



KKR NATURAL RESOURCES ACQUIRES BARNETT SHALE PROPERTIES FROM CONOCOPHILLIPS

New York, NY and Houston, TX, January 14th, 2011 – Kohlberg Kravis Roberts & Co. (together with its affiliates, “KKR”) announced today that KKR has acquired certain Barnett Shale properties (the “Assets”) from ConocoPhillips. Following the \$40mm acquisition of Southeast Texas oil and gas assets in November, the transaction is the second investment made by KKR Natural Resources (the partnership between KKR and Premier Natural Resources that was formed to pursue investments in North American oil and gas properties).

Located in North Central Texas and producing out of the Barnett Shale formation, the Assets contain 93bcfe of total net proved reserves (based on a third party estimate) of which over 90% are proved developed producing (“PDP”).

“With a high PDP reserve component in a well known reservoir, these assets are precisely the types of properties KKR Natural Resources was designed to pursue. We are excited about these assets and continue to be excited about the opportunity to acquire additional oil and gas properties in North America,” said Jonathan Smidt, a Member at KKR and a senior member of KKR’s Energy and Infrastructure business.

KKR announced its partnership with Premier Natural Resources (“Premier”) in February, 2010. Founded in June 2006 by former executives of Vintage Petroleum, Inc., Premier currently operates a portfolio of assets located in the Texas Gulf Coast and the Permian Basin and has experience operating assets in most of the major producing basins in the United States.

KKR has been investing in the energy sector for more than twenty years, and today KKR's energy business spans the globe and covers the full energy supply chain. KKR's recent oil and gas transactions include Hilcorp Resources and East Resources as well as the formation of a partnership with RPM Energy.

About KKR

Founded in 1976 and led by [Henry Kravis](#) and [George Roberts](#), KKR is a leading global alternative asset manager with \$55.5 billion in assets under management as of September 30, 2010. With over 650 people and 14 offices around the world, KKR manages assets through a variety of investment funds and accounts covering multiple asset classes. KKR seeks to create value by bringing operational expertise to its portfolio companies and through active oversight and monitoring of its investments. KKR complements its investment expertise and strengthens interactions with investors through its client relationships and capital markets platforms. KKR is publicly traded on the New York Stock Exchange (NYSE: KKR). For additional information, please visit KKR's website at www.kkr.com.

About Premier

Premier Natural Resources was formed out of the acquisition and exploitation business plan implemented by Vintage Petroleum, Inc. Vintage was started in 1983 by Charles C. Stephenson and a team of executives that built the organization up to a 75000 BOEPD oil and gas company that owned and operated properties in the U.S., Argentina, Bolivia, Canada, Ecuador, Trinidad and Yemen before being merged with Occidental Petroleum, Inc in January, 2006 for a market evaluation of \$4.1 billion. In North America, Vintage operated properties in all U.S. major producing states from Alabama to California and from Canada to the Federal Offshore Gulf of Mexico. For more information, visit www.premiernaturalresources.com.

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