

Building Integrated Produced Water Gathering, Disposal, and Re-Use System To Serve Multiple Producers Throughout the Region

HOUSTON, TX--(Marketwired - Jun 14, 2017) - H₂O Midstream announced today the acquisition of produced water infrastructure from Encana Oil & Gas (USA) Inc. ("Encana") (TSX: ECA) (NYSE: ECA) concurrent with the execution of an acreage dedication based midstream water services agreement. Under the agreement, H₂O Midstream will gather, dispose and deliver for re-use produced water for a substantial portion of Encana's acreage position in Howard County, Texas. In connection with the acquisition, H₂O Midstream will assume ownership and operation of Encana's existing produced water gathering system consisting of over 100 miles of interconnected pipeline and five salt water disposal wells totaling 80,000 barrels per day of permitted disposal capacity.

H₂O Midstream plans to expand the existing system significantly through the addition of new produced water pipelines, additional disposal wells, and the construction of a state-of-the-art water storage and re-use hub. By 2018, H₂O Midstream expects to have more than 200 miles of pipeline for gathering, 140,000 barrels per day of disposal capacity, and over 2 million barrels of storage to serve Encana as well as other nearby producers.

"We are pleased to have been selected as Encana's long-term partner in this exciting area," said Jim Summers, Chief Executive Officer of H₂O Midstream. "This acquisition fits perfectly with our strategy of building an expansive gathering, disposal, and storage network to provide producers a full suite of midstream water services in the Permian Basin. Our goal is to create long-term value for our partners by significantly lowering their lease operating costs, reducing their total capital requirements and delivering best in class service in the areas of reliability, safety, and sustainability."

About H₂O Midstream

Based in Houston, Texas, with offices also in Big Spring and Dallas, H₂O Midstream is committed to reducing the cost of water for producers and improving environmental and safety conditions through the use of permanent infrastructure and interconnected gathering, disposal, storage and re-use facilities. The executive management team of H₂O Midstream has more than 120 years of combined experience, has executed more than \$2 billion of capital projects, and has closed \$5 billion of acquisitions. Led by Jim Summers, along with partners Darrell Bull, Stephen McNair, David Ishmael, and Gauri Potdar, H₂O Midstream is funded via a private equity commitment from EIV Capital and co-investments from several of EIV's institutional partners collectively representing more than \$50 billion in assets under management. For more information, visit www.H2Omidstream.com.

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