



NEWS RELEASE

U.S. Development Group Announces Agreement to Sell Crude-by-Rail Terminals to Plains All American for \$500 Million

12/5/2012

U.S. Development Group LLC (USDG), a Houston-based developer of unit train logistics and terminal facilities, today announced that it has entered into an agreement to sell five of its industry-leading crude oil handling and distribution terminals to Plains All American Pipeline, L.P. (NYSE: PAA), a leader in the transportation, storage, development and marketing of crude oil and related products, for \$500 million.

The transaction involves the following terminals: the St. James Crude Terminal in St. James, La.; the Eagle Ford Crude Terminal in Gardendale, Texas; the Van Hook Crude Terminal in Mountrail County, N.D.; the Bakersfield Crude Terminal under development in Bakersfield, Calif. and the Niobrara Crude Terminal in Carr, Colo. In total, the terminals have throughput capacity of approximately 225,000 barrels of crude oil and condensate per day.

Under the terms of the deal, USDG will continue to provide customer service and scheduling on behalf of Plains as part of a Joint Services Agreement.

Dan Borgen, president and CEO of U.S. Development Group, said the transaction would continue USDG's successful working relationship with Plains. "We are very pleased to have entered into this agreement with Plains and look forward to working with them to assure a smooth transition. Our technical and service expertise in scheduling, fleet management and railroad operations support complements Plains' extensive network of assets throughout the U.S. Plains has proven to be a great terminal and pipeline partner for USDG, and we believe that this transaction will provide for the most efficient optimization of the assets involved."

U.S. Development Group looks forward to expanding its network of terminals supporting the oil and gas,

petrochemical and related products industries.

Evercore Partners served as exclusive financial advisor to U.S. Development Group for the transaction.

About U.S. Development Group

U.S. Development Group is a leading North American multimodal logistics company dedicated to developing unique solutions that address the toughest industry challenges. U.S. Development Group companies are engaged in rail logistics terminalling, as well as designing, developing, owning and managing large-scale crude oil, petrochemical and ethanol rail logistic centers in the United States and Canada.

www.us-dev.com

Media Contact:

Gooden Group PR

Meg Martin, 405-397-6156

media@us-dev.com