



# Silver Creek Midstream Announces Closing of Powder River Basin Acquisition from Genesis Energy and New Partnership

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**Silver Creek Midstream, LLC** →  
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IRVING, Texas, Oct. 11, 2018 /PRNewswire/ -- Silver Creek Midstream, LLC today announced that its affiliate ("Silver Creek") has closed the previously announced acquisition of Genesis Energy's Powder River Basin ("Basin") crude gathering, storage, and rail assets ("Trunkline System"). In conjunction with the transaction, Silver Creek has received an equity commitment from the newly formed joint venture ("Joint Venture") between Tailwater Capital LLC and The Energy & Minerals Group ("EMG") to close the announced transaction and pursue identified projects to expand the Trunkline System to address the growing demand for crude oil midstream services in the Powder River Basin. The new commitment from the Joint Venture provides Silver Creek with \$600 million of equity to acquire and expand the existing pipeline and storage assets in the Basin.

Pro forma for the acquisition, Silver Creek's existing Powder River Basin footprint will include:

- 190+ miles of crude trunkline and gathering pipelines
- Approximately 190,000+ barrels per day of initial pipeline capacity from the Silver Creek Pronghorn Terminal to the Guernsey Hub, with expansion up to 325,000+ barrels per day
- Three key existing interconnections to downstream markets out of Guernsey
- 1.1+ million barrels of crude storage with an additional 800,000 barrels permitted
- Rail capability in and out of the Silver Creek Pronghorn Terminal located in Converse County
- Batching capabilities throughout the entire system that will initially accommodate three specs of crude oil
- Trucking capability through a transport fleet to meet interim service needs as pipelines are constructed

Silver Creek has independently secured long-term acreage dedications and will commence construction in Q4 2018 to further develop the existing gathering infrastructure by an initial 52 miles of crude pipelines and 100,000+ barrels of additional storage.

"We are excited to expand our presence in the Powder River Basin with the acquisition of the existing Genesis crude oil assets. The existing Genesis Gathering System and Intrastate Pipeline combined with our new growth projects will give Silver Creek the ability to offer a comprehensive crude midstream solution across Converse, Campbell, Johnson and Natrona counties," said Patrick Barley, Founder and Chief Executive Officer of Silver Creek. "Upon closing of this transaction, Silver Creek will have over 330,000 acres dedicated to our system long-term, and we anticipate growing these dedications further in the coming months as we expand the system geographically. I also would like to thank Jason, Edward and the Tailwater team for their continued support of our business strategy in the Powder River, and I want to welcome EMG to the PRB partnership and I appreciate the support we have received from the EMG team for this transaction and our accelerated buildout in the PRB. Collectively, Silver Creek now has two quality sponsors to support and fully fund our business plan for the Powder River."

"We are incredibly excited about the acquisition opportunity and the new partnership with EMG," said Jason Downie, Managing Partner at Tailwater Capital. "Tailwater has been supporting Silver Creek since inception, and we could not be happier with the progress they have made in Wyoming. We are looking forward to supporting Patrick and his team as they provide creative crude gathering and takeaway solutions for producers in this growing basin."

BMO Capital Markets acted as financial advisor and Willkie Farr & Gallagher, LLP acted as legal advisor to Silver Creek in connection with the transaction.

### **About Silver Creek Midstream, LLC**

Headquartered in Irving, Texas, Silver Creek Midstream is a private midstream company focused on providing crude oil gathering, transportation, and storage services in Wyoming. The Company's existing crude assets serve the Powder River, Big Horn, and Wind River Basins. Silver Creek Midstream is backed by an equity commitment from Tailwater Capital, LLC, The Energy & Minerals Group ("EMG"), and Silver Creek management.

For more information, please visit [www.scmidstream.com](http://www.scmidstream.com)

**About Tailwater Capital LLC**

Dallas-based Tailwater Capital is a highly specialized, growth-oriented energy private equity firm with a well-established track record, having executed more than 100 energy transactions in the upstream and midstream sectors representing over \$18.8 billion in transaction value. Tailwater currently manages over \$2.7 billion in committed capital, over \$800 million of which is available for new investments.

For more information, please visit [www.tailwatercapital.com](http://www.tailwatercapital.com).

**About Energy & Minerals Group**

EMG is the management company for a series of specialized private equity funds. The firm was founded by John Raymond (majority owner and CEO) and John Calvert in 2006. EMG focuses on investing across various facets of the global natural resource industry including the upstream and midstream segments of the energy complex. EMG has approximately \$15 billion of regulatory assets under management and approximately \$11 billion in commitments have been allocated across the energy sector since inception.

For more information, please visit <http://www.emgtx.com/>.

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