• Focused on the midstream sector of the oil and gas industry

• Strategy
  - Buy and build, including greenfield projects
  - Operational expansion and growth
  - Low to moderate leverage (2.0x to 3.0x cash flow)
  - Primarily exits from sales to strategic buyers

• Experience
  - Managing midstream private equity capital since 1996
  - Long-term relationships with the industry’s leading midstream management teams
# Fund History

<table>
<thead>
<tr>
<th>Fund Size</th>
<th>Vintage</th>
<th>Investments</th>
<th>Fund Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Energy Spectrum Partners LP</strong></td>
<td>$140 million</td>
<td>1996</td>
<td>Eight portfolio companies (70% in midstream sector)</td>
</tr>
<tr>
<td><strong>Energy Spectrum Partners II LP</strong>(a)</td>
<td>$133 million</td>
<td>2000</td>
<td>Seven portfolio companies (75% in midstream sector)</td>
</tr>
<tr>
<td><strong>Energy Spectrum Partners III LP</strong>(a)</td>
<td>$86 million</td>
<td>2000</td>
<td>Seven portfolio companies (75% in midstream sector)</td>
</tr>
<tr>
<td><strong>Energy Spectrum Partners IV LP</strong></td>
<td>$354 million</td>
<td>2004</td>
<td>Ten portfolio companies (80% in midstream sector)</td>
</tr>
<tr>
<td><strong>Energy Spectrum Partners V LP</strong></td>
<td>$612 million</td>
<td>2007</td>
<td>Ten portfolio companies (100% in midstream sector)</td>
</tr>
<tr>
<td><strong>Energy Spectrum Partners VI LP</strong></td>
<td>$999 million</td>
<td>2011</td>
<td>Nine portfolio companies formed to date (100% in midstream sector)</td>
</tr>
</tbody>
</table>

(a) Energy Spectrum Partners II & III operated as a single $218 million investment vehicle.
Organization Chart

ENERGY SPECTRUM CAPITAL
Midstream Funds

Tom Whitener
Founding Partner

Jim Benson
Founding Partner

Jim Spann
Founding Partner

Peter Augustini
Partner

Ben Davis
Partner

Mark Honeybone
Partner

Chandler Phillips
Senior Associate

Mike Mayon
Senior Associate

Alison Fischer, CPA
Dir. Financial Rptg.

Chris Stewart, CPA

Elizabeth Caviness, CPA
Senior Accountant

Andy Waltman, CPA
Senior Accountant

Terry Lowry, CPA
Controller

Becky Geiger
Exec. Assistant

Sandra Garcia
Exec. Assistant
• **Energy Spectrum’s seven partners have worked together an average of 23 years**
  - All seven partners have an average 26 years of energy industry experience
Benefits to Producer

Capital
Energy Spectrum funds the midstream CapEx, so the producer can spend its capital developing production. Monetization option may also be available to extract cash value at time-zero from existing producer-owned midstream assets.

Expertise
Portfolio company leaders are experienced midstream veterans with C-suite resumes and extensive midstream-specific technical proficiency.

Focus and Execution
Portfolio company leaders have significant equity in the business. You’re talking to the owners, and the entire team is dedicated to your project.

Manpower
Producer’s manpower resources can be spent on its core business of developing production.

Market Optionality
Producer is given market alternatives and improved access, resulting in higher commodity prices received by the producer.

Cost Savings
Handling production of more than one producer creates economy-of-scale cost savings while still providing individualized service and segregating production as necessary.
Sample Investment – Velocity Midstream Partners, LLC

**Velocity Midstream Partners, LLC**
CEO – Rick Wilkerson

- **Built a 121-mile condensate gathering, transportation and storage system in the Eagle Ford**
  - Established the Gardendale Hub
  - Producer customers included Shell, Rosetta, SM Energy, Talisman and Chesapeake

- **Provided a total solution:**
  - Truck loading & unloading
  - Product stabilization & storage
  - Takeaway alternatives: highway access for trucks, long-haul pipeline optionality and rail access
Sample Investment – Stonehenge Energy Resources LP

Partner – Kahuna Ventures

- Stonehenge operated a joint venture with Rex Energy Corp (NASDAQ: REXX) to develop natural gas gathering and processing assets to support Rex’s liquids rich Marcellus production in Butler County, PA

- **Staged processing solution**
  - Initially installed a 40 MMcfd cryogenic processing plant to “prove the resource,” then added an additional 50 MMcfd plant

- **Rex reduced execution risk and capital exposure, but maintained economic upside with ownership**
Active Portfolio Companies

- Azure Midstream Company LLC
  - Chip Berthelot

- The Ceritas Group
  - Richard Sherrill

- Costar Midstream
  - Kevin Sullivan

- Frontier Midstream, LLC
  - Dave Presley

- Hoover Energy Partners LP
  - Randy Hoover

- Kanata Energy Group
  - Kevin Cumming

- Prism Midstream LLC
  - Bob Dunn

- Rio Midstream
  - Terrel LaRoche

- Stonehenge Energy Resources LP
  - Kahuna Ventures

- Texas Energy Midstream
  - Dennis Moser
  - Stan Archibald

- Tristate Midstream
  - Glen Harrod

- Velocity Midstream Partners, LLC
  - Rick Wilkerson
LEADING INDUSTRY VETERANS ON THE STATE OF ENERGY INVESTING

sponsored by

Opportune