



Southcross Energy Partners To Drive Growth as a Focused Gathering and Processing Company

February 3, 2020

Company Successfully Completes Reorganization and Emerges from Chapter 11

HOUSTON, Texas, Feb. 03, 2020 (GLOBE NEWSWIRE) -- Southcross Energy Partners LLC ("Southcross" or "the Company") today announced its plans to serve customers and drive growth as a gathering and processing company with high-quality, strategically located facilities in the Eagle Ford Shale region. The Company has successfully completed its reorganization and emerged from Chapter 11. As noted in our January 7, 2020 filings with the Bankruptcy Court, the Company is emerging in a net cash positive position and a restructured balance sheet that provides the financial flexibility to fully and properly serve its producer customers' needs.

Southcross' gathering and processing assets include the Lone Star and Woodsboro gas processing plants, the Bonnie View fractionation facility and the Lancaster and Valley Wells gathering and treating system. With the completion of the court-supervised process, the Company is consolidating its headquarters in Houston to be completed on or before the end of the first quarter this year. Southcross will offer customers a complementary suite of gas gathering, processing, treating, fractionation and marketing of residue gas and NGL products.

"Today is the beginning of an exciting new chapter for Southcross," said Bill Waldheim, Chairman of Southcross. "We have a high-quality asset base and are moving forward with an aggressive plan to drive growth by investing in our operations and building out our commercial team and its capabilities. We have reduced our debt and our new equity owners have taken great care to create the necessary financial flexibility and a capital budget that will enable us to better serve our customers as we make the transition to the emerged Southcross. In addition, we have new financing as noted above in place so we can assure customers of our financial stability. We look forward to reliably providing our customers a full range of complementary gathering and processing services tailored to meet their specific needs."

Jay Swent will be stepping down as CEO and will serve an advisory role over the coming weeks. Waldheim further added "We all want to thank Jay for his outstanding leadership of Southcross through its recent challenges and wish him well as he leaves to pursue other opportunities. Pat Giroir, new board member will become the Interim CEO effective immediately and is looking forward to working with Jay on a smooth transition."

Giroir, commented, "All of us at Southcross would like to thank our customers, suppliers and other business partners for their continued support. We are all deeply grateful to our employees and their commitment to working safely as a team with a continued customer focus. Our outstanding safety record is a testament to their efforts. Their hard work and dedication will enable us to continue providing our customers with the high levels of service they expect from us."

Board Appointments

In connection with the completion of its reorganization, Southcross also today announced the composition of its Board of Directors. The Southcross Board comprises five directors, including Jacqueline (Jacqui) Dimpel, Robert N. Fitzgerald, Patrick Giroir, William (Bill) Waldheim and Matthew R. Bob.

This new Board brings a wealth of relevant industry experience and new perspectives that will help guide our next phase of growth and will take an active role in supporting the company's immediate and strategic business objectives.

About William (Bill) Waldheim: Chairman

Bill has spent more than 40 years in the energy industry serving in various leadership positions and board assignments. He is a member of the board of directors and audit chairman at USA Compression and previously served on the board of directors and audit committee of Enbridge Energy Partners. Mr. Waldheim held numerous leadership positions at DCP Midstream, including President and board member of DCP Midstream Partners, as well as Vice President of Commercial at DCP Midstream LLC. He previously held senior managerial positions at Union Pacific Resources and Champlin Petroleum. Mr. Waldheim holds a bachelor's degree from the University of Arizona majoring in Accounting and is a former CPA. He also completed the Harvard Business School's Advanced Management Program. His prior board experience includes Junior Achievement-Rocky Mountain Inc.; Colorado Oil & Gas Association; Texas Pipeline Association and the Propane Education Research Council.

About Patrick (Pat) Giroir: Interim CEO

Pat has more than 30 years of experience primarily in the energy midstream space. Most recently he was a Senior Partner with Mill Rock Capital Management, where he helped secure investments in Grammer Industries, a specialty chemical logistics company of which he is a board member, and Cisco Equipment, a heavy equipment sales and rental business of which he is Chairman. Pat was previously a board member of the Texas Pipeline Association. Prior to Mill Rock, he founded HC Midstream and worked with PE firms focused on investing in ArkLaTex midstream assets. Previously, Mr. Giroir held various senior positions for Continuum Energy, Boardwalk Pipeline Partners, LLP and Eagle Rock Energy Partners, LLP. Prior to Eagle Rock, Mr. Giroir served as CCO at Regency Energy Partners, LLC. Earlier in his career, Mr. Giroir held a variety of leadership positions with CenterPoint Energy, El Paso Corp. and Tenneco. He started his career with Deloitte. Mr. Giroir holds a degree in Hotel and Restaurant Administration from Washington State University and an MBA from Tulane University.

About Mathew (Matt) Bob

Matt has more than 35 years focused on the upstream oil and gas sector. Currently, Matt is President of Eagle Oil & Gas, a privately held company with operating properties throughout the continental United States. Previously, Matt held leadership positions in One Map Minerals Partners, MB Exploration, HNZ Potash and Hall Phoenix Energy and Pitts Oil Company. Matt began his career in energy as a geologist with Unocal. Bob graduated from St. Louis University with a BA in Geology in 1979 and received his MS in Geology from Memphis University in 1981. Matt is currently a board member of Callon Petroleum Company. He is a member of the American Association of Petroleum Geologists and the Society of Exploration Geophysicists.

About Jacqueline (Jacqui) Dimpel

Jacqui is a managing partner for real estate companies that operate and develop properties in Utah, Wyoming, Indiana, Texas and Michigan. Previously, she served as Vice President, Midstream at Anadarko Petroleum Corporation and as Senior Vice President of Western Gas Partners, LP. During her time at Anadarko, she served in a variety of technical, operational and planning positions, including reservoir engineering manager, planning manager for the Southern Region, general manager for Carthage, Texas, business advisor for U.S. Onshore Operations and midstream operations manager for the Southern and Appalachia regions. Ms. Dimpel began her career in the oil and natural gas industry with ExxonMobil in 1989. She earned her Bachelor of Science degree in Mechanical Engineering from the University of Notre Dame and is a professional licensed engineer in California and Texas. Ms. Dimpel's board experience includes the Texas Pipeline Association and the Midstream Committee and Pipeline Subcommittee of the American Petroleum Institute.

About Robert (Bob) Fitzgerald

Bob served as Executive Vice President and Chief Financial Officer of SemGroup Corporation, a midstream energy transportation, storage and processing company with extensive operations from Canada to the U.S. Gulf Coast, before retiring in January 2020. Mr. Fitzgerald also served as Chief Financial Officer and Director of Rose Rock Midstream, L.P., a crude oil master limited partnership, from 2011 to 2016. Prior to joining SemGroup in 2009, he served as the Chief Financial Officer of Windsor Energy, a portfolio company owned by Wexford Capital and the predecessor of Diamondback Energy. Mr. Fitzgerald began his career at Amoco Corporation and spent more than 20 years working in various financial and executive positions at Amoco, PriceWaterhouse Coopers and Williams. He holds a master's degree in Business Administration from the University of Tulsa and a Bachelor of Business Administration Degree in Accounting from Western Illinois University. Mr. Fitzgerald is a certified public accountant. His prior board experience includes SemCAMS Midstream ULC, Maurepas Pipeline LLC and Rose Rock Midstream LP.

With emergence, Southcross is a privately held company and shares of its units will no longer be listed on any public market.

Davis Polk & Wardwell LLP and Morris, Nichols, Arsht & Tunnell LLP served as legal counsel to Southcross, Alvarez & Marsal served as restructuring advisor and Evercore served as financial advisor.

About Southcross Energy Partners LLC

Southcross Energy Partners LLC provides natural gas gathering, processing, treating, compression and transportation services and NGL fractionation and transportation services. It also sources, purchases, transports and sells natural gas and NGLs. Its assets are located in South Texas near the Eagle Ford Shale region and include two cryogenic gas processing plants, two Sour Gas treating plants and a fractionation facility, and approximately 2,500 miles of pipeline. The South Texas assets are located in or near the Eagle Ford shale region. Southcross is transitioning its headquarters to Houston, Texas.

Contact:

Mallory Biegler

mallory.biegler@southcrossenergy.com

(214) 979-3714



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