

TRACE

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TRACE MIDSTREAM II, BACKED BY QUANTUM ENERGY PARTNERS, FORMED TO PURSUE CARBON CAPTURE AND SEQUESTRATION OPPORTUNITIES IN NORTH AMERICA

- *Quantum Energy Partners to commit \$400 million to Trace*
- *Trace II and its affiliates will focus on the development of carbon capture and sequestration assets as well as other midstream infrastructure across North America*
- *Company appoints tenured executive David Dell’Osso as Chief Operating Officer*

HOUSTON – September 27, 2022 – Trace Midstream (“Trace”) announced today that it has secured an equity commitment of \$400 million from Quantum Energy Partners to form Trace Midstream Partners II, LLC, and its affiliate, Trace Carbon Solutions, LLC (collectively, “Trace II” or the “Company”). Headquartered in Houston, Texas, the Company will be focused on developing carbon capture and sequestration (“CCS”) assets and supporting midstream infrastructure across North America. CCS is the process of capturing CO₂ emissions and converting the CO₂ into a fluid form that can be safely transported and sequestered underground permanently. CCS reduces the amount of CO₂ that would have entered the atmosphere otherwise and has been recognized as a critical strategy in the global initiative to combat climate change.

In support of its CCS focus, Trace II has appointed industry veteran David Dell’Osso as its Chief Operating Officer. David has extensive subsurface expertise as well as a proven track record in the development and operations of large-scale upstream assets and midstream infrastructure. Prior to Trace II, David served as Executive Vice President and Chief Operating Officer for Parsley Energy, a leading public E&P company, until its merger with Pioneer Natural Resources (NYSE: PXD). Prior to Parsley, David spent 13 years with Southwestern Energy Company (NYSE: SWN), where he most recently served as Senior Vice President and General Manager of the Northeast Appalachia Division.

“We are excited to continue our partnership with Quantum as we pursue the development of CCS assets and the midstream infrastructure required to service these projects,” said Josh Weber, CEO of Trace II. “With the addition of David and a dedicated subsurface team, we have assembled the in-house expertise required to develop, construct, and operate projects across the CCS value chain. We look forward to developing and commercializing projects that allow our customers to achieve their decarbonization goals.”

“The Trace team has a proven track record and history of success in both the traditional midstream and upstream space. Our equity commitment demonstrates our continued confidence in the Trace organization and their project development capabilities,” said Blake Webster, Managing Director of Quantum Energy Partners.

“We’re excited about the opportunity across the CCS value chain and believe that the Trace team is well positioned to become a leading developer and operator of CCS assets.”

About Trace Midstream

Trace was formed in 2017 with an initial \$200 million equity commitment from Quantum Energy Partners with a focus on developing midstream infrastructure across North America. The formation of Trace II follows the recent successful sale of Trace’s Haynesville midstream assets to Williams (NYSE: WMB) in April 2022 for \$950 million and Trace’s Mid-Continent assets to Energy Transfer (NYSE: ET) in September 2022 for \$485 million. Trace II is actively pursuing the development of CCS assets and supporting midstream infrastructure across North America. For more information visit www.tracemidstream.com.

About Quantum Energy Partners

Founded in 1998, Quantum Energy Partners is a leading provider of private equity capital to the global energy industry, having managed together with its affiliates more than \$19 billion in equity commitments since inception. For more information on Quantum, please visit www.quantumep.com or contact Michael Dalton at (713) 452-2110.

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