



Howard Energy Partners

Howard Energy México

March 2016

Howard Energy Corporate Overview

- Howard Energy Partners (“HEP”) is a high growth midstream company with strategically located asset bases in South Texas, Pennsylvania, and Mexico.

HEP Corporate Overview

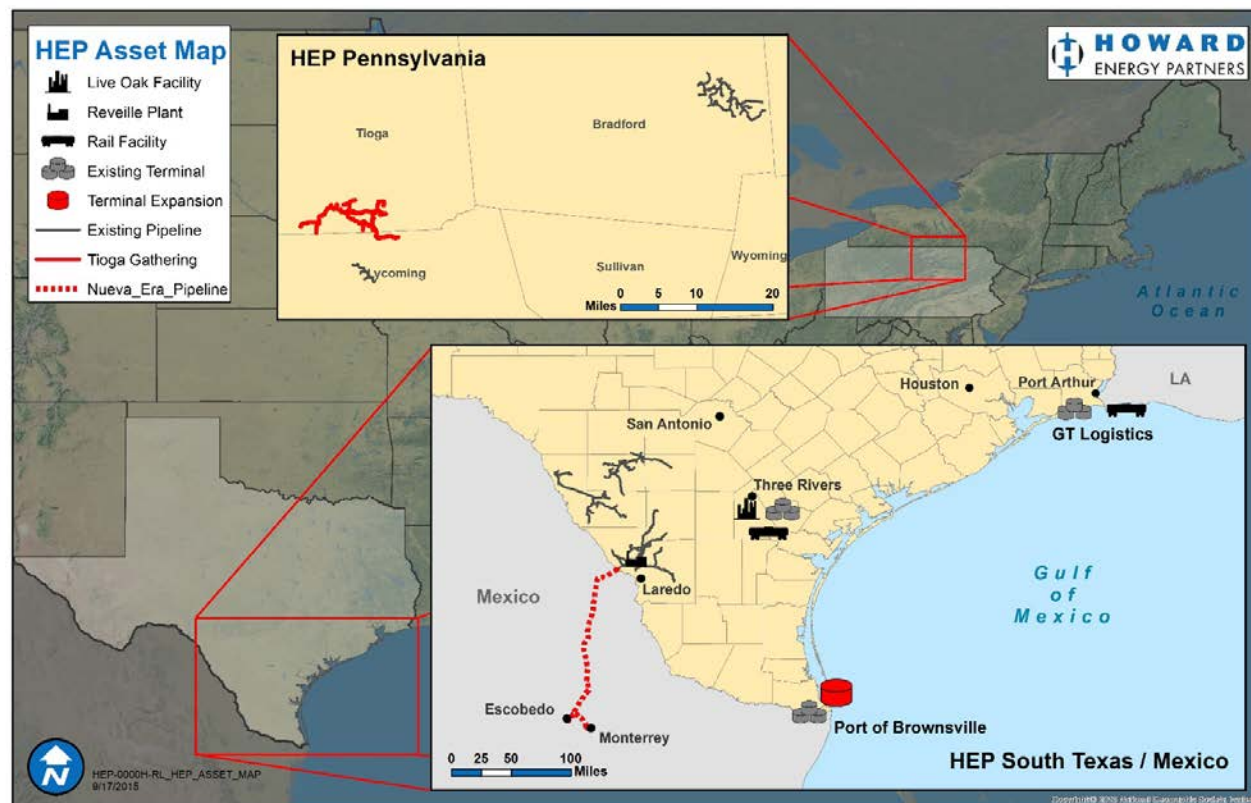
Corporate Headquarters San Antonio, Tx
 Founded June-11
 Employees 185

| Existing Investors | % Ownership |
|-------------------------|-------------|
| Alinda Capital Partners | 59% |
| Enlink Midstream | 31% |
| Management | 10% |
| Total | 100% |

Business Segments

South Texas G&P
 Liquids Transport & Processing
 HEP Mexico (Nueva Era Pipeline)
 Terminals, Storage & Rail
 Northeast Gathering

Asset Overview



South Texas Nat. Gas G&P

Gathering Pipelines (miles) 650
 Process Capacity (MMcfd) 200

HEP Mexico (Nueva Era Pipeline)

200 miles 30" pipeline transporting nat. gas from South Texas to Monterrey, Mexico

Pipeline Capacity (MMcfd) 1,200

Liquids Transport & Processing

NGL Pipelines (miles) 55
 Stabilizer Capacity (bbl/d) 10,000

Terminals, Storage & Rail

Brownsville Storage (bbl) - Existing 225,000
 Brownsville Storage (bbl) - Expansion 300,000

Live Oak Rail - 260 acre facility near Three Rivers, Tx
 GT Logistics - 450 acre rail & terminal facility near Port Arthur, Tx

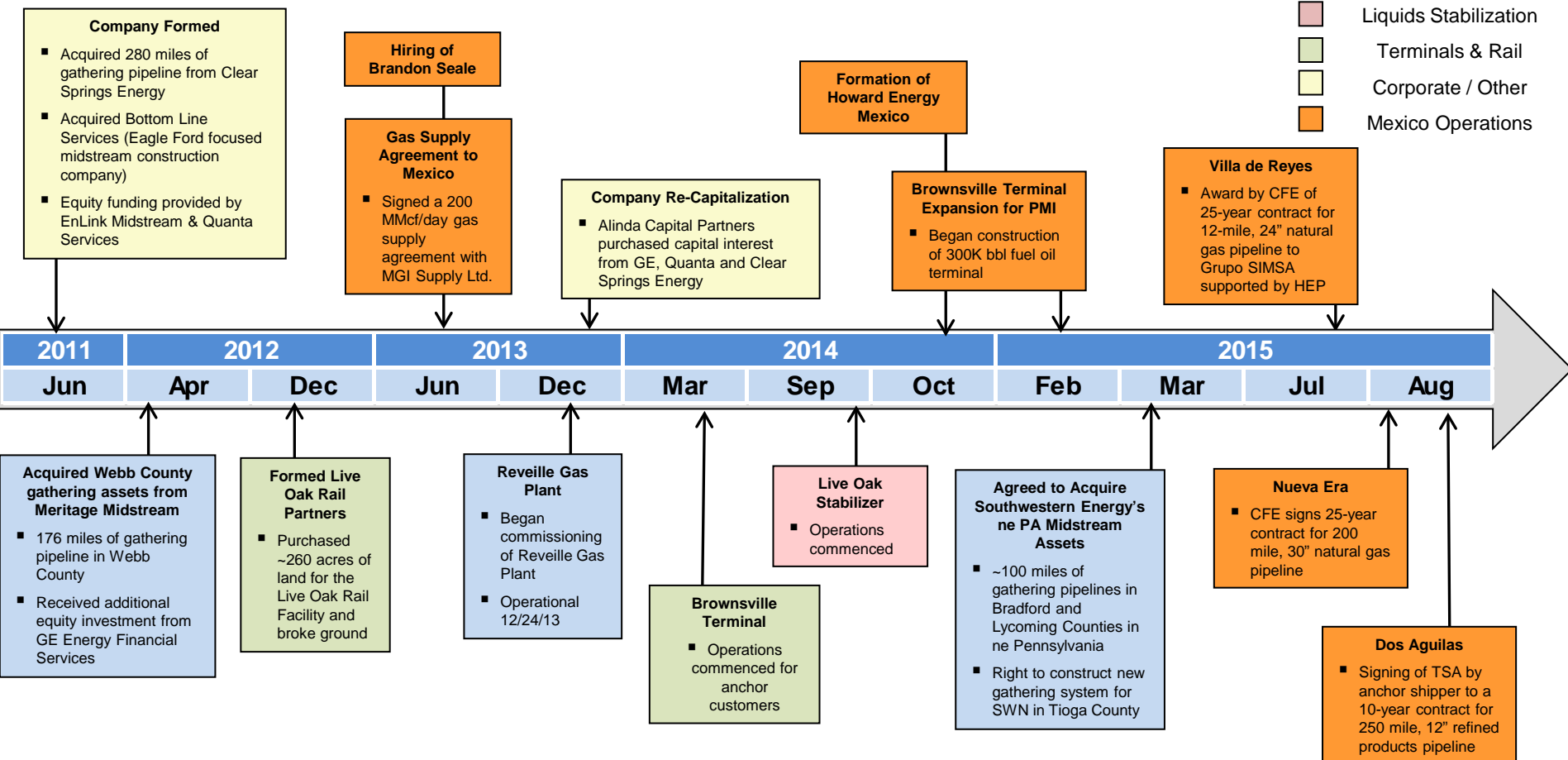
Northeast Gathering

Existing Gathering Pipe (miles) 100
 Pipe Under-Construction (miles) 46
 Compression (HP) 53,000

Corporate Timeline

HEP Business Initiatives

- Gathering & Processing
- Liquids Stabilization
- Terminals & Rail
- Corporate / Other
- Mexico Operations



Note:

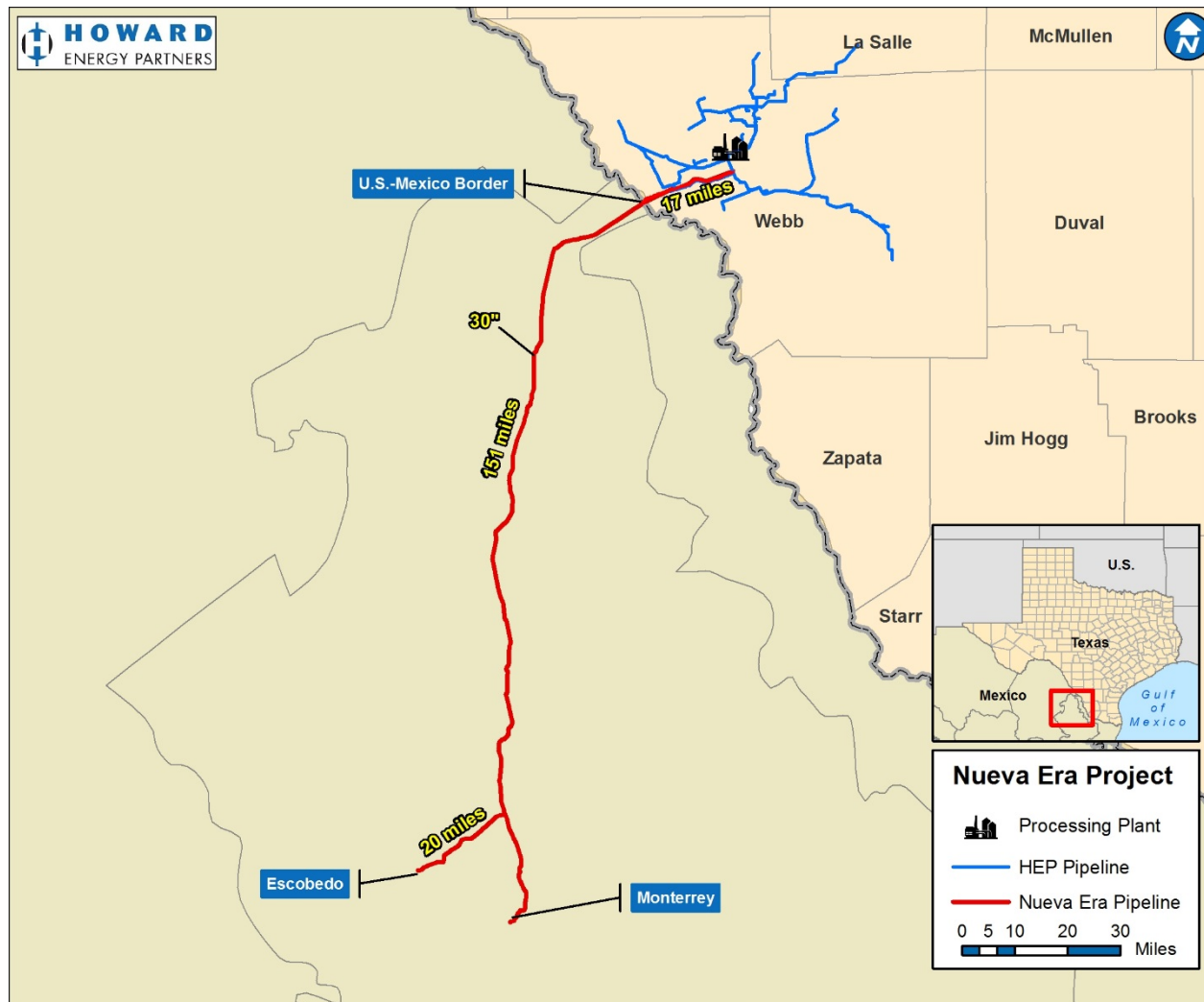
(1) Acquisition of 70% interest in GT Logistics, LLC has not closed

Nueva Era Project Summary

Nueva Era Overview

- 188 miles of 30" pipeline originating at the HEP EFG System in Webb County and delivering into Escobedo and Monterrey
- 50/50 Joint Venture with Grupo CLISA

| | |
|------------------------------|---|
| Delivery Points: | 1) Escobedo 2) Monterrey |
| Scope: | Expansion of Howard's existing EFG assets, 18 miles of 30" (U.S.) 160 miles of 30" (Mexico), 22 miles of 30" (Mexico). |
| Volume: | 600-850 MMCFD |
| Estimated Investment: | Mexico: US\$450,000,000 US: US\$50,000,000 |
| Tax Revenues: | Est. \$675,000/yr |
| Jobs: | 180 (Construction) 10 (permanent) |



Dos Águilas Project Summary

Length 277 miles in total
 141 miles in the US
 136 miles in Mexico

Pipeline size ≥12" diameter

Initial Capacity 72,000 bpd

Expandable 90,000 bpd

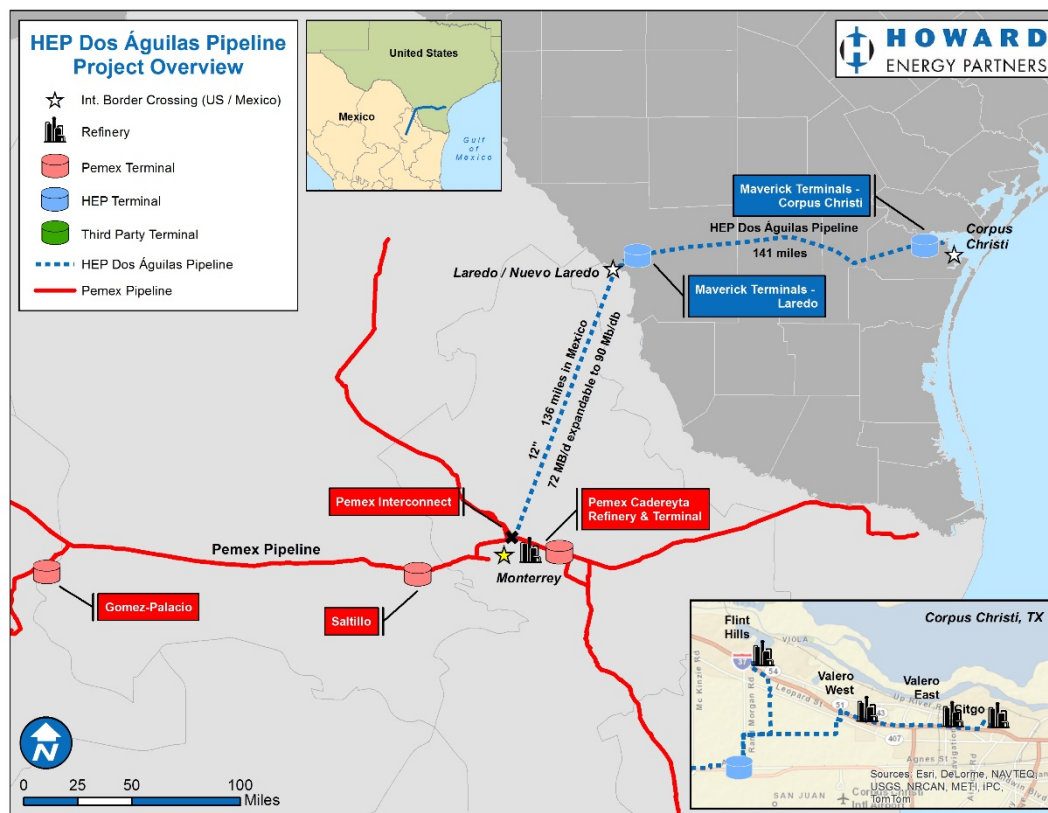
Receipt Points Corpus Christi
 and USGC refineries

Delivery Points Laredo, Nuevo Laredo,
 Monterrey

Transit Time ~36 hours to Laredo
 ~60 hours to Monterrey

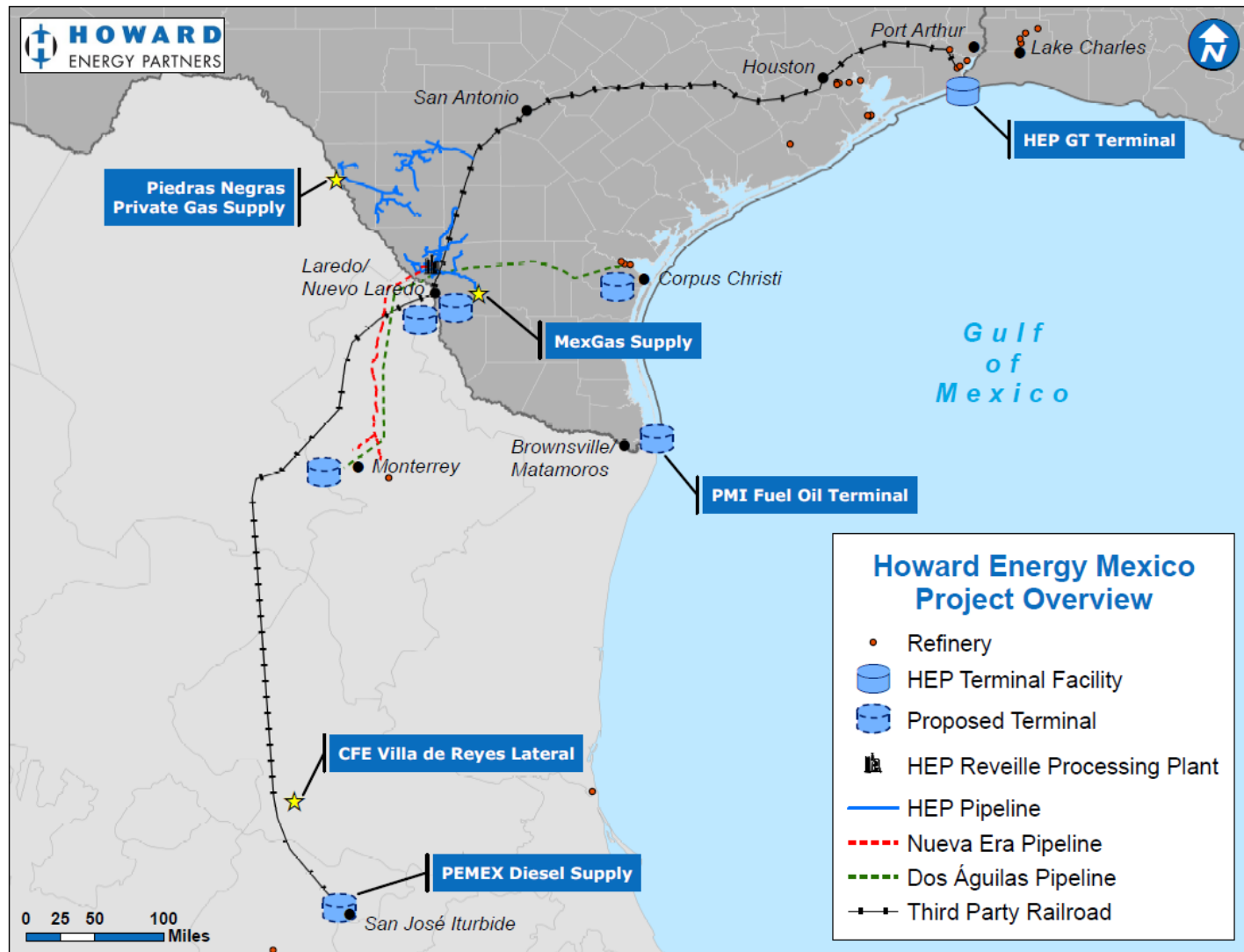
Products Gasoline, ULSD

Pump Stations Two 1,600 HP stations
 along the route
 to pump at 1,200 psi

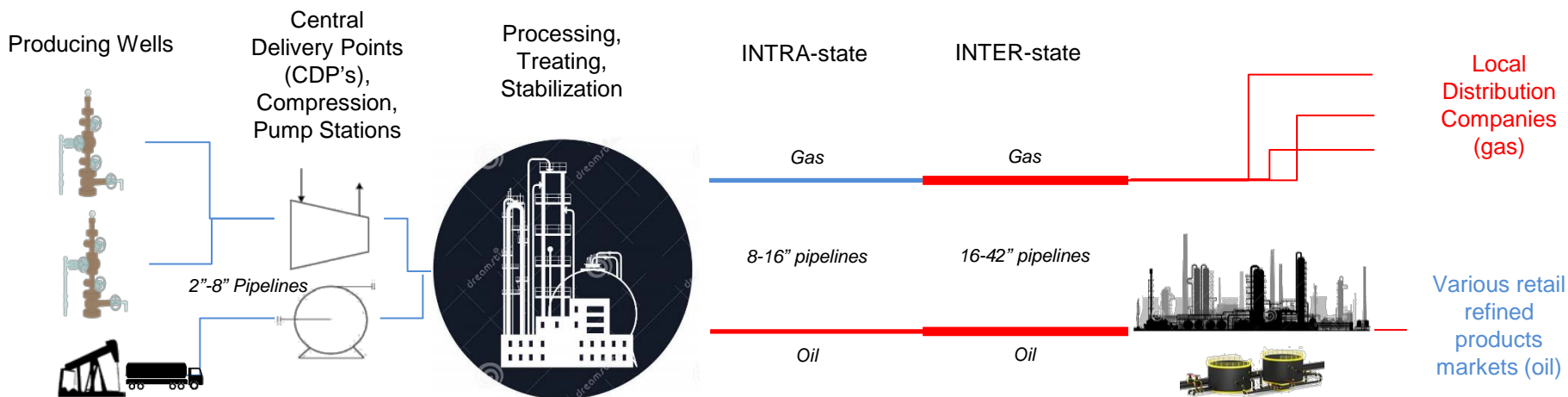


**Linking refineries in the USGC directly with
 markets in Northern Mexico**

Map of Howard Energy México Projects



Oil and Gas Permitting and Rate Regulation: U.S.



Production

Gathering

Processing

Transmission

Transportation

[Refining and
Terminals]

Distribution

NO PERMITTING OR RATE REGULATION

PERMIT ONLY

REGULATED

UNREGULATED

REGULATED (Gas)
UNREGULATED (Oil)

No permitting, open access, or rate regulation.



**Railroad
Commission
of Texas**



Permit, open
access, and
rate
determination.

Oil and Gas Permitting and Rate Regulation: México

