



FOR IMMEDIATE RELEASE

Stakeholder Midstream Acquires Santa Fe Midstream's Gas Gathering and Processing Assets Located in Yoakum County, Texas

- Stakeholder's natural gas and crude oil systems serve producers working in the San Andres formation in West Texas and Southeast New Mexico

SAN ANTONIO - December 15, 2020 - [Stakeholder Midstream, LLC](#), ("Stakeholder") announced today it has acquired gas gathering and processing assets from Santa Fe Midstream, LLC ("Santa Fe"). Located in Yoakum County, Texas, the assets include Santa Fe's 30-30 Gas Treating and Processing Plant, low-pressure gas gathering pipelines, downstream residue and NGL lines, and a long-term acreage dedication from an established San Andres oil and gas producer. The Santa Fe System will complement Stakeholder's existing Campo Viejo Processing Plant and gathering system currently serving San Andres producers on the Northwest Shelf of the Permian Basin. The acquisition brings the combined systems' gas processing capacity to approximately 85 million cubic feet per day, total gathering pipeline mileage to approximately 450 miles and total acreage dedications to the combined gas systems to greater than 200,000 acres (system map [here](#)).

"We entered the San Andres play in 2016 due to the unique blend of production stability and growth potential, and that thesis has been validated by our customers' performance," said Stakeholder Co-CEO Robert Liddell. "Despite a challenging commodity environment in 2020, our system volumes continued to grow year over year and we expect that trend to continue. This consolidation enhances Stakeholder's capabilities to provide even better service to our customers."

The Santa Fe acquisition follows Stakeholder's August 2020 purchase and integration of a crude gathering system owned collectively by Walsh Petroleum, Inc. and Burk Royalty Co., Ltd. The August acquisition brings pipeline mileage on the crude oil gathering system to approximately 150 miles and acreage dedications to the crude system to approximately 150,000 acres. The San Andres Crude Gathering System includes 60,000 barrels of storage and is connected to Phillips 66, Plains All American and the Centurion Pipeline System (system map [here](#)).

Hunton Andrews Kurth LLP served as legal counsel to Stakeholder with partners Parker Lee and Taylor Landry in the lead roles from the firm's New York and Houston offices, respectively. Kirkland & Ellis LLP served as legal counsel to Santa Fe. Partners Kevin Crews and Thomas Laughlin led the Kirkland & Ellis team from the firm's Dallas office.

About Stakeholder Midstream, LLC

Based in San Antonio and founded in 2015, Stakeholder Midstream is an independent midstream company serving oil and gas producers operating in unconventional shale plays throughout North America. Stakeholder's long-term vision of success is built on fostering strong, long-term relationships with all constituents. Stakeholder cultivates these relationships based on trust, accountability and fairness to ensure that all stakeholders are heard, valued and served. Capabilities include in-field natural gas gathering, compression, treating and processing services; innovative NGL solutions; and crude oil

gathering, transportation, and storage. Stakeholder is backed by growth capital commitments from EnCap Flatrock Midstream. www.stakeholdermidstream.com

About EnCap Flatrock Midstream

EnCap Flatrock Midstream provides value-added growth capital to proven management teams focused on midstream infrastructure opportunities across North America. The firm was formed in 2008 by a partnership between EnCap Investments L.P. and Flatrock Energy Advisors, LLC. Based in San Antonio with offices in Oklahoma City and Houston, the firm manages investment commitments of nearly \$9 billion from a broad group of prestigious institutional investors. EnCap Flatrock Midstream is currently making commitments to management teams from EFM Fund IV, a \$3.25 billion fund. For more information, please visit www.efmidstream.com.

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