



FOR IMMEDIATE RELEASE

SILVERBACK EXPLORATION II, LLC FORMS WITH \$500 MILLION EQUITY COMMITMENT FROM ENCAP INVESTMENTS L.P.

SAN ANTONIO – July 10, 2017 – [Silverback Exploration II, LLC](#) (“Silverback II”), an independent oil and gas exploration company based in San Antonio, announced today that it has secured an initial equity commitment of \$500 million from [EnCap Investments L.P.](#) (“EnCap”). Silverback II was formed by the same team that successfully led its predecessor company, Silverback Exploration, LLC (“Silverback I”), which was also backed by EnCap.

Silverback I developed a significant position in the heart of the Delaware Basin, including approximately 35,000 net acres, production of 3,500 barrels per day of crude oil equivalent and approximately 600 horizontal drilling locations. In December 2016, its leasehold interests and related assets were sold to Centennial Resource Development Inc. and its affiliates (NASDAQ: CDEV) (NASDAQ: CDEVW) for \$855 million.

Silverback II was formed to pursue organic development projects and strategic acquisitions in conventional and unconventional resource plays across the U.S. and is led by the seasoned Silverback I management team — Chief Executive Officer Stephen Lipari, Chief Commercial Officer David Frye and Chief Exploration Officer Jon Conaway. George M. Young Jr. and Ted Collins Jr. serve as nonexecutive advisers.

“Our team has a high level of expertise in horizontal drilling and a comprehensive understanding of operational efficiencies that are already shaping the focus of our new company,” said Silverback CEO Stephen Lipari. “We are thrilled to partner with EnCap for a second time. EnCap’s financial strength coupled with the proven track record of the Silverback team is a compelling combination that provides us with the ability to source deals, develop assets and create value.”

“Consistent with EnCap's long history of rebacking management teams on the heels of a successful exit, we are very pleased to have the opportunity to partner once again with Silverback,” said EnCap Managing Partner David Miller.

Silverback II was advised by the Fort Worth office of Kelly Hart & Hallman. EnCap was advised by Thompson & Knight LLP.

About Silverback Exploration II

Silverback Exploration II is an independent oil and natural gas exploration company based in San Antonio. The company is led by Chief Executive Officer Stephen Lipari, Chief Commercial Officer David

Frye and Chief Exploration Officer Jon Conaway. George M. Young Jr. and Ted Collins Jr. serve as nonexecutive advisers. Silverback II is backed by a \$500 million equity commitment from EnCap Investments L.P. For more information, please visit www.silverbackexp.com.

About EnCap Investments L.P.

Since 1988, EnCap Investments has been the leading provider of venture capital to the independent sector of the U.S. oil and gas industry. The firm has raised 20 institutional oil and gas investment funds totaling approximately \$33 billion and currently manages capital on behalf of more than 300 U.S. and international investors. For more information, please visit www.encapinvestments.com.

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