



FOR IMMEDIATE RELEASE

**Magnetar Capital to Invest up to \$250 Million in Lucid Energy Group,
a Leading Midstream Provider in the Permian Basin**

DALLAS – May 2, 2017 – Midstream provider [Lucid Energy Group](#) (“Lucid”) announced today that the company has secured a preferred equity commitment of up to \$250 million from Magnetar Capital (“Magnetar”), a leading alternative asset manager with assets under management of \$13.8 billion. Magnetar’s investment will provide Lucid with additional growth capital to fuel ongoing expansion of the company’s infrastructure build-out in the Permian Basin and will be specifically used to support the development of Lucid’s natural gas gathering and processing system in the Delaware Basin.

“We are very excited to partner with Magnetar, a deeply experienced and value-added energy investor. This important transaction, combined with the existing support of EnCap Flatrock Midstream, allows us to continue to aggressively expand our Delaware Basin franchise and offer large-scale, best-in-class service to producers in the region,” said Lucid President and CEO Mike Latchem.

Magnetar Head of Energy Eric Scheyer said, “We are thrilled to partner with Lucid Energy Group and its exceptional management team. Lucid has an outstanding track record of developing high-quality assets in the Permian Basin and continues to do an excellent job of executing on its expansion plans. We believe that Magnetar’s flexible investment approach is well matched to support Lucid’s long-term strategic plans, and we look forward to expanding our relationship with the Lucid team.”

Jefferies LLC acted as Lucid’s financial adviser in connection with the transaction. Vinson & Elkins LLP acted as legal counsel to Lucid, and Weil, Gotshal & Manges LLP served as legal adviser to Magnetar.

About Lucid Energy Group

Lucid Energy Group provides a full suite of midstream services to producers working in the Midland and Delaware Basins ([maps here](#)). Lucid is the largest privately held natural gas processor in the Permian Basin with more than 930 million cubic feet of natural gas processing capacity in operation or under construction and pipeline assets exceeding 3,600 miles in operation. The Lucid philosophy is grounded in finding creative solutions for its customers, clear communications and excellence in project execution. Visit www.lucid-energy.com for more information.

About Magnetar

Founded in 2005, Magnetar is a leading alternative asset manager with assets under management of \$13.8 billion as of March 1, 2017. For more than 10 years, Magnetar's team has actively invested in the North American energy markets. The firm is headquartered in Evanston, Illinois, and operates substantial satellite offices in New York, London and Minneapolis.

About EnCap Flatrock Midstream

EnCap Flatrock Midstream provides value-added growth capital to proven management teams focused on midstream infrastructure opportunities across North America. The firm was formed in 2008 by a partnership between [EnCap Investments L.P.](#) and Flatrock Energy Advisors. The firm manages investment commitments of nearly \$6 billion from a broad group of institutional investors. EnCap Flatrock is currently making commitments to new management teams from EFM Fund III, a \$3 billion fund. The firm is headquartered in San Antonio and has offices in Oklahoma City and Houston. Visit www.efmidstream.com for more information.

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