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**WATER MIDSTREAM PARTNERS ANNOUNCES COMPLETION OF COMMERCIAL SALTWATER PIPELINE
EXTENSION IN MIDLAND COUNTY, TEXAS**

Midland, TX – July 20, 2016 – Water Midstream Partners, LLC (“Water Midstream”) has completed the southern extension to its Midland County commercial pipeline system, connecting new oil and gas wells inside and adjacent to the city of Midland to its Saltwater Disposal Well (“SWD”) on SH 158, north of the Nadine and Tom Craddick Highway. This extension takes the system south of County Road 60 and west of SH 158, bringing the total miles of this pipeline system to 9.5 miles, adding to the more than 45 miles of operator-owned pipelines that connect to Water Midstream’s Midland County SWD. This extension will create direct pipeline connections for salt water disposal for more than 100 existing and planned wells, reducing operator costs for saltwater transportation and disposal, and eliminating as many as 300 daily trips by water hauling trucks on county and state roads.

According to B.G. Clark, President of Water Midstream Partners, “We are doing something new out here. Commercial SWDs are sometimes connected to individual operators by a dedicated pipeline, but in many cases water is transported by truck, often representing the largest single operating expense of an oil and gas well. What we are doing is building commercial saltwater pipelines that connect multiple operators, making it possible to connect fields where a dedicated pipeline would be uneconomical. We see things differently from most SWD operators. We see our position as a midstream company – a water midstream company, providing solutions through commercial saltwater pipelines. This is especially important near populated areas. In many cases, we are handling the transportation and disposal needs from the initial flowback of a well, eliminating the need for trucks on county and state roads, and saving the public and operators money and traffic headaches.”

About Water Midstream Partners, LLC

Based in Dallas and Midland, Water Midstream currently operates commercial saltwater systems in Midland, Martin, Dawson and Howard Counties that include more than 95 miles of pipeline (40 miles owned commercial pipelines) serving 18 different operators with over 120,000 barrels per day of disposal capacity. Water Midstream has more than 60 miles of commercial saltwater pipelines in various stages of development throughout the Permian Basin. Led by B.G. Clark, a Permian Basin native, Water Midstream Partners was formed with HBC Investments. For more information, please visit www.watermidstream.com.

About HBC Investments

HBC Investments is a Dallas-based investment company that is open to all forms of investments, from mezzanine to minority equity to control equity in growth-oriented middle-market companies wishing to



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recapitalize, execute an ownership buyout or fund a growth initiative. The firm focuses on major sectors of the economy including financial services, consumer products, manufacturing, energy and media. HBC combines the best of large firm transaction experience, the personal attention of private investors and significant operational experience from working inside companies to manage private capital that can withstand various economic cycles. For more information, please visit www.hbcinvestments.com.