



**FOR IMMEDIATE RELEASE**

**Meritage Midstream Announces  
January Startup of NGL Pipeline in Powder River Basin**

- The first leg of the Thunder Creek NGL Pipeline will connect the 50 Buttes Natural Gas Processing Complex to the Phillips 66 Powder River Pipeline
- Construction of an additional 140-mile segment to begin in early 2015

DENVER – December 18, 2014 – [Meritage Midstream Services II, LLC](#) (“Meritage”) announced today that operations on the first 108-mile leg of the Thunder Creek NGL Pipeline will begin in January 2015. The FERC-regulated pipeline will be owned and operated by Thunder Creek NGL Pipeline, LLC, a wholly owned subsidiary of Meritage. The 108-mile pipeline serves producers in Wyoming’s prolific Powder River Basin and consists of 22 miles of newly constructed pipeline and an additional 86 miles secured through a long-term lease from [Phillips 66](#) (NYSE: PSX). The pipeline has an initial capacity to transport 15,000 barrels per day (bbls/d). Meritage expects to expand the pipeline’s capacity to 30,000 bbls/d as shipper demand increases.

The pipeline originates at the 50 Buttes Natural Gas Processing Complex near Gillette, Wyoming, and terminates at an interconnect with Phillips 66’s Powder River Pipeline near Douglas, Wyoming. The Phillips 66 Powder River Pipeline delivers natural gas liquids to Phillips 66’s fractionation and refining complex near Borger, Texas. The 50 Buttes Plant is owned by Thunder Creek Gas Services, L.L.C., also a wholly owned subsidiary of Meritage.

Meritage also announced that it will begin construction of a 140-mile extension of the NGL pipeline in early 2015. The 140-mile extension will include an interconnect near Cheyenne, Wyoming, into the Overland Pass Pipeline Company’s 760-mile pipeline that provides NGL deliveries to the Mid-Continent market center in Conway, Kansas. This extension is expected to come into service during the first quarter of 2016.

“We are very pleased that our new NGL pipeline will provide producers in the Powder River Basin with rapid access to market and improved netbacks,” said Meritage Midstream CEO Steve Huckaby. “Our focus is always on what’s best for our customers and this initial pipeline is a great intermediate solution while we continue to build out the system to offer connectivity to additional markets, including market centers at Conway, Kansas, and potentially Mont Belvieu, Texas.”

**About Meritage Midstream Services**

Based in Denver, Meritage Midstream provides oil and gas producers with a full complement of midstream services through its subsidiaries, Thunder Creek Gas Services, L.L.C; Thunder Creek NGL Pipeline, LLC; Meritage Marketing, LLC; Black Thunder Terminal, LLC; and Black Thunder Marketing, LLC. Capabilities include the gathering, compression, treating, processing, fractionation, transportation and marketing of natural gas, NGLs and condensate; crude oil gathering, blending, storage, transportation and marketing; and transportation and handling for frac sand and produced water. The company’s senior management team has more than 200 years of collective experience in the midstream business.

Meritage Midstream is backed by an equity commitment from [Riverstone Holdings LLC](#).  
Visit [www.meritagemidstream.com](http://www.meritagemidstream.com) for more information.

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