

Sanchez Production Partners LP  
 Form 4  
 August 17, 2016

**FORM 4**

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

OMB APPROVAL

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

**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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 HITE Hedge Asset Management  
 LLC

2. Issuer Name and Ticker or Trading Symbol  
 Sanchez Production Partners LP  
 [SPP]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 ONE GATEWAY CENTER, SUITE 308  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 08/01/2016

\_\_\_\_ Director  
 \_\_\_\_ Officer (give title below)  
 \_\_\_X\_\_\_ 10% Owner  
 \_\_\_\_ Other (specify below)

NEWTON, MA 02458

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

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

(City) (State) (Zip)

**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 Ownership (Instr. 4)
				(A) or (D)	Price		
Sanchez Production Partners	08/09/2016	08/12/2016	S	3,388	D \$ 10.68	551,885 (1) (2)	D (1) (2) (3) (4) (5)
Sanchez Production Partners	08/11/2016	08/16/2016	S	10,000	D \$ 10.71	541,885	D (1) (2) (3) (4) (5)

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

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SEC 1474 (9-02)

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number.

**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)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Cash Settled Equity Swap	\$ 0	08/01/2016	08/04/2016	S/K		7,600		12/31/2016	12/31/2016	Sanchez Production Partners	7,600
Cash Settled Equity Swaps	\$ 0	08/02/2016	08/05/2016	S/K		2,589		12/31/2016	12/31/2016	Sanchez Production Partners	2,589
Cash Settled Equity Swaps	\$ 0	08/03/2016	08/08/2016	S/K		100		12/31/2016	12/31/2016	Sanchez Production Partners	100
Cash Settled Equity Swap	\$ 0	08/04/2016	08/09/2016	S/K		900		12/31/2016	12/31/2016	Sanchez Production Partners	900
Cash Settled Equity Swap	\$ 0	08/08/2016	08/11/2016	S/K		6,092		12/31/2016	12/31/2016	Sanchez Production Partners	6,092
Cash Settled Equity Swap	\$ 0	08/09/2016	08/12/2016	S/K		3,300		12/31/2016	12/31/2016	Sanchez Production Partners	3,300
Cash Settled Equity Swap	\$ 0	08/10/2016	08/10/2016	S/K		1,292		12/31/2016	12/31/2016	Sanchez Production Partners	1,292
Cash Settled Equity Swap	\$ 0	08/11/2016	08/16/2016	S/K		10,000		12/31/2016	12/31/2016	Sanchez Production Partners	10,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HITE Hedge Asset Management LLC ONE GATEWAY CENTER SUITE 308 NEWTON, MA 02458		X		
HITE MLP Caymans Ltd. C/O WALKERS SPV LIMITED WALKER HOUSE, 87 MARY STREET GEORGE TOWN, E9 KY1-9001				Indirect Owner
HITE HEDGE OFFSHORE LTD C/O WALKERS CORPORATE SERVICES LIMITED WALKER HOUSE GEORGE TOWN, GRAND CAYMAN, E9 KY1-9005				Indirect Owner
HITE Hedge LP ONE GATEWAY CENTER SUITE 308 NEWTON, MA 02458		X		
HITE MLP LP 300 WASHINGTON STREET SUITE 308 NEWTON, MA 02458		X		
HITE Hedge QP LP ONE GATEWAY CENTER, SUITE 308 NEWTON, MA 02458		X		
HITE MLP Advantage LP ONE GATEWAY CENTER, SUITE 308 300 WASHINGTON STREET NEWTON, MA 02458		X		
Jampel James M 300 WASHINGTON STREET, SUITE 308 NEWTON, MA 02458				General Partner of Inv. Manager

## Signatures

James Conant                      08/16/2016

\_\_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).

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- The securities disclosed in this Form 4 may be deemed indirectly beneficially owned by HITE Hedge Asset Management LLC. The securities are directly held by HITE Hedge LP, HITE MLP LP, HITE Hedge QP, and HITE MLP Advantage LP (collectively, the "HITE Funds"), for which HITE Hedge Asset Management LLC is the investment advisor. Mr. Jampel serves as Managing Member of HITE Hedge Asset Management LLC.
- (1) (Continued from footnote 1) Each of HITE Hedge Asset Management LLC and Mr. Jampel may be deemed to be the indirect beneficial owners of such Common Units held by the HITE Funds by virtue of their direct and indirect control of the HITE funds.
- (Continued from footnote 2) the reporting Persons are filing this report because each of the Reporting Persons is a member of a Section 13(g) group with HITE Hedge Asset Management LLC as disclosed in a Schedule 13G filed on behalf of the Reporting Persons on April 22, 2016. As of April 22, 2016, the member of this Section 13(g) group collectively owned more than 10% of the Issuer's outstanding Common Units. Each Reporting Person disclaims beneficial ownership of the Common Units reported herein except to the extent of his or its pecuniary interest therein.
- (3) The number of Common Units reported herein does not include an additional aggregate 204,474 common units HITE believes the Reporting Persons are entitled to receive pursuant to the terms of the Issuer's Amended and Restated Agreement of Limited Partnership, dated as of August 3, 2015. The Reporting Persons are in discussions with the Issuer about their entitlement to these Common Units.
- (4) In addition to the Common Units reported herein, two other funds (HITE Hedge Offshore, Ltd., HITE MLP Caymans Ltd.) for which HITE serves as investment advisor have exposure to 169,000 (110,762 after the sales) through cash-settled equity swaps (the "Equity Swaps") under which its profit will be based upon any increase in value in the common units and its loss will be based upon any decrease in the value of the common units over the term of the transactions. The Equity Swaps may only be settled in cash and do not give the Reporting Persons direct or indirect voting, investment or dispositive control over any common units and do not require the counterpart thereto to acquire, hold, vote or dispose of any securities of the Issuer. Accordingly, the Reporting Persons disclaim any beneficial ownership of any common units that may be referenced in the swap contracts or other securities or financial instruments that may be held from time to time by any counterparty to the contracts.
- (5)

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.