



FOR IMMEDIATE RELEASE

## **Stakeholder Midstream Acquires Lovington Gas Gathering System from Lucid Energy Group**

SAN ANTONIO – April 10, 2017 – [Stakeholder Midstream, LLC](#), (“Stakeholder”) announced today that the company has completed the purchase of the Lovington Gas Gathering System from [Lucid Energy Group](#) (“Lucid”) effective April 1, 2017. The system is located in the Northwest Shelf of the Permian Basin in southeast New Mexico and serves oil and gas producers in Lea and Chaves counties. The Lovington system is comprised of approximately 295 miles of gas gathering lines, 7,400 horsepower of compression and a 35,000 Mcfd refrigeration plant.

“We see a significant opportunity in the Northwest Shelf, where there is increasing activity by producers focused on acreage that provides not only attractive returns, but also a lower-cost entry point than some of the core areas of the Midland and Delaware basins,” said Stakeholder Principal and Co-CEO Rob Liddell. “The acquisition of the Lovington system is the first step in developing our ultimate vision for gas gathering, treating and processing in the area.”

The acquisition will add gas gathering services to Stakeholder’s midstream capabilities in the Permian Basin, which will complement Stakeholder’s newly constructed San Andres Crude Gathering System in Yoakum County, Texas, and Lea County, New Mexico. The crude oil system will be fully operational in early May and currently consists of approximately 60 miles of gathering lines and multiple downstream connections, which will provide access to the market center in Midland, Texas, to regional refineries, and to long-haul pipelines capable of delivering crude to the Gulf Coast.

“Our focus has always been to provide a reliable, cost-effective and flexible midstream solution for producers’ gas in this area of the Northwest Shelf,” said Senior Vice President of Business Development Danny Craig. “We are excited to work with the producers currently served by the Lovington system and will continue to expand our footprint and capabilities to meet the needs of other producers in the area.”

### **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 venture capital commitments from EnCap Flatrock Midstream. [www.stakeholdermidstream.com](http://www.stakeholdermidstream.com)

**About EnCap Flatrock Midstream**

EnCap Flatrock Midstream provides value-added private equity 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. Based in San Antonio with offices in Oklahoma City and Houston, EnCap Flatrock is led by its three founders Managing Partners William D. Waldrip, Dennis F. Jaggi and William R. Lemmons Jr., Managing Partners Gregory C. King and David J. Kurtz, and Partner Dennis J. McCanless. The firm manages investment commitments of nearly \$6 billion from a broad group of institutional investors. EnCap Flatrock is currently making commitments to new management teams from EFM Fund III, a \$3 billion fund. [www.efmidstream.com](http://www.efmidstream.com)

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