



FOR IMMEDIATE RELEASE

CARDINAL MIDSTREAM ANNOUNCES ACQUISITION OF NATURAL GAS BUSINESS IN PROLIFIC DELAWARE BASIN

Transaction Positions Cardinal for Growth and Future Bolt-On Opportunities in the Core of the Basin

DALLAS – November 2, 2022 – [Cardinal Midstream Partners](#) (“Cardinal”), an independent midstream energy company based in Dallas, announced today it has signed definitive agreements with Medallion Midstream Services (“Medallion”) to acquire Medallion’s natural gas gathering and processing business in the Delaware Basin in West Texas. The transaction is subject to customary closing conditions and is expected to close in early 2023.

The newly acquired midstream infrastructure includes natural gas gathering and processing solutions for top-tier producer customers in the heart of the Delaware Basin. The system spans Reeves and Loving counties and includes approximately 80 miles of high- and low-pressure natural gas gathering pipelines and a 140 million cubic feet per day (MMcf/d) natural gas processing facility.

CEO Perspective

“This acquisition in the prolific Delaware Basin will serve as the cornerstone of Cardinal’s natural gas gathering and processing business strategy,” said Doug Dormer, Cardinal Chief Executive Officer. “The business is an ideal fit to leverage our team’s core competencies and industry relationships. We look forward to expanding the asset base and providing meaningful midstream solutions to serve area producers’ growth.”

From EnCap Flatrock

“Cardinal was the first management team we backed when we formed EnCap Flatrock in 2008 and Doug has been an incredible partner,” said Billy Lemmons, EnCap Flatrock Managing Partner and Founder. “We’re very excited about this next chapter of the Cardinal story with the acquisition of this high-quality asset, and look forward to Doug and his team continuing their track record of success.”

Advisors

Shearman & Sterling LLP is serving as legal advisor to Cardinal. Locke Lord LLP is serving as legal advisor and Greenhill & Co., LLC. is serving as financial advisor to Medallion.

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About Cardinal Midstream

Based in Dallas, Cardinal Midstream Partners was founded in 2022 and is focused on the pursuit of midstream acquisition and development opportunities across North America, specifically natural gas gathering and processing and congruent carbon capture and sequestration. The company is led by four founders: Chief Executive Officer Doug Dormer; Chief Financial Officer Douglas Gale; Chief Commercial Officer Justin Garrity; and Chief Operating Officer Clayton Hewett. With more than 80 years of combined experience in the energy industry, the founders each have built notable careers creating, managing, constructing, and operating successful midstream businesses through full life cycle. For more information, visit cardinalmp.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 new management teams from EFM Fund IV, a \$3.25 billion fund. For more information, please visit efmidstream.com.

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