



MOMENTUM OIL AND GAS, LLC RECEIVES \$50 MILLION EQUITY COMMITMENT

HOUSTON – January 12, 2011 – Rusty Shepherd and Loren Long announced today that they have formed Momentum Oil and Gas, LLC (“Momentum”), an independent oil and natural gas company headquartered in Houston, Texas. Momentum will focus on the acquisition and development of oil and natural gas properties with identifiable exploitation and development upside in the Mid-Continent and onshore Gulf Coast regions. Momentum is an investment portfolio company of Kayne Anderson Energy Funds (“Kayne Anderson”) with an initial equity commitment from Kayne Anderson Energy Fund V and management of \$50 million.

Prior to forming Momentum, Mr. Shepherd and Mr. Long worked together at The Houston Exploration Company and Anadarko Petroleum Corporation. Most recently, Mr. Shepherd served as Vice President of Engineering for Crimson Exploration Inc. Mr. Long most recently served as Manager of Acquisitions and Evaluations for Phoenix Exploration Company. The management team has a combined 35 years of upstream experience with an emphasis on technical evaluation and operational execution.

Mr. Shepherd graduated from the University of Texas with a Bachelor’s degree in Petroleum Engineering and a Master’s in Energy and Mineral Resources. Mr. Long graduated from Stanford University with a Bachelor’s in Petroleum Engineering.

“We at Kayne Anderson believe that the A&D market will present a number of opportunities to buy mature production with existing upside, and we are excited to partner with Rusty and Loren in the pursuit of these acquisitions,” stated David Iverson, Senior Vice President at Kayne Anderson. Rusty Shepherd, Chairman and CEO of Momentum, had this to say about the partnership: “We appreciate the confidence Kayne Anderson has placed in the Momentum team and believe that Kayne’s financial strength and reputation will be important advantages in capturing the most profitable acquisitions in the marketplace. We look forward to applying our technical skill sets to create significant growth for Momentum.”

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About Kayne Anderson Energy Funds

Established in 1998, Kayne Anderson Energy Funds manage \$2.7 billion of committed capital for energy private equity investments. With offices in Houston, Texas and Los Angeles, California, Kayne Anderson invests private capital primarily in high-growth oil and gas companies. For more information on Kayne Anderson’s energy private equity investing, please visit www.kaynecapital.com, or contact David Iverson, Senior Vice President, at (713) 493-2010.