

Port Isabel Logistical Offshore Terminal, Inc.

“The South Texas Gateway to the Gulf of Mexico”



PILOT

■ History

- In 2007, PILOT and the Port Isabel San Benito Navigation District (PISBND) agreed on terms for the site of a new PILOT marine terminal on the PISBND turning basin.
- This agreement provided PILOT with control of 58 acres of land, 3,200 linear feet of water frontage, 700 linear feet of bulkhead and 2 concrete commercial docks. (Note: One dock will return to service upon completion of hurricane damage repairs.)
- In 2008, PILOT agreed to a sublease with Subsea 7 Port Isabel LLC which permitted Subsea 7 to build a new “Spoolbase” consisting of a fabrication building, a “stalk rack” and a new dock over 495 feet in length. (Note: This facility celebrates its official opening ceremony on 30 July 2009.)

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“Why Port Isabel and Why PILOT?”

■ Why Port Isabel?

- A 1,000' x 1,500' turning basin to service vessels up to 700' LOA.
- Limited competing vessel traffic (Port facilities, existing and planned, are dedicated to oil exploration, construction and production)
- Nearby airports:
 - Port Isabel-Cameron County: ~8,000 feet of runway, Fuel (JET-A)
 - Brownsville / South Padre Island International Airport: ~7,400 feet of runway, Fuel (JET-A)
- ~6.0 hours by roadway from Houston, Texas (360 miles)
- ~3 hours by road from Corpus Christi, Texas (170 miles)
- Very quick vessel turnaround:
 - Closest shore based point for services to the Western Gulf of Mexico (~25 minutes from the open Gulf of Mexico.)
 - Minutes away from the Gulf Intracoastal WaterWay (GIWW).
 - No overhead obstructions to marine traffic to or from the Port.
- Strong base of skilled labor readily available.

■ Why PILOT?

- Long term access to more than 3,000' of water frontage and 700' of concrete bulkhead. (Additional 450' of dock / bulkhead space in upgrade process.)
- Deep water approach channels and deep water docks with a controlled water depth of 36 feet.
- Options for developing additional land for client specific growth plans.
- New marine fueling facility and truck rack under construction (completion in 2009).
- Space for warehouse storage, pipe lay-down area, and further services expansion.

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Service Offerings and Developmental Opportunities

■ PILOT Services

- Dock and bulkhead space
- Loading and unloading of marine vessels
- Marine fuel and lubricants
- Water (potable and non-potable)
- Access to labor, crane & forklift
- Other client-specific services

■ Land for Client Specific Needs

- Subsea 7 – Spoolbase, fabrication site and ship dock
- TBN – Drilling fluids and chemicals storage and delivery
- TBN – Drilling pipe receipt by truck, marine redelivery
- TBN – Supply base for offshore services

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Client Specific Development Opportunities

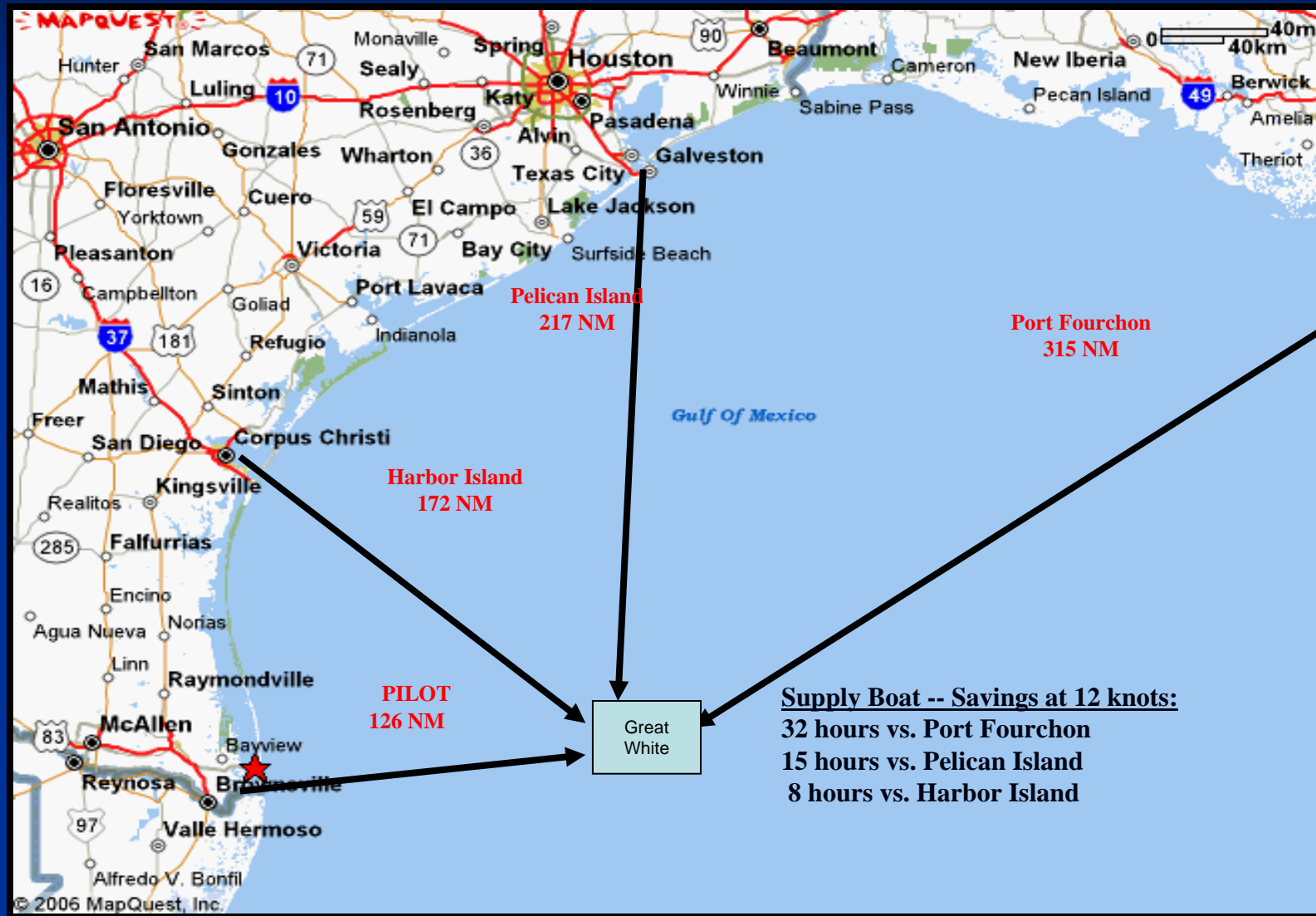
EXAMPLE: Subsea 7 Port Isabel LLC



Spoolbase Installation (~\$40 Million)

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Port Isabel location Advantages





PILOT will begin expanded operations in October 2009. Our goal is to deliver premium services at the most competitive cost. Please contact a member of our management team and let us develop a client specific offering identifying the cost and services advantages that our Port Isabel location can deliver for your company. Let PILOT define cost savings that make Port Isabel “your” preferred gateway to the Gulf of Mexico.

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