

## **WATERBRIDGE RESOURCES ACQUIRES ARKOMA BASIN PRODUCED WATER GATHERING & DISPOSAL COMPANY**

Platform Secures Additional Equity Commitment of \$300 Million from Five Point Capital Partners; Brings Total Five Point Equity Commitments to \$500 Million

WaterBridge Continues to Establish Itself as a Premier Water Midstream Provider in High-Producing Basins, with an Integrated Full-Cycle System

**HOUSTON, TX -- (October 10, 2017)** – WaterBridge Resources LLC today announced that, through its affiliate WaterBridge Resources II LLC (WaterBridge II and collectively, "WaterBridge"), it has closed on the acquisition of Arkoma Water Resources, LLC, (the "Acquisition"), from USG Surface Facilities I, LLC, ("USG"). WaterBridge II was formed in conjunction with the Acquisition and is supported by \$300 million in equity commitments from Five Point Capital Partners LLC and its affiliates ("Five Point"), increasing Five Point's aggregate equity commitments to WaterBridge to \$500 million.

The acquired company operates approximately 110 miles of produced water pipeline and 95 miles of gas lift pipeline infrastructure, along with three water transfer facilities and five saltwater injection facilities, located in Hughes and Pittsburg Counties, Oklahoma. In connection with the Acquisition, USG and its affiliates have dedicated current and future leasehold exploration and production activities within a 1.1 million acre area of mutual interest pursuant to 10-year, fixed-fee produced water gathering and disposal agreements that include certain minimum volume commitments. WaterBridge plans to expand the system in support of the development program and intends to use its excess transportation and disposal capacity to handle the transport and disposal of produced water volumes from third-party producers in the Arkoma Basin.

The acquisition expands WaterBridge's operating presence into multiple basins, where its other core focus is in the highly active southern Delaware Basin. Consistent with its strategy in the Delaware Basin, WaterBridge plans to implement a holistic and comprehensive water management system in the Arkoma Basin that includes a state-of-the-art network of produced and flow back water gathering and disposal systems, supply and sourcing water capabilities and facilities, and customized water treatment and recycling solutions for reuse of existing flowback and produced water.

The equity commitment to WaterBridge II increases Five Point's total equity commitments to the WaterBridge platform to \$500 million. Five Point expects to increase its commitment to WaterBridge as the company executes its growth strategy in both the Delaware Basin and Arkoma Basin, and continues to expand its operations into other prolific producing oil and gas plays.

"This strategic acquisition complements our existing produced water, supply water, transportation pipeline and SWD infrastructure businesses, and enables WaterBridge to provide

additional services for producers in Oklahoma," said WaterBridge CEO Stephen Johnson. "With the increased drilling activity and extremely encouraging well results from area producers, the Arkoma basin is a key focus area for WaterBridge. Notably, the acquisition expands upon WaterBridge's existing asset footprint and multi-basin portfolio strategy, providing an excellent platform for future system expansion."

"We are pleased to support WaterBridge's continued growth as it acquires and develops state-of-the-art water midstream assets in the southern Delaware Basin," said David Capobianco, CEO and Managing Partner of Five Point. "WaterBridge continues to take definitive steps towards becoming a leading water midstream services provider in basins throughout North America."

### **About WaterBridge Resources, LLC**

WaterBridge Resources is a midstream development company focused on developing, acquiring and operating large-scale water infrastructure for oil and gas producers, including water sourcing, gathering and distribution pipelines, treating, recycling, separation, and disposal infrastructure solutions. WaterBridge is led by Stephen Johnson, John Durand and Andy Stephens, and is supported by equity commitments from Five Point Capital Partners. For more information, please visit [www.H2OBridge.com](http://www.H2OBridge.com).

### **About Five Point Capital Partners**

Five Point Capital Partners is a private equity firm focused on midstream energy infrastructure and energy sector investments across North America. Five Point's investment strategy is to partner with leading E&P Companies to build and develop midstream infrastructure to support E&P partner drilling programs, as well as to develop and support strong management teams through buyouts, growth capital and greenfield investments within the midstream energy sector. Based in Houston, Texas, Five Point has over \$1.2 billion of capital under management. For further information, please visit [www.fivepointcp.com](http://www.fivepointcp.com).

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