

Simpson Thacher Advises on Offering of \$150 Million of Exchangeable Senior Notes by Centennial Resource Development and Concurrent Capped Call Transactions

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The Firm recently represented the underwriters, led by Citigroup Global Markets Inc., J.P. Morgan Securities LLC, and Jefferies LLC, in connection with an SEC-registered offering of \$150 million aggregate principal amount of 3.25% Exchangeable Senior Notes due 2028 by Centennial Resource Production, LLC (“CRP”), a wholly owned subsidiary of Centennial Resource Development, Inc. (“Centennial”) (NASDAQ: CDEV). CRP granted the underwriters a 30-day option to purchase up to an additional \$22.5 million principal amount of notes, solely to cover over-allotments. In addition, the Firm represented the dealers, including affiliates of certain of the underwriters, in connection with capped call transactions relating to Centennial’s Class A common stock, entered into concurrently with the offering of the notes. The net proceeds of the notes offering will be used to fund the concurrent capped call transactions and repay outstanding indebtedness.

Centennial is an independent oil and natural gas company focused on the development of unconventional oil and associated liquids-rich natural gas reserves in the Permian Basin. The Company’s assets and operations, which are held and conducted through CRP, are concentrated in the Delaware Basin, a sub-basin of the Permian Basin.

The Simpson Thacher team included Brian E. Rosenzweig, Lia Toback, Richard Ragusa, Maggie Selbe and Gabe Corwin (Capital Markets); Jonathan Lindabury, Caitlin Wood and Nathan Utterback (Derivatives); Jonathan Cantor and Edward Grais (Tax); Michael Isby (Environmental); Jeanne Annarumma (Executive Compensation and Employee Benefits); and Jennie Getsin (FINRA).

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