

BLACKWATER NEW ORLEANS ANNOUNCES ADDITIONAL COMMERCIAL AGREEMENT FOR BASE OIL STORAGE

NEW ORLEANS--(BUSINESS WIRE)--Blackwater New Orleans, LLC (OTCBB:BWMS) announces that it has reached a commercial agreement with its' existing international petroleum customer for the lease of four additional base oil storage tanks, totaling 20,000 barrels, to the customer's existing system at the Westwego, Louisiana facility. The new agreement will bring the customer's total system capacity to 64,000 barrels and is scheduled to commence in mid-November 2009.

Blackwater New Orleans, LLC completed the acquisition of NuStar Energy's storage terminal in Westwego, Louisiana in December, 2008. Mike Suder, Blackwater Midstream Corp.'s Chief Executive Officer, stated, "It is an exciting time for Blackwater New Orleans, LLC. This additional base oil storage business, coupled with the additional 150,000 barrels of new tank capacity and new dock construction that is underway at our site, is a direct reflection of our commitment to continue increasing our value to our customers and shareholders."

Frank Marrocco, Chief Commercial Officer of Blackwater Midstream Corp., stated "It is a great indication that we are meeting our key objective of providing value added services to our clients when we can continue to grow with our existing customers." "We have made steady progress of increasing the utilization of our Westwego terminal from approximately 40% at the time of the acquisition to approximately 75%, in less than one year. We have accomplished this through our efforts to be an integral service provider to our customers and the product segments that they serve."

Blackwater Midstream Corp., through its wholly owned subsidiary Blackwater New Orleans, LLC, is an independent operator of a bulk liquid storage terminal in the Port of New Orleans. The Westwego, LA facility consists of 752,000 barrels of storage capacity, and is currently expanding to 902,000 barrels. The terminal is capable of storing a variety of chemical and petroleum products. The site offers marine, rail, and truck access for product distribution. Blackwater Midstream Corp. is a member of the International Liquid Terminal Association.

Forward Looking Statements

The information in this press release includes certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to prospective acquisitions or anticipated future results. Forward-looking statements relate to expectations or forecasts of future events. Blackwater Midstream Corp. does not assume the obligation to update any forward-looking statement. Many factors could cause actual results to differ materially from Blackwater Midstream Corp.'s forward-looking statements, including market forces, economic factors, the availability of capital and credit, current and future competition and other uncertainties. For further details about these and other factors that may impact the forward-looking statements, see Blackwater Midstream Corp's Securities and Exchange Commission filings, including the "Risk Factors" in the Annual Report on Form 10-K.

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