



FOR IMMEDIATE RELEASE

Tall Oak Midstream Announces Formation of Tall Oak Midstream II and Provides Update on Financing and Mid-Continent Operations

- The founders of Tall Oak Midstream, LLC (“Tall Oak”) formed Tall Oak Midstream II, LLC (“Tall Oak II”) with an initial equity commitment of \$300 million from EnCap Flatrock Midstream.
- Total financing for Tall Oak and Tall Oak II now stands at \$850 million.
- Tall Oak will continue to operate and expand its gathering and processing assets in the Mid-Continent. Tall Oak II will pursue midstream opportunities in resource plays across North America outside the Mid-Continent.
- Tall Oak’s total cryogenic processing capacity in the Mid-Continent is currently 75 million cubic feet per day (MMcf/d) and is on schedule to reach 175 million cubic feet per day (MMcf/d) across two systems with more than 400 miles of gathering pipeline.

OKLAHOMA CITY – April 23, 2015 – Tall Oak Midstream, LLC (“Tall Oak” or “the company”) today announced that its founders have formed Tall Oak Midstream II, LLC (“Tall Oak II”) with an initial equity commitment of up to \$300 million from private equity firm [EnCap Flatrock Midstream](#) (“EnCap Flatrock”) and Tall Oak management. Tall Oak will continue to focus on operating and expanding its midstream assets in the Mid-Continent, while Tall Oak II will pursue midstream opportunities in other resource plays across North America. The formation of Tall Oak II leverages the management team’s deep midstream experience and builds on its strong relationships with oil and gas producers.

“We are excited to broaden our relationship with EnCap Flatrock Midstream with the goal of delivering world-class midstream solutions and customer service to North American oil and gas producers. We look forward to building on the success we have had in the Mid-Continent to bring our innovative approach to producers in other regions,” said Tall Oak President and CEO [Ryan D. Lewellyn](#).

“The Tall Oak team has demonstrated an exceptional ability to execute,” said Dave Kurtz, one of EnCap Flatrock’s four managing directors and a member of the Tall Oak board of directors. “This is a responsive and dynamic team that works closely with its customers to provide flexible, reliable midstream solutions that are in place when and where they are needed. EnCap Flatrock is proud to partner again with the Tall Oak management team by supporting Tall Oak II.”

Financing

Both Tall Oak companies are led by their four founders: President and CEO [Ryan Lewellyn](#); Chief Commercial Officer [Carlos P. Evans](#); Chief Financial Officer [Max J. Myers](#); and Chief Operating Officer [Lindel R. Larison](#). The \$300 million equity commitment is the second EnCap Flatrock has made to the Tall

Oak management team and brings total financing for Tall Oak and Tall Oak II to \$850 million. Tall Oak was formed in early 2014 with an initial \$400 million equity commitment from EnCap Flatrock and Tall Oak's founders. In October 2014, Tall Oak's subsidiary, TOMPC, LLC closed on a \$100 million credit facility, which is expandable to \$150 million.

Operations in the Mid-Continent

Tall Oak now operates two natural gas gathering and processing systems in the Mid-Continent. The Tall Oak CNOW System and the Tall Oak STACK System serve multiple oil and gas producers targeting the region's liquids-rich, stacked pay zones. In Q3 2015 Tall Oak's total cryogenic processing capacity in the Mid-Continent will reach 175 MMcf/d across both systems with more than 400 miles of gathering pipeline planned.

"We're extremely proud of the progress our team has made in just 10 months of operation," said Tall Oak Chief Operating Officer Lindel R. Larison. "We have commissioned our first plant and are deep into construction of our second plant. We will continue to expand our gathering footprint and processing capacity while staying focused on providing superior service and staying ahead of our producers' needs."

Tall Oak CNOW System

The [Tall Oak CNOW System](#) serves producers targeting pay zones in the Central Northern Oklahoma Woodford ("CNOW") region, including the Mississippi Lime, Woodford Shale and Cleveland formations. Located in Payne County, Oklahoma, the Battle Ridge Complex is the central processing and nitrogen rejection facility serving Tall Oak's CNOW Gas Gathering system which spans Creek, Logan, Lincoln, Noble, Payne and Pawnee counties. The Battle Ridge Natural Gas Processing Plant came into service in mid-February with an initial processing capacity of 75 MMcf/d. The Tall Oak CNOW System provides direct access to premium downstream markets including Southern Star Central Gas Pipeline and Enable Gas Transmission for residue gas, and 175 miles of gathering pipelines and three compressor stations are in service. Tall Oak plans to install an additional 75 miles of pipe and five more compressor stations.

Tall Oak STACK System

The STACK play sits northwest of Oklahoma City and targets the Woodford and Mississippian-age shales. Tall Oak is currently operating 60 miles of natural gas gathering pipelines and one compressor station with plans to complete an additional 150 miles of pipe and two more compressor stations in 2015. [Tall Oak's STACK gathering system](#) will be served by the Chisholm Plant, a new, state-of-the-art cryogenic plant with 100 MMcf/d of processing capacity. Tall Oak expects to commission the Chisholm Plant in September 2015.

About Tall Oak Midstream, LLC and Tall Oak Midstream II, LLC

Based in Oklahoma City, Tall Oak Midstream and Tall Oak Midstream II are innovative midstream companies led by their four founders: Ryan D. Lewellyn, CEO; Max J. Myers, CFO; Carlos P. Evans, CCO; and Lindel R. Larison, COO. The Tall Oak companies are dedicated to bringing a fresh perspective to serving oil and gas producers with a full suite of midstream services. Core capabilities include natural gas gathering, compression, treating and processing; crude oil gathering and transportation; condensate and water handling; and product marketing solutions. Tall Oak is currently focused on building out two natural gas gathering and processing systems in the Mid-Continent. Tall Oak II is pursuing midstream opportunities in other resource plays. www.talloakmidstream.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, Texas, and Edmond, Oklahoma, EnCap Flatrock is led by Managing Partners William D. Waldrip, Dennis F. Jaggi and William R. Lemmons Jr. 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

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