

# Ares Management Announces Acquisition of Paradigm Energy Partners' Assets

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## *Ares EIF will Combine Paradigm Assets with its Van Hook Gathering System, Expanding Bakken Formation Footprint*

LOS ANGELES--(BUSINESS WIRE)-- Ares Management, L.P. (NYSE:ARES) announced today that funds managed by Ares EIF, its power and infrastructure strategy, have closed on the acquisition of substantially all of the assets and business interests of Paradigm Energy Partners from an affiliate of Stonepeak Infrastructure Partners. The Paradigm assets will be combined with Ares EIF's adjacent Van Hook Gathering System, which it acquired in 2015, to form a premier regional midstream platform serving the core of the Williston Basin in North Dakota, with additional reach into the prolific Eagle Ford Shale in South Texas. The combined entity, which will continue to be known as Paradigm, will continue to be operated by Paradigm's existing management team and employee base.

The acquisition consists of two oil and natural gas gathering systems in North Dakota and a third in South Texas, along with joint venture interests in the Sacagawea Pipeline Company and various logistics assets in North Dakota. By year end 2018, the combined company is expected to transport nearly 50,000 barrels of oil and 23 million cubic feet of gas per day from 11 contracted customers in North Dakota and Texas.

"We believe that this transaction with Paradigm aligns with our investment strategy as it expands our reach in the core of the Williston Basin and continues Ares EIF's 30-year track record of investing in high-quality companies and assets in the U.S. energy infrastructure space," said Keith Derman, Partner with Ares EIF.

"The Paradigm management team has done a tremendous job over the past four years developing and building a basin-changing midstream platform," said Scott Parkes, Principal with Ares EIF. "We are delighted to have this opportunity to support this team as they transition from initial build-out to long-term growth."

### **About Ares Management, L.P.**

Ares Management, L.P. is a publicly traded, leading global alternative asset manager with approximately \$121.4 billion of assets under management as of June 30, 2018 and 18 offices in the United States, Europe, Asia and Australia. Since its inception in 1997, Ares has adhered to a disciplined investment philosophy that focuses on delivering strong risk-adjusted investment returns throughout market cycles. Ares believes each of its three distinct but complementary investment groups in Credit, Private Equity and Real Estate is a market leader based on assets under management and investment performance. Ares was built upon the fundamental principle that each group benefits from being part of the greater whole. For more information, visit [www.aresmgmt.com](http://www.aresmgmt.com).

Ares EIF is the power and infrastructure strategy within Ares' Private Equity Group, with a 31-year track record of investing in assets and companies in the power generation, transmission and midstream sectors. Since inception, Ares EIF-managed funds have made approximately 70 equity investments in nearly 130 different power and energy infrastructure assets with a combined

underlying enterprise value exceeding \$20 billion. During the last 15 years, Ares EIF has invested in nearly 9,000 megawatts of greenfield generation and transmission projects, as well as over 200 miles of greenfield pipeline projects, representing over \$11 billion of capital costs.

### **Forward-Looking Statements**

Statements included herein may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, which relate to future events or our future performance or financial condition. These statements are not guarantees of future performance, condition or results and involve a number of risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including those described from time to time in our filings with the Securities and Exchange Commission. Ares Management, L.P. undertakes no duty to update any forward-looking statements made herein or on the webcast/conference call.

Nothing in this press release constitutes an offer to sell or solicitation of an offer to buy any securities of Ares or an investment fund managed by Ares or its affiliates.

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Media:

Mendel Communications  
Bill Mendel, 212-397-1030  
[\[email protected\]](#)

or

Investors:

Ares Management, L.P.  
Carl Drake, 800-340-6597  
[\[email protected\]](#)

or

Priscila Roney, 212-808-1185  
[\[email protected\]](#)

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