



## FOR IMMEDIATE RELEASE

### **Cardinal Midstream III Announces the Iron Horse System, a New Natural Gas Gathering and Processing System Serving Oklahoma's SCOOP/STACK/Merge Play**

- Initial plans for Cardinal's Iron Horse System call for more than 100 miles of gas gathering pipeline, multiple compressor stations and a state-of-the-art cryogenic processing plant with the capacity to process 200 million cubic feet of natural gas per day (MMcf/d).

DALLAS – February 7, 2018 – [Cardinal Midstream III, LLC](#) ("Cardinal III") announced today that it is developing the Iron Horse System, a new natural gas gathering and processing system designed to serve producers working in Oklahoma's SCOOP/STACK/Merge play. Located in Oklahoma's Anadarko Basin, the liquids-rich play targets multiple benches within the Woodford and Mississippian pay zones, with upside from additional horizons.

Construction of the gathering system is underway, and Cardinal expects to commission the system's first natural gas processing plant in the third quarter of 2018. The Iron Horse System is anchored by a long-term acreage dedication from Travis Peak Resources, LLC. Cardinal III is in discussions with other producers in the area to bring gas onto the Iron Horse System. Supported by a capital commitment of \$250 million from [EnCap Flatrock Midstream](#), Cardinal III is the third company the Cardinal management team has formed in partnership with EnCap Flatrock Midstream and follows the previous successes of Cardinal Midstream I and Cardinal Midstream II.

"The team at Cardinal has decades of proven midstream experience, a deep understanding of producer needs and a strong track record of rapid, reliable execution. We have great confidence in Cardinal and look forward to a long, productive relationship," said Travis Peak President and CEO Jim Addison.

"Our predecessor company, Cardinal I, began working in Oklahoma in 2010, so this is a homecoming for us. The drilling results and production growth in the SCOOP/STACK/Merge are very exciting. We are seeing more producers move additional rigs into this prolific area because of its compelling economics and improving results. We are committed to meeting operators' growing needs across the play with a rapid build-out of our system," said Cardinal Chairman and CEO Doug Dormer. "Our business strategy has always centered on our relationships with our customers. We understand that our success is driven by the success of those we serve. To that end, we are working tirelessly to enhance value by building infrastructure that maximizes netbacks and provides access to multiple markets."

#### **Iron Horse System Details**

Cardinal's initial Iron Horse System will span Canadian, Grady, Caddo and McClain counties. The first phase of the system will consist of more than 100 miles of high- and low-pressure natural gas gathering pipeline, multiple compressor stations and the Iron Horse cryogenic gas processing plant with the capacity to

process 200 million cubic feet of natural gas per day (MMcf/d). The team at Honeywell's UOP Russell division designed and fabricated the plant to meet Cardinal's requirements for an efficient and predictable installation schedule, reliable runtime and increased NGL recoveries from the area's gas stream.

Located in Grady County, the Iron Horse Plant site is designed to accommodate additional expansions that would bring total processing capacity to 600 MMcf/d to serve production growth.

#### **About Cardinal Midstream**

Founded in 2008, Cardinal is focused on natural gas and crude oil gathering, natural gas processing, centralized compression facilities, condensate stabilization, vapor recovery and natural gas treating. Cardinal is supported by capital commitments from EnCap Flatrock Midstream. Cardinal is based in Dallas and has offices in Mustang, Oklahoma; Kingwood, Texas; and Galetton, Pennsylvania. Visit [www.cardinalmidstream.com](http://www.cardinalmidstream.com) for more information.

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

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