



**FOR IMMEDIATE RELEASE**

**GRAVITY MIDSTREAM ACQUIRES CRUDE OIL TERMINAL  
ON THE CORPUS CHRISTI SHIP CHANNEL**

HOUSTON – June 8, 2015 – [Gravity Midstream, LLC](#) ("Gravity") today announced that its wholly owned subsidiary, Gravity Midstream Corpus Christi, LLC, has closed on the acquisition of a 44-acre crude oil logistics terminal located on the Corpus Christi Ship Channel in the heart of the area's refining center. The fully permitted facility will serve traders, producers and refiners of crude oil and condensate produced in the Eagle Ford Shale and the Permian Basin. Gravity expects to bring the terminal into service in September 2015 under the name Gravity Oil Terminal at Corpus Christi ("GOTAC" or the "GOTAC Terminal").

"We are excited to take ownership and begin the process of commissioning and expanding this unique facility," said Gravity Midstream President [Arthur J. \("AJ"\) Brass](#). "The GOTAC Terminal is a logistically advantaged facility that provides a significant outlet for oil produced in the Eagle Ford and Permian areas and will soon offer storage, processing and throughput service via all four major modes of connectivity: pipeline, deep water, truck and rail."

**GOTAC Terminal Specifics**

Existing infrastructure at GOTAC includes 800,000 barrels of tankage with access to an additional planned 2 million barrels of storage capacity, deep water dock access, a crude processing unit ("CPU") with current capacity to process up to 25,000 barrels per day ("bpd") of heavy crude, and rail and truck loading and unloading facilities. Gravity expects to convert the CPU into a 35,000 bpd condensate stabilizer or condensate splitter. If customer demand is sufficient, Gravity will build a second stabilizer or splitter, enabling the company to process up to 100,000 bpd at GOTAC.

The GOTAC Terminal offers current pipeline connectivity to neighboring CITGO and Valero refineries. Gravity plans to connect the terminal to major supply pipelines originating in the Eagle Ford Shale and Permian Basin by mid-2016. GOTAC will have access to an adjacent deep water dock that will serve Aframax crude tankers, favored because of their ability to serve most ports in the world.

Gravity Midstream Corpus Christi, LLC acquired the facility from Trigeant, Ltd. for \$100 million. The transaction was part of a Chapter 11 plan approved by a Florida bankruptcy court in May 2015. Steve Canner and Ben Mintz, partners at Kaye Scholer LLP's New York office, served as lead legal counsel to Gravity.

## **Financing**

Gravity Midstream was formed in 2013 with an initial private equity commitment of \$150 million from EnCap Flatrock Midstream. “We are very pleased to support this acquisition, and we are currently preparing to make a substantial increase to the size of our initial \$150 million commitment to the Gravity team,” said Bill Waldrip, one of EnCap Flatrock’s three managing partners and a member of the Gravity Midstream board of directors. EnCap Flatrock Managing Director Morriss Hurt and Senior Adviser [Greg King](#) also serve on the Gravity board of directors along with Gravity President AJ Brass and Chief Financial Officer Jason Goldstein. Mr. King is new to the Gravity board. He joined EnCap Flatrock earlier this year and is the former president of Valero Energy Corporation (NYSE: VLO). “Greg brings tremendous value to Gravity’s board,” Bill Waldrip said. “His contact base and knowledge of liquids handling and logistics are unmatched. We are all looking forward to working with AJ and his team to develop the GOTAC Terminal into something very special that will create long-term value for Gravity’s customers and our investors.”

## **About Gravity Midstream, LLC**

Based in Houston, Gravity was formed in June 2013 to acquire, develop and operate midstream energy assets with a specific focus on providing logistics solutions for crude oil and petroleum products. Gravity is supported by private equity commitments from EnCap Flatrock Midstream. The members of Gravity’s management team have more than 75 years of collective experience in the energy industry, having owned and operated terminals across North America and Europe. [www.gravitymidstream.com](http://www.gravitymidstream.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](http://www.efmidstream.com)

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