

# Midstream of Consciousness

Summit Midstream Partners' management parlays more than 100 years of experience in oil and gas to develop infrastructure in America's shale plays.

ploy, so our focus is to build a diversified, multi-basin midstream company."

Summit is a midstream energy company focused on acquiring and developing midstream energy infrastructure assets that are strategically located in traditional and emerging North American production basins. It is wholly owned by Energy Capital Partners, a multibillion-dollar private equity firm that concentrates on investing in North America's energy infrastructure.

The company's management team has more than 100 years of collective experience in the midstream sector of the oil and gas industry. The team has invested in, raised capital and managed more

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// STEVE NEWBY, president and CEO

than \$5 billion of midstream assets.

"The average tenure is 10-plus years on our team, with our senior management averaging over 20 years, so we have industry veterans," Newby says. "You have to have multiple skills for our business, whether it be development, project management, commercial, or engineering. We've built our team so we can buy, build and operate assets."

Summit Midstream Partners focuses on natural gas midstream space including gathering pipelines; treating, compression and processing facilities; large-diameter intrastate and interstate pipelines; and crude oil, refined product and NGL pipelines and storage terminals.

Founded in spring 2009, Summit Midstream Partners made its first acquisition in September 2009 - DFW Midstream Services LLC. DFW is developing a natural gas gathering system in

Summit Midstream Partners says most shale basins need pipelines, processing and storage infrastructure to support production.



[ BY BRIAN SALGADO ]

While many private equity backed energy companies are in and out of deals to make quick profits, that is not Summit Midstream Partners' M.O. Instead, President and CEO Steve Newby insists his company is ready to stay the course as a

variety of opportunities become available in shale plays throughout the United States.

"Our motto here is not to build a project - we're here to build a company," Newby says. "We have a billion dollars to work with. That is a lot of capital to de-

## PROFILE

**Summit Midstream Partners LLC** | [www.summitmidstream.com](http://www.summitmidstream.com) | Headquarters: Dallas  
Specialty: Oil and gas midstream infrastructure | Employees: 30



the Dallas/Fort Worth metropolitan area. This system is more than 125 miles of low and high-pressure pipeline in the core of the Barnett shale. It currently has the largest producing wells to date flowing on its system. Newby says the company is active in the development of the Marcellus shale, with Summit targeting the first half of 2011 to begin its first development project in the basin.

**INFRASTRUCTURE NEEDS**

Summit plans to capitalize on the dire need for infrastructure development in the shale plays in the United States. Newby says in the next 20 years, anywhere between \$5 billion to \$7 billion annually will need to be invested in the development of shale plays.

“Most shale basins are still in

tremendous need of infrastructure pipelines, processing and storage to support the booming production,” Newby says. “For our industry, it is an exciting time. It is the best development time we’ve seen in the last 15 years for midstream.”

Innovation has come a long way in just a few short years. Today, Newby says shale production requires larger-sized infrastructure, larger-diameter pipe and high-pressure gathering. This is pushing development costs higher.

“With the increased capital amount needed for development, you have to be fairly well capitalized,” he explains. “We’re building a company, not a project. We need to have very strong capital backing to execute our ambitious growth plans both in development projects and

acquisition opportunities.”

That capital backing will allow Summit to take advantage of its next focus area, the Marcellus Shale, which has a 40-million-acre core area. Although there are multiple challenges in the Marcellus including regulatory, land, water, and labor depth and experience, according to Newby, there is a huge development opportunity in the shale for multiple midstream companies.

In addition to the Barnett and Marcellus, Summit will seek out opportunities in other shale plays.

“We maintain our ability to either buy, build or partner to grow the company,” Newby says. “The advantage is to not only be able to acquire or operate and grow existing assets, but develop green-field assets, as well.” **EMI**

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**Lonestar Land Services** prides itself in taking ownership in each of our customers’ projects and works closely with each customer to achieve their goals.

**Lonestar Land Services** would like to thank **DFW Midstream** for the continued confidence and close working relationship we have developed. We look forward to being a part of DFW’s growth going forward.

**Lonestar Land Services, LLC** • 2001 Beach Street, Suite 800 • Fort Worth, Texas 76103  
**Office** (817) 535-5329 • **Fax** (817) 535-2249 • [www.lonestarlandservices.com](http://www.lonestarlandservices.com)