NEWS RELEASE

U.S. Development Group Unveils New St. James Rail Terminal

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U.S. Development Group LLC (USDG), a Houston-based developer of rail logistics and terminal facilities, today celebrated the grand opening of its St. James Rail Terminal, a state-of-the-art crude oil rail terminal located in the St. James, La., crude/condensate logistics hub. The terminal, which brings rail connectivity to the St. James crude market, is the first in a planned nationwide network of rail terminals to handle crude oil.

"U.S. Development Group is already a leader in product handling and distribution terminals. With the St. James Rail Terminal, we are applying our expertise in designing, developing and operating large-scale logistics terminals to the crude market," said Dan Borgen, U.S. Development Group president and CEO. "The St. James Rail Terminal has been designed to accept crude from oil-producing areas of the U.S. and Canada safely and efficiently, while giving us the flexibility to expand in order to support future growth."

Served by the Union Pacific Railroad, the St. James Rail Terminal consists of several miles of rail track and a fully automated 26-spot rail rack for offloading. The facility features an initial capacity of 65,000 barrels a day and is connected via pipeline to an adjacent crude/condensate storage terminal operated by Plains All American Pipeline, L.P.

"The new St. James Rail Terminal represents the type of investment that will help ensure Louisiana's economic prosperity and the vitality of its energy industry going forward," said Lt. Governor Scott Angelle. "Investments such as this are key to fostering economic growth and creating quality jobs for our citizens."

USDG anticipates that the St. James Rail Terminal will help optimize the St. James crude market by giving oil producers dependable access to a dynamic trading hub and providing refiners access to a steady supply of high-

quality crude. And, by transporting domestically produced crude to the best market pricing, the terminal will serve to displace imported barrels and thereby decrease the reliance of the St. James market on foreign crude.

USDG is committed to improving the communities where its facilities are located and where its employees live. As part of the grand opening events for the St. James Rail Terminal, USDG, through its charitable foundation, donated $10,000 to local St. James schools and underwrote a Jonny Lang concert benefitting military families and the St. Bernard Project at the House of Blues in New Orleans.

U.S. Development Group companies are engaged in designing, developing, owning and managing large-scale rail logistics centers throughout the United States. U.S. Development Group is the industry leader in unit rail facility development for product distribution. For more information, go to **www.us-dev.com**.

For additional information about the St. James facility, please contact Bill Swan at 713-445-6929.

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