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## **Blackwater Midstream Corp. Announces New Customer for its Westwego, LA Terminal**

NEW ORLEANS--(BUSINESS WIRE)--Blackwater New Orleans, LLC (OTCBB:BWMS) announces that it has reached an agreement with an international petroleum company for the storage of base oils at its recently acquired Westwego, Louisiana facility. The new contract is scheduled to commence in mid-March and is expected to add approximately \$500,000 in annual net earnings. In addition, the agreement grants an option to the customer to add a phase two of storage capacity that would be in service by the end of the second quarter and add an additional \$700,000 in net earnings annually.

Blackwater New Orleans, LLC completed the acquisition of NuStar Energy's 855,000 barrel storage terminal in Westwego, Louisiana on December 23, 2008. Mike Suder, Blackwater Midstream Corporation's Chief Executive Officer stated, "Reaching an agreement with an international petroleum producer for the storage of their base oils is a significant step in our continued progress. It reflects Blackwater's on-going commitment of improving the results at the facility and achieving the potential of the terminal that we expected for the acquisition."

Frank Marrocco, Chief Commercial Officer of Blackwater Midstream Corporation stated, "We have had strong commercial interest for storage capacity at our Westwego facility since our acquisition of the site in December, 2008. This new agreement is a great opportunity for Blackwater New Orleans to service the storage and distribution needs of an international petroleum company. It allows Blackwater New Orleans the opportunity to put a group of underutilized assets into service, while offering our new customer an efficient means of expanding its base oil business based on the high level of customer service and product stewardship offered by Blackwater New Orleans." Marrocco added "this addition to our customer base supports our strategy of diversifying our business portfolio across various product and manufacturing segments and providing a solid foundation for our business."

In addition to the focus on the success of its Westwego terminal, Blackwater Midstream Corporation is actively pursuing other acquisition opportunities.

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 does not assume the obligation to update any forward-looking statement. Many factors could cause actual results to differ materially from Blackwater Midstream'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's Securities and Exchange Commission filings, including the "Risk Factors" in the Annual Report on Form 10-K.

### **Contacts**

Blackwater Midstream Corp.  
Michael Suder, 201-290-8369

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