

# Second Quarter Earnings Call

August 2017

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**NBLX**  
**LISTED**  
**NYSE**

# Forward Looking Statements and Non-GAAP Measures

This presentation contains certain “forward-looking statements” within the meaning of the federal securities law. Words such as “anticipates”, “believes”, “expects”, “intends”, “will”, “should”, “may”, “estimate” and similar expressions may be used to identify forward-looking statements. Forward-looking statements are not statements of historical fact and reflect Noble Midstream Partners LP’s (“the Partnership” or “Noble Midstream”) current views about future events. No assurances can be given that the forward-looking statements contained in this presentation will occur as projected, and actual results may differ materially from those projected. Forward-looking statements are based on current expectations, estimates and assumptions that involve a number of risks and uncertainties that could cause actual results to differ materially from those projected. These risks include, without limitation, the ability of Noble Energy, Inc. (“NBL”) to meet its drilling and development plans, changes in general economic conditions, competitive conditions in the Partnership’s industry, actions taken by third-party operators, gatherers, processors and transporters, the demand for crude oil and natural gas gathering and processing services, the Partnership’s ability to successfully implement its business plan, the Partnership’s ability to complete internal growth projects on time and on budget, the price and availability of debt and equity financing, the availability and price of crude oil and natural gas to the consumer compared to the price of alternative and competing fuels, and other risks inherent in the Partnership’s business, including those described under “Risk Factors” and “Forward-Looking Statements” in the Partnership’s Annual Report on Form 10-K for the fiscal year ended December 31, 2016 and in the other reports the Partnership files with the Securities and Exchange Commission. These reports are also available from the Partnership’s office or website, [www.nblmidstream.com](http://www.nblmidstream.com). Forward-looking statements are based on the estimates and opinions of management at the time the statements are made. Noble Midstream does not assume any obligation to update forward-looking statements should circumstances or management’s estimates or opinions change.

This presentation also contains certain measures of financial performance that are not calculated in accordance with generally accepted accounting principles in the United States (“GAAP”) that management believes are good tools for internal use and the investment community in evaluating Noble Midstream’s overall financial performance. Please see the attached schedules for reconciliations of the non-GAAP financial measures used in this presentation to the most directly comparable GAAP financial measures.

In this presentation, we refer to certain results as “attributable to the Partnership.” Unless otherwise noted herein, all results included in this release reflect the results of our predecessor for accounting purposes, for periods prior to the closing of our initial public offering (“IPO”) on September 20, 2016, as well as the results of our Partnership, for the period subsequent to the closing of the IPO. We refer to certain results as “attributable to the Partnership,” which excludes the non-controlling interests in the development companies (“DevCos”) retained NBL. We believe the results “attributable to the Partnership” provide the best representation of the ongoing operations from which our unitholders will benefit.

# Second Quarter 2017 Highlights

## Record Results

in Volumes & Key Financial Metrics

- Oil & Gas Gathered
- Produced Water Gathered
- Fresh Water Delivered
- Net Income
- EBITDA
- DCF

Ahead of Key Gathering Growth  
Projects Commencing in 3Q

## DPU Growth

8.5% Increase Above 1Q  
18.9% Above MQD

## Financial Strength

2Q DCF Coverage 1.9x \*  
2Q Annualized Leverage 1.4x

## 2 Acquisitions

Increasing Delaware & DJ Basin Exposure

- Advantage Pipeline JV  
Closed April 3<sup>rd</sup>
- Inaugural Dropdown  
Closed June 26<sup>th</sup>

\* 2.3x pro forma for a full second quarter including the dropdown interest

# Second Quarter 2017 Results

- Oil and Gas Gathering Volume Growth of 18%
- Produced Water Gathering Volume Up 39%
- Fresh Water Delivery Volumes Increased 42%
  - Commenced third-party fresh water delivery in the DJ Basin in April
- Net Income of \$39mm, or \$32mm Attributable to the Partnership
- Cash from Operations of \$42mm
- EBITDA<sup>1</sup> Attributable to the Partnership of \$34mm
  - 28% growth above first quarter
  - \$425k from 5 days of dropdown impact
- DCF Coverage<sup>1</sup> of 1.9x, or 2.3x Pro Forma for a Full Second Quarter Including Dropdown Interest
- 8.5% Distribution per Unit Increase
- Net Capital \$19mm Below Low-End of 2Q Guidance Range
- 2Q Annualized Leverage Ratio of 1.4x
  - \$180mm of liquidity at end of 2Q

<u>Gross Volumes</u>		Record	2Q	1Q	% Var.
Oil Gathered (MBbl/d)	✓		54	44	22%
Gas Gathered (MMcf/d)	✓		122	112	8%
Oil and Gas Gathered (MBoe/d)	✓		74	63	18%
Produced Water Gathered (MBw/d)	✓		13	9	39%
Fresh Water Delivered (MBw/d) per equivalent well average (NBL wells only)	✓		184 227	129 217	42% 5%

<u>Financials (\$mm)</u>					
Gross	Net Income	✓	\$39	\$35	13%
	EBITDA <sup>1</sup>	✓	\$42	\$37	12%
	Capital, excluding acquisitions		\$84	\$76	9%
Attributable to the Partnership	EBITDA <sup>1</sup>	✓	\$34	\$26	28%
	Distributable Cash Flow (DCF) <sup>1</sup>	✓	\$30	\$24	27%
	DCF Coverage <sup>1</sup>		1.9x	1.8x	3%
	Capital, excluding acquisitions		\$46	\$59	(24%)

Equivalent Wells Connected	48	31	55%
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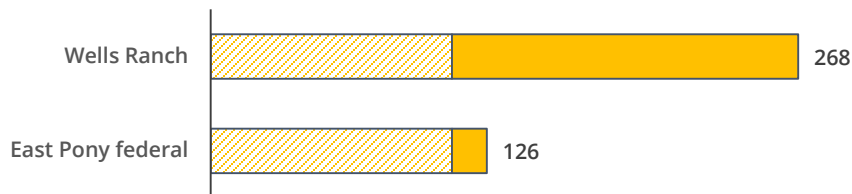
1. Includes Non-GAAP measures; see reconciliation to GAAP measures in Appendix

# 1.9x Distribution Coverage<sup>1</sup> of 2Q Distribution

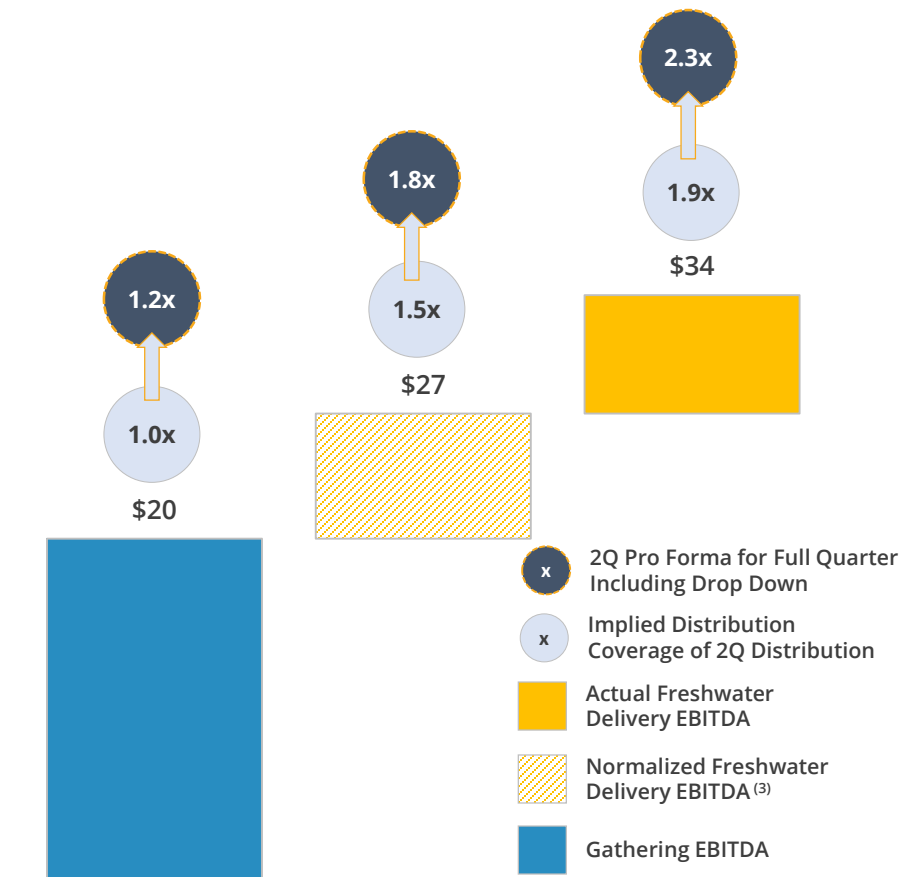
## Enhanced Completions Continue to Build Coverage

- 2Q DCF Coverage<sup>1</sup> of 1.9x
  - 8.5% DPU increase above the first quarter
  - 2.3x DCF Coverage pro forma for full quarter contribution including dropdown interests
- Record Net Gathering EBITDA<sup>1</sup> of \$20mm, 15% Growth Above Prior Quarter
  - Base gathering DCF coverage of 1.2x pro forma for full 2Q impact of dropdown
- Record Second Quarter Fresh Water Delivery From Continued Enhanced Completions and Start Up of Third-Party Fresh Water Delivery

2Q 2017 Average Fresh Water per Equivalent Well (MBw)  
NBL Wells Only



## 2Q 2017 NBLX Net EBITDA and Distribution Coverage<sup>(1,2)</sup>



1. Figures are Non-GAAP; see reconciliation to GAAP measures in Appendix  
 2. G&A allocated to gathering and freshwater delivery based on proportionate share of EBITDA; coverage figures reflect full net maintenance capital totals  
 3. Assumes 1H 2016 average water volumes / equivalent well

# Delaware Basin Projects Update

## Delaware Basin Gathering Infrastructure:

- Infrastructure Build Out Continuing to Support NBL's 5 Rigs in the Southern Delaware Basin
- 1st Delaware CGF Online (Billy Miner I)
- 90 MBbl/d of Crude Capacity Planned to be Operational by 1H 2018
- Full Infrastructure Buildout Includes ~450 Miles of Gathering Pipelines (Oil, Gas and Produced Water)

Near-Term Delaware Basin CGF Projects		Daily Capacity			Est. Online
		Oil (MBbl/d)	Gas (MMcf/d)	PW (MBw/d)	
#1	Billy Miner I	10	20	15	Online
	Billy Miner II	+30	+60	+60	1H 2018
#2	Jesse James	10	20	15	Dec. '17
#3	Coronado *	20	30	60	1H 2018
#4	Collier *	20	30	60	1H 2018

\* expandable to 30 MBbl/d and 60 MMcf/d with minimal equipment additions

## Advantage Crude Oil System:

- 2Q Average Throughput 35 MBbl/d
  - ~ 35% above acquisition case
  - July throughput of 40 MBbl/d
- Billy Miner I CGF Connection to Advantage Pipeline Scheduled for Late-August In Service
- Evaluating Advantage System Capabilities for Blending & Batching

## Evaluating Crude Transmission Solution for CWEI Acreage <sup>1</sup>



Delaware Basin - Billy Miner I CGF

1. 64k acres acquired by NBL from CWEI is dedicated to NBLX; NBL's legacy Delaware Basin acres (~47k) dedicated to the Advantage Pipeline JV

# DJ Basin Projects Update

## Greeley Crescent:

- Fresh Water Services for SRC Energy Commenced Operation in April; Early Results Above Expectations
- Oil and Produced Water Gathering System Expected to be Operational in August 2017

## Wells Ranch and East Pony:

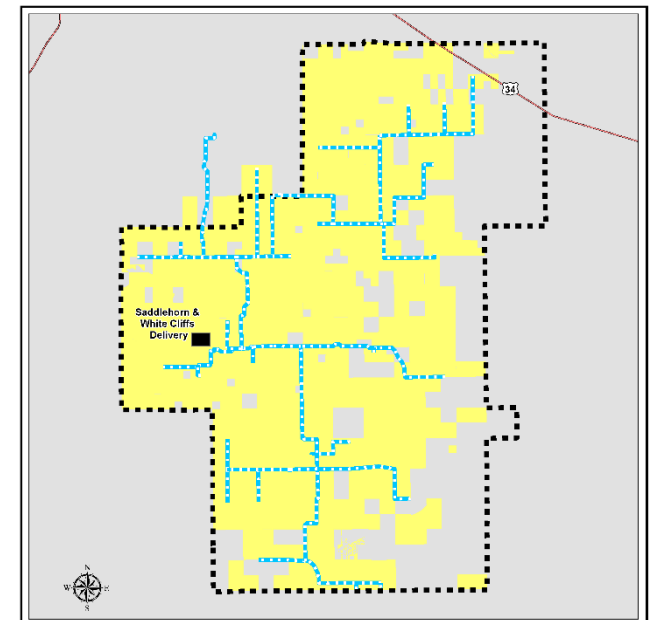
- Well Connects Supporting NBL's Development Driving Oil and Gas Gathering Growth of 18% above the First Quarter
- Wells Ranch Produced Water Gathering Capacity Increased from 15 MBw/d to 30 MBw/d
- Upstream Results Continue to Exceed NBLX Expectations

## Mustang:

- Expanding Fresh Water System; Expected to be Operational November 2017
- Long-Lead Gathering System Equipment Ordered
- Construction Expected to Begin in September 2017
- Full Infrastructure Build Out Includes ~250 Miles of Pipelines (Oil, Gas, PW and FW)
- Startup Expected Late 1Q 2018

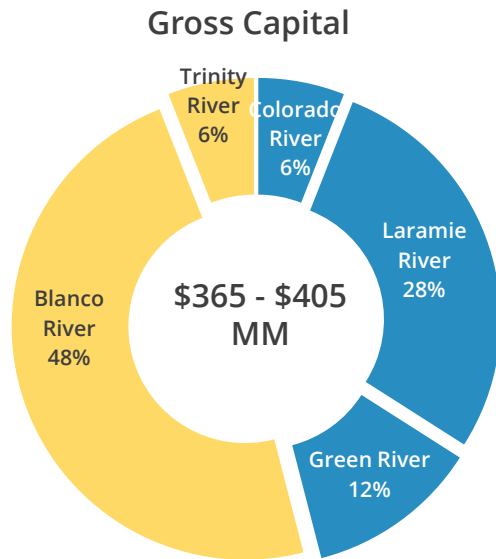


DJ Basin - Empire Pipeline for SRC Energy

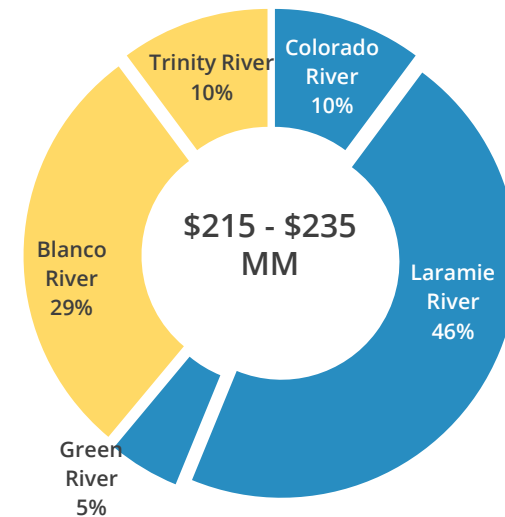


DJ Basin - Mustang Infrastructure Plans

# 2017 Capital Budget<sup>1</sup>



### Net Capital (attributable to the Partnership)



	DJ Basin			Delaware Basin	
DevCo % Ownership	Colorado River 100%	Laramie River 100%	Green River 25%	Blanco River 40%	Trinity River 100%
Expected 2017 Capital Investment	<ul style="list-style-type: none"> <li>~ 24 miles of gathering lines</li> <li>Wells Ranch produced water expansion</li> </ul>	<ul style="list-style-type: none"> <li>Infrastructure build out for SRC Energy including oil pipeline connecting to White Cliffs and Grand Mesa</li> </ul>	<ul style="list-style-type: none"> <li>Mustang backbone infrastructure build out for oil, gas, PW &amp; FW services</li> </ul>	<ul style="list-style-type: none"> <li>Delaware Basin central gathering facilities and infrastructure build out</li> </ul>	<ul style="list-style-type: none"> <li>Advantage pipeline integration capital and CGF tie-in</li> </ul>

1. Excludes acquisition cost



# Gathering Segment Driving Significant Second Half Growth

## Expected Second Half Growth Drivers:

- 1<sup>st</sup> Delaware Basin CGF online (Jul. 2017)
- SRC Energy Oil and PW gathering systems (Aug. 2017)
- NBL's DJ Basin 2017 horizontal wedge outperforming

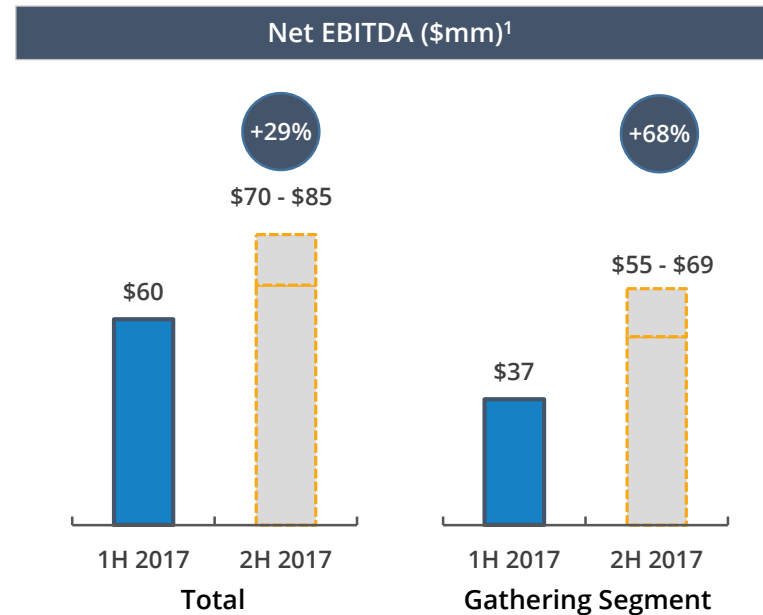
## Conservatively Planning for Second Half Fresh Water Reductions

### Colorado & San Juan River DevCo Assumptions:

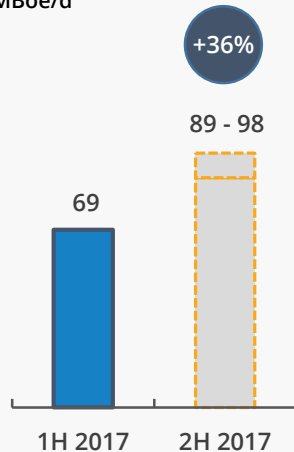
- Assumes NBL utilizing 2 frac crews in 2H '17, previously assumed 3
- NBL fresh water per well results continue exceed projections
- Remainder of NBL's 2017 East Pony completions on federal leases

### Laramie River DevCo Assumptions:

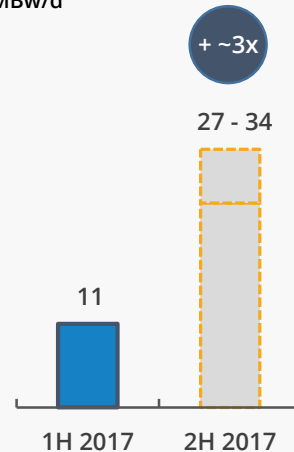
- Assumes SRC Energy utilizing 1 frac crew on NBLX dedicated acreage in 2H '17, consistent with previous assumptions
- Early SRC Energy fresh water per well also trending above expectations



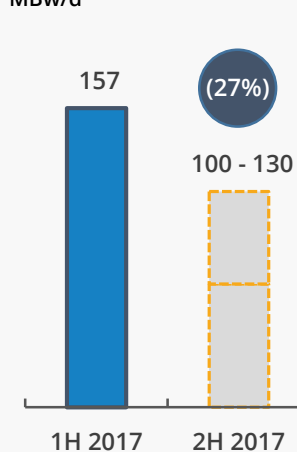
### Oil and Gas Gathering MBoe/d



### Produced Water Gathering MBw/d



### Fresh Water Delivered MBw/d



1. Includes Non-GAAP measures; see reconciliation to GAAP measures in Appendix

# 2017 Guidance Detail

18% Total Gathering Volume Growth Expected in 3Q vs 2Q

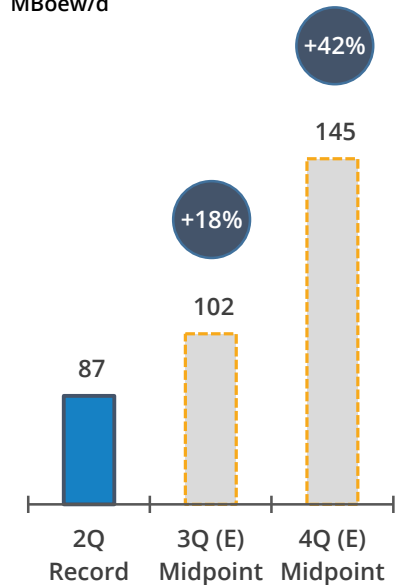
Gross Volumes	Actuals		Guidance		
	1Q	2Q	3Q	4Q	2017
Oil Gathered (MBbl/d)	44	54	56 – 62	74 – 82	57 – 61
Gas Gathered (MMcf/d)	112	122	130 – 144	153 – 169	129 – 137
Oil and Gas Gathered (MBoe/d)	63	74	78 – 86	100 – 110	79 – 83
Produced Water Gathered (MBw/d)	9	13	18 – 22	35 – 45	19 – 22
Fresh Water Delivered (MBw/d) <i>per equivalent well average (NBL wells only)</i>	129 217	184 227	100 – 130	100 – 130	128 – 143

## Financials (\$MM)

Gross	Net Income	\$35	\$39	\$33 – \$36	\$38 – \$42	\$145 – \$152
	EBITDA <sup>1</sup>	\$37	\$42	\$35 – \$41	\$41 – \$48	\$155 – \$168
Capital, excluding acquisitions	\$76	\$84	\$85 – \$100	\$120 – \$145	\$365 – \$405	
Attributable to the Partnership	EBITDA <sup>1</sup>	\$26	\$34	\$32 – \$39	\$38 – \$46	\$130 – \$145
	Distributable Cash Flow	\$24	\$30	\$27 – \$33	\$32 – \$38	\$112 – \$125
	DCF Coverage <sup>1,2</sup>	1.8x	1.9x	1.6x – 1.9x	1.8x – 2.1x	1.8x – 2.0x
	Capital, excluding acquisitions	\$59	\$46	\$45 – \$55	\$65 – \$75	\$215 – \$235

Equivalent Wells Connected	31	48
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Oil, Gas and Produced Water Gathering Volumes  
MBoew/d



1. Includes Non-GAAP measures; see reconciliation to GAAP measures in Appendix  
 2. Estimates include forecasted DPU growth of 4.7% quarterly, or 20% annual

# Recent Acquisitions

- **Two Acquisitions Closed in 2Q Totaling \$337mm**
  - 2017 M&A and net capital spending estimated to total approximately \$530mm; funded with ~30% equity (June 2017 PIPE)
  - Balance sheet remains strong with 2Q annualized leverage at 1.4x
- **2018 EBITDA Multiple Expected to be 6.8x – 7.8x From Acquired Assets**
- **Significant Steps Toward 2020 Goal of ~50% of Partnership EBITDA From the Permian Basin**

**ADVANTAGE  
PIPELINE**

Southern Delaware Basin  
Crude Oil Pipeline

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50/50 JV with PAA  
\$133mm (\$66.5 mm net)

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70 miles  
150 MBbl/d Capacity

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Closed April 3, 2017

## Dropdown and Private Placement (PIPE) Review

- **Acquired 20% of Colorado River DevCo and 15% of Blanco River DevCo from NBL**
  - \$270mm purchase price; funded by \$143mm PIPE, approximately \$25mm in units to NBL and \$102mm borrowing under credit facility
- **Priced \$143mm PIPE on June 20, 2017 at 80% Premium to IPO Price**
- **Execution Despite Challenging Market Backdrop**
  - First MLP PIPE since Jan. 2017 and first PIPE to fund a dropdown since Nov. 2015
- **MLP Investor Participation (6 Existing Investors, 2 New Investors)**
- **Transaction Merited in Upside and Defensive Commodity Price Curves**

Inaugural Dropdown

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Additional DevCo Interests  
Acquired for \$270mm

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DJ & Delaware Basin

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Closed June 27, 2017

# Consistently Enhancing Top-Tier Growth Outlook

2017 – 2020 DPU Growth Objective (Sep. 2016) <sup>1</sup>		20%
<b>Enhancements Since IPO:</b>		
<p>✓ <b>Fresh Water Delivery Per Well Demand Nearly Triples</b> Enhanced completions driving increased fresh water demand</p>	Sep. '16	<ul style="list-style-type: none"> <li>▪ Extends 20% Growth Horizon</li> <li>▪ Durability to Distribution Through Commodity Cycles</li> <li>▪ Improves Already Strong Coverage and Leverage Outlook</li> <li>▪ Provides Financial Flexibility for Complementary Growth Opportunities</li> </ul>
<p>✓ <b>NBL USO Update</b> Higher activity + increased type curves in both DJ and Delaware</p>	Nov. '16	
<p>✓ <b>Advantage Pipeline JV Acquisition</b> Delaware Basin crude transmission added to portfolio</p>	Feb. '17	
<p>✓ <b>Delaware Basin Gas Gathering Dedication</b> NBL's legacy 47,000 Delaware Basin acres</p>	Apr. '17	
<p>✓ <b>Clayton Williams Gathering Dedication</b> Oil, gas and produced water gathering on 64,000 Delaware Basin acres</p>	Apr. '17	
<p>✓ <b>Inaugural Dropdown Transaction</b> Accretive transaction providing additional exposure to Permian Basin</p>	Jun. '17	
<p>✓ <b>Record Oil and Gas System Throughput</b> NBL's DJ horizontal wedge production driving record gathering throughput</p>	2Q '17	
2017 – 2020+ DPU Growth Objective (Aug. 2017) <sup>2</sup>		20%

1. No dropdowns assumed  
2. No additional dropdowns assumed

# Strong Balance Sheet Provides Runway for Opportunities

	2H '17 Expected Milestones	Potential 2H '17 Opportunities
Delaware Basin	<p>Volume Ramp and Results</p> <p>-----</p> <p>Advantage Connection and PAA Match</p>	<p>CWEI Oil Transmission Dedication</p> <p>-----</p> <p>Third-Party Efforts</p> <p>-----</p> <p>Long-Haul Opportunities</p>
DJ Basin	<p>SRC Energy Gathering System Online and Results</p>	<p>Third-Party Efforts</p> <p>-----</p> <p>Storage / Terminal Opportunities</p>

# Appendix

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# EBITDA Reconciliation

## Non-GAAP Financial Measures

This presentation includes EBITDA, Distributable Cash Flow, and Distribution Coverage, all of which are non-GAAP measures that management believes are good tools for internal use and the investment community in evaluating our overall financial performance. The following presents a reconciliation of each of these non-GAAP financial measures to their nearest comparable GAAP measure.

We define EBITDA as net income before income taxes, net interest expense, depreciation and amortization. EBITDA is used as a supplemental financial measure by management and by external users of our financial statements, such as investors, industry analysts, lenders and ratings agencies, to assess:

- our operating performance as compared to those of other companies in the midstream energy industry, without regard to financing methods, historical cost basis or capital structure;
- the ability of our assets to generate sufficient cash flow to make distributions to our partners;
- our ability to incur and service debt and fund capital expenditures; and
- the viability of acquisitions and other capital expenditure projects and the returns on investment of various investment opportunities.

We define Distributable Cash Flow as EBITDA less estimated maintenance capital expenditures and cash interest expense. Distributable Cash Flow is used by management to evaluate our overall performance. Our partnership agreement requires us to distribute all available cash on a quarterly basis, and Distributable Cash Flow is one of the factors used by the board of directors of our general partner to help determine the amount of available cash that is available to our unitholders for a given period. We calculate our Distribution Coverage ratio as Distributable Cash Flow for a given quarter divided by the aggregate amount of distributions declared in respect of such quarter. The Distribution Coverage ratio is used by management to illustrate our ability to make our distributions each quarter.

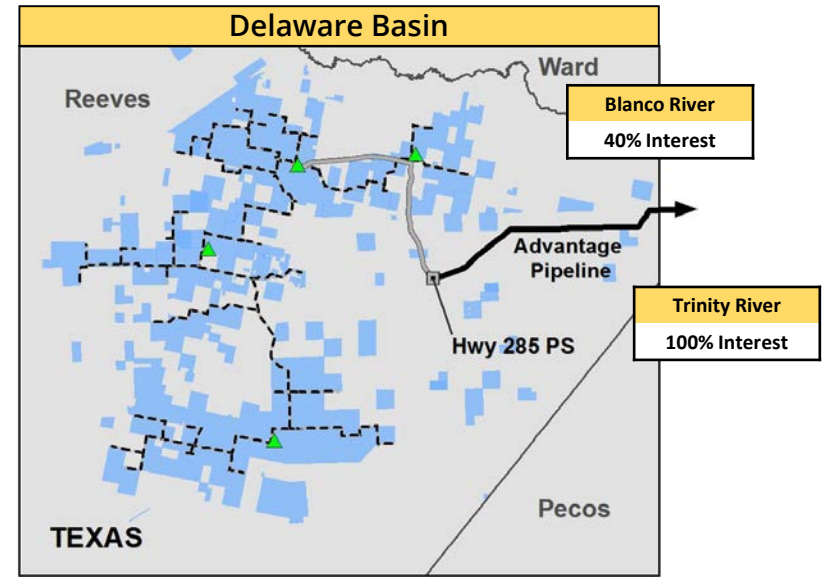
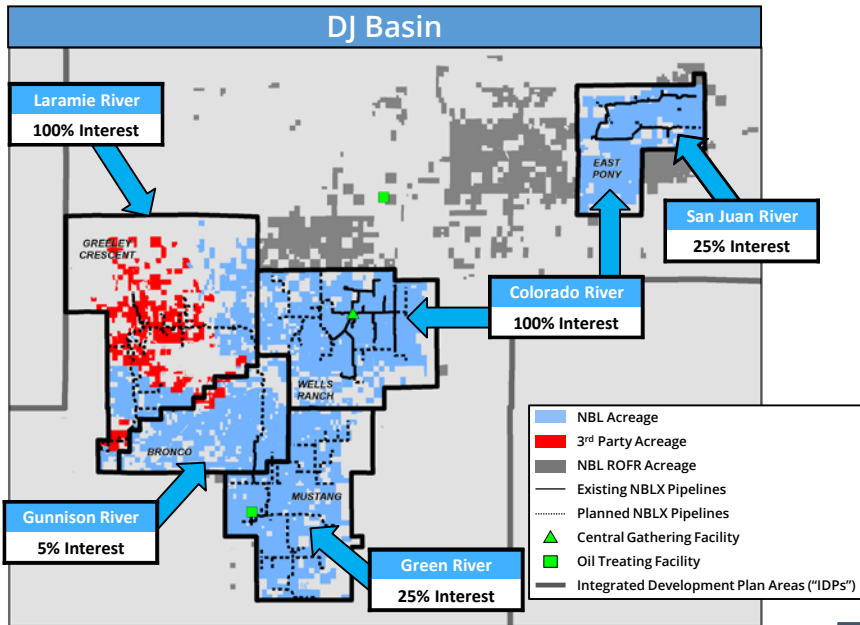
We believe that the presentation of EBITDA and Distributable Cash Flow provide information useful to investors in assessing our financial condition and results of operations. The GAAP measures most directly comparable to EBITDA and Distributable Cash Flow are net income and net cash provided by operating activities. EBITDA and Distributable Cash Flow should not be considered alternatives to net income, net cash provided by (used in) operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP.

EBITDA and Distributable Cash Flow exclude some, but not all, items that affect net income or net cash, and these measures may vary from those of other companies. As a result, EBITDA and Distributable Cash Flow as presented in the following pages may not be comparable to similarly titled measures of other companies.

EBITDA and Distributable Cash Flow should not be considered as alternatives to GAAP measures, such as net income, operating income, cash flow from operating activities, or any other GAAP measure of financial performance.

	2017				
	1Q	2Q	3Q (E)	4Q (E)	FY (E)
<b>Net Income</b>	<b>\$ 35</b>	<b>\$ 39</b>	<b>\$33 - \$36</b>	<b>\$38 - \$42</b>	<b>\$145 - \$152</b>
Add: Depreciation and Amortization	2	2	2 - 4	3 - 5	10 - 14
Add: Interest Expense, Net of Amount Capitalized	0	0	0 - 1	0 - 1	0 - 2
Add: Income Tax Provision	-	-	-	-	-
Add: Unit-Based Compensation	0	0	0	0	0 - 1
<b>EBITDA</b>	<b>\$ 37</b>	<b>\$ 42</b>	<b>\$35 - \$41</b>	<b>\$41 - \$48</b>	<b>\$155 - \$168</b>
Less: EBITDA Attributable to Noncontrolling Interests	11	8	3 - 2	3 - 2	25 - 23
<b>EBITDA Attributable to NBLX</b>	<b>\$ 26</b>	<b>\$ 34</b>	<b>\$32 - \$39</b>	<b>\$38 - \$46</b>	<b>\$130 - \$145</b>
Less: Maintenance Capital Expenditures & Cash Interest	3	4	5 - 6	7 - 8	18 - 20
<b>Distributable Cash Flow of NBLX</b>	<b>\$ 24</b>	<b>\$ 30</b>	<b>\$27 - \$33</b>	<b>\$32 - \$38</b>	<b>\$112 - \$125</b>
<b>DCF Coverage</b>	<b>1.8x</b>	<b>1.9x</b>	<b>1.6x - 1.9x</b>	<b>1.8x - 2.1x</b>	<b>1.8x - 2.0x</b>

# Midstream Services Portfolio

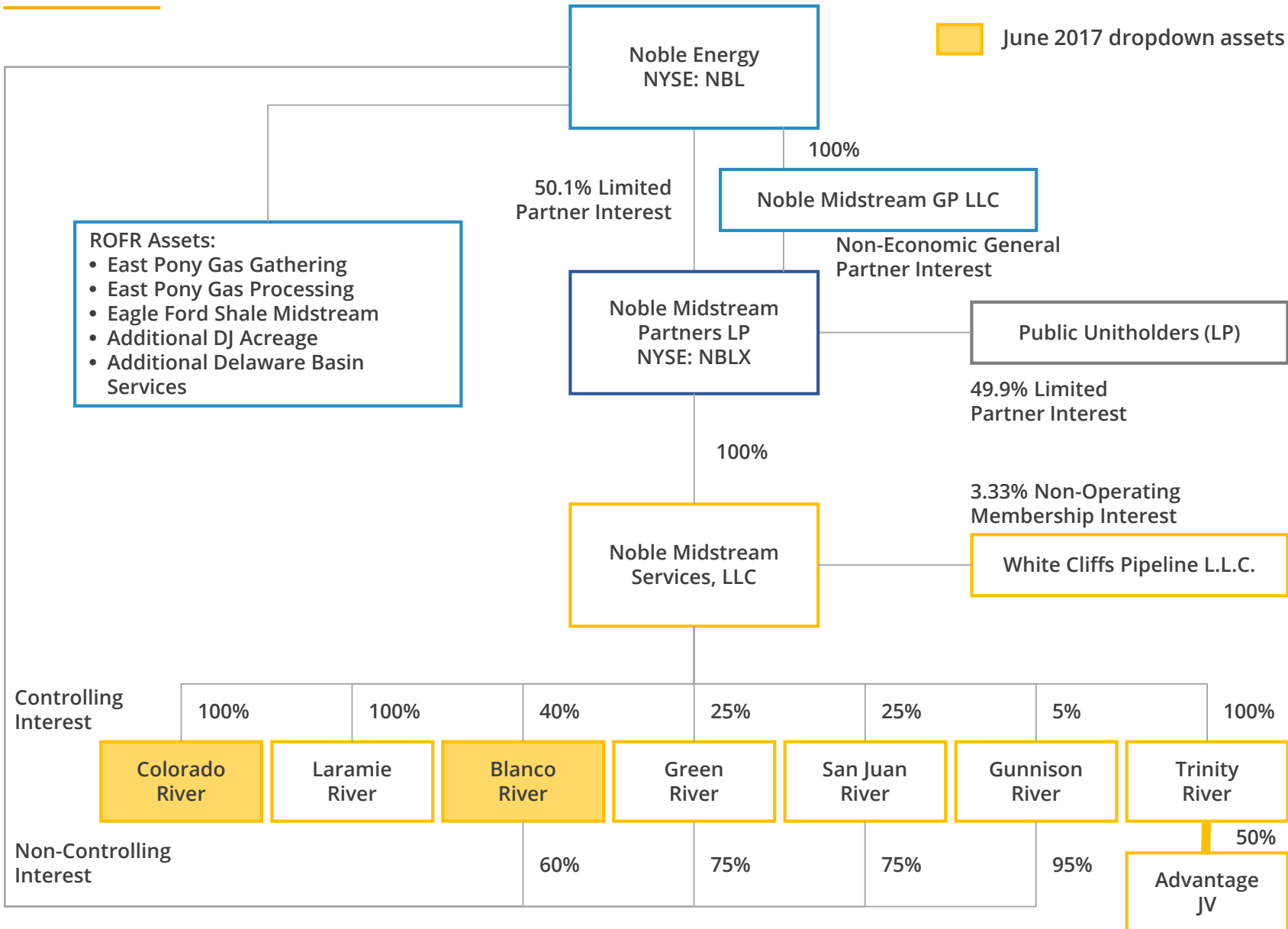


DevCo	NBLX Ownership	IDP	Producer	Dedicated Acres (~)	Dedicated Service				
					Crude Oil Gathering	Gas Gathering	Prod. Water Gathering	Fresh Water Delivery	Crude Oil Transmission
Colorado River	100%	Wells Ranch	NBL	78k	✓	✓	✓	✓	
		East Pony		44k	✓				
Blanco River	40%	Delaware Basin	NBL	111k	✓	✓	✓		
Trinity River	100%	Delaware Basin							✓*
Laramie River	100%	Greeley Crescent	SRCI	33k	✓		✓	✓	
			NBL	32k	✓		✓	✓	
Green River	25%	Mustang	NBL	75k	✓	✓	✓	✓	
San Juan River	25%	East Pony	NBL	44k				✓	
Gunnison River	5%	Bronco	NBL	36k	✓		✓	✓	

\* 64k acres acquired by NBL from CWEI is dedicated to NBLX; NBL's legacy Delaware Basin acres (~47k) dedicated to the Advantage Pipeline JV



# Current NBLX Structure





visit  
[nblmidstream.com](http://nblmidstream.com)

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## Contact Information

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