

Piñon Midstream Expands Dark Horse Facility with Added Injection Well and Construction of Third Amine Treating Unit

HOUSTON, TEXAS, USA, June 22, 2023

/EINPresswire.com/ -- Recent

Expansions:

- Second acid gas injection ("AGI") well placed into service in April 2023, making Piñon's facility the largest active AGI system in the state of New Mexico, with a maximum injection capacity of 20 MMcf/d;
- Fully subscribed third 400 GPM amine treating unit ("Train III") on track for January 2024 start-up, increasing total sour natural gas treating capacity by ~50% to ~270 MMcf/d;
- Fully NACE compliant compression capabilities expanded to 200 MMcf/d;
- Sweet natural gas redelivery interconnects expanded to four downstream processors;
- Engineering underway for fourth amine treating unit ("Train IV"), targeting Q4 2024 in-service.



Piñon Midstream, LLC ("Piñon") today announced additional expansions to its sour natural gas treating and carbon capture facility located in Lea County, New Mexico (the "Dark Horse Facility").

The Dark Horse Facility provides a state-of-the-art, purpose-built, sour natural gas treating and carbon capture solution for oil and natural gas producers operating in the Delaware Basin. The facility reduces the environmental impact of oil and natural gas operations in the region through the capture and permanent sequestration of both carbon dioxide (CO₂) and hydrogen sulfide (H₂S), with over 100,000 metric tons of CO₂ and H₂S sequestered to date. The current facility and associated infrastructure include two 400 GPM amine treating units, two 18,000-foot-deep

AGI wells, ~50,000 horsepower of fully NACE compliant compression, and ~35 miles of high-pressure gathering and redelivery pipelines.

Independence AGI #2 In-Service
Piñon placed its second AGI well, Independence AGI #2, into service in April 2023. The addition of this second AGI well allows for an increased treated AGI capacity of up to 20 MMcf/d, which is sufficient to accommodate up to 500 MMcf/d of treating capacity at the Dark Horse Facility. Additionally, this well ensures full operational redundancy, ensuring high runtimes while minimizing flaring. The AGI injection capacity of Piñon's sour natural gas treating system in New Mexico is the largest of any permitted, active system in the state.



Train III Construction and Train IV Update

Piñon is increasing the sour gas treating capacity of its Dark Horse Facility by ~50%, to ~270 MMcf/d, with the addition of Train III. Construction of Train III is expected to begin in Q3 2023, with a planned in-service date of January 2024. Additionally, Piñon has initiated engineering work for Train IV.

Compression Expansion

Piñon currently operates four fully NACE compliant compressor stations with ~200 MMcf/d of total compression capacity. Additionally, two compressor stations will be placed into service in 2024, bringing Piñon's total compression capacity to ~350 MMcf/d.

Growing Sweet Natural Gas Operations

Piñon's gathering and treating system includes the Grande sweet gas redelivery pipeline, consisting of 22 miles of high-pressure, 20", steel pipe connecting the Dark Horse Facility with four existing major regional processors. Piñon is actively evaluating other interconnects with third-party processors to add additional flow assurance and customer flexibility.

Additionally, Piñon now provides tailored solutions that enable customers to source sweet natural gas directly from the Grande pipeline system. This solution gives customers a cost-effective and reliable method to optimize their gas lift operations.

About Piñon

Piñon was formed in 2020 through an equity commitment from Black Bay Energy Capital ("Black Bay"), to offer an efficient, sustainable and cost-effective solution to sour natural gas produced in

the Delaware Basin. Piñon provides a comprehensive suite of services, including fully NACE compliant field gathering and compression, sour condensate stabilization and marketing, amine treating, permanent geologic sequestration of CO₂ and H₂S, and high-pressure redelivery of treated sweet gas to regional processing facilities. For more information, please visit www.pinonmidstream.com.

About Black Bay

Black Bay is a private equity firm that invests equity capital in partnership with entrepreneurial management teams who are building high-growth companies in the North American energy and chemical industries. Black Bay is currently investing out of its second fund and has approximately \$565 million of assets under management. For more information, please visit www.blackbayenergy.com.

Advisory Regarding Forward-Looking Statements. This news release contains forward-looking statements or information (collectively, "forward-looking statements") within the meaning of applicable securities legislation. All statements, except for statements of historical fact, which relate to anticipated future activities, plans, strategies, objectives, or expectations of Piñon are forward-looking statements. Without limiting the generality of the foregoing, forward-looking statements contained in this news release include expectations of plans, strategies and objectives of Piñon, including anticipated treating volumes, anticipated treating or compression capacities, anticipated connections to third-party processors and anticipated in-service dates.

Although Piñon believes the expectations represented by its forward-looking statements are reasonable based on the information available to it as of the date such statements are made, forward-looking statements are only statements of our current beliefs and there can be no assurance that such statements will prove to be correct. All forward-looking statements contained in this news release are made as of the date of this news release and, except as required by law, Piñon undertakes no obligation to update publicly or revise any forward-looking statements.

Patrick Westerheide
Piñon Midstream
pwesterheide@pinonmidstream.com

This press release can be viewed online at: <https://www.einpresswire.com/article/640823693>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2023 Newsmatics Inc. All Right Reserved.