



PINNACLE MIDSTREAM

Pinnacle Midstream II to Double the Processing Capacity of the Dos Picos Natural Gas System and Processing Complex in the Midland Basin

- *Pinnacle announces Final Investment Decision for Train II processing and nitrogen rejection facility for a total capacity of 440 MMcf/d, extending the company's growing midstream services franchise in the Midland Basin*
- *Train II is anticipated to be fully operational during the fourth quarter of 2024*
- *Anchoring the expansion project are multiple existing and newly executed long-term acreage dedications*

HOUSTON & MIDLAND, TEXAS – July 11, 2023 – [Pinnacle Midstream II LLC](#) (“Pinnacle” or “the company”), an independent energy infrastructure company, today announced the expansion of its Dos Picos System and Processing Complex with the construction of an additional natural gas processing plant (“Train II”). Train II, which is targeted for commercial operation during the fourth quarter of 2024, will add 220 million cubic feet per day (“MMcf/d”) of processing capacity, increasing the company’s total operated processing capacity in the Midland Basin to more than 440 MMcf/d.

Pinnacle will also expand its strategically located gathering and compression facilities throughout Midland, Martin, and Glasscock counties to accommodate expected and future volumes. The company’s infrastructure is anchored by long-term acreage dedications with highly active private and public Permian operators. Pinnacle designed and operates the Dos Picos infrastructure with a focus on air quality preservation and safety, and to enable efficient expansions that support high intensity pad development and increasing gas/oil ratio throughout the Midland Basin.

“This is an exciting next step for Pinnacle's growing base of Midland Basin producers. Expanding the Dos Picos capacity by 220 MMcf/d ensures we can provide the best service to our current and future customers, maximize their recoveries, and help limit flaring across the basin,” said Pinnacle Founder and Chief Executive Officer J. Greg Sargent.

“The extremely productive acreage being developed by our customers, as well as Dos Picos’ strategic Midland Basin location, ensure that we can provide the safest, most economical and efficient options for our customers for many years to come,” said Chief Commercial Officer Drew Ward.

The Train II facility will be collocated in Midland County and will complement Pinnacle’s existing processing facilities and high-pressure, large diameter gathering and compression infrastructure that [commenced operations](#) during the first quarter of 2021. Pinnacle also provides multiple bi-directional and high-pressure third-party interconnects with peer companies within the region that allows the company to maximize flow assurances for its producers and third-party midstream customers. The expanded processing capacity will continue to provide top of class operational efficiencies, continued access to the most competitive downstream markets and maximize netbacks for Pinnacle’s customers.

About Pinnacle Midstream II, LLC

Pinnacle Midstream II, LLC is an independent midstream energy company headquartered in Houston, Texas. The company is focused on providing high-quality natural gas services to producer customers throughout the Midland Basin. For more information, please visit www.pinnaclemidstream.com.

About Energy Spectrum Capital

Pinnacle Midstream II is backed by Energy Spectrum Capital, a Dallas, Texas-based infrastructure firm that makes direct investments in well managed, lower-middle-market companies that acquire, develop, and operate energy assets in North America. For more information, please visit www.energyspectrum.com.

Business Contact:

Drew Ward

Chief Commercial Officer

(713) 751-2352

dward@pinnaclemidstream.com

Media Contact:

Bevo Beaven

Redbird Communications Group

bevo@redbirdpr.com

###