



**FOR IMMEDIATE RELEASE**

**Cardinal Midstream Secures \$200 Million Equity Commitment  
from EnCap Flatrock Midstream, Expands Senior Management Team**

DALLAS – May 14, 2013 – [Cardinal Midstream II, LLC](#) (“Cardinal”) announced today that the company has secured a \$200 million equity commitment from [EnCap Flatrock Midstream](#) (“EnCap Flatrock”) of San Antonio to support the continued growth and development of the company’s core business. The company will pursue midstream development opportunities, in both conventional and unconventional resource plays across North America with an emphasis on areas where the management team has significant experience including Texas, Louisiana, Oklahoma and New Mexico.

Cardinal was founded in 2008 with an initial \$75 million equity commitment from [EnCap Investments L.P.](#) and EnCap Flatrock Midstream. In 2010, the equity commitment to Cardinal was increased to \$280 million. Cardinal acquired and developed a substantial natural gas gathering, treating and processing system in the Arkoma Woodford Shale, and in 2012 the company sold all of its midstream assets and its natural gas contract treating business to Atlas Pipeline Partners, L.P. (NYSE: APL) for \$600 million.

With this new commitment, Cardinal is led by CEO Doug Dormer and President Marc Lyons. The company’s senior leadership team has been directly involved in the development and operation of more than \$1 billion in midstream assets. Cardinal is focused on natural gas and crude oil gathering, compression and centralized production facilities, condensate stabilization, vapor recovery, and natural gas treating and processing.

**Management Perspective**

“We are very pleased to have EnCap Flatrock’s continued support and confidence. With a highly experienced core team already in place and a very successful operational track record, we have established a solid platform and are well-positioned for growth,” said Doug Dormer. “Our number one commitment is always to our customers: rapidly meeting producers’ needs for midstream facilities and providing services that will enable them to meet their own business objectives.”

“We’ve built our company on a foundation of uncompromising commitment to excellence, putting our customers first and providing producers with lasting value,” added Marc Lyons.

**Comments from EnCap Flatrock Midstream**

“The key component of our strategy is to invest in exceptional and highly experienced management teams. Doug, Marc and the rest of the Cardinal team are uniquely qualified. They are seasoned midstream executives with deep understanding of upstream and midstream landscapes combined with an outstanding record of success. We are proud to partner with them again and look forward to this exciting new chapter in Cardinal’s growth story,” said EnCap Flatrock Managing Partner and Cardinal Midstream board member, Dennis Jaggi.

Mack Matheson & Marchesoni PLLC served as legal counsel to Cardinal Midstream with Thompson & Knight LLP advising EnCap Flatrock Midstream.

## **Mark Ward joins Cardinal Midstream as Vice President & COO**

Cardinal also announced that Mark Ward has joined the company as Vice President and Chief Operating Officer. Mr. Ward has more than 30 years of engineering, operations and project management experience in both the upstream and midstream segments of the oil and gas industry. Mr. Ward will lead the company's operations and engineering efforts and provide support to Cardinal's project development and commercial activities.

In 2005 Mr. Ward established Natural Gas Consultants, LLC focusing on providing both production and midstream companies with efficient natural gas and crude oil gathering systems as well as production, liquids handling and compression facilities. Prior to forming Natural Gas Consultants, LLC, Mr. Ward was manager of business development for American Central Gas Technologies, providing rapid expansion for the company's East Texas assets. Mr. Ward began his career with Mitchell Energy Corporation in Fort Worth as a drilling, production and reservoir engineer. His deep experience in midstream also includes gas supply engineer, and plant and project manager for Delhi Gas Pipeline.

### **About Cardinal Midstream**

Headquartered in Dallas, Cardinal Midstream provides oil and gas producers with a full suite of midstream services including natural gas and crude oil gathering, compression and centralized production facilities, stabilization, vapor recovery, and natural gas treating and processing. Members of the senior management team include Doug Dormer, Marc Lyons, Mark Ward, Tim Roberts, Larry Connors and Mack Lawrence. Cardinal Midstream is backed by private equity commitments from EnCap Flatrock Midstream and is pursuing midstream opportunities across North America. Visit <http://www.cardinalmidstream.com> for more information.

### **About EnCap Flatrock Midstream**

EnCap Flatrock Midstream provides value-added private equity capital to proven management teams focusing on midstream infrastructure opportunities across North America. Founded in 2008 by EnCap Investments L.P. and Flatrock Energy Advisors, the firm is based in San Antonio and led by Managing Partners William D. Waldrip, William R. Lemmons Jr. and Dennis F. Jaggi. With more than 100 years of midstream experience, the principals at EnCap Flatrock manage a dedicated professional staff and midstream-focused investment commitments of nearly \$3 billion from a broad group of prestigious institutional investors. EnCap Flatrock is currently investing out of EnCap Flatrock Midstream Fund II, a \$1.75 billion fund. Visit [www.efmidstream.com](http://www.efmidstream.com) for more information.

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