreements and may enter into cash collateral agreements requiring the counterparty to deposit funds into a brokerage margin account. The netting agreements reduce our credit risk by providing for net settlement of any offsetting positive and negative exposures with counterparties. The cash collateral agreements reduce the level of our net counterparty credit risk because the amount of collateral represents additional funds that we may access to net settle positions due us, and the amount of collateral adjusts each day in response to changes in the market value of counterparty derivatives.

Our counterparties consist primarily of financial institutions and energy companies. This concentration of counterparties may impact our overall exposure to credit risk, either positively or negatively, in that the counterparties may be similarly affected by changes in economic, regulatory or other conditions.

Failure of a counterparty to perform on a contract could result in our inability to realize amounts that have been recorded in our consolidated balance sheets and recognized in our net income.

Interest Rate Risk

Our Revolving Credit Facility is variable-rate debt with interest rates that are generally indexed to bank prime or LIBOR interest rates. At March 31, 2015, we had $1.4 billion of outstanding borrowings under our Revolving Credit Facility at a rate of 2.18%. A change in interest rates of 0.125% would result in an increase or decrease of our annual interest expense of $1.7 million, based on borrowings outstanding at March 31, 2015.

The TLP Credit Facility is variable-rate debt with interest rates that are generally indexed to bank prime or LIBOR interest rates. At March 31, 2015, TLP had $250.0 million of outstanding borrowings under the TLP Credit Facility at a rate of 2.67%. A change in interest rates of 0.125%

would result in an increase or decrease in TLP s annual interest expense of $0.3 million, based on borrowings outstanding at March 31, 2015.

Fair Value of Fixed-Rate Notes

The following table provides estimates of the fair values of our fixed-rate notes at March 31, 2015 (in thousands):

5.125% Notes due 2019	$	396,000
6.875% Notes due 2021		472,500
6.650% Notes due 2022		253,475

For the 2019 Notes and the 2021 Notes, the fair value estimates were developed based on publicly traded quotes. These fair value estimates would be classified as Level 1 in the fair value hierarchy.

For the 2022 Notes, the fair value estimate was developed using observed yields on publicly traded notes issued by other entities, adjusted for differences in the key terms of those notes and the key terms of our notes (examples include differences in the tenor of the debt, credit standing of the issuer, whether the notes are publicly traded, and whether the notes are secured or unsecured). This fair value estimate would be classified as Level 3 in the fair value hierarchy.

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Note 13 Segments

Certain financial data related to our segments is shown below. Transactions between segments are recorded based on prices negotiated between the segments.

Our liquids and retail propane segments each consist of two divisions, which are organized based on the location of the operations. Our refined products and renewables segment began with our December 2013 acquisition of Gavilon Energy and expanded with our July 2014 acquisition of TransMontaigne.

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Items labeled corporate and other in the table below include the operations of a compressor leasing business that we sold in February 2014 and certain natural gas marketing operations that we acquired in our December 2013 acquisition of Gavilon Energy and wound down during fiscal year 2014. The corporate and other category also includes certain corporate expenses that are incurred and are not allocated to the reportable segments. This data is included to reconcile the data for the reportable segments to data in our consolidated financial statements.

	Year Ended March 31, 2015	2014 (in thousands)	2013
Revenues:			
Crude oil logistics			
Crude oil sales	$ 6,609,685	$ 4,559,923	$ 2,322,706
Crude oil transportation and other	55,535	36,469	16,442
Water solutions			
Service fees	105,682	58,161	34,792
Recovered hydrocarbons	81,762	67,627	19,542
Water transportation	10,760	17,312	7,893
Other revenues	1,838		
Liquids			
Propane sales	1,263,113	1,632,948	841,448
Other product sales	1,111,434	1,231,965	858,276
Other revenues	31,294	31,062	33,954
Retail propane			
Propane sales	347,575	388,225	288,410
Distillate sales	106,037	127,672	106,192
Other revenues	35,585	35,918	35,856
Refined products and renewables			
Refined products sales	6,684,045	1,180,895	
Renewables sales	473,885	176,781	
Service fees	74,842		
Corporate and other	1,916	437,713	4,233
Elimination of intersegment sales	(192,931)	(283,397)	(151,977)
Total revenues	$ 16,802,057	$ 9,699,274	$ 4,417,767
Depreciation and Amortization:			
Crude oil logistics	$ 38,626	$ 22,111	$ 9,176
Water solutions	73,618	55,105	20,923
Liquids	13,513	11,018	11,085
Retail propane	31,827	28,878	25,496
Refined products and renewables	32,948	625	
Corporate and other	3,417	3,017	2,173
Total depreciation and amortization	$ 193,949	$ 120,754	$ 68,853
Operating Income (Loss):			
Crude oil logistics	$ (35,832)	$ 678	$ 34,236
Water solutions	45,031	10,317	8,576
Liquids	45,072	71,888	30,336
Retail propane	64,075	61,285	46,869
Refined products and renewables	54,567	6,514	
Corporate and other	(85,802)	(44,117)	(32,710)
Total operating income	$ 87,111	$ 106,565	$ 87,307

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The following table summarizes additions to property, plant and equipment for each segment. This information has been prepared on the accrual basis, and includes property, plant and equipment acquired in acquisitions.

	Year Ended March 31, 2015	2014 (in thousands)	2013
Additions to property, plant and equipment:			
Crude oil logistics	$ 58,747	$ 204,642	$ 89,860
Water solutions	186,007	100,877	137,116
Liquids	114,180	52,560	15,129
Retail propane	35,602	24,430	66,933
Refined products and renewables	573,954	1,238	
Corporate and other	1,286	7,242	17,858
Total	$ 969,776	$ 390,989	$ 326,896

The following tables summarize long-lived assets (consisting of net property, plant and equipment, net intangible assets, and goodwill) and total assets by segment:

	March 31, 2015	2014
	(in thousands)	
Total assets:		
Crude oil logistics	$ 2,337,188	$ 1,710,776
Water solutions	1,185,929	876,305
Liquids	713,547	556,152
Retail propane	542,476	541,832
Refined products and renewables	1,668,836	317,726
Corporate and other	99,525	144,840
Total	$ 6,547,501	$ 4,147,631
Long-lived assets, net:		
Crude oil logistics	$ 1,327,538	$ 970,986
Water solutions	1,119,794	849,070
Liquids	534,560	275,836
Retail propane	467,652	438,324
Refined products and renewables	808,757	75,170
Corporate and other	50,192	47,961
Total	$ 4,308,493	$ 2,657,347

Note 14 Disposals and Impairments

During the year ended March 31, 2015, we sold a natural gas liquids terminal and recorded a loss in our consolidated statement of operations of $29.9 million, which included a loss on property, plant and equipment of $21.7 million and a loss of $8.2 million on goodwill allocated to the assets sold. This loss is reported within loss on disposal or impairment of assets, net in our consolidated statement of operations.

During the year ended March 31, 2015, we sold the water transportation business of our water solutions segment and recorded a loss in our consolidated statement of operations of $4.0 million, which included a loss on property, plant and equipment of $2.2 million and a loss of $1.8 million on goodwill allocated to the assets sold. This loss is reported within loss on disposal or impairment of assets, net in our consolidated statement of operations.

During the year ended March 31, 2015, we recorded a loss on abandonment of $3.1 million related to the property, plant and equipment of water disposal facilities that we have retired. This loss is reported within loss on disposal or impairment of assets, net in our consolidated statement of operations.

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We acquired Gavilon Energy in December 2013, which operated a natural gas marketing business. During March 2014, we assigned all of the storage and transportation contracts of the natural gas marketing business to a third party. Since these contracts were at unfavorable terms relative to current market conditions, we paid $44.8 million to assign these contracts. We recorded a liability of $50.8 million related to these storage and transportation contracts in the acquisition accounting, and we amortized $6.0 million of this balance as a reduction to cost of sales during the period from the acquisition date through the date we assigned the contracts. We also assigned all forward purchase and sale contracts and all financial derivative contracts, and thereby wound down the natural gas business. Our consolidated statement of operations for the year ended March 31, 2014 includes $1.4 million of operating income related to the natural gas business, which is reported within corporate and other in the segment disclosures in Note 13.

We acquired High Sierra in June 2012, which operated a compressor leasing business. We sold the compressor leasing business in February 2014 for $10.8 million (net of the amount due to the owner of the noncontrolling interest in the business). We recorded a gain on the sale of the business of $4.4 million, $1.6 million of which was attributable to the disposal of the noncontrolling interest. We reported the gain as a reduction to loss on disposal or impairment of assets, net in our consolidated statement of operations. Our consolidated statement of operations for the year ended March 31, 2014 includes $2.3 million of operating income related to the compressor leasing business, which is reported within corporate and other in the segment disclosures in Note 13.

During the year ended March 31, 2014, we recorded an impairment of $5.3 million to the property, plant and equipment of one of our natural gas liquids terminals in our liquids segment, which is reported within loss on disposal or impairment of assets, net in our consolidated statement of operations.

During the year ended March 31, 2014, two of our water solutions facilities in our water solutions segment experienced damage to their property, plant and equipment as a result of lightning strikes. We recorded a write-down to property, plant and equipment of $1.5 million related to these incidents, which is reported within loss on disposal or impairment of assets, net in our consolidated statement of operations.

Note 15 Transactions with Affiliates

SemGroup Corporation (SemGroup) holds ownership interests in our general partner. We sell product to and purchase product from SemGroup, and these transactions are included within revenues and cost of sales in our consolidated statements of operations. We also lease crude oil storage from SemGroup.

We purchase ethanol from one of our equity method investees. These transactions are reported within cost of sales in our consolidated statements of operations.

Certain members of our management own interests in entities which we have purchased products and services and to which we have sold products and services. The majority of our transactions with such entities represented crude oil purchases and sales and are reported within revenues or cost of sales in our consolidated statements of operations, although $27.5 million of these transactions during the year ended March 31, 2015 represented capital expenditures and were recorded as increases to property, plant and equipment.

The above transactions are summarized in the following table:

	Year Ended March 31, 2015	2014 (in thousands)	2013
Sales to SemGroup	$ 88,276	$ 160,993	$ 54,726
Purchases from SemGroup	130,134	300,164	102,351
Sales to equity method investees	14,493		
Purchases from equity method investees	149,828	47,731	
Sales to entities affiliated with management	2,151	110,824	16,828
Purchases from entities affiliated with management	29,419	120,038	60,942

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Receivables from affiliates consist of the following:

	March 31, 2015		March 31, 2014	
	(in thousands)			
Receivables from SemGroup	$	13,443	$	7,303
Receivables from equity method investees		652		
Receivables from entities affiliated with management		3,103		142
Total	$	17,198	$	7,445

Payables to affiliates consist of the following:

	March 31, 2015		March 31, 2014	
	(in thousands)			
Payables to SemGroup	$	11,546	$	27,738
Payables to equity method investees		6,788		48,454
Payables to entities affiliated with management		7,460		654
Total	$	25,794	$	76,846

We also have a loan receivable of $8.2 million at March 31, 2015 from one of our equity method investees. A portion of the loan matures August 29, 2018 and the remaining portion matures August 29, 2019.

We completed a merger with High Sierra in June 2012. We paid $91.8 million of cash, net of $5.0 million of cash acquired, and issued 18,018,468 common units to acquire High Sierra Energy, LP. We also paid $97.4 million of High Sierra Energy, LP s long-term debt and other obligations. Our general partner acquired High Sierra Energy GP, LLC by paying $50.0 million of cash and issuing equity. Our general partner then contributed its ownership interests in High Sierra Energy GP, LLC to us, in return for which we paid our general partner $50.0 million of cash and issued 2,685,042 common units to our general partner.

During the year ended March 31, 2014, we completed the acquisition of a crude oil logistics business owned by an employee. We paid $11.0 million of cash for this acquisition. During the year ended March 31, 2013, we completed two business combinations with entities in which members of our management owned interests. We paid $14.0 million of cash (net of cash acquired) on a combined basis for these two acquisitions. We also paid $5.0 million under a non-compete agreement to an employee.

Note 16 Other Matters

Purchase of Pipeline Capacity Allocations

On certain interstate refined product pipelines, shipment demand exceeds available capacity, and capacity is allocated to shippers based on their historical shipment volumes. During the year ended March 31, 2015, we paid $24.2 million to acquire certain refined product pipeline capacity allocations from other shippers.

Crude Oil Rail Transloading Facility

In October 2014, we announced plans to build a crude oil rail transloading facility, backed by executed producer commitments. Subsequent to executing these commitments, the producers requested to be released from the commitments. We agreed to release the producers from their commitments in return for which the producers paid us a specified amount in March 2015 and committed to pay us specified additional amounts over a period of five years. In addition, one of the producers committed to pay us a specified fee on each barrel of crude oil it produces in a specified basin over a period of seven years. Upon execution of these agreements in March 2015, we recorded a gain of $31.6 million to other income in our consolidated statement of operations, net of certain project abandonment costs.

Prior to terminating these contracts, we leased certain railcars that we expected to utilize to service the contracts with the producers. We will attempt to sublease these railcars or utilize them in our other operations, but we are unable to predict to what extent we will be able to utilize these railcars.

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Grand Mesa Pipeline, LLC

In September 2014, we entered into a joint venture with RimRock Midstream, LLC (RimRock), whereby each party owned a 50% interest in Grand Mesa. Grand Mesa is constructing a crude oil pipeline originating in Weld County, Colorado and terminating at our Cushing, Oklahoma terminal. In October 2014, Grand Mesa completed a successful open season in which it received the requisite support, in the form of ship-or-pay volume commitments from multiple shippers, to begin construction of a 20-inch pipeline system. In November 2014, we acquired RimRock s 50% ownership interest in Grand Mesa for $310.0 million in cash and allocated the purchase price to a customer commitment intangible asset. We anticipate that the pipeline will commence service in the second half of calendar year 2016, at which time we will begin to amortize this intangible asset.

Note 17 Quarterly Financial Data (Unaudited)

Our summarized unaudited quarterly financial data is presented below. The computation of net income per common unit is done separately by quarter and year. The total of net income per common unit of the individual quarters may not equal the net income per common unit for the year, due primarily to the income allocation between the general partner and limited partners and variations in the weighted-average units outstanding used in computing such amounts.

Our retail propane segment s business is seasonal due to weather conditions in our service areas. Propane sales to residential and commercial customers are affected by winter heating season requirements, which generally results in higher operating revenues and net income during the period from October through March of each year and lower operating revenues and either net losses or lower net income during the period from April through September of each year. Our liquids segment is also subject to seasonal fluctuations, as demand for propane and butane is typically higher during the winter months. Our operating revenues from our other segments are less weather sensitive. Additionally, the acquisitions described in Note 4 impact the comparability of the quarterly information within the year, and year to year.

	Quarter Ended				Year Ended
	June 30, 2014	**September 30, 2014**	**December 31, 2014**	**March 31, 2015**	**March 31, 2015**
	(in thousands, except unit and per unit data)				
Total revenues	$ 3,648,614	$ 5,380,526	$ 4,552,146	$ 3,220,771	$ 16,802,057
Total cost of sales	$ 3,534,053	$ 5,179,465	$ 4,311,668	$ 2,933,021	$ 15,958,207
Net income (loss) (1)	$ (39,910)	$ (15,879)	$ (5,269)	$ 90,942	$ 29,884
Net income (loss) attributable to parent equity (1)	$ (39,975)	$ (19,224)	$ (10,918)	$ 86,778	$ 16,661
Income (loss) per common unit, basic and diluted (1)	$ (0.61)	$ (0.34)	$ (0.26)	$ 0.78	$ (0.29)
Weighted average common units outstanding basic and diluted	74,126,205	88,331,653	88,545,764	94,447,339	86,359,300

	Quarter Ended				Year Ended
	June 30, 2013	**September 30, 2013**	**December 31, 2013**	**March 31, 2014**	**March 31, 2014**
	(in thousands, except unit and per unit data)				
Total revenues	$ 1,385,957	$ 1,593,937	$ 2,743,445	$ 3,975,935	$ 9,699,274
Total cost of sales	$ 1,303,076	$ 1,488,850	$ 2,576,029	$ 3,764,744	$ 9,132,699

Net income (loss)	$	(17,508)	$	(932)	$	24,052	$	43,146	$	48,758
Net income (loss) attributable to parent equity	$	(17,633)	$	(941)	$	23,898	$	42,331	$	47,655
Income (loss) per common unit, basic and diluted	$	(0.35)	$	(0.05)	$	0.27	$	0.46	$	0.51
Weighted average common units outstanding basic and diluted		47,703,313		58,909,389		67,941,726		73,421,309		61,970,471

(1) As described in Note 16, in March 2015, we agreed to release certain producers from certain commitments in return for which the producers paid us a specified amount in March 2015 and committed to pay us specified additional amounts over a period of five years. Upon execution of these agreements in March 2015, we recorded a gain of $31.6 million to other income in our consolidated statement of operations, net of certain project abandonment costs.

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Note 18 Subsequent Events

Water Solutions Facility Acquisitions

As described in Note 4, we are party to a development agreement that provides us a right to purchase water treatment and disposal facilities developed by the other party to the agreement. During April and May 2015, we purchased three water treatment and disposal facilities under this development agreement. On a combined basis, the purchase price for these facilities was $39.0 million of cash.

Note 19 Consolidating Guarantor and Non-Guarantor Financial Information

Certain of our wholly owned subsidiaries have, jointly and severally, fully and unconditionally guaranteed the 2019 Notes and the 2021 Notes (described in Note 8). Pursuant to Rule 3-10 of Regulation S-X, we have presented in columnar format the consolidating financial information for NGL Energy Partners LP, NGL Energy Finance Corp. (which, along with NGL Energy Partners LP, is a co-issuer of the 2019 Notes and 2021 Notes), the guarantor subsidiaries on a combined basis, and the non-guarantor subsidiaries on a combined basis in the tables below.

During the periods presented in the tables below, the status of certain subsidiaries changed, in that they either became guarantors of or ceased to be guarantors of the 2019 Notes and 2021 Notes. Such changes have been given retrospective application in the tables below.

There are no significant restrictions upon the ability of the parent or any of the guarantor subsidiaries to obtain funds from their respective subsidiaries by dividend or loan, other than restrictions contained in TLP s Credit Facility. None of the assets of the guarantor subsidiaries (other than the investments in non-guarantor subsidiaries) represent restricted net assets pursuant to Rule 4-08(e)(3) of Regulation S-X under the Securities Act of 1933, as amended.

For purposes of the tables below, (i) the consolidating financial information is presented on a legal entity basis, (ii) investments in consolidated subsidiaries are accounted for as equity method investments, and (iii) contributions, distributions, and advances to or from consolidated entities are reported on a net basis within net changes in advances with consolidated entities in the consolidating cash flow tables below.

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NGL ENERGY PARTNERS LP

Consolidating Balance Sheet

(U.S. Dollars in Thousands)

	March 31, 2015					
	NGL Energy Partners LP (Parent) (1)	NGL Energy Finance Corp. (1)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents	$ 29,115	$	$ 9,757	$ 2,431	$	$ 41,303
Accounts receivable trade, net of allowance for doubtful accounts			1,007,001	17,225		1,024,226
Accounts receivable affiliates	5		16,610	583		17,198
Inventories			440,026	1,736		441,762
Prepaid expenses and other current assets			104,528	16,327		120,855
Total current assets	29,120		1,577,922	38,302		1,645,344
PROPERTY, PLANT AND EQUIPMENT, net of accumulated depreciation			1,093,018	524,371		1,617,389
GOODWILL			1,372,690	30,071		1,402,761
INTANGIBLE ASSETS, net of accumulated amortization	17,834		1,195,896	74,613		1,288,343
INVESTMENTS IN UNCONSOLIDATED ENTITIES			217,600	255,073		472,673
NET INTERCOMPANY RECEIVABLES (PAYABLES)	1,363,792		(1,319,724)	(44,068)		
INVESTMENTS IN CONSOLIDATED SUBSIDIARIES	1,834,738		56,690		(1,891,428)	
LOAN RECEIVABLE AFFILIATES			8,154			8,154
OTHER NONCURRENT ASSETS			110,120	2,717		112,837
Total assets	$ 3,245,484	$	$ 4,312,366	$ 881,079	$ (1,891,428)	$ 6,547,501
LIABILITIES AND EQUITY						
CURRENT LIABILITIES:						
Accounts payable trade	$	$	$ 820,441	$ 12,939	$	$ 833,380
Accounts payable affiliates			25,690	104		25,794
Accrued expenses and other payables	19,690		165,819	9,607		195,116
Advance payments received from customers			53,903	331		54,234
Current maturities of long-term debt			4,413	59		4,472
Total current liabilities	19,690		1,070,266	23,040		1,112,996

LONG-TERM DEBT, net of current maturities	1,100,000		1,395,100	250,199		2,745,299
OTHER NONCURRENT LIABILITIES			12,262	3,824		16,086
EQUITY						
Partners equity	2,125,794		1,834,738	604,125	(2,438,754)	2,125,903
Accumulated other comprehensive loss				(109)		(109)
Noncontrolling interests					547,326	547,326
Total equity	2,125,794		1,834,738	604,016	(1,891,428)	2,673,120
Total liabilities and equity	$ 3,245,484	$	$ 4,312,366	$ 881,079	$ (1,891,428)	$ 6,547,501

(1) The parent and NGL Energy Finance Corp. are co-issuers of the 2019 Notes and 2021 Notes. Since the parent received the proceeds from the issuance of the 2019 Notes and 2021 Notes, all activity has been reflected in the parent column.

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NGL ENERGY PARTNERS LP

Consolidating Balance Sheet

(U.S. Dollars in Thousands)

	March 31, 2014					
	NGL Energy Partners LP (Parent) (1)	NGL Energy Finance Corp. (1)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents	$ 1,181	$	$ 8,728	$ 531	$	$ 10,440
Accounts receivable trade, net of allowance for doubtful accounts			864,789	13,115		877,904
Accounts receivable affiliates			7,445			7,445
Inventories			306,434	3,726		310,160
Prepaid expenses and other current assets			80,294	56		80,350
Total current assets	1,181		1,267,690	17,428		1,286,299
PROPERTY, PLANT AND EQUIPMENT, net of accumulated depreciation			770,516	65,332		835,848
GOODWILL			1,083,395	1,998		1,085,393
INTANGIBLE ASSETS, net of accumulated amortization	12,721		721,753	1,632		736,106
INVESTMENTS IN UNCONSOLIDATED ENTITIES			194,821			194,821
NET INTERCOMPANY RECEIVABLES (PAYABLES)	764,995		(720,737)	(44,258)		
INVESTMENTS IN CONSOLIDATED SUBSIDIARIES	1,462,502		17,673		(1,480,175)	
OTHER NONCURRENT ASSETS			9,043	121		9,164
Total assets	$ 2,241,399	$	$ 3,344,154	$ 42,253	$ (1,480,175)	$ 4,147,631
LIABILITIES AND EQUITY						
CURRENT LIABILITIES:						
Accounts payable trade	$	$	$ 705,344	$ 13,959	$	$ 719,303
Accounts payable affiliates			73,703	3,143		76,846
Accrued expenses and other payables	14,820		124,923	1,947		141,690
Advance payments received from customers			29,891	74		29,965
Current maturities of long-term debt			7,058	22		7,080
Total current liabilities	14,820		940,919	19,145		974,884

LONG-TERM DEBT, net of current maturities	700,000		929,754	80		1,629,834
OTHER NONCURRENT LIABILITIES			10,979	81		11,060
EQUITY						
Partners equity	1,526,579		1,462,691	22,994	(1,485,449)	1,526,815
Accumulated other comprehensive loss			(189)	(47)		(236)
Noncontrolling interests					5,274	5,274
Total equity	1,526,579		1,462,502	22,947	(1,480,175)	1,531,853
Total liabilities and equity	$ 2,241,399	$	$ 3,344,154	$ 42,253	$ (1,480,175)	$ 4,147,631

(1) The parent and NGL Energy Finance Corp. are co-issuers of the 2021 Notes. Since the parent received the proceeds from the issuance of the 2021 Notes, all activity has been reflected in the parent column.

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NGL ENERGY PARTNERS LP

Consolidating Statement of Operations

(U.S. Dollars in Thousands)

	Year Ended March 31, 2015					
	NGL Energy Partners LP (Parent) (1)	NGL Energy Finance Corp. (1)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
REVENUES	$	$	$ 16,648,382	$ 189,979	$ (36,304)	$ 16,802,057
COST OF SALES			15,934,529	59,825	(36,147)	15,958,207
OPERATING COSTS AND EXPENSES:						
Operating			314,621	57,555		372,176
Loss on disposal or impairment of assets, net			11,619	29,565		41,184
General and administrative			131,898	17,532		149,430
Depreciation and amortization			161,906	32,043		193,949
Operating Income (Loss)			93,809	(6,541)	(157)	87,111
OTHER INCOME (EXPENSE):						
Earnings of unconsolidated entities			6,640	5,463		12,103
Interest expense	(65,723)		(39,023)	(5,423)	46	(110,123)
Other income, net			36,953	264	(46)	37,171
Income (Loss) Before Income Taxes	(65,723)		98,379	(6,237)	(157)	26,262
INCOME TAX (PROVISION) BENEFIT			3,795	(173)		3,622
EQUITY IN NET INCOME (LOSS) OF CONSOLIDATED SUBSIDIARIES	82,384		(19,633)		(62,751)	
Net Income (Loss)	16,661		82,541	(6,410)	(62,908)	29,884
LESS: NET INCOME ALLOCATED TO GENERAL PARTNER					(45,679)	(45,679)
LESS: NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS					(13,223)	(13,223)

NET INCOME (LOSS) ALLOCATED TO LIMITED PARTNERS	$ 16,661	$	$ 82,541	$ (6,410)	$ (121,810)	$ (29,018)

(1) The parent and NGL Energy Finance Corp. are co-issuers of the 2019 Notes and 2021 Notes.

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NGL ENERGY PARTNERS LP

Consolidating Statement of Operations

(U.S. Dollars in Thousands)

	Year Ended March 31, 2014					
	NGL Energy Partners LP (Parent) (1)	**NGL Energy Finance Corp. (1)**	**Guarantor Subsidiaries**	**Non-Guarantor Subsidiaries**	**Consolidating Adjustments**	**Consolidated**
REVENUES	$	$	$ 9,560,124	$ 139,519	$ (369)	$ 9,699,274
COST OF SALES			9,011,011	122,057	(369)	9,132,699
OPERATING COSTS AND EXPENSES:						
Operating			250,841	8,958		259,799
Loss (gain) on disposal or impairment of assets, net			6,373	(2,776)		3,597
General and administrative			73,756	2,104		75,860
Depreciation and amortization			117,573	3,181		120,754
Operating Income			100,570	5,995		106,565
OTHER INCOME (EXPENSE):						
Earnings of unconsolidated entities			1,898			1,898
Interest expense	(31,818)		(27,031)	(51)	46	(58,854)
Other income (expense), net			202	(70)	(46)	86
Income (Loss) Before Income Taxes	(31,818)		75,639	5,874		49,695
INCOME TAX PROVISION			(937)			(937)
EQUITY IN NET INCOME OF CONSOLIDATED SUBSIDIARIES	79,473		4,771		(84,244)	
Net Income	47,655		79,473	5,874	(84,244)	48,758
LESS: NET INCOME ALLOCATED TO GENERAL PARTNER					(14,148)	(14,148)
LESS: NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS					(1,103)	(1,103)
NET INCOME ALLOCATED TO LIMITED PARTNERS	$ 47,655	$	$ 79,473	$ 5,874	$ (99,495)	$ 33,507

(1) The parent and NGL Energy Finance Corp. are co-issuers of the 2021 Notes.

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NGL ENERGY PARTNERS LP

Consolidating Statement of Operations

(U.S. Dollars in Thousands)

	Year Ended March 31, 2013				
	NGL Energy Partners LP (Parent)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
REVENUES	$	$ 4,409,198	$ 8,878	$ (309)	$ 4,417,767
COST OF SALES		4,038,251	1,168	(309)	4,039,110
OPERATING COSTS AND EXPENSES:					
Operating		164,870	4,742		169,612
Loss on disposal or impairment of assets, net		74	113		187
General and administrative		52,461	237		52,698
Depreciation and amortization		66,916	1,937		68,853
Operating Income		86,626	681		87,307
OTHER INCOME (EXPENSE):					
Interest expense	(13,041)	(19,951)	(48)	46	(32,994)
Loss on early extinguishment of debt		(5,769)			(5,769)
Other income (expense), net		1,666	(99)	(46)	1,521
Income (Loss) Before Income Taxes	(13,041)	62,572	534		50,065
INCOME TAX PROVISION		(1,875)			(1,875)
EQUITY IN NET INCOME OF CONSOLIDATED SUBSIDIARIES	60,981	284		(61,265)	
Net Income	47,940	60,981	534	(61,265)	48,190
LESS: NET INCOME ALLOCATED TO GENERAL PARTNER				(2,917)	(2,917)
LESS: NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS				(250)	(250)
NET INCOME ALLOCATED TO LIMITED PARTNERS	$ 47,940	$ 60,981	$ 534	$ (64,432)	$ 45,023

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NGL ENERGY PARTNERS LP

Consolidating Statements of Comprehensive Income (Loss)

(U.S. Dollars in Thousands)

	Year Ended March 31, 2015					
	NGL Energy Partners LP (Parent) (1)	NGL Energy Finance Corp. (1)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Net income (loss)	$ 16,661	$	$ 82,541	$ (6,410)	$ (62,908)	$ 29,884
Other comprehensive income (loss)			189	(62)		127
Comprehensive income (loss)	$ 16,661	$	$ 82,730	$ (6,472)	$ (62,908)	$ 30,011

(1) The parent and NGL Energy Finance Corp. are co-issuers of the 2019 Notes and 2021 Notes.

	Year Ended March 31, 2014					
	NGL Energy Partners LP (Parent) (2)	NGL Energy Finance Corp. (2)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Net income	$ 47,655	$	$ 79,473	$ 5,874	$ (84,244)	$ 48,758
Other comprehensive loss			(189)	(71)		(260)
Comprehensive income	$ 47,655	$	$ 79,284	$ 5,803	$ (84,244)	$ 48,498

(2) The parent and NGL Energy Finance Corp are co-issuers of the 2021 Notes.

	Year Ended March 31, 2013				
	NGL Energy Partners LP (Parent)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Net income	$ 47,940	$ 60,981	$ 534	$ (61,265)	$ 48,190
Other comprehensive loss			(7)		(7)
Comprehensive income	$ 47,940	$ 60,981	$ 527	$ (61,265)	$ 48,183

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NGL ENERGY PARTNERS LP

Consolidating Statement of Cash Flows

(U.S. Dollars in Thousands)

	Year Ended March 31, 2015				
	NGL Energy Partners LP (Parent) (1)	NGL Energy Finance Corp. (1)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidated
OPERATING ACTIVITIES:					
Net cash provided by (used in) operating activities	$ (59,448)	$	$ 287,956	$ 33,886	$ 262,394
INVESTING ACTIVITIES:					
Purchases of long-lived assets			(198,847)	(4,913)	(203,760)
Purchases of pipeline capacity allocations			(24,218)		(24,218)
Purchase of equity interest in Grand Mesa Pipeline			(310,000)		(310,000)
Acquisitions of businesses, including acquired working capital, net of cash acquired	(124,281)		(831,505)	(5,136)	(960,922)
Cash flows from commodity derivatives			199,165		199,165
Proceeds from sales of assets			11,806	14,456	26,262
Investments in unconsolidated entities			(13,244)	(20,284)	(33,528)
Distributions of capital from unconsolidated entities			5,030	5,793	10,823
Loan for facility under construction			(63,518)		(63,518)
Payments on loan for facility under construction			1,625		1,625
Loans to affiliates			(8,154)		(8,154)
Other			4		4
Net cash used in investing activities	(124,281)		(1,231,856)	(10,084)	(1,366,221)
FINANCING ACTIVITIES:					
Proceeds from borrowings under revolving credit facilities			3,663,000	101,500	3,764,500
Payments on revolving credit facilities			(3,194,500)	(85,500)	(3,280,000)
Issuance of notes	400,000				400,000
Payments on other long-term debt			(6,666)	(22)	(6,688)
Debt issuance costs	(8,150)		(2,926)		(11,076)
Contributions from general partner	823				823
Contributions from noncontrolling interest owners				9,433	9,433
Distributions to partners	(242,595)				(242,595)
Distributions to noncontrolling interest owners				(27,147)	(27,147)
Proceeds from sale of common units, net of offering costs	541,128				541,128
Taxes paid on behalf of equity incentive participants			(13,491)		(13,491)
	(479,543)		499,709	(20,166)	

Net changes in advances with consolidated entities					
Other			(197)		(197)
Net cash provided by financing activities	211,663		944,929	(21,902)	1,134,690
Net increase in cash and cash equivalents	27,934		1,029	1,900	30,863
Cash and cash equivalents, beginning of period	1,181		8,728	531	10,440
Cash and cash equivalents, end of period	$ 29,115	$	$ 9,757	$ 2,431	$ 41,303

(1) The parent and NGL Energy Finance Corp. are co-issuers of the 2019 Notes and 2021 Notes.

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NGL ENERGY PARTNERS LP

Consolidating Statement of Cash Flows

(U.S. Dollars in Thousands)

	Year Ended March 31, 2014				
	NGL Energy Partners LP (Parent) (1)	**NGL Energy Finance Corp. (1)**	**Guarantor Subsidiaries**	**Non-Guarantor Subsidiaries**	**Consolidated**
OPERATING ACTIVITIES:					
Net cash provided by (used in) operating activities	$ (16,625)	$	$ 99,754	$ 2,107	$ 85,236
INVESTING ACTIVITIES:					
Purchases of long-lived assets			(118,455)	(46,693)	(165,148)
Acquisitions of businesses, including acquired working capital, net of cash acquired	(334,154)		(932,373)	(2,283)	(1,268,810)
Cash flows from commodity derivatives			(35,956)		(35,956)
Proceeds from sales of assets			12,884	11,776	24,660
Investments in unconsolidated entities			(11,515)		(11,515)
Distributions of capital from unconsolidated entities			1,591		1,591
Other			540	(735)	(195)
Net cash used in investing activities	(334,154)		(1,083,284)	(37,935)	(1,455,373)
FINANCING ACTIVITIES:					
Proceeds from borrowings under revolving credit facilities			2,545,500		2,545,500
Payments on revolving credit facilities			(2,101,000)		(2,101,000)
Issuance of notes	450,000				450,000
Proceeds from borrowings on other long-term debt			780	100	880
Payments on other long-term debt			(8,802)	(17)	(8,819)
Debt issuance costs	(12,931)		(11,664)		(24,595)
Contributions from general partner	765				765
Contributions from noncontrolling interest owners				2,060	2,060
Distributions to partners	(145,090)				(145,090)
Distributions to noncontrolling interest owners				(840)	(840)
Proceeds from sale of common units, net of offering costs	650,155				650,155
Net changes in advances with consolidated entities	(590,939)		556,238	34,701	
Net cash provided by financing activities	351,960		981,052	36,004	1,369,016
Net increase (decrease) in cash and cash equivalents	1,181		(2,478)	176	(1,121)
Cash and cash equivalents, beginning of period			11,206	355	11,561
	$ 1,181	$	$ 8,728	$ 531	$ 10,440

Cash and cash equivalents, end of period

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(1) The parent and NGL Energy Finance Corp. are co-issuers of the 2021 Notes.

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NGL ENERGY PARTNERS LP

Consolidating Statement of Cash Flows

(U.S. Dollars in Thousands)

	Year Ended March 31, 2013			
	NGL Energy Partners LP (Parent)	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidated
OPERATING ACTIVITIES:				
Net cash provided by (used in) operating activities	$ (12,428)	$ 140,794	$ 4,268	$ 132,634
INVESTING ACTIVITIES:				
Purchases of long-lived assets		(59,903)	(12,572)	(72,475)
Acquisitions of businesses, including acquired working capital, net of cash acquired	(452,087)	(38,718)		(490,805)
Cash flows from commodity derivatives		11,579		11,579
Proceeds from sales of assets		5,080		5,080
Net cash used in investing activities	(452,087)	(81,962)	(12,572)	(546,621)
FINANCING ACTIVITIES:				
Proceeds from borrowings under revolving credit facilities		1,227,975		1,227,975
Payments on revolving credit facilities		(964,475)		(964,475)
Issuance of notes	250,000			250,000
Proceeds from borrowings on other long-term debt		634	19	653
Payments on other long-term debt		(4,837)		(4,837)
Debt issuance costs	(777)	(19,412)		(20,189)
Contributions from general partner	510			510
Contributions from noncontrolling interest owners			403	403
Distributions to partners	(71,608)			(71,608)
Distributions to noncontrolling interest owners			(74)	(74)
Proceeds from sale of common units, net of offering costs	(642)			(642)
Net changes in advances with consolidated entities	286,991	(295,105)	8,114	
Net cash provided by (used in) financing activities	464,474	(55,220)	8,462	417,716
Net increase (decrease) in cash and cash equivalents	(41)	3,612	158	3,729
Cash and cash equivalents, beginning of period	41	7,594	197	7,832
Cash and cash equivalents, end of period	$	$ 11,206	$ 355	$ 11,561

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INDEX TO EXHIBITS

Exhibit Number	Description
2.1	LLC Interest Transfer Agreement, dated as of August 1, 2013, by and among Oilfield Water Lines, LP, as the Representative, OWL Pearsall SWD, LLC, OWL Pearsall Holdings, LLC, NGL Energy Partners, LP and High Sierra Water-Eagle Ford, LLC (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on August 7, 2013)
2.2	LLC Interest Transfer Agreement, dated as of August 1, 2013, by and among Oilfield Water Lines, LP, as the Representative, OWL Karnes SWD, LLC, OWL Karnes Holdings, LLC, NGL Energy Partners, LP and High Sierra Water-Eagle Ford, LLC (incorporated by reference to Exhibit 2.2 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on August 7, 2013)
2.3	LLC Interest Transfer Agreement, dated as of August 1, 2013, by and among Oilfield Water Lines, LP, OWL Cotulla SWD, LLC, Terry Bailey, as trustee of the PJB Irrevocable Trust, NGL Energy Partners, LP and High Sierra Water-Eagle Ford, LLC (incorporated by reference to Exhibit 2.3 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on August 7, 2013)
2.4	LLC Interest Transfer Agreement, dated as of August 1, 2013, by and among Oilfield Water Lines, LP, OWL Nixon SWD, LLC, Terry Bailey, as trustee of the PJB Irrevocable Trust, NGL Energy Partners, LP and High Sierra Water-Eagle Ford, LLC (incorporated by reference to Exhibit 2.4 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on August 7, 2013)
2.5	LLC Interest Transfer Agreement, dated as of August 1, 2013, by and among Oilfield Water Lines, LP, HR OWL, LLC, OWL Operating, LLC, Lotus Oilfield Services, L.L.C., OWL Lotus, LLC, NGL Energy Partners, LP, High Sierra Water-Eagle Ford, LLC and High Sierra Transportation, LLC (incorporated by reference to Exhibit 2.5 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on August 7, 2013)
2.6	Equity Interest Purchase Agreement, dated November 5, 2013, by and among NGL Energy Partners LP, High Sierra Energy, LP, Gavilon, LLC and Gavilon Energy Intermediate, LLC (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on December 5, 2013)
3.1	Certificate of Limited Partnership of NGL Energy Partners LP (incorporated by reference to Exhibit 3.1 to the Registration Statement on Form S-1 (File No. 333-172186) filed on April 15, 2011)
3.2	Certificate of Amendment to Certificate of Limited Partnership of NGL Energy Partners LP (incorporated by reference to Exhibit 3.2 to the Registration Statement on Form S-1 (File No. 333-172186) filed on April 15, 2011)
3.3	Second Amended and Restated Agreement of Limited Partnership of NGL Energy Partners LP (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-35172) filed on May 17, 2011)
3.4	First Amendment to Second Amended and Restated Agreement of Limited Partnership of NGL Energy Partners LP (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-35172) filed on October 26, 2011)
3.5	Second Amendment to Second Amended and Restated Agreement of Limited Partnership of NGL Energy Partners LP (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-35172) filed on January 9, 2012)
3.6	Third Amendment to Second Amended and Restated Agreement of Limited Partnership of NGL Energy Partners LP (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-35172) filed on January 26, 2012)
3.7	

Fourth Amendment to Second Amended and Restated Agreement of Limited Partnership of NGL Energy Partners LP (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on July 17, 2012)

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Exhibit Number	Description
3.8	Certificate of Formation of NGL Energy Holdings LLC (incorporated by reference to Exhibit 3.4 to the Registration Statement on Form S-1 (File No. 333-172186) filed on April 15, 2011)
3.9	Certificate of Amendment to Certificate of Formation of NGL Energy Holdings LLC (incorporated by reference to Exhibit 3.5 to the Registration Statement on Form S-1 (File No. 333-172186) filed on April 15, 2011)
3.10	Third Amended and Restated Limited Liability Company Agreement of NGL Energy Holdings LLC (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-35172) filed on February 28, 2013)
3.11	Amendment No. 1 to Third Amended and Restated Limited Liability Company Agreement of NGL Energy Holdings LLC, dated as of August 6, 2013 (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on August 7, 2013)
3.12	Amendment No. 2 to Third Amended and Restated Limited Liability Company Agreement of NGL Energy Holdings LLC, dated as of June 27, 2014 (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on July 3, 2014)
4.1	First Amended and Restated Registration Rights Agreement, dated October 3, 2011, by and among the Partnership, Hicks Oils & Hicksgas, Incorporated, NGL Holdings, Inc., Krim2010, LLC, Infrastructure Capital Management, LLC, Atkinson Investors, LLC, E. Osterman Propane, Inc. and the other holders party thereto (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed on October 7, 2011)
4.2	Amendment No. 1 and Joinder to First Amended and Restated Registration Rights Agreement dated as of November 1, 2011 by and among the Partnership and SemStream (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed on November 4, 2011)
4.3	Amendment No. 2 and Joinder to First Amended and Restated Registration Rights Agreement, dated January 3, 2012, by and among NGL Energy Holdings LLC, Liberty Propane, L.L.C., Pacer-Enviro Propane, L.L.C., Pacer-Pittman Propane, L.L.C., Pacer-Portland Propane, L.L.C., Pacer Propane (Washington), L.L.C., Pacer-Salida Propane, L.L.C. and Pacer-Utah Propane, L.L.C. (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed on January 9, 2012)
4.4	Amendment No. 3 and Joinder to First Amended and Restated Registration Rights Agreement, dated May 1, 2012, by and between NGL Energy Holdings LLC and Downeast Energy Corp. (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on May 4, 2012)
4.5	Amendment No. 4 and Joinder to First Amended and Restated Registration Rights Agreement, dated June 19, 2012, by and between NGL Energy Holdings LLC and NGP M&R HS LP LLC (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on June 25, 2012)
4.6	Amendment No. 5 and Joinder to First Amended and Restated Registration Rights Agreement, dated October 1, 2012, by and between NGL Energy Holdings LLC and Enstone, LLC (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on October 3, 2012)
4.7	Amendment No. 6 and Joinder to First Amended and Restated Registration Rights Agreement, dated November 13, 2012, by and between NGL Energy Holdings LLC and Gerald L. Jensen, Thrift Opportunity Holdings, LP, Jenco Petroleum Corporation, Caritas Trust, Animosus Trust and Nitor Trust (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on November 19, 2012)
4.8	Amendment No. 7 and Joinder to First Amended and Restated Registration Rights Agreement, dated as of August 1, 2013, by and among NGL Energy Holdings LLC, Oilfield Water Lines, LP and Terry G. Bailey (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on August 7, 2013)

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Exhibit Number	Description
4.9*	Amendment No. 8 and Joinder to First Amended and Restated Registration Rights Agreement, dated as of February 17, 2015, by and among NGL Energy Holdings LLC and Magnum NGL Holdco LLC
4.10	Note Purchase Agreement, dated June 19, 2012, by and among NGL and the purchasers named therein (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on June 25, 2012)
4.11	Amendment No. 1 to Note Purchase Agreement, dated as of January 15, 2013, among the Partnership and the purchasers named therein (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on January 18, 2013)
4.12	Amendment No. 2 to Note Purchase Agreement, dated as of May 8, 2013, among the Partnership and the purchasers named therein (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed on May 9, 2013)
4.13	Amendment No. 3 to Note Purchase Agreement, dated September 30, 2013, among NGL Energy Partners LP and the holders of NGL s 6.65% senior secured notes due 2022 signatory thereto (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on October 3, 2013)
4.14	Amendment No. 4 to Note Purchase Agreement, dated as of November 5, 2013, among the Partnership and the purchasers named therein (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on November 8, 2013)
4.15	Amendment No. 5 to Note Purchase Agreement, dated as of December 23, 2013, among the Partnership and the purchasers named therein (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on December 30, 2013)
4.16	Amendment No. 6 to Note Purchase Agreement, dated as of June 30, 2014, among the Partnership and the purchasers named therein (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on July 3, 2014)
4.17	Amendment No. 7 to Note Purchase Agreement, dated as of December 19, 2014 and effective as of December 26, 2014, among the Partnership and the purchasers named therein (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed on January 2, 2015)
4.18*	Amendment No. 8 to Note Purchase Agreement, dated as of May 1, 2015, among the Partnership and the purchasers named therein
4.19	Indenture, dated as of October 16, 2013, by and among NGL Energy Partners LP, NGL Energy Finance Corp., the Guarantors party thereto and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on October 16, 2013)
4.20	Forms of 6.875% Senior Notes due 2021 (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on October 16, 2013)
4.21	First Supplemental Indenture, dated as of December 2, 2013, among NGL Energy Partners LP, NGL Energy Finance Corp., the Guaranteeing Subsidiaries party thereto, the Guarantors party thereto and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.19 to the Annual Report on Form 10 K (File No. 001-35172) for the year ended March 31, 2014 filed with the SEC on May 30, 2014)
4.22	Second Supplemental Indenture, dated as of April 22, 2014, among NGL Energy Partners LP, NGL Energy Finance Corp., the Guaranteeing Subsidiary party thereto, the Guarantors party thereto and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.20 to the Annual Report on Form 10 K (File No. 001-35172) for the year ended March 31, 2014 filed with the SEC on May 30, 2014)

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Exhibit Number	Description
4.23	Third Supplemental Indenture, dated as of July 31, 2014, among NGL Energy Partners LP, NGL Energy Finance Corp., the Guaranteeing Subsidiary party thereto and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.6 to the Quarterly Report on Form 10-Q (File No. 001-35172) for the quarter ended September 30, 2014 filed with the SEC on November 10, 2014)
4.24*	Fourth Supplemental Indenture, dated as of December 1, 2014, among NGL Energy Partners LP, NGL Energy Finance Corp., the Guaranteeing Subsidiaries party thereto, the Guarantors party thereto and U.S. Bank National Association, as Trustee
4.25*	Fifth Supplemental Indenture, dated as of February 17, 2015, among NGL Energy Partners LP, NGL Energy Finance Corp., the Guaranteeing Subsidiaries party thereto, the Guarantors party thereto and U.S. Bank National Association, as Trustee
4.26	Registration Rights Agreement, dated as of October 16, 2013, by and among NGL Energy Partners LP, NGL Energy Finance Corp., the Guarantors listed therein on Exhibit A and RBC Capital Markets, LLC as representative of the several initial purchasers (incorporated by reference to Exhibit 4.3 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on October 16, 2013)
4.27	Registration Rights Agreement, dated December 2, 2013, by and among NGL Energy Partners LP and the purchasers set forth on Schedule A thereto (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on December 5, 2013)
4.28	Indenture, dated as of July 9, 2014, by and among NGL Energy Partners LP, NGL Energy Finance Corp., the Guarantors party thereto and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on July 9, 2014)
4.29	Forms of 5.125% Senior Notes due 2019 (incorporated by reference and included as Exhibits A1 and A2 to Exhibit 4.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on July 9, 2014)
4.30	Registration Rights Agreement, dated July 9, 2014, by and among NGL Energy Partners LP, NGL Energy Finance Corp., the Guarantors listed therein on Exhibit A and RBS Securities Inc. as representative of the several initial purchasers (incorporated by reference to Exhibit 4.3 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on July 9, 2014)
4.31	First Supplemental Indenture, dated as of July 31, 2014, among NGL Energy Partners LP, NGL Energy Finance Corp., the Guaranteeing Subsidiaries party thereto and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.5 to the Quarterly Report on Form 10-Q (File No. 001-35172) for the quarter ended September 30, 2014 filed with the SEC on November 10, 2014)
4.32*	Second Supplemental Indenture, dated as of December 1, 2014, among NGL Energy Partners LP, NGL Energy Finance Corp., the Guaranteeing Subsidiaries party thereto, the Guarantors party thereto and U.S. Bank National Association, as Trustee
4.33*	Third Supplemental Indenture, dated as of February 17, 2015, among NGL Energy Partners LP, NGL Energy Finance Corp., the Guaranteeing Subsidiaries party thereto, the Guarantors party thereto and U.S. Bank National Association, as Trustee
10.1	Credit Agreement, dated as of June 19, 2012, among NGL Energy Partners LP, the NGL subsidiary borrowers, the lenders party thereto and Deutsche Bank Trust Company Americas, as administrative agent (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on June 25, 2012)
10.2	Facility Increase Agreement, dated as of November 1, 2012, among NGL Energy Operating LLC, NGL Energy Partners LP, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on November 7, 2012)

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Exhibit Number	Description
10.3	Amendment No. 1 to Credit Agreement, dated as of January 15, 2013, among NGL Energy Operating LLC, the Partnership, the subsidiary borrowers party thereto, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on January 18, 2013)
10.4	Amendment No. 2 to Credit Agreement, dated as of May 8, 2013, among NGL Energy Operating LLC, the Partnership, the subsidiary borrowers party thereto, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No 001-35172) filed on May 9, 2013)
10.5	Amendment No. 3 to Credit Agreement, dated September 30, 2013, among NGL Energy Partners LP, NGL Energy Operating LLC, each subsidiary of NGL identified as a Borrower therein, Deutsche Bank AG, New York Branch, as technical agent, Deutsche Bank Trust Company Americas, as administrative agent and collateral agent and each financial institution identified as a Lender or Issuing Bank therein (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on October 3, 2013)
10.6	Amendment No. 4 to Credit Agreement, dated as of November 5, 2013, among NGL Energy Operating LLC, the Partnership, the subsidiary borrowers party thereto, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on November 8, 2013)
10.7	Amendment No. 5 to Credit Agreement, dated as of December 23, 2013, among NGL Energy Operating LLC, the Partnership, the subsidiary borrowers party thereto, Deutsche Bank and Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on December 30, 2013)
10.8	Facility Increase Agreement, dated as of December 30, 2013, among NGL Energy Operating LLC, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on January 3, 2014)
10.9	Amendment No. 6 to Credit Agreement, dated as of June 12, 2014, among NGL Energy Operating LLC, the Partnership, the subsidiary borrowers party thereto, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on June 16, 2014)
10.10	Amendment No. 7 to Credit Agreement, dated as of June 27, 2014, among NGL Energy Operating LLC, the Partnership, the subsidiary borrowers party thereto, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on July 3, 2014)
10.11	Facility Increase Agreement, dated December 1, 2014, among NGL Energy Operating LLC, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on December 1, 2014)
10.12	Amendment No. 8 to Credit Agreement, dated as of December 19, 2014 and effective as of December 26, 2014, among NGL Energy Operating LLC, the Partnership, the subsidiary borrowers party thereto, Deutsche Bank Trust Company Americas and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed on January 2, 2015)
10.13*	Amendment No. 9 to Credit Agreement, dated as of May 1, 2015, among NGL Energy Operating LLC, the Partnership, the subsidiary borrowers party thereto, Deutsche Bank Trust Company Americas and the other financial institutions party thereto
10.14	Common Unit Purchase Agreement, dated November 5, 2013, by and among NGL Energy Partners LP and the purchasers listed on Schedule A thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed with the SEC on December 5, 2013)

Explanation of Responses:

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Exhibit Number	Description
10.15+	Letter Agreement among Silverthorne Energy Holdings LLC, Shawn W. Coady and Todd M. Coady dated October 14, 2010 (incorporated by reference to Exhibit 10.11 to the Registration Statement on Form S-1 (File No. 333-172186) filed on April 15, 2011)
10.16+	NGL Energy Partners LP 2011 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-35172) filed on May 17, 2011)
10.17+	Form of Restricted Unit Award Agreement under the NGL Energy Partners LP 2011 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q (File No. 001-35172) for the quarter ended June 30, 2012 filed with the SEC on August 14, 2012)
10.18*+	NGL Performance Unit Program
12.1*	Computation of ratios of earnings to fixed charges
21.1*	List of Subsidiaries of NGL Energy Partners LP
23.1*	Consent of Grant Thornton LLP
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS**	XBRL Instance Document
101.SCH**	XBRL Schema Document
101.CAL**	XBRL Calculation Linkbase Document
101.DEF**	XBRL Definition Linkbase Document
101.LAB**	XBRL Label Linkbase Document
101.PRE**	XBRL Presentation Linkbase Document

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* Exhibits filed with this report.

** The following documents are formatted in XBRL (Extensible Business Reporting Language): (i) Consolidated Balance Sheets at March 31, 2015 and 2014, (ii) Consolidated Statements of Operations for the years ended March 31, 2015, 2014, and 2013, (iii) Consolidated Statements of Comprehensive Income for the years ended March 31, 2015, 2014, and 2013, (iv) Consolidated Statements of Changes in Equity for the years ended March 31, 2015, 2014, and 2013 (v) Consolidated Statements of Cash Flows for the years ended March 31, 2015, 2014, and 2013, and (vi) Notes to Consolidated Financial Statements.

+ Management contracts or compensatory plans or arrangements.