



TPG Capital Announces Acquisition of Goodnight Midstream

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Experienced energy investor partners with leading produced water management platform

Transaction provides company with significant incremental capital to accelerate growth

Dallas and Fort Worth, Texas & San Francisco – March 11, 2019 – TPG Capital, the private equity platform of global alternative asset firm TPG, announced today it has signed a definitive agreement to acquire a majority stake in Goodnight Midstream, a leading midstream produced water infrastructure company, for approximately \$930 million. TPG is acquiring the company from Tailwater Capital and private investors. Existing shareholders, including management, will retain a significant minority interest in the company.

Under the terms of the transaction, TPG Capital and existing shareholders have agreed to commit additional equity capital to support the continued growth of the business. With additional growth equity and proceeds from committed debt financing, the company will have access to more than \$300 million of capital to fund continued expansion. The transaction is expected to close in the second quarter and is subject to customary closing conditions.

“Our business is focused on building long-term innovative and cost-effective produced water solutions,” said Patrick Walker, CEO of Goodnight Midstream. “Our piped systems save our customers money while reducing the environmental impact of oil and gas production. I’m proud of what our team has accomplished in eight years and look forward to leveraging TPG’s strong network and expertise in the midstream space as we continue to build the mission critical infrastructure required by our world-leading E&P customers.”

Goodnight Midstream is a leading midstream provider of oilfield water management infrastructure. Through an extensive network of more than 420 miles of dedicated produced water gathering and transportation pipelines and more than 50 saltwater disposal wells, Goodnight Midstream gathers, transports, and disposes more than 350,000 barrels of produced water per day. With more than 800,000 dedicated gross acres and more than 1.4 million barrels per day of permitted water disposal capacity, the company is well positioned to sustain high growth. Compared to traditional trucking, the company’s pipeline infrastructure solutions help minimize environmental impact and allow for safer, more reliable, and cost-effective produced water transportation and disposal. Goodnight Midstream operates in the Permian, Bakken, and Eagle Ford, the three largest oil-producing basins in North America, through long-term contracts with some of the most active producers in these regions.

“The team at Goodnight Midstream has created a differentiated approach to providing produced water services through a dynamic midstream model,” said Christopher Ortega, Partner at TPG Capital. “As the midstream water sector continues to develop and mature, we believe the company is well positioned to emerge as a leading provider of scale. We’re excited to support the company through its next chapter of growth.”

TPG’s energy team has a long history of partnering with leading companies and strong management teams across the energy value chain. Focused on building strategic platforms with significant growth potential, the team’s investments have included Discovery Midstream, EnLink Midstream, Jonah Energy and Copano Energy.

BMO Capital Markets served as financial advisor and Kirkland & Ellis LLP served as legal counsel to TPG Capital. Jefferies LLC acted as lead financial advisor and Credit Suisse Securities (USA), LLC served as joint financial advisor to Goodnight Midstream. Vinson & Elkins LLP served as legal counsel to Goodnight Midstream.

About Goodnight Midstream, LLC

Goodnight Midstream builds and operates midstream oilfield water infrastructure for oil and gas producers. The Company owns and operates an extensive network of water gathering pipelines and saltwater disposal wells focused on gathering, transportation, and disposing of produced saltwater for its customers. Goodnight’s midstream approach minimizes environmental impact and improves health and safety while lowering lease operating expense and improving reliability for its customers. Goodnight Midstream operates in the most active basins in the United States with significant positions in the Permian Basin and the Bakken Formation as well as an expanding footprint in the Eagle Ford Shale. For more information, please visit www.goodnightmidstream.com.

About TPG

TPG is a leading global alternative asset firm founded in 1992 with more than \$103 billion of assets under management and offices in Austin, Beijing, Boston, Dallas, Fort Worth, Hong Kong, Houston, London, Luxembourg, Melbourne, Moscow, Mumbai, New York, San Francisco, Seoul, and Singapore. TPG’s investment platforms are across a wide range of asset classes, including private equity, growth venture, real estate, credit, and public equity. TPG aims to build dynamic products and options for its investors while also instituting discipline and operational excellence across the investment strategy and performance of its portfolio. For more information, visit www.tpg.com

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