



TUMBLEWEED MIDSTREAM

FOR IMMEDIATE RELEASE

Tumbleweed Midstream Announces New Gathering and Processing Agreements, Quadruples Production at its Ladder Creek Helium Plant

- Additionally, Tumbleweed has entered into two new helium processing agreements with raw helium suppliers.
- Ladder Creek Helium Plant is expected to be at capacity within the next 12 to 24 months.
- Producers in eastern Colorado and western Kansas earn premium netbacks for helium-rich natural gas processed at the Ladder Creek plant.

CHEYENNE WELLS, Colorado – June 23, 2020 – [Tumbleweed Midstream, LLC](#) (“Tumbleweed”) announced today it has executed three new long-term gathering and processing agreements that have quadrupled helium production at its Ladder Creek Helium Plant in eastern Colorado. The company’s Ladder Creek Helium Plant and Gathering System serves natural gas producers operating in eastern Colorado and western Kansas.

Two of the new agreements more than doubled the plant’s inlet volume to 12 million cubic feet of natural gas per day (12 MMcf/d). The third contract is expected to increase production by another 3 to 5 MMcf/d over the next 90 days. The increased throughput from these three agreements will increase the plant’s daily helium output to more than 200,000 cubic feet per day (200 Mcf/d,) or approximately 65 million cubic feet (65 MMcf) per year.

In addition, Tumbleweed has executed two new helium processing agreements with suppliers of raw helium who deliver their unpurified gaseous helium to the Ladder Creek plant by truck. The process, known as helium tolling, further expands helium processing operations at the Ladder Creek plant.

Natural gas produced in eastern Colorado and western Kansas has a high helium content, which allows Tumbleweed to return premium netbacks to producers and incentivize the growth. Several new and existing producers in the region have initiated exploration and development plans for helium-rich natural gas. Two existing step-out locations are being developed where previously drilled wells with helium-rich content have been stranded in the past.

Current processing capacity at the Ladder Creek cryogenic processing plant is 40 MMcf/d, expandable to 50 MMcf/d. Tumbleweed expects that the plant could be at capacity within the next 12 to 24 months. The company will explore plant expansions as demand warrants.

“I am very excited about the rapid increase of natural gas throughput and the expanded helium production at the Ladder Creek Helium Plant,” said Tumbleweed founder and CEO Durell Johnson. “We have a first-class team that has worked hard with the area’s natural gas producers and with our helium tolling customers. These results support our original position that the helium resource of this area is far from depleted. Helium is a highly valuable part of the natural gas stream in eastern Colorado and western Kansas, and Tumbleweed is pleased to return premium netbacks to the gas producers in the region. Despite the recent downturns in oil and natural gas pricing, helium demand remains strong and consistent.”

Ladder Creek Plant and Gathering System

The Ladder Creek Helium Plant uses state-of-the-art cryogenic processes to extract helium and natural gas liquids from raw natural gas. The helium is further purified to 99.999 percent, and its temperature is reduced to negative 458 degrees Fahrenheit for transport to customers as a liquid. The Ladder Creek system is supported by long-term acreage dedications across a 1,000-square-mile area that spans Cheyenne, Kit Carson and Kiowa counties in Colorado and Hamilton, Greeley, Wichita, Kearney, Wallace and Finney counties in Kansas. [See system map here.](#)

Helium Tolling

Helium producers located long distances from Tumbleweed Midstream’s Ladder Creek Gathering and Processing System ship unpurified gaseous helium to the Ladder Creek Helium Plant by truck. Tumbleweed purifies raw helium from suppliers as far away as Arizona and Canada to meet buyer specifications and then liquefies it for transport to market. This segment of the business is called helium tolling.

Helium is used in the medical industry for MRI machines and for ventilators which often use a mixture of oxygen and helium called “heliox” to treat patients with severe asthma and other respiratory illnesses. Helium is also used in cryogenics, welding, deep sea diving, manufacturing of fiber optic cables and semiconductors, and retail sales of helium-filled balloons.

About Tumbleweed Midstream

Tumbleweed Midstream, LLC is a privately held, independent natural gas gathering and processing company whose primary business is focused on the separation and production of liquefied helium, NGLs and residue gas from the incoming gas stream as well as the purification and liquefaction of crude helium from third parties. The company’s operations are centered at the Ladder Creek Helium Plant and Gathering System located near Cheyenne Wells, Colorado, just west of the Kansas-Colorado border. Tumbleweed Midstream is supported by capital commitments from the company’s management team and founders. For more information, please visit tumbleweedmidstream.com.

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