



**FOR IMMEDIATE RELEASE**

## **STAKEHOLDER MIDSTREAM SECURES \$250 MILLION EQUITY COMMITMENT FROM ENCAP FLATROCK MIDSTREAM**

SAN ANTONIO — July 7, 2015 — [Stakeholder Midstream, LLC](#) (“Stakeholder”) today announced that the company has formed with an initial equity commitment of \$250 million from EnCap Flatrock Midstream (“EnCap Flatrock”). Based in San Antonio, Stakeholder serves oil and gas producers operating in unconventional shale plays across North America by providing midstream solutions, including in-field natural gas gathering, compression, treating and processing services; innovative NGL solutions; and crude oil gathering, transportation and storage. The company will build on the management team’s deep technical and commercial experience in the Eagle Ford Shale and other major basins throughout North America.

Stakeholder is led by founding principals Robert F. Liddell and Gaylon E. Gray. Mr. Liddell serves as Stakeholder’s Chief Executive Officer and Mr. Gray is the company’s Chief Operating Officer. Mr. Liddell and Mr. Gray established a track record of success in South Texas while working together at TexStar Midstream Services, LP (“TexStar”) (now Southcross Energy Partners, LP, NYSE: SXE). During their tenure at TexStar, Mr. Liddell and Mr. Gray secured dedications totaling more than 375,000 acres. They negotiated over \$1 billion of guaranteed revenues to support their deployment of over \$1.4 billion of capital across South Texas, where they developed greenfield projects to support TexStar’s growth in the Eagle Ford Shale. Mr. Liddell and Mr. Gray helped grow TexStar from four to more than 100 employees prior to its merger with Southcross.

### **CEO Perspective**

“EnCap Flatrock Midstream is the nation’s leader in midstream private equity and brings a wealth of experience in the space. We are excited to partner with their team to build a growth-oriented and deeply engaged midstream company,” said Stakeholder Principal and Chief Executive Officer Robert Liddell. “We think of ourselves as problem solvers who create value by developing midstream solution sets that deliver safe, reliable and cost-effective results. We have an experienced leadership team with a strong history of execution across the midstream value chain. Our goal is to build enduring relationships with all of our stakeholders based on hard work, trust, ethical behavior and equitable dealings.”

### **From EnCap Flatrock Midstream**

Bill Waldrip, one of EnCap Flatrock’s three managing partners and a member of the Stakeholder board of directors, said, “Our strategy is to invest in skilled management teams with successful track records. Our initial equity commitment to Stakeholder reflects our confidence in Rob and Gaylon and their proven ability to effectively deploy capital, develop complex assets and grow a dynamic midstream company. They have a deep understanding of producers’ midstream needs and how to move quickly to meet them.”

## **Management Team**

Principal and Chief Executive Officer Rob Liddell has significant expertise in the areas of customer and investor relations, project management, financial structuring, and business and commercial development with a focus on the midstream space. Mr. Liddell most recently served as vice president of business development at TexStar Midstream, where he was responsible for all deal sourcing, contract negotiations and customer relations outside of downstream purity products.

Principal and Chief Operating Officer Gaylon Gray is a third-generation midstream professional and has worked in the midstream industry since high school. He has worked throughout Texas, the Mid-Continent and Louisiana engineering, constructing and operating sour gas assets, compressor stations, treating facilities, processing plants and fractionators, as well as crude oil gathering and transportation pipelines and terminals. Prior to Stakeholder, Mr. Gray served as vice president of engineering at TexStar Midstream, where he led a team that was responsible for the company's organic growth through the design, construction and operation of all natural gas, crude oil and NGL facilities.

## **Legal Advisers**

Stakeholder Midstream was advised by Dallas law firm Mack, Matheson & Marchesoni PLLC with partner Timothy A. Mack in the lead role. Thompson & Knight LLP represented EnCap Flatrock Midstream with partner Sarah E. McClean leading the legal team from the firm's Houston office.

## **About Stakeholder Midstream**

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. [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 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](http://www.efmidstream.com)

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