

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

FORM 8-K

**CURRENT REPORT PURSUANT TO
SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): November 5, 2018

Black Stone Minerals, L.P.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

001-37362
(Commission File Number)

47-1846692
(I.R.S. Employer
Identification No.)

**1001 Fannin Street, Suite 2020
Houston, Texas**
(Address of principal executive offices)

77002
(Zip code)

Registrant's telephone number, including area code: **(713) 445-3200**

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

The information included under Items 2.02 and 7.01 and the exhibit attached hereto as Exhibit 99.1 are being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. That information shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, except as otherwise expressly stated in such filing.

Item 1.01 Entry Into a Material Definitive Agreement

On October 31, 2018, Black Stone Minerals Company, L.P., as borrower (the “Borrower”) under that certain Fourth Amended and Restated Credit Agreement, dated as of November 1, 2017, by and among the Borrower, Wells Fargo Bank, National Association, as administrative agent, and the lenders signatory thereto (the “Credit Agreement”), together with Black Stone Minerals, L.P. (the “Partnership”) and certain of its other subsidiaries, as guarantors, entered into the Second Amendment to Fourth Amended and Restated Credit Agreement (the “Second Amendment”). The Second Amendment principally modifies the Credit Agreement to (i) reduce the applicable interest rate margin for revolving loans borrowed under the Credit Agreement and (ii) determine the Borrowing Base (as defined in the Credit Agreement) to be \$675,000,000 until such time as it is redetermined in accordance with the terms of the Credit Agreement.

The foregoing description of the Second Amendment is not complete and is qualified in its entirety by reference to the full text of the Second Amendment, which is attached hereto as Exhibit 10.1 to this Current Report on Form 8-K and incorporated by reference into this Item 1.01.

Item 2.02 Results of Operations and Financial Condition

On November 5, 2018, Black Stone Minerals, L.P. (“Black Stone Minerals”) issued a press release that announced its third quarter 2018 financial and operating results. In the press release, the subtotals included in Income (Loss) from Operations for the three months ended September 30, 2018 and for the nine months ended September 30, 2018 were incorrectly reported due to a computational error. The correct amounts are \$66,180 and \$147,664, respectively. A copy of the press release, as corrected, is furnished herewith as Exhibit 99.1.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

The description of the Second Amendment above under Item 1.01 is incorporated in this Item 2.03 by reference.

Item 7.01 Regulation FD Disclosure

The disclosure under Item 2.02 above is incorporated in this Item 7.01 by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit Number	Description
10.1	Second Amendment to Fourth Amended and Restated Credit Agreement among Black Stone Minerals Company, L.P., as Borrower, Black Stone Minerals, L.P., as Parent MLP, Wells Fargo Bank, National Association, as Administrative Agent, and a syndicate of lenders dated as of October 31, 2018.
99.1	Black Stone Minerals, L.P. Press Release, dated November 5, 2018

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BLACK STONE MINERALS, L.P.

By: Black Stone Minerals GP, L.L.C.,
its general partner

Date: November 5, 2018

By: /s/ Steve Putman
Steve Putman
Senior Vice President, General Counsel, and Secretary

Exhibit Index

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99.1	Black Stone Minerals, L.P. Press Release, dated November 5, 2018

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SECOND AMENDMENT
TO
FOURTH AMENDED AND RESTATED
CREDIT AGREEMENT
DATED AS OF OCTOBER 31, 2018
AMONG
BLACK STONE MINERALS COMPANY, L.P.,
AS BORROWER,
BLACK STONE MINERALS, L.P.,
AS PARENT MLP,
WELLS FARGO BANK, NATIONAL ASSOCIATION,
AS ADMINISTRATIVE AGENT,
AND
THE LENDERS PARTY HERETO
SOLE BOOK RUNNER AND SOLE LEAD ARRANGER
WELLS FARGO SECURITIES, LLC

**SECOND AMENDMENT TO FOURTH AMENDED
AND RESTATED CREDIT AGREEMENT**

THIS SECOND AMENDMENT TO FOURTH AMENDED AND RESTATED CREDIT AGREEMENT (this “Second Amendment”) dated as of October 31, 2018, is among: BLACK STONE MINERALS COMPANY, L.P., a Delaware limited partnership (the “Borrower”); BLACK STONE MINERALS, L.P., a Delaware limited partnership (the “Parent MLP”); each of the lenders party to the Credit Agreement referred to below (collectively, the “Lenders”); and WELLS FARGO BANK, NATIONAL ASSOCIATION, as administrative agent for the Lenders (in such capacity, together with its successors in such capacity, the “Administrative Agent”).

RECITALS

A. The Borrower, the Parent MLP, the Administrative Agent and the Lenders are parties to that certain Fourth Amended and Restated Credit Agreement dated as of November 1, 2017, amended by the First Amendment to Fourth Amended and Restated Credit Agreement dated as of February 7, 2018 (as amended, modified or supplemented to date, the “Credit Agreement”), pursuant to which the Lenders have made certain credit available to and on behalf of the Borrower.

B. The Borrower, the Parent MLP, the Administrative Agent and the Lenders desire to amend the Credit Agreement to revise pricing and certain Eurodollar-related provisions, incorporate certain Lender ERISA representations and designate a new Borrowing Base as provided herein.

C. Now, therefore, to induce the Administrative Agent and the Lenders to enter into this Second Amendment and in consideration of the premises and the mutual covenants herein contained, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Defined Terms. Each capitalized term used herein but not otherwise defined herein has the meaning given such term in the Credit Agreement, as amended by this Second Amendment. Unless otherwise indicated, all section references in this Second Amendment refer to sections of the Credit Agreement.

Section 2. Amendments to Credit Agreement.

2.1 Amendments to Section 1.02. Section 1.02 is hereby amended by deleting the following definition in its entirety and replacing it with the following:

“Agreement” means this Fourth Amended and Restated Credit Agreement, as amended by the First Amendment to Fourth Amended and Restated Credit Agreement dated as of February 7, 2018 and the Second Amendment to Fourth Amended and Restated Credit Agreement dated as of October 31, 2018, as the same may be amended or supplemented from time to time.

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The table set forth in the definition of “Applicable Margin” in Section 1.02 is hereby amended by deleting such table in its entirety and replacing it with the following:

Aggregate Elected Commitment Utilization Grid					
	<25%	≥25% <50%	≥50% <75%	≥75% <90%	≥90%
Eurodollar Margin	1.75%	2.00%	2.25%	2.50%	2.75%
Base Rate Margin	0.75%	1.00%	1.25%	1.50%	1.75%

Section 1.02 is hereby amended by adding the following definition where alphabetically appropriate to read as follows:

“**Benefit Plan**” means any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

The definition of “Eurodollar Rate” set forth in Section 1.02 is hereby amended by

(a) deleting the reference to “shall mean” in the first sentence thereof in its entirety and replacing it with the following: “shall mean, subject to the implementation of a Replacement Rate in accordance with Section 5.06,”,

(b) deleting the reference to “the rate appearing on Reuters Screen LIBOR01 Page which displays an average ICE Benchmark Administration Interest Settlement Rate” in the first sentence thereof in its entirety and replacing it with: “the rate as published by the ICE Benchmark Administration Limited, a United Kingdom company,”,

(c) deleting the reference to “or any successor or substitute page of such service,” in the first sentence thereof in its entirety, and

(d) deleting the last sentence of such definition in its entirety and replacing it with the following:

Notwithstanding the foregoing, (i) in no event shall the Eurodollar Rate be less than zero percent (0%), and (ii) unless otherwise specified in any amendment to this Agreement entered into in accordance with Section 5.06, in the event that a Replacement Rate with respect to the Eurodollar Rate is implemented then all references herein to “Eurodollar Rate” shall be deemed references to such Replacement Rate.

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Section 1.02 is hereby amended by adding the following definitions where alphabetically appropriate to read as follows:

“PTE” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“Replacement Rate” shall have the meaning assigned such term in Section 5.06.

2.2 Rates. Article I of the Credit Agreement is hereby amended by adding the following new Section 1.05 at the end thereof to read as follows

Section 1.05. Rates. The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the rates in the definition of “Eurodollar Rate”.

2.3 Limitation on Eurodollar Loans. Section 5.02 is hereby amended by deleting the reference to “Anything herein to the contrary notwithstanding,” in the first sentence thereof and replacing it with the following: “Anything herein to the contrary notwithstanding, unless and until a Replacement Rate is implemented in accordance with Section 5.06 below.”.

2.4 Alternate Rate of Interest. Article V of the Credit Agreement is hereby amended by adding the following new Section 5.06 at the end thereof to read as follows:

Section 5.06. Alternate Rate of Interest. Notwithstanding anything to the contrary in Section 5.02 above, if the Administrative Agent has made the determination (such determination to be conclusive absent manifest error) that (i) the circumstances described in Section 5.02(a) have arisen and that such circumstances are unlikely to be temporary, (ii) any applicable interest rate specified herein is no longer a widely recognized benchmark rate for newly originated loans in the U.S. syndicated loan market in the applicable currency or (iii) the applicable supervisor or administrator (if any) of any applicable interest rate specified herein or any Governmental Authority having or purporting to have jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which any applicable interest rate specified herein shall no longer be used for determining interest rates for loans in the U.S. syndicated loan market in the applicable currency, then the Administrative Agent may, to the extent practicable (in consultation with the Borrower and as determined by the Administrative Agent to be generally in accordance with similar situations in other transactions in which it is serving as administrative agent or otherwise consistent with market practice generally), establish a replacement interest rate (the “Replacement Rate”), in which case, the Replacement Rate shall, subject to the next two sentences, replace such applicable interest rate for all purposes under the Loan Documents unless and until (A) an event described in Section 5.02(a) or clauses (i), (ii) or (iii) above occurs with respect to the Replacement Rate or (B) the Administrative Agent (or the Majority Lenders through the Administrative Agent) notifies the Borrower that the Replacement Rate does not adequately and fairly reflect the cost to the Lenders of funding the Loans bearing interest at the Replacement Rate. In connection with the establishment and application of the Replacement Rate, this Agreement and the other Loan Documents shall be amended

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solely with the consent of the Administrative Agent and the Borrower, as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provisions of this Section 5.06. Notwithstanding anything to the contrary in this Agreement or the other Loan Documents (including, without limitation, Section 12.04), such amendment shall become effective without any further action or consent of any other party to this Agreement so long as the Administrative Agent shall not have received, within five (5) Business Days of the delivery of such amendment to the Lenders, written notices from such Lenders that in the aggregate constitute Majority Lenders, with each such notice stating that such Lender objects to such amendment. To the extent the Replacement Rate is approved by the Administrative Agent in connection with this Section 5.06, the Replacement Rate shall be applied in a manner consistent with market practice; provided that, in each case, to the extent such market practice is not administratively feasible for the Administrative Agent, such Replacement Rate shall be applied as otherwise reasonably determined by the Administrative Agent (it being understood that any such modification by the Administrative Agent shall not require the consent of, or consultation with, any of the Lenders).

2.5 Lender ERISA Representations. Article XI of the Credit Agreement is hereby amended by adding the following new Section 11.11 at the end thereof to read as follows:

Section 11.11. Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of the Administrative Agent, the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any Guarantor, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans in connection with the Loans or the Commitments,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf

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of such Lender to enter into, participate in, administer and perform the Loans, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of the Administrative Agent, the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any Guarantor, that none of the Administrative Agent, the Arrangers or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender involved in the Loans, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement or any documents related hereto).

2.6 Amendments. Section 12.04 is hereby amended by (a) deleting the reference to "and (f)" in its entirety and replacing it with ", (f)" and (b) adding the following new clauses (g) and (h) at the end thereof to read as follows:

, (g) the Administrative Agent and the Borrower shall be permitted to amend any provision of the Loan Documents (and such amendment shall become effective without any further action or consent of any other party to any Loan Document) if the Administrative Agent and the Borrower shall have jointly identified an obvious error or any error, ambiguity, defect or inconsistency or omission of a technical or immaterial nature in any such provision, and (h) the Administrative Agent and the Borrower may, without the consent of any Lender, enter into amendments or modifications to this Agreement or any of the other Loan Documents or to enter into additional Loan Documents as the Administrative Agent and the Borrower reasonably deem appropriate in order to implement any Replacement Rate or otherwise effectuate the terms of Section 5.06 in accordance with the terms of Section 5.06, subject to Majority Lenders' right to object thereto as provided in such Section 5.06.

2.7 Maximum Credit Amounts; Elected Revolving Commitments. Annex I to the Credit Agreement is hereby amended by deleting it in its entirety and replacing it with Annex I attached hereto:

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Section 3. Borrowing Base. All of the Lenders and the Borrower agree that, from and after the Second Amendment Effective Date (as defined below) until the next redetermination of the Borrowing Base, the amount of the Borrowing Base shall be \$675,000,000. This provision does not limit the right of the parties to initiate interim redeterminations of the Borrowing Base in accordance with Section 2.08(b) or further adjustments pursuant to Section 2.08(e) or (f), Section 8.08, Section 9.02(i) or (j) or Section 9.13. This Section 3 of this Amendment constitutes written notice of the redetermined Borrowing Base in accordance with Section 2.08(d).

Section 4. Conditions Precedent. This Second Amendment shall become effective on the date (such date, the “Second Amendment Effective Date”), when each of the following conditions is satisfied (or waived in accordance with Section 12.04):

4.1 The Administrative Agent shall have received from the Lenders, the Parent MLP, and the Borrower, counterparts (in such number as may be requested by the Administrative Agent) of this Second Amendment signed on behalf of such Person.

4.2 The Administrative Agent shall have received the Consent and Agreement attached to this Second Amendment executed by the Guarantors (in such numbers as may be requested by the Administrative Agent).

4.3 The Administrative Agent and the Lenders shall have received all fees and other amounts due and payable on or prior to the date hereof, including, to the extent invoiced, reimbursement or payment of all documented out-of-pocket expenses required to be reimbursed or paid by the Borrower under the Credit Agreement.

4.4 No Default or Event of Default shall have occurred and be continuing as of the date hereof, immediately after giving effect to the terms of this Second Amendment.

The Administrative Agent is hereby authorized and directed to declare this Second Amendment to be effective when it has received documents confirming or certifying, to the satisfaction of the Administrative Agent, compliance with the conditions set forth in this Section 3 of this Amendment or the waiver of such conditions as permitted in Section 12.04. Such declaration shall be final, conclusive and binding upon all parties to the Credit Agreement for all purposes.

Section 5. Miscellaneous.

5.1 Confirmation. The provisions of the Credit Agreement, as amended and waived by this Second Amendment, shall remain in full force and effect following the effectiveness of this Second Amendment.

5.2 Ratification and Affirmation; Representations and Warranties. Each of the Borrower and the Parent MLP hereby (a) ratifies and affirms its obligations under, and acknowledges its continued liability under, each Loan Document to which it is a party and agrees that each Loan Document to which it is a party remains in full force and effect as expressly amended or waived

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hereby and (b) represents and warrants to the Lenders that as of the date hereof, after giving effect to the terms of this Second Amendment:

(i) all of the representations and warranties contained in each Loan Document to which it is a party are true and correct in all material respects, except to the extent any such representations and warranties are expressly limited to an earlier date, in which case, such representations and warranties shall continue to be true and correct as of such specified earlier date,

(ii) no Default or Event of Default has occurred and is continuing, and

(iii) no event or events have occurred which individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

5.3 Counterparts. This Second Amendment may be executed by one or more of the parties hereto in any number of separate counterparts, and all of such counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of this Second Amendment by facsimile transmission shall be effective as delivery of a manually executed counterpart hereof.

5.4 **NO ORAL AGREEMENT. THIS SECOND AMENDMENT, THE CREDIT AGREEMENT AND THE OTHER LOAN DOCUMENTS EXECUTED IN CONNECTION HERewith AND THEREWITH REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT UNWRITTEN ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.**

5.5 GOVERNING LAW. THIS SECOND AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS.

5.6 Payment of Expenses. In accordance with Section 12.03, the Borrower agrees to pay or reimburse the Administrative Agent for all of its reasonable out-of-pocket expenses incurred in connection with this Second Amendment, any other documents prepared in connection herewith and the transactions contemplated hereby, including, without limitation, the reasonable fees, charges and disbursements of counsel to the Administrative Agent.

5.7 Severability. Any provision of this Second Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

5.8 Successors and Assigns. This Second Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

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5.9 Loan Document. This Second Amendment is a Loan Document.

[SIGNATURES BEGIN NEXT PAGE]

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IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be duly executed as of the date first written above.

BLACK STONE MINERALS COMPANY, L.P., as Borrower

By: BSMC GP, L.L.C.,
its General Partner

By: Black Stone Minerals, L.P.,
its Sole Member

By: Black Stone Minerals GP, L.L.C.,
its General Partner

By: /s/ Jeffrey P. Wood
Jeffrey P. Wood
President and Chief Financial Officer

BLACK STONE MINERALS, L.P., as Parent MLP

By: Black Stone Minerals GP, L.L.C.,
its General Partner

By: /s/ Jeffrey P. Wood
Jeffrey P. Wood
President and Chief Financial Officer

SIGNATURE PAGE
SECOND AMENDMENT TO CREDIT AGREEMENT

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WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent, Issuing Bank and a Lender

By: /s/ Paul A. Squires

Name: Paul A. Squires

Title: Managing Director

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SECOND AMENDMENT TO CREDIT AGREEMENT

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BANK OF AMERICA, N.A.,
as a Lender

By: /s/ Raza Jafferi
Name: Raza Jafferi
Title: Director

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SECOND AMENDMENT TO CREDIT AGREEMENT

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COMPASS BANK,
as a Lender

By: /s/ Gabriela Azcarate
Name: Gabriela Azcarate
Title: Vice President

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SECOND AMENDMENT TO CREDIT AGREEMENT

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JPMORGAN CHASE BANK N.A.,
as a Lender

By: /s/ Theresa M. Benson
Name: Theresa M. Benson
Title: Authorized Officer

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SECOND AMENDMENT TO CREDIT AGREEMENT

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NATIXIS, NEW YORK BRANCH,
as a Lender

By: /s/ Kenyatta B. Gibbs
Name: Kenyatta B. Gibbs
Title: Director

By: /s/ Vikram Nath
Name: Vikram Nath
Title: Director

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SECOND AMENDMENT TO CREDIT AGREEMENT

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ZIONS BANCORPORATION, N.A., DBA AMEGY BANK, as a Lender

By: /s/ Sam Trail
Name: Sam Trail
Title: Senior Vice President

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**THE BANK OF NOVA SCOTIA,
HOUSTON BRANCH, as a Lender**

By: /s/ Ryan Knape

Name: Ryan Knape

Title: Director

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SECOND AMENDMENT TO CREDIT AGREEMENT

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IBERIABANK,
as a Lender

By: /s/ W. Bryan Chapman
Name: W. Bryan Chapman
Title: Market President Energy Lending

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SECOND AMENDMENT TO CREDIT AGREEMENT

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ABN AMRO CAPITAL USA LLC,
as a Lender

By: /s/ Darrell Holley
Name: Darrell Holley
Title: Managing Director

By: /s/ Michaela Braun
Name: Michaela Braun
Title: Director

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SECOND AMENDMENT TO CREDIT AGREEMENT

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COMERICA BANK,
as a Lender

By: /s/ Britney Geidel
Name: Britney Geidel
Title: Portfolio Manager

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SECOND AMENDMENT TO CREDIT AGREEMENT

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KEYBANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ David M. Bornstein

Name: David M. Bornstein

Title: Senior Vice President

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SECOND AMENDMENT TO CREDIT AGREEMENT

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TEXAS CAPITAL BANK, N.A.,
as a Lender

By: /s/ James E. Hibbert, Jr.

Name: James E. Hibbert, Jr.

Title: Assistant Vice President

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SECOND AMENDMENT TO CREDIT AGREEMENT

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BOKF, N.A. DBA BANK OF TEXAS.,
as a Lender

By: /s/ Taylor Morris
Name: Taylor Morris
Title: AVP – Energy Lending

SIGNATURE PAGE
SECOND AMENDMENT TO CREDIT AGREEMENT

ANNEX I
LIST OF MAXIMUM CREDIT AMOUNTS AND ELECTED REVOLVING COMMITMENTS

Name of Lender	Percentage Share	Maximum Credit Amount	Elected Revolving Commitment
Wells Fargo Bank, National Association	18.333333334%	\$183,333,333.34	\$123,750,000.00
Bank of America, N.A.	12.500000000%	\$125,000,000.00	\$84,375,000.00
Compass Bank	12.500000000%	\$125,000,000.00	\$84,375,000.00
JPMorgan Chase Bank, N.A.	10.000000000%	\$100,000,000.00	\$67,500,000.00
Natixis, New York Branch	8.333333333%	\$83,333,333.33	\$56,250,000.00
ZB Bank, N.A., dba Amegy Bank, National Association	6.666666667%	\$66,666,666.67	\$45,000,000.00
The Bank of Nova Scotia, Houston Branch	6.666666667%	\$66,666,666.67	\$45,000,000.00
IBERIABANK	5.000000000%	\$50,000,000.00	\$33,750,000.00
ABN AMRO Capital USA LLC	5.000000000%	\$50,000,000.00	\$33,750,000.00
Comerica Bank	5.000000000%	\$50,000,000.00	\$33,750,000.00
KeyBank, National Association	3.333333333%	\$33,333,333.33	\$22,500,000.00
Texas Capital Bank, N.A.	3.333333333%	\$33,333,333.33	\$22,500,000.00
BOKF, NA dba Bank of Texas	3.333333333%	\$33,333,333.33	\$22,500,000.00
TOTAL	100.000000000%	\$1,000,000,000.00	\$675,000,000.00

CONSENT AND AGREEMENT

Each of the undersigned hereby (i) consents to the provisions of this Second Amendment and the transactions contemplated herein, (ii) ratifies and confirms the Fifth Amended and Restated Guaranty and Collateral Agreement dated as of November 1, 2017, as amended, modified or supplemented to date, made by it for the benefit of Administrative Agent and Lenders executed pursuant to the Credit Agreement and the other Loan Documents, (iii) ratifies and confirms all other Loan Documents made by it for the benefit of Administrative Agent and Lenders, (iv) agrees that all of its respective obligations and covenants thereunder, except as may be amended or modified hereby, shall remain unimpaired by the execution and delivery of this Second Amendment and the other documents and instruments executed in connection herewith, and (v) agrees that such Fifth Amended and Restated Guaranty and such other Loan Documents shall remain in full force and effect.

[SIGNATURES BEGIN NEXT PAGE]

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IN WITNESS WHEREOF, the parties hereto have caused this Consent and Agreement to be duly executed as of the date first written above.

BLACK STONE ENERGY COMPANY, L.L.C.

By: Black Stone Minerals Company, L.P.,
its Sole Member

By: BSMC GP, L.L.C.,
its General Partner

By: Black Stone Minerals, L.P.,
its Sole Member

By: Black Stone Minerals GP, L.L.C.,
its General Partner

By: /s/ Jeffrey P. Wood
Jeffrey P. Wood
President and Chief Financial Officer

BLACK STONE NATURAL RESOURCES, L.L.C.

By: Black Stone Minerals Company, L.P.,
its Sole Member

By: BSMC GP, L.L.C.,
its General Partner

By: Black Stone Minerals, L.P.,
its Sole Member

By: Black Stone Minerals GP, L.L.C.,
its General Partner

By: /s/ Jeffrey P. Wood
Jeffrey P. Wood
Senior Vice President and Chief Financial Officer

TLW INVESTMENTS, L.L.C.

By: Black Stone Energy Company, L.L.C.,
its Manager

By: Black Stone Minerals Company, L.P.,
its Sole Member

By: BSMC GP, L.L.C.,
its General Partner

By: Black Stone Minerals, L.P.,
its Sole Member

By: Black Stone Minerals GP, L.L.C.,
its General Partner

By: /s/ Jeffrey P. Wood
Jeffrey P. Wood
Senior Vice President and Chief Financial Officer

BSAP II GP, L.L.C.

By: Black Stone Minerals Company, L.P.,
its Sole Member

By: BSMC GP, L.L.C.,
its General Partner

By: Black Stone Minerals, L.P.,
its Sole Member

By: Black Stone Minerals GP, L.L.C.,
its General Partner

By: /s/ Jeffrey P. Wood
Jeffrey P. Wood
Senior Vice President and Chief Financial Officer

BLACK STONE MINERALS, L.P.

By: Black Stone Minerals GP, L.L.C.,
its General Partner

By: /s/ Jeffrey P. Wood
Jeffrey P. Wood
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its General Partner

By: /s/ Jeffrey P. Wood
Jeffrey P. Wood
Senior Vice President and Chief Financial Officer

**NAMP HOLDINGS, LLC
NAMP GP, LLC**

By: /s/ Jeffrey P. Wood
Jeffrey P. Wood
Senior Vice President and Chief Financial Officer

**NAMP 1, LP
NAMP 2, LP**

By: NAMP GP, LLC,
its General Partner

By: /s/ Jeffrey P. Wood
Jeffrey P. Wood
Senior Vice President and Chief Financial Officer

**Black Stone Minerals, L.P. Reports Record Quarterly Results and
Announces Unit Repurchase Program**

November 5, 2018

HOUSTON - (BUSINESS WIRE) - Black Stone Minerals, L.P. (NYSE: BSM) ("Black Stone Minerals," "Black Stone," or "the Partnership") today announces its financial and operating results for the third quarter of 2018 as well as notable recent events.

Highlights

- Reported total quarterly production of 48.3 Mboe/d in the third quarter of 2018, an increase of 8% over the second quarter of 2018.
- Reported oil and gas revenues of \$145.8 million, lease bonus and other income of \$12.4 million, and net income of \$60.8 million for the quarter.
- Generated Adjusted EBITDA of \$114.2 million, a 14% increase from the amount reported for the second quarter of 2018 and a 47% increase over the amount reported for the comparable period in 2017.
- Previously announced distributions to common and subordinated units attributable to the third quarter of 2018 of \$0.37 per unit or \$1.48 annualized, a 10% increase over the prior quarter.
- Reported distributable cash flow of \$100.8 million, resulting in distribution coverage for all units of 1.3x at the increased distribution level.
- Approved a \$75 million common unit repurchase program.
- Acquired \$73.5 million in mineral and royalty assets for cash and equity during the third quarter.
- Effective October 31, 2018, secured a \$75 million increase in the credit facility borrowing base to a total of \$675 million.

Management Commentary

Thomas L. Carter, Jr., Black Stone Minerals' Chief Executive Officer and Chairman, commented, "Black Stone had a very strong third quarter. We set a new record for quarterly production, driven by robust drilling activity across our portfolio and meaningful contributions from our recent acquisitions. In total, our royalty production volumes are up more than 50% from the third quarter of last year. On the strength of these results, we announced last week that we are increasing the distribution to common and subordinated unitholders by nearly 10% to an annualized rate of \$1.48 per unit while maintaining distribution coverage of 1.3 times. We're clearly executing very well as a company, yet the solid operational performance we've achieved this year has not been reflected in our unit price. Accordingly, the Board has authorized a common unit repurchase program that will allow us to take advantage of the dislocation in value that we believe exists in our common units. We continue to believe that Black Stone represents a tremendous opportunity for long-term investors who want exposure to diverse, actively managed mineral and royalty assets."

Quarterly Financial and Operating Results*Production*

Black Stone reported average production of 48.3 MBoe/d (68% mineral and royalty, 72% natural gas) for the third quarter of 2018. This represents an increase of 8% from the second quarter of 2018 and is a 31% increase over average production of 37.0 MBoe/d for the corresponding period in 2017. Oil production for the period grew 5% from levels reported in the second quarter of 2018, while natural gas production increased by 9% from the second quarter of 2018.

Realized Prices, Revenues, and Net Income

The Partnership's average realized price per Boe, excluding the effect of derivative settlements, was \$32.81 for the quarter ended September 30, 2018. This represents a 2% increase from the preceding quarter and is 29% higher than the \$25.36 per Boe reported for the quarter ended September 30, 2017.

Black Stone reported oil and gas revenues of \$145.8 million (57% oil and condensate) for the third quarter of 2018, an increase of 11% from \$131.1 million in the second quarter of 2018. This increase in oil and gas revenue was driven primarily by an increase in reported production volumes. Oil and gas revenue in the third quarter of 2017 was \$86.4 million.

The Partnership recognized a loss on commodity derivative instruments of \$18.5 million in the third quarter of 2018, composed of \$9.8 million in payments to counterparties for settlements and an \$8.7 million unrealized loss that reflects the change in value of the Partnership's derivative positions during the quarter. Black Stone reported losses on commodity derivative instruments of \$33.3 million and \$9.3 million, respectively, for the quarters ended June 30, 2018 and September 30, 2017.

Black Stone recognized \$12.4 million in lease bonus and other income in the third quarter of 2018, led by leasing activity focused on the Austin Chalk, with additional leases granted in the Marmaton/Cleveland play in the Mid-Continent and the Louisiana portion of the Haynesville/Bossier trend. The Partnership reported \$11.6 million and \$12.0 million in lease bonus and other income for the second quarter of 2018 and third quarter of 2017, respectively.

The Partnership reported net income of \$60.8 million, which includes the non-cash derivative loss described above, for the quarter ended September 30, 2018, compared to net income of \$28.7 million in the preceding quarter. Net income for the third quarter of 2017 was \$22.0 million.

Adjusted EBITDA and Distributable Cash Flow

Black Stone reported new quarterly records as a public company for both Adjusted EBITDA and distributable cash flow in the third quarter of 2018. Adjusted EBITDA was \$114.2 million for the third quarter of 2018, compared to \$100.3 million in the second quarter of 2018 and \$77.7 million for the corresponding quarter in 2017. Distributable cash flow for the third quarter of 2018 was \$100.8 million, a 16% increase from the \$87.2 million in the second quarter of 2018 and an increase of 46% from the \$69.1 million reported in the third quarter of 2017. The Partnership expects to distribute approximately \$76 million to common and subordinated unitholders with respect to the third quarter with the balance retained for the continued growth of the business.

Financial Position

As of September 30, 2018, the Partnership had \$4.4 million in cash and \$402.0 million outstanding under its credit facility.

Subsequent to quarter-end, Black Stone's borrowing base was increased by \$75 million to \$675 million as part of its regularly scheduled borrowing base redetermination. Additionally, the Partnership's bank group approved a twenty-five basis point reduction in the interest rate pricing grid associated with Black Stone's credit facility.

As of November 2, 2018, the Partnership had \$377.0 million outstanding under the credit facility and \$7.6 million in cash, providing over \$305 million in available liquidity. Black Stone Minerals is in compliance with all financial covenants associated with its credit facility.

Hedge Position

Black Stone has commodity derivative contracts in place covering portions of its anticipated production for the remainder of 2018 as well as 2019 and 2020.

For the balance of 2018, approximately 71% of expected oil volumes are hedged at prices averaging \$55.18 per barrel and approximately 72% of expected gas volumes are hedged at prices averaging \$3.01 per Mcf through the use of swaps and costless collars. The Partnership's current hedge position for the remainder of 2018, 2019 and 2020 is summarized in the following tables:

Oil Hedge Position

	Oil Swap	Oil Swap Price	Oil Costless Collars	Collar Floor	Collar Ceiling
	MBbl	\$/Bbl	MBbl	\$/Bbl	\$/Bbl
4Q18	854	\$55.18			
1Q19	645	\$58.66	60	\$65.00	\$74.00
2Q19	645	\$58.66	60	\$65.00	\$74.00
3Q19	645	\$58.20	60	\$65.00	\$74.00
4Q19	645	\$58.20	60	\$65.00	\$74.00
1Q20			210	\$55.00	\$70.85
2Q20			210	\$55.00	\$70.85
3Q20			210	\$55.00	\$70.85
4Q20			210	\$55.00	\$70.85

Gas Hedge Position

	Gas Swap	Gas Swap
	MMcf	\$/MMcf
4Q18	13,630	\$3.01
1Q19	9,000	\$2.86
2Q19	9,060	\$2.86
3Q19	9,120	\$2.86
4Q19	9,120	\$2.86

More detailed information about the Partnership's existing hedging program can be found in the Quarterly Report on Form 10-Q for the third quarter of 2018, which is expected to be filed on November 6, 2018.

Acquisitions

Black Stone acquired \$73.5 million of properties in the third quarter of 2018, of which \$22.5 million was acquired through the issuance of Black Stone Minerals common units directly to sellers. Approximately 60% of the acquisitions made during the quarter related to interests in the Permian Basin, with continued consolidation of positions in East Texas making up the next largest component of the acquisition program. During the quarter, the Partnership also acquired \$10.8 million of assets that complement the purchase of mineral and royalty properties acquired from Noble Energy in late 2017.

Year to date, Black Stone has closed on the acquisition of approximately \$132 million of mineral and royalty assets.

Development Capital Expenditures

The Partnership invested \$8.4 million in development capital during the third quarter of 2018, net of \$37.6 million in reimbursements from farmout partners. As a result of the previously disclosed farmouts, substantially all capital expenditures made by Black Stone to drill and complete Haynesville/Bossier wells in the Shelby Trough area of East Texas will be reimbursed by those partners. The majority of net development capital for the quarter relates to the drilling of the PepperJack B#1 well.

Through the first nine months of 2018, the Partnership invested a total of \$41.1 million in net development capital expenditures. Black Stone spent \$29.2 million in the first nine months of 2018, net of farmout reimbursements, on working interest participation capital related primarily to Haynesville/Bossier wells in the Shelby Trough which were spud prior to the farmouts. Remaining capital expenditures related to pre-farmout wells are expected to be negligible.

Distributions

As previously reported, the Board of Directors of the general partner (the "Board") has approved cash distributions attributable to the third quarter of 2018 of \$0.37 per unit for both common and subordinated units. This represents an approximate 10% increase to the distribution for common and subordinated unitholders from the previous quarter. The quarterly distribution coverage ratio attributable to the third quarter of 2018 was approximately 1.3x for all units. Distributions will be payable on November 21, 2018 to unitholders of record on November 14, 2018.

PepperJack Prospect Update

Late in the third quarter of 2018, Black Stone entered into an exploration agreement with a consortium of private exploration and production companies (the "Development Partners") to further delineate the PepperJack prospect targeting the Lower Wilcox formation in East Texas. Key provisions of the agreement include:

- The Development Partners have reimbursed Black Stone for 100% of the drilling costs and will pay 75% of the testing and completion costs for the PepperJack A#1 well in exchange for a 75% working interest in that well;
- Black Stone received cash for lease options covering Black Stone minerals and leases as well as an overriding royalty interest in the PepperJack prospect area;
- The Development Partners will begin completion operations on PepperJack A#1 well in the fourth quarter of 2018, with Black Stone participating as a 25% working interest owner;
- The Development Partners may elect to conduct a 3-D seismic survey covering the PepperJack prospect area following a successful completion of the PepperJack A#1 well, with the majority of Black Stone's pro rata costs related to such a survey to be carried by the Development Partners; and
- Following interpretation of the 3-D seismic survey, the Development Partners can elect to begin a continuous development program within the PepperJack prospect area requiring a set number of wells per year. If the consortium elects not to develop the prospect, Black Stone is free to market the prospect (except for the PepperJack A#1 well to be retained by the owners thereof) to other operators.

Mr. Carter commented, "We've been talking about the potential of the lower part of the Wilcox formation for a number of years. We have a fair amount of high-net interest areas in the play. This agreement is another important step in getting that acreage tested, and if successful, quickly moving those assets into development by third-party operators."

Unit Repurchase Program

Subsequent to quarter-end, the Board authorized a \$75 million unit repurchase program.

Regarding the unit repurchase program, Mr. Carter remarked, "Since our IPO, Black Stone has significantly increased its production and cash flow, while contemporaneously reducing its retained working interest exposure. We've also steadily increased our distribution to unitholders over that time frame, including the 10% increase we announced for the most recent quarter. The performance of our equity over the last year has not matched our operational and financial performance. While we expect to continue to find attractive acquisition opportunities, this program gives us another avenue to enhance value for our unitholders."

The unit repurchase program authorizes the Partnership to make repurchases on a discretionary basis as determined by management, subject to market conditions, applicable legal requirements, available liquidity, and other appropriate factors. All or a portion of any repurchases may be made under a Rule 10b5-1 plan, which would permit common units to be repurchased when the Partnership might otherwise be precluded from doing so under applicable laws. The repurchase program does not

obligate the Partnership to acquire any particular amount of common units and may be modified or suspended at any time and could be terminated prior to completion. The Partnership will periodically report the number of common units repurchased. The program will be funded from the Partnership's cash on hand or through borrowings under the credit facility. Any repurchased units will be canceled.

Conference Call

Black Stone Minerals will host a conference call and webcast for investors and analysts to discuss its results for the third quarter of 2018 on Tuesday, November 6, 2018 at 9:00 a.m. Central Time. To join the call, participants should dial (877) 447-4732 and use conference code 6485996. A live broadcast of the call will also be available at <http://investor.blackstoneminerals.com>. A recording of the conference call will be available at that site through December 7, 2018.

About Black Stone Minerals, L.P.

Black Stone Minerals is one of the largest owners of oil and natural gas mineral interests in the United States. The Partnership owns mineral interests and royalty interests in 41 states and 64 onshore basins in the continental United States. The Partnership also owns and selectively participates as a non-operating working interest partner in established development programs, primarily on its mineral and royalty holdings. The Partnership expects that its large, diversified asset base and long-lived, non-cost-bearing mineral and royalty interests will result in production and reserve growth, as well as increasing quarterly distributions to its unitholders.

Forward-Looking Statements

This news release includes forward-looking statements. All statements, other than statements of historical facts, included in this news release that address activities, events, or developments that the Partnership expects, believes, or anticipates will or may occur in the future are forward-looking statements. Terminology such as "will," "may," "should," "expect," "anticipate," "plan," "project," "intend," "estimate," "believe," "target," "continue," "potential," the negative of such terms, or other comparable terminology often identify forward-looking statements. Except as required by law, Black Stone Minerals undertakes no obligation, and does not intend, to update these forward-looking statements to reflect events or circumstances occurring after this news release. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this news release. All forward-looking statements are qualified in their entirety by these cautionary statements. These forward-looking statements involve risks and uncertainties, many of which are beyond the control of Black Stone Minerals, which may cause the Partnership's actual results to differ materially from those implied or expressed by the forward-looking statements.

Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, those summarized below:

- the Partnership's ability to execute its business strategies;
- the volatility of realized oil and natural gas prices;
- the level of production on the Partnership's properties;
- regional supply and demand factors, delays, or interruptions of production;
- the Partnership's ability to replace its oil and natural gas reserves; and
- the Partnership's ability to identify, complete, and integrate acquisitions.

For an important discussion of risks and uncertainties that may impact our operations, see our annual and quarterly filings with the Securities and Exchange Commission, which are available on our website.

Information for Non-U.S. Investors

This press release is intended to be a qualified notice under Treasury Regulation Section 1.1446-4(b). Although a portion of Black Stone Minerals' income may not be effectively connected income and may be subject to alternative withholding procedures, brokers and nominees should treat 100% of Black Stone Minerals' distributions to non-U.S. investors as being attributable to income that is effectively connected with a United States trade or business. Accordingly, Black Stone Minerals' distributions to non-U.S. investors are subject to federal income tax withholding at the highest marginal rate, currently 37.0% for individuals.

Black Stone Minerals, L.P. Contact

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BLACK STONE MINERALS, L.P.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands, except per unit amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
REVENUE				
Oil and condensate sales	\$ 82,712	\$ 41,361	\$ 232,920	\$ 119,097
Natural gas and natural gas liquids sales	63,080	45,047	170,179	142,651
Lease bonus and other income	12,440	12,044	28,616	37,082
Revenue from contracts with customers	158,232	98,452	431,715	298,830
Gain (loss) on commodity derivative instruments	(18,514)	(9,341)	(68,194)	35,387
TOTAL REVENUE	139,718	89,111	363,521	334,217
OPERATING (INCOME) EXPENSE				
Lease operating expense	4,229	4,569	12,767	12,906
Production costs and ad valorem taxes	17,641	11,549	46,939	35,314
Exploration expense	34	8	6,782	616
Depreciation, depletion, and amortization	29,273	29,204	88,135	84,483
General and administrative	22,083	17,305	60,416	51,998
Accretion of asset retirement obligations	278	260	820	760
(Gain) loss on sale of assets, net	—	—	(2)	(931)
TOTAL OPERATING EXPENSE	73,538	62,895	215,857	185,146
INCOME (LOSS) FROM OPERATIONS	66,180	26,216	147,664	149,071
OTHER INCOME (EXPENSE)				
Interest and investment income	53	(9)	123	30
Interest expense	(5,518)	(4,172)	(15,319)	(11,660)
Other income (expense)	60	(1)	(1,046)	352
TOTAL OTHER EXPENSE	(5,405)	(4,182)	(16,242)	(11,278)
NET INCOME (LOSS)	60,775	22,034	131,422	137,793
Net (income) loss attributable to noncontrolling interests	(22)	20	(1)	27
Distributions on Series A redeemable preferred units	—	(666)	(25)	(2,452)
Distributions on Series B cumulative convertible preferred units	(5,250)	—	(15,750)	—
NET INCOME (LOSS) ATTRIBUTABLE TO THE GENERAL PARTNER AND COMMON AND SUBORDINATED UNITS	\$ 55,503	\$ 21,388	\$ 115,646	\$ 135,368
ALLOCATION OF NET INCOME (LOSS):				
General partner interest	\$ —	\$ —	\$ —	\$ —
Common units	29,188	16,371	71,037	83,989
Subordinated units	26,315	5,017	44,609	51,379
	\$ 55,503	\$ 21,388	\$ 115,646	\$ 135,368
NET INCOME (LOSS) ATTRIBUTABLE TO LIMITED PARTNERS PER COMMON AND SUBORDINATED UNIT:				
Per common unit (basic)	\$ 0.27	\$ 0.16	\$ 0.67	\$ 0.86
Weighted average common units outstanding (basic)	106,706	101,623	105,254	97,777
Per subordinated unit (basic)	\$ 0.27	\$ 0.05	\$ 0.46	\$ 0.54
Weighted average subordinated units outstanding (basic)	96,329	95,388	96,021	95,269
Per common unit (diluted)	\$ 0.27	\$ 0.16	\$ 0.67	\$ 0.86
Weighted average common units outstanding (diluted)	106,706	101,623	105,254	97,777
Per subordinated unit (diluted)	\$ 0.27	\$ 0.05	\$ 0.46	\$ 0.54
Weighted average subordinated units outstanding (diluted)	96,329	95,388	96,021	95,269
DISTRIBUTIONS DECLARED AND PAID:				
Per common unit	\$ 0.3375	\$ 0.3125	\$ 0.9625	\$ 0.8875
Per subordinated unit	\$ 0.3375	\$ 0.2088	\$ 0.7550	\$ 0.5763

The following table shows the Partnership's production, revenues, realized prices, and expenses for the periods presented.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
(Unaudited)				
(Dollars in thousands, except for realized prices and per Boe data)				
Production:				
Oil and condensate (MBbls)	1,251	911	3,623	2,597
Natural gas (MMcf) ¹	19,153	14,974	52,205	44,459
Equivalents (MBoe)	4,443	3,407	12,324	10,007
Equivalents/day (MBoe)	48.3	37.0	45.1	36.7
Revenue:				
Oil and condensate sales	\$ 82,712	\$ 41,361	\$ 232,920	\$ 119,097
Natural gas and natural gas liquids sales ¹	63,080	45,047	170,179	142,651
Lease bonus and other income	12,440	12,044	28,616	37,082
Revenue from contracts with customers	158,232	98,452	431,715	298,830
Gain (loss) on commodity derivative instruments	(18,514)	(9,341)	(68,194)	35,387
Total revenue	\$ 139,718	\$ 89,111	\$ 363,521	\$ 334,217
Realized prices:				
Oil and condensate (\$/Bbl)	\$ 66.12	\$ 45.39	\$ 64.29	\$ 45.87
Natural gas (\$/Mcf) ¹	3.29	3.01	3.26	3.21
Equivalents (\$/Boe)	\$ 32.81	\$ 25.36	\$ 32.71	\$ 26.16
Operating expenses:				
Lease operating expense	\$ 4,229	\$ 4,569	\$ 12,767	\$ 12,906
Production costs and ad valorem taxes	17,641	11,549	46,939	35,314
Exploration expense	34	8	6,782	616
Depreciation, depletion, and amortization	29,273	29,204	88,135	84,483
General and administrative	22,083	17,305	60,416	51,998
Per Boe:				
Lease operating expense (per working interest Boe)	\$ 2.99	\$ 3.19	\$ 3.27	\$ 3.06
Production costs and ad valorem taxes	3.97	3.39	3.81	3.53
Depreciation, depletion, and amortization	6.59	8.57	7.15	8.44
General and administrative	4.97	5.08	4.90	5.20

¹ As a mineral-and-royalty-interest owner, Black Stone Minerals is often provided insufficient and inconsistent data on natural gas liquid ("NGL") volumes by its operators. As a result, the Partnership is unable to reliably determine the total volumes of NGLs associated with the production of natural gas on its acreage. Accordingly, no NGL volumes are included in our reported production; however, revenue attributable to NGLs is included in natural gas revenue and the calculation of realized prices for natural gas.

Non-GAAP Financial Measures

Adjusted EBITDA and distributable cash flow are supplemental non-GAAP financial measures used by our management and external users of our financial statements such as investors, research analysts, and others, to assess the financial performance of our assets and our ability to sustain distributions over the long term without regard to financing methods, capital structure, or historical cost basis.

We define Adjusted EBITDA as net income (loss) before interest expense, income taxes, and depreciation, depletion, and amortization adjusted for impairment of oil and natural gas properties, accretion of asset retirement obligations, unrealized gains and losses on commodity derivative instruments, and non-cash equity-based compensation. We define distributable cash flow as Adjusted EBITDA plus or minus amounts for certain non-cash operating activities, estimated replacement capital expenditures, cash interest expense, and distributions to noncontrolling interests and preferred unitholders.

Adjusted EBITDA and distributable cash flow should not be considered an alternative to, or more meaningful than, net income (loss), income (loss) from operations, cash flows from operating activities, or any other measure of financial performance presented in accordance with generally accepted accounting principles (“GAAP”) in the United States as measures of our financial performance.

Adjusted EBITDA and distributable cash flow have important limitations as analytical tools because they exclude some but not all items that affect net income (loss), the most directly comparable GAAP financial measure. Our computation of Adjusted EBITDA and distributable cash flow may differ from computations of similarly titled measures of other companies.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
	(Unaudited)			
	(In thousands, except per unit amounts)			
Net income	\$ 60,775	\$ 22,034	\$ 131,422	\$ 137,793
Adjustments to reconcile to Adjusted EBITDA:				
Depreciation, depletion, and amortization	29,273	29,204	88,135	84,483
Interest expense	5,518	4,172	15,319	11,660
Income tax expense	(2)	—	1,059	—
Accretion of asset retirement obligations	278	260	820	760
Equity-based compensation	9,596	7,675	24,947	18,614
Unrealized (gain) loss on commodity derivative instruments	8,718	14,320	47,733	(23,048)
Adjusted EBITDA	114,156	77,665	309,435	230,262
Adjustments to reconcile to distributable cash flow:				
Deferred revenue	(1)	(701)	1,300	(1,670)
Cash interest expense	(5,287)	(3,946)	(14,571)	(10,999)
(Gain) loss on sale of assets, net	—	—	(2)	(931)
Estimated replacement capital expenditures ¹	(2,750)	(3,250)	(8,750)	(10,250)
Cash paid to noncontrolling interests	(47)	(24)	(161)	(90)
Preferred unit distributions	(5,250)	(666)	(15,775)	(2,452)
Distributable cash flow	\$ 100,821	\$ 69,078	\$ 271,476	\$ 203,870
Total units outstanding ²	204,794	198,786		
Distributable cash flow per unit	\$ 0.492	\$ 0.347		
Common unit price as of November 2, 2018	\$ 16.88			
Implied distributable cash flow yield	11.7%			

¹ On June 8, 2017, the Board approved a replacement capital expenditure estimate of \$13.0 million for the period of April 1, 2017 to March 31, 2018. On April 27, 2018, the Board approved a replacement capital expenditure estimate of \$11.0 million for the period of April 1, 2018 to March 31, 2019.

² The distribution attributable to the three months ended September 30, 2018 is estimated using 108,465,215 common units and 96,328,836 subordinated units as of October 31, 2018; the exact amount of the distribution attributable to the three months ended September 30, 2018 will be determined based on units outstanding as of the record date of November 14, 2018. Distributions attributable to the three months ended September 30, 2017 were calculated using 103,398,042 common units and 95,388,424 subordinated units as of the record date of November 17, 2017.