

**Item 1 – Cover Page**

# **Kimmeridge Energy Management Company, LLC**

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New York, NY 10017

646-517-7252

## **Form ADV Part 2 Brochure**

August 30, 2017

This Brochure provides information about the qualifications and business practices of Kimmeridge Energy Management Company, LLC. If you have any questions about the contents of this Brochure, please contact us at 646-517-7252. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Kimmeridge Energy Management Company, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with the firm who are registered, or are required to be registered, as investment advisor representatives. The searchable IARD/CRD number for Kimmeridge Energy Management Company, LLC is 160432.

Kimmeridge Energy Management Company, LLC is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training.

## **Item 2 – Material Changes**

Material Changes:

A number of items were updated to include new private funds under management.

A number of items were updated to reflect changes in assets under management.

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## **Item 4 - Advisory Business**

Kimmeridge Energy Management Company, LLC (Kimmeridge, “the Firm”, “Our” or “We”) is located in New York, New York and was founded in 2011 by its owners, Benjamin Dell, Henry Makansi and Neil McMahon.

We provide investment management services to pooled private investment vehicles, individuals and institutional investors. Our services focus on oil and gas projects, assets and investments. Upon request, Kimmeridge will work with clients to accommodate client-specific investment restrictions.

The Firm serves as the investment manager and general partner to the following funds:

- Kimmeridge Energy Exploration Fund, LP
- Kimmeridge Energy Net Profits Interest Fund, LP
- Kimmeridge Energy Exploration Fund II, LP
- Kimmeridge Energy Net Profits Interest Fund II, LP
- Kimmeridge Energy Exploration Fund III, LP
- Kimmeridge Energy Net Profits Interest Fund III, LP
- Kimmeridge Energy (299 Resources) Fund III Co-Invest, LP
- Kimmeridge Energy Exploration Fund IV, LP
- Kimmeridge Energy Net Profits Interest Fund IV, LP
- Kimmeridge Mineral Fund, LP
- Kimmeridge Public Management, LP

collectively referred to as “Funds” within this document. The Funds are being organized by Kimmeridge to invest in oil and gas projects.

The Kimmeridge Energy Exploration Fund, LP and the Kimmeridge Energy Net Profits Interest Fund, LP, are each a Delaware limited partnership. In general, Limited Partners will pursue a common investment program and participate in all Investments, however, the Kimmeridge Energy Net Profits Interest Fund, LP shall only receive a Net Profits Interest in the oil and gas interests acquired by the Kimmeridge Energy Exploration Fund, LP as Investments and the Kimmeridge Energy Exploration Fund, LP shall retain all other rights and obligations associated with the Investments. The Kimmeridge Energy Exploration Fund, LP and the Kimmeridge Energy Net Profits Interest Fund, LP are separate entities which shall hold separate and distinct investments, have separate and distinct rights or obligations and have separate and distinct sets of limited partners.

The Kimmeridge Energy Exploration Fund II, LP and the Kimmeridge Energy Net Profits Interest Fund II, LP, are each a Delaware limited partnership. In general, Limited Partners will pursue a common investment program and participate in all Investments, however, the Kimmeridge Energy Net Profits Interest Fund II, LP shall only receive a Net Profits Interest in the oil and gas interests acquired by the Kimmeridge Energy Exploration Fund II, LP as Investments and the Kimmeridge Energy Exploration Fund II, LP shall retain all other rights and obligations associated with the Investments. The Kimmeridge Energy Exploration Fund II, LP and the Kimmeridge Energy Net Profits Interest Fund II, LP are separate entities which shall hold separate and distinct investments, have separate and distinct rights or obligations and have separate and distinct sets of limited partners.

The Kimmeridge Energy Exploration Fund III, LP and the Kimmeridge Energy Net Profits Interest Fund III, LP, are each a Delaware limited partnership. In general, Limited Partners will pursue a common investment program and participate in all Investments, however, in certain occasions the Kimmeridge Energy Net Profits Interest Fund III, LP shall only receive a Net Profits Interest in the oil and gas interests acquired by the Kimmeridge Energy Exploration Fund III, LP as Investments and the Kimmeridge Energy Exploration Fund III, LP shall retain all other rights and obligations associated with the Investments. In other circumstances, the funds will each invest directly in Investments. The Kimmeridge Energy Exploration Fund III, LP and the Kimmeridge Energy Net Profits Interest Fund III, LP are separate entities which shall hold

separate and distinct investments, have separate and distinct rights or obligations and have separate and distinct sets of limited partners.

The Kimmeridge Energy (299 Resources) Fund III Co-Invest, LP is a Delaware limited partnership. It will invest alongside Kimmeridge Energy Exploration Fund III, LP and Kimmeridge Energy Net Profits Interest Fund III, LP, in a specific Investment and will bear an allocable share of expenses and profits attributable to this Investment.

The Kimmeridge Energy Exploration Fund IV, LP and the Kimmeridge Energy Net Profits Interest Fund IV, LP, are each a Delaware limited partnership. In general, Limited Partners will pursue a common investment program and participate in all Investments, however, in certain occasions the Kimmeridge Energy Net Profits Interest Fund IV, LP shall only receive a Net Profits Interest in the oil and gas interests acquired by the Kimmeridge Energy Exploration Fund IV, LP as Investments and the Kimmeridge Energy Exploration Fund IV, LP shall retain all other rights and obligations associated with the Investments. In other circumstances, the funds will each invest directly in Investments. The Kimmeridge Energy Exploration Fund IV, LP and the Kimmeridge Energy Net Profits Interest Fund IV, LP are separate entities which shall hold separate and distinct investments, have separate and distinct rights or obligations and have separate and distinct sets of limited partners.

The Kimmeridge Mineral Fund, LP is a Delaware limited partnership. It was created to invest in certain mineral interests.

The Kimmeridge Public Management, LP is a Delaware limited partnership. It was created in 2016 to manage public stock received as consideration by certain limited partners of other Kimmeridge funds.

As of June 30, 2017 the firm has \$688,432,013 under management.

## **Item 5 - Fees and Compensation**

Kimmeridge reserves the right to negotiate fees. Some clients pay more or less than others depending on certain factors, including but not limited to, the type and size of the account, the range of additional services provided to the client, and the total amount of assets managed for a single client.

The fees charged for investment management services and payment terms are specified in an agreement between Kimmeridge and each client. Kimmeridge will provide clients fee invoices containing the amount of the fee, the value of the assets on which the fee was based, and the specific manner in which the fee was calculated. Fees for partial periods are pro-rated. Clients also pay other expenses in addition to the fees paid to Kimmeridge. For example, clients may pay costs such as brokerage commissions, transaction fees, custodial fees, transfer taxes, wire transfer fees, and other fees and taxes charged to brokerage accounts and securities transactions, which are unrelated to the fees collected by Kimmeridge.

The Funds are charged fees that are based on a percentage of assets, ranging from 1-2%. Fees are paid quarterly in advance. In addition, the Funds pay a 20% performance fee, except for Kimmeridge Energy (299 Resources) Fund III, Co-Invest, which pays a performance fee of 10-20% depending on certain factors. Kimmeridge Public Management has a lower management fee and does not charge performance fees. Further detail is disclosed in the partnership agreements.

### *Other Expenses Borne by the Funds*

The Funds pay all expenses related to the Fund's operations (collectively, "Fund Expenses"), including, but not limited to, Organizational Expenses, the Management Fees, Capital Expenses, Operating Expenses, fees, costs and expenses directly related to purchasing, holding, maintaining, disposing of; financing, hedging, developing, operating, negotiating and structuring Investments, including costs of Managers, experts, petroleum engineers, geologists and other service providers, unreimbursed costs in connection

with transactions (whether or not consummated) and travel expenses, fees and expenses of accountants and legal counsel (including the compensation and any costs, fees and expenses allocated to employees of the Manager or its affiliates related to performing legal and accounting services for the Fund), any brokerage commissions and custodial expenses, any insurance, indemnity or litigation expense, any taxes, fees or other governmental charges levied against the Fund, principal, interest on and fees and expenses arising out of all borrowings made by the Fund, expenses associated with portfolio and risk management including currency hedging, expenses of liquidating the Fund, expenses incurred in connection with any tax audit or investigation of the Fund, and expenses associated with the Fund's administrative and reporting costs, including expenses of the Limited Partner Advisory Committee, financial statements and tax returns (including the cost of a third-party administrator that provides accounting and administrative services to the Fund).

A related party, Kimmeridge Operations, LLC, provides research and due diligence services to Kimmeridge. All expenses of Kimmeridge Operations, LLC, including but not limited to rent, salaries, and healthcare costs, are borne by the Funds.

Further detail is disclosed in each Fund's Confidential Private Placement Memorandum

Any prepaid but unearned fee will be promptly refunded upon termination. The final period's fees will be determined based upon a prorated calculation of the fees according to the number of days for which Kimmeridge provided services.

Kimmeridge and its employees do not accept from any client compensation for the sale of securities or other investment products.

## **Item 6 - Performance-Based Fees and Side-By-Side Management**

As described above, Kimmeridge or its affiliates intend to receive performance-based compensation in the form of Performance Fees, which calculation is based on realized gains on Fund investments. Kimmeridge may waive or reduce performance-based compensation charged to any of the investors in the Fund or establish a separate class of interests in the Fund that is not subject to compensation. You should be aware that performance-based compensation may create an incentive for Kimmeridge to make investments that are riskier or more speculative than would be the case in the absence of such an arrangement. Additionally, other conflicts of interest may arise, including that Kimmeridge may have an incentive to favor accounts that are subject to performance-based compensation over those that are not, or to favor those accounts with a higher performance-based fee over those that have a lower performance-based fee.

It is Kimmeridge's policy to allocate investment opportunities among all clients on a fair and equitable basis over time. Kimmeridge has adopted a Trade Allocation Policy that it believes will realize that objective and mitigate the conflicts of interest discussed above.

The Kimmeridge Energy Exploration Fund, LP, Kimmeridge Energy Exploration Fund II, LP, Kimmeridge Energy Exploration Fund III, LP, and Kimmeridge Energy Exploration Fund IV, LP may sell to the Kimmeridge Energy Net Profits Interest Fund, LP, Kimmeridge Energy Net Profits Interest Fund II, LP, Kimmeridge Energy Net Profits Interest Fund III, LP, and Kimmeridge Energy Net Profits Interest Fund IV, LP a Net Profits Interest in the oil and gas interests acquired as Investments. There is no established market price for the Net Profits Interest sold, and the price used to transfer the Net Profits Interest is determined solely by Kimmeridge.

We may enter into side letters or similar agreements with certain investors granting the investor certain specific rights, benefits, or privileges that are not made available to investors generally.

## **Item 7 - Types of Clients**

Our clients include private pooled investment vehicles, institutions and individuals, including high net worth individuals. The minimum account size is \$1,000,000-\$2,500,000; however, Kimmeridge may agree to manage separate accounts below its stated minimum account size.

## **Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss**

Our objective is to provide investment management advice and services to select, qualified investors. We see an opportunity to achieve attractive returns through investments in oil and gas projects and assets.

We believe that the greatest returns on investment in the oil and gas industry are generated by first movers that prove a resource concept and access the acreage in the core of a play at a low cost. We will offer advice and strategies to take advantage of targeted opportunities involving investments of relatively small size. We believe we are well positioned to provide such services because of our access to resources in two key areas: data mining and industry relationships. Specifically, our management has developed a unique research and data gathering process for identifying successful investments in the public markets that should be useful in identifying future deal flow.

Kimmeridge will rely heavily on the expertise of its founder, Mr. Benjamin Dell. Mr. Dell has served as the Senior Equity Research Analyst for Sanford C. Bernstein, a subsidiary of AllianceBernstein, covering the Oil and Gas E&P sector, where he ranked first in the 2010 Institutional Investor Survey for E&Ps for the third time, third for Natural Gas and fourth for Oil Services and Equipment. In his capacity as Senior Analyst, Mr. Dell covered 16 of the largest U.S. and Canadian E&Ps, and was at Sanford C. Bernstein for seven years. Before joining Sanford C. Bernstein, Mr. Dell was employed at BP in its M&A and finance group where he was the lead analyst on the \$6.75 billion acquisition of TNK-BP, the sale of BP's \$125 million convertible bond position in the Zhenhai refinery and the \$15 million acquisition of the Gudrun field offshore Norway. In addition, Mr. Dell spent a year in BP's finance group principally engaged in managing the company's internal foreign exchange activities. Before moving into the finance field, Mr. Dell also held positions as an exploration geologist and geophysicist in BP's West African, Middle East, Caspian, and Norwegian business units. His role included detailed regional prospect evaluation across much of the Middle East, West Africa and Norway for the 16th licensing round, along with well support for the Temir B well in Kazakhstan. Mr. Dell earned an undergraduate degree and a master's degree in Earth Sciences from St. Peter's College, Oxford. Mr. Dell and his associates will draw on additional research and infrastructure support from outside resources, including legal, accounting and administration, and geology and geophysics resources.

Over the last 30 years, the oil and gas markets have seen considerable volatility driven by supply disruptions (due to events in Iran, Iraq, Nigeria and Venezuela, for example) and demand shocks, such as those experienced in 1984 and 2009. Although prices have been volatile, Kimmeridge believes that two key relationships have held true. First, over time the price of oil and gas has trended around the marginal cost of supply - or the price at which the highest-cost operator earns a marginal return. Second, price fluctuations around the marginal cost have occurred based on near-term supply-demand dynamics, most readily measured by inventories in the U.S. gas market or spare capacity in the global oil market.

Kimmeridge believes that today these two relationships still provide helpful guidance as to supply and demand conditions. In particular, Kimmeridge believes that, in the foreseeable future, oil and gas prices will remain in a secular uptrend and that prices will continue to cycle around the marginal cost of supply, creating unique entry and exit points for investment in oil and gas assets. Furthermore, increasing oil and gas prices will continue to support the exploration and development of unconventional reservoirs globally, as well as promote the reevaluation of under-explored areas that have been overlooked by the industry for a variety of reasons.

Investing involves a risk of loss that investors should understand and be prepared to bear. Our investment strategies involve significant risk of loss, including the possibility of a total loss of your investment. Material risks include, but are not limited to, the following:

**Market Risk.** Overall market risks may affect the value of an investment. Factors such as U.S. economic growth and market conditions, interest rates, and political events affect the markets.

**No Assurance of Investment Return.** The Adviser cannot provide assurance that it will be successful in selecting oil and gas projects, assets or investments. There can be no assurance that an investment will generate returns or that the returns will be commensurate with the risks of investing in the type of assets and projects selected.

**Dependence on Key Management Personnel.** The success of the Adviser will depend, in large part, upon the skill and expertise of its personnel, under the leadership of Mr. Dell. If the Adviser were to lose the services of Mr. Dell, the financial condition and operations of the Adviser could be materially and adversely affected. Our judgments about the attractiveness, value and potential appreciation of a particular asset class or individual security may be incorrect and there is no guarantee that projects, assets or investments will perform as anticipated.

**Availability of Suitable Investment Opportunities/Illiquidity.** It may be difficult to identify an adequate number of attractive and suitable investment opportunities. The business of identifying and investing in oil and gas interests is highly competitive and involves a high degree of uncertainty. Many, if not all, of the investments recommended by the Adviser will be highly illiquid and contemplated exit strategies can be adversely affected by numerous factors outside of the Adviser's control, including prevailing market and general economic conditions and economic conditions affecting the energy industry.

**Risks Related to the Energy Industry.** Investments in the energy industry are subject to a variety of risks, not all of which can be foreseen or quantified. The success of many investments is likely to be affected by factors such as the following: (1) amount, nature, and timing of property acquisitions or capital expenditures; (2) the market for oil and gas acreage or properties; (3) drilling of wells and other planned exploitation activities; (4) timing and amount of future production of oil or gas; (5) quantities of discovered or probable, potential or proved reserves of oil or gas; (6) marketing of and market prices for oil, gas or oil or gas properties generally or in any particular location; (7) operating costs such as lease operating expenses, administrative costs and other expenses; (8) the Fund's future operating or financial results; (9) cash flow and anticipated liquidity; (10) the timing, success and cost of exploration and exploitation activities; (11) governmental and environmental regulation of the oil and gas industry; (12) environmental liabilities relating to potential pollution arising from our operations or the operations of acquirers of acreage positions we may purchase; (13) industry competition, conditions, performance and consolidation; (15) the availability of drilling rigs and other oilfield equipment and services; and (16) natural events.



**Concentration.** Recommended investments will be concentrated in the energy industry and will be subject to numerous risks that affect the energy industry as a whole or the upstream sector of the industry in particular. As a result, returns may be subject to significantly greater risk than an investment in a portfolio of investments that represents a broad range of industries or industry sectors.

**Evaluation Limitations.** The acquisition of a specific asset or project will depend in part on the evaluation of data obtained from geophysical and geological analyses, seismic data and other information, the results of which are often inconclusive and subject to various interpretations. The process of estimating oil and gas reserves is complex and inherently subjective, requiring significant estimates and assumptions. Information may be incomplete (particularly in early-stage opportunities) and implications of available data may not be fully understood.

**Market Factors.** The future prices of and the demand for oil and natural gas, which are inherently uncertain, may affect potential investments. Prices for oil, natural gas and natural gas liquids have fluctuated greatly in the past, due to numerous factors beyond the control of the Adviser. Investments may also be affected by the availability of equipment, supplies, personnel and facilities.

**Operating Hazards.** The exploration, development and operation of oil and gas properties involves a variety of operational risks including the risk of fire, explosions, blowouts, craterings, pipe failure, abnormally pressured formations and environmental hazards. Environmental hazards include oil and gas leaks, pipeline ruptures or discharges of toxic gases.

**Regulation.** The energy industry is affected from time to time in varying degrees by political developments and a wide range of federal, state and local statutes, rules, orders and regulations that may, in turn, affect the operations and costs of the companies engaged in the energy industry.

**Hydraulic Fracturing.** Hydraulic fracturing is an important and commonly used process that the Adviser anticipates will be engaged in by some or all opportunities it recommends. In recent years, some experts have warned that hydraulic fracturing could adversely affect groundwater. To the extent that such claims are made with respect to investments, they could have an adverse effect on returns.

**Cybersecurity Risk.** As part of its business, the Adviser processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Funds and personally identifiable information of the investors in the Funds. Similarly, service providers of the Adviser or the Funds may process, store and transmit such information. The Adviser has procedures and systems in place that it believes are reasonably designed to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties to the Adviser may be susceptible to compromise, leading to a breach of the Adviser's network. The Adviser's systems or facilities may be susceptible to employee error or malfeasance, government surveillance, or other security threats. Online services provided by the Adviser may also be susceptible to compromise. Breach of the Adviser's information systems may cause information relating to the transactions of the Funds and personally identifiable information of the Funds' investors to be lost or improperly accessed, used or disclosed.

The service providers of the Adviser and the Funds are subject to the same electronic information security threats as the Adviser. If a service provider fails to adopt or adhere to adequate data security policies, or

in the event of a breach of its networks, information relating to the transactions of the Funds and personally identifiable information of investors in the Funds may be lost or improperly accessed, used or disclosed.

The loss or improper access, use or disclosure of the Adviser's or the Funds' proprietary information may cause the Adviser or the Funds to suffer, among other things, financial loss, the disruption of business, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing events could have a material adverse effect on the relevant Fund and its investors.

## **Item 9 - Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the Firm or the integrity of the Firm's management.

We do not have any material legal, financial or other "disciplinary" events to report. This statement applies to our Firm, and every employee.

## **Item 10 - Other Financial Industry Activities and Affiliations**

Benjamin Dell is the Managing Member of Kimmeridge. Kimmeridge is engaged by the Fund to provide investment advice. As of December 31, 2016, Mr. Dell, along with Dr. Neil McMahon and Mr. Henry Makansi own all of the interest in the General Partner of each of the Funds.

### **Kimmeridge Energy Exploration Fund, LP and Kimmeridge Net Profits Interest Fund, LP**

Kimmeridge Energy Exploration Fund, LP and Kimmeridge Net Profits Interest Fund, LP were organized by Kimmeridge Energy Management Company GP, LLC to provide select, qualified Limited Partners an opportunity to participate in Investments in early-stage oil and gas projects in the United States. Two such opportunities have been identified. The Fund invested in two Founding Investments. The Fund, through individual project entities, owns either direct working interests or direct equity. As noted in the Memorandum and in the Formation Agreements, the Exploration Fund will acquire Investments and convey Net Profits Interests ("NPI") burdening such Investments to the NPI Fund, with the NPI Fund receiving only the right to a share of the Net Profits, if any, from the production and sale of oil or natural gas produced from such Investment. The Exploration Fund's Investments will be supported by geological and geophysical data developed by the Manager in conjunction with outside consultants.

### **Kimmeridge Energy Exploration Fund II, LP and Kimmeridge Net Profits Interest Fund II, LP**

Kimmeridge Energy Exploration Fund II, LP and Kimmeridge Net Profits Interest Fund II, LP were organized by Kimmeridge Energy Management Company GP, LLC to provide select, qualified Limited Partners an opportunity to participate in Investments in early-stage oil and gas projects. The Fund will invest globally but will have no more than 40% of capital allocated to projects outside the United States. The Fund, through individual project entities, will invest either directly in working interests or in the direct equity structure. As noted in the Memorandum and in the Formation Agreements, the Exploration Fund will acquire Investments and convey Net Profits Interests burdening such Investments to the NPI Fund, with the NPI Fund receiving

only the right to a share of the Net Profits, if any, from the production and sale of oil or natural gas produced from such Investment. In certain cases, the two Funds each hold direct equity interests in Investments. The Exploration Fund's Investments will be supported by geological and geophysical data developed by the Manager in conjunction with outside consultants, such as Roxanna.

#### **Kimmeridge Energy Exploration Fund III, LP and Kimmeridge Net Profits Interest Fund III, LP**

Kimmeridge Energy Exploration Fund III, LP and Kimmeridge Net Profits Interest Fund III, LP were organized by Kimmeridge Energy Management Company GP, LLC to provide select, qualified Limited Partners an opportunity to participate in Investments in early-stage oil and gas projects. The Fund will invest globally but will have no more than 20% of capital allocated to projects outside the North America. The Fund, through individual project entities, will invest either directly in working interests or in the direct equity structure. As noted in the Memorandum and in the Formation Agreements, where appropriate the Exploration Fund will acquire Investments and convey Net Profits Interests burdening such Investments to the NPI Fund, with the NPI Fund receiving only the right to a share of the Net Profits, if any, from the production and sale of oil or natural gas produced from such Investment. For certain investments, the two Funds will own their interests directly.

#### **Kimmeridge Energy (299 Resources) Fund III Co-Invest, LP**

Kimmeridge Energy (299 Resources) Fund III Co-Invest, LP was organized by Kimmeridge Energy Management Company GP, LLC to provide select, qualified Limited Partners an opportunity to invest alongside Kimmeridge Energy Exploration Fund III, LP and Kimmeridge Energy Net Profits Interest Fund III, LP, in a specific Investment and will bear an allocable share of expenses and profits attributable to this Investment.

#### **Kimmeridge Energy Exploration Fund IV, LP and Kimmeridge Net Profits Interest Fund IV, LP**

Kimmeridge Energy Exploration Fund IV, LP and Kimmeridge Net Profits Interest Fund IV, LP were organized by Kimmeridge Energy Fund IV GP, LLC to provide select, qualified Limited Partners an opportunity to participate in Investments in early-stage oil and gas projects. The Fund, through individual project entities, will invest either directly in working interests or in the direct equity structure. As noted in the Memorandum and in the Formation Agreements, where appropriate the Exploration Fund will acquire Investments and convey Net Profits Interests burdening such Investments to the NPI Fund, with the NPI Fund receiving only the right to a share of the Net Profits, if any, from the production and sale of oil or natural gas produced from such Investment. For certain investments, the two Funds will own their interests directly.

The Kimmeridge Mineral Fund, LP is a Delaware limited partnership organized by Kimmeridge Mineral Fund GP, LLC. It was created to invest in certain mineral interests.

Kimmeridge Public Management, LP, is a Delaware limited partnership organized by Kimmeridge Public Management GP, LLC. It was created in 2016 to manage public stock received as consideration by certain limited partners of other Kimmeridge funds.

A related party, Kimmeridge Operations, LLC, provides research and due diligence services to Kimmeridge. All expenses of Kimmeridge Operations, LLC, including but not limited to rent, salaries, and healthcare costs, are borne by the Funds.

The Kimmeridge Energy Exploration Fund, LP, Kimmeridge Energy Exploration Fund II, LP, Kimmeridge Energy Exploration Fund III, LP, and Kimmeridge Energy Exploration Fund IV, LP may sell to the

Kimmeridge Energy Net Profits Interest Fund, LP, Kimmeridge Energy Net Profits Interest Fund II, LP, Kimmeridge Energy Net Profits Interest Fund III, LP, and Kimmeridge Energy Net Profits Interest Fund IV, LP a Net Profits Interest in the oil and gas interests acquired by the Kimmeridge Energy Exploration Fund, LP and Kimmeridge Energy Exploration Fund II, LP as Investments. There is no established market price for the Net Profits Interest sold, and the price used to transfer the Net Profits Interest is determined solely by Kimmeridge.

## **Item 11 - Code of Ethics**

We have adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Kimmeridge must acknowledge the terms of the Code of Ethics annually, or as amended.

From time to time, the principals and employees of Kimmeridge may be investors in the Fund and be involved in other projects, assets and investments at or around the same time as clients. Principals and employees must obtain prior approval before buying or selling individual equity securities of energy or utility companies. You may request a complete copy of our Code, without charge, by contacting us at the address or telephone number on the cover page of this Part 2A.

We have also adopted policies and procedures to prevent the misuse of “insider” information (material, non-public information). A copy of such policies and procedures, as well as a copy of the Code of Ethics, is available to any person upon request.

## **Item 12 - Brokerage Practices**

The projects, assets and investment strategy employed by the Funds do not generally result in the opportunity for trade execution.

Kimmeridge has sole discretion to determine, subject to each Fund’s investment objectives, policies and strategies, the securities to be purchased or sold and in what amounts, the broker-dealers and other financial intermediaries to use in effecting transactions for the Funds, and the commission rates or mark-ups/mark-downs to be paid for such transactions. A more detailed discussion of how Kimmeridge makes use of this authority follows.

To the extent that Kimmeridge uses broker-dealers, Kimmeridge is authorized to determine the broker or dealer to be used for each securities transaction for the Funds. In selecting brokers or dealers to effect portfolio transactions, Kimmeridge will seek “best execution” taking into account such factors as Kimmeridge determines to be relevant, such as: price (including the applicable brokerage commission or markup or markdown), size of the order, difficulty of execution, the operational facilities and reliability of the firm involved, the firm's promptness of execution, adequacy of the firm's trading infrastructure, technology and capital, the quality of service rendered to the Adviser in other transactions, confidentiality considerations, the firm's financial stability and reputation, special execution capabilities, access to underwritten offerings, secondary markets and over-the-counter investment opportunities, the availability

of bonds or stocks to borrow for short trades, the firm's ability to accommodate any special execution or order handling requirements that may surround a particular transaction, capital introduction and marketing assistance services and any research or brokerage products or services provided by such brokers or dealers. Kimmeridge need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost or spread. Broker-dealers sometimes suggest a level of business they would like to receive in return for the various services they provide. Actual business received by a broker-dealer may be less than the suggested allocations, but can (and often does) exceed the suggestions because transactions are allocated on the basis of all the considerations described above.

Brokerage commissions and other broker-dealer charges, if any, are paid by the Funds, not by Kimmeridge. Kimmeridge has discretion in deciding which brokers and dealers each Fund uses and in negotiating the rates of compensation each Fund pays. In addition to using brokers as "agents" and paying commissions, each Fund may buy or sell securities directly from or to dealers acting as principals at prices that include mark-ups or mark-downs, and may buy securities from underwriters or dealers in public offerings at prices that include compensation to the underwriters or dealers.

### **Allocation of Investment Opportunities**

Kimmeridge and its affiliates and their respective members, directors, officers and employees ("Affiliated Parties") may have conflicts of interest in allocating investments among, and in effecting transactions and taking actions for, accounts as a result of having differing economic interests with respect to different accounts. In order to mitigate these conflicts, Kimmeridge has adopted policies and procedures pursuant to which investment opportunities are required to be allocated by Kimmeridge and its Affiliated Parties on a fair and equitable basis among all accounts for which participation in the respective opportunity is considered appropriate.

### **Capital Introduction Services**

From time to time, broker-dealers (including, without limitation, prime brokers) and other counterparties may assist a Fund in raising additional funds from investors by introducing a Fund to prospective investors, including by permitting the Fund to participate in capital introduction programs provided by the broker-dealer or its affiliates. Subject to its obligation to seek best execution, the Adviser may consider referrals of investors to the Fund in determining its selection of brokers.

### **Execution Risk; Trade Errors**

The Fund (and not the Adviser) will benefit from any gains resulting from trade errors and will be responsible for any losses (including additional trading costs) resulting from trade errors and similar human errors, except in the case of bad faith, gross negligence, willful misconduct or fraud or breach of ERISA fiduciary responsibilities, if applicable. The Adviser will offset any net gains and net losses resulting from trade errors and, in the case of net losses for which the Adviser is responsible, the Adviser will reimburse the Fund for such net losses. The Funds will be responsible for any trade error losses, even if such losses result from the negligence (but not gross negligence) of the Adviser's personnel.

## **Item 13 - Review of Accounts**

Kimmeridge will periodically monitor investments for consistency with client objectives and restrictions. Reviews may also be triggered by material market, economic or political events, or by changes in clients'

financial situations or material additions or withdrawals. Each review is conducted by Benjamin Dell, Managing Member.

Kimmeridge provides written reports no less than annually. These reports generally contain a list of assets, investment results, and statistical data related to the client's account. We urge clients to carefully review these reports and compare the statements that they receive from their custodian to the reports that we provide. The information may vary based on accounting procedures, reporting dates, or valuation methodologies but any discrepancy should be understood.

Each Fund distributes audited financial statements to its investors on an annual basis, within 120 days of its fiscal year end.

## **Item 14 - Client Referrals and Other Compensation**

Kimmeridge and its affiliates may enter into compensation arrangements with unaffiliated placement agents or third parties for introducing investors to the Fund.

## **Item 15 – Custody**

In general, Kimmeridge does not provide custodial services to its clients. Client assets are held with banks or registered broker-dealers that are “qualified custodians.” With respect to the Fund, Kimmeridge affiliates serve as general partner and therefore are deemed to have custody of clients' funds. The Funds are subject to an annual audit by an independent auditor that is registered with the Public Company Accounting Oversight Board. Fund investors receive audited financial statements within 120 days of the end of the fiscal year of the fund.

## **Item 16 - Investment Discretion**

Kimmeridge accepts discretionary authority to manage the assets in a client's account. The client appoints Kimmeridge as attorney-in-fact for purposes of exercising the foregoing power and authority. We observe investment limitations and restrictions that are outlined in each account's investment management agreement. Kimmeridge will have full investment discretion related to the activities of the Fund, while adhering to the investment strategy set forth in the Fund's private placement memorandum.

## **Item 17 - Voting Client Securities**

In compliance with Rule 206(4)-6 under the Advisers Act, the Adviser has adopted proxy voting policies and procedures. The general policy is to vote proxy proposals, amendments, consents or resolutions (collectively, “Proxies”), in a prudent and diligent manner that will serve the applicable Fund's best interest and is in line with each Fund's investment objectives.

The Adviser may take into account all relevant factors, as determined by the Adviser in its discretion, including, without limitation: (i) the impact on the value of the securities or instruments owned by the relevant Fund and the returns on those securities; (ii) the anticipated associated costs and benefits; (iii) the continued or increased availability of portfolio information and (iv) industry and business practices. However, the Adviser generally expects to refrain from voting Proxies where the Adviser believes that abstaining is in its Funds' best interests, taking into consideration the cost of voting the Proxies and the

anticipated benefit to its Funds. Generally, Limited Partners and Funds may not direct the Adviser's vote in a particular solicitation.

Conflicts of interest may arise between the interests of the Funds on the one hand and the Adviser or its affiliates on the other hand. The CCO will review the Proxy vote under consideration and seek to identify the perceived conflict of interest. The CCO will also determine the course of action that the CCO believes is in the relevant Fund's best interests. If the CCO is unable to determine how the Adviser should vote the Proxy, the Adviser will, at its own expense, engage an outside proxy voting service or consultant to make a recommendation. The CCO will retain documentation of the proxy voting service or consultant's recommendation and will vote the Proxies in accordance with that recommendation.

Clients may obtain a copy of Kimmeridge's Proxy Voting Policies and Procedures and information on how securities have been voted upon by submitting a written request to the address on the front of this Brochure.

## **Item 18 - Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Kimmeridge's financial condition. Kimmeridge has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore have no material additional financial disclosures to make.

### **Business Continuity Plan**

We have a Business Continuity Plan that addresses how the Firm will respond to events that may disrupt its business. If the main telephone line is inactive, the emergency number is 212-203-9476. If the emergency line is down, please contact your custodian. We will resume operations as quickly as possible (preferably within twenty-four hours) depending on the severity of the business disruption. Our Business Continuity Plan covers data backup and recovery, mission critical systems financial and operational assessments, alternative communications, alternate business locations, regulatory reporting and the assurance of prompt access to funds and securities for our customers. Additional details regarding the firm's Business Continuity Plan are available upon request.

### **Privacy Notice To Customers**

We do not disclose nonpublic personal information about our individual clients or former clients except as permitted by law. We restrict access to nonpublic personal information about you (that we may obtain from your account and your transactions) to those employees who need to know that information to provide products or services to you or to alert you to new, enhanced or improved products or services we provide. We maintain physical, electronic and procedural safeguards that comply with federal standards to safeguard your nonpublic personal information.