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October 13, 2014

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ND GOV. DALRYMPLE AND BADLANDS NGL's CEO ANNOUNCE LARGEST PRIVATE SECTOR INVESTMENT PROJECT IN STATE HISTORY

BISMARCK, ND – North Dakota Governor Jack Dalrymple and Badlands NGL's, LLC Chairman and Chief Executive Officer William Jeffrey Gilliam today announced a new polyethylene (PE) manufacturing facility to be built in North Dakota. At an estimated \$4 billion, this will be the largest private sector investment made in state history.

The value-added manufacturing facility will use North Dakota's abundant supply of natural gas liquid ("NGL") sourced ethane gas coming out of the Williston Basin as a byproduct of oil production. The project will significantly reduce the amount of natural gas flared into the atmosphere, which has been a critical area of focus for State and industry leaders.

The Badlands facility will convert the ethane to polyethylene which is used to make a wide variety of end use consumer and industrial products. The facility will be able to produce 1.5 million metric tons of polyethylene, or 3.3 billion pounds annually, and employ in excess of 500 highly trained persons in manufacturing, marketing, administrative, safety, financial and executive positions. The project will take at least three years for full development.

"Badlands is proud to bring this manufacturing facility to North Dakota," said Gilliam. "We are committed to maximizing the value of Bakken ethane for producers, their midstream partners and all gas processors. This facility is the solution needed to add value to North Dakota's ethane supply and make it a commercially marketable product. In doing so, there will actually be a market advantage for North Dakota polyethylene products.

"North Dakota elected officials and agencies have provided Badlands with by far the most business-friendly and pro-development environment in the United States. We have been fortunate to attract many of North Dakota's leading business and community leaders as Badlands investors, and we continue to discuss debt and equity capital markets needs with major financial institutions"

U.S. production of ethane from other geological formations will be expanding, reaching a projected 2.6 million barrels a day by 2020. Based on national demand as well as expected

exports, a tremendous amount of the U.S. ethane supply will remain untouched. Because of North Dakota's remote geographic location, the state's supply will be the most economically disadvantaged.

"This project is fully aligned with our goals to reduce flaring, add value to our energy resources right here in North Dakota and create diverse job opportunities across the state," Dalrymple said. "By advancing the responsible development of our energy resources and by adding value to all of our resources, the opportunities in North Dakota are boundless."

Badlands intends to market the majority of the polyethylene products to U.S markets, which are closer to North Dakota than a Gulf Coast PE facility, but product will also find its way to global markets, including Southeast Asia. In this instance, North Dakota's location is a benefit in that product can be delivered to world markets through Seattle or Vancouver and Atlantic Ports much more efficiently and economically than comparable Gulf Coast facilities.

To bring this world-scale plant to fruition, Badlands is working with two strategic partners, Tecnicas Reunidas, or "TR" (www.tecnicasreunidas.es), which is based in Madrid, Spain, as well as Vinmar Projects (www.vinmar.com/projects/) of Houston, Texas. TR, one of the largest petrochemicals and polymers contractors in the world, is completing a preliminary engineering analysis for Badlands. This work is scheduled for completion in 2014 and will include completion of technology evaluations and ethane to ethylene and ethylene to PE licensor selection, ethane aggregation engineering and planning and final site selection.

Vinmar provides long term product off-take services in support of project finance for the development partners. Vinmar and Badlands have signed a mutually binding, 15-year product off-take Memorandum of Understanding for 100 percent of the PE product to be produced by the Badlands project.

This project addresses multiple priorities for North Dakota including diverse career opportunities, value-added energy and environmental responsibility, specifically reducing flaring of natural gas.

Badlands NGL's, LLC is a Delaware limited liability company. Principals and strategic partners of Badlands have considerable experience in development, construction and management of natural gas liquid ("NGL") to polyolefin products.

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