

## FOR IMMEDIATE RELEASE

## EagleClaw Midstream Services, LLC Forms With \$100 Million Equity Commitment From EnCap Flatrock Midstream

Company will focus operations in the Permian Basin in West Texas and Southeast New Mexico

MIDLAND, TX – August 7, 2012 – EagleClaw Midstream Services, LLC announced today that the company has secured a \$100 million equity commitment from EnCap Flatrock Midstream of San Antonio. EagleClaw provides natural gas and crude oil producers in the Permian Basin with a wide array of midstream services including gathering, compression, treating, processing and transportation. The new company is currently pursuing greenfield and acquisition opportunities in the region.

Headquartered in Midland, Texas, EagleClaw Midstream's senior leadership team represents more than 90 years of collective experience in the energy industry. The team is led by President Robert A. (Bob) Milam, Executive Vice President and Chief Operating Officer Curtis Clark, and Executive Vice President of Commercial Development Charles S. Kuss. Milam, Clark and Kuss have worked together in various capacities for more than 25 years. All three have deep experience in West Texas and the Permian Basin.

"It's great to be working in an area that all of us know so well. We're excited about the opportunities we see in the Permian Basin. While it has been one of the most prolific basins in North America for a long time, there has been a dramatic resurgence over the past year or two, and it's more active than ever before. There are more than 500 rigs at work in the area, and production is reaching new highs," said EagleClaw President Bob Milam. "Our goal is to stay ahead of development schedules and provide producers with the rapid response time and flexible solutions that meet their infrastructure requirements on time and on budget so they can focus on their core business."

Before leading the formation of EagleClaw Midstream, Mr. Milam served as vice president of Southern Union Gas Services (SUGS), where he was responsible for operations, budgets, construction, measurement and engineering for five cryogenic processing plants, seven treaters and approximately 6,000 miles of gathering pipelines in Texas and New Mexico. In addition, during 2011 and 2012, Mr. Milam coordinated the design and funding and initiated construction of a 200 MMcf/d cryogenic processing plant and a 2,100 GPM amine treating facility in the Permian Basin. Mr. Milam received his Bachelor of Science degree from Oklahoma State University.

Mr. Clark has 29 years experience focusing on engineering, operations and business development, and has in-depth knowledge and expertise in designing, installing and operating high efficiency plants, which help reduce costs and improve output. Most recently, Mr. Clark served as vice president of operations at Caiman Energy, LLC, where he directed and managed all operations and facility installations. He was responsible for the grassroots installation and operation of two cryogenic processing plants with a combined capacity of 320 MMcf/d and a 12,500 Bbl/d fractionation facility, along with the operation of more than 150 miles of gas and condensate gathering pipeline located in West Virginia. Prior to his work at Caiman Energy, Mr. Clark held several positions at Southern Union Gas Services and its predecessor, Sid Richardson, serving as director of plant operations and engineering. He is a graduate of Texas Tech University where he earned a degree in mechanical engineering.

Charles S. Kuss has spent the past 28 years as an independent consultant working with more than 150 Permian producers. Mr. Kuss' primary consulting work has involved locating gas markets for producers and the renegotiation and administration of gas contracts. Other areas of his work have included spot

market sales and nominations, NGL marketing, gas balancing, due diligence and expert witness testimony. Mr. Kuss has also assisted several small gas gathering and processing companies with contract preparation, contract negotiations, pipeline permitting, revenue calculations, gas accounting, gas statement preparation and gas contract administration. Mr. Kuss is past president of the Natural Gas Society of the Permian Basin and a past board member of the Natural Gas Producers Association. He is a graduate of Texas A&M University.

"This is an extraordinary team that has a long history of success working with producers in the Permian Basin," said William R. Lemmons Jr., one of EnCap Flatrock's three managing partners and a member of the EagleClaw board of directors. "They understand the unique challenges their customers face in the Permian and know how to build pipelines and plants in a way that aligns with producers' schedules and business concerns. We're looking forward to working with the EagleClaw team to grow its business and deliver rapid results for Permian producers."

## About EagleClaw Midstream, LLC

Headquartered in Midland, Texas, EagleClaw Midstream is a start-up midstream company focused on developing midstream infrastructure opportunities in the Permian Basin of West Texas and Southeast New Mexico. Led by President Robert A. Milam, EagleClaw's senior management team has more than 90 years of experience in the energy industry. The company is supported by a \$100 million equity commitment from EnCap Flatrock Midstream. Visit <a href="https://www.EagleClawMidstream.com">www.EagleClawMidstream.com</a> for more information.

## **About EnCap Flatrock Midstream**

Based in San Antonio, EnCap Flatrock Midstream provides value-added private equity capital to proven management teams focusing on midstream energy infrastructure opportunities throughout North America. EnCap Flatrock is led by Managing Partners William D. Waldrip, William R. Lemmons Jr. and Dennis F. Jaggi. With more than 100 years of midstream experience, the principals at EnCap Flatrock Midstream manage investment commitments of nearly \$3 billion from a broad group of prestigious institutional investors. Visit www.efmidstream.com for more information.

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