



NEWS RELEASE

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Contact: Dan Robinson
President
(214) 880-8477

Placid Refining Company expects 2010 completion date for its \$300 million Port Allen refinery upgrade and expansion

PORT ALLEN, La. — Dan Robinson, president of Placid Refining Company LLC, announced today that the company is on schedule in implementing its \$300 million project to upgrade and expand its Port Allen, La. refinery. The company's board of directors has given final approval, and the project is in full construction mode. Completion is expected during the first half of 2010.

The project will expand the refinery's capacity to 80,000 barrels per day from its current 55,000 barrel per day rating while reducing total air emissions by about 50 percent. All existing process units are being expanded and upgraded. In addition, a new FCC gasoline hydrotreater, new sulfur extraction capacity, tankage, and other environmental improvements are being constructed to enable the refinery to meet all applicable clean fuel standards for its products. The upgrades will allow the company flexibility to utilize a less expensive, higher sulfur crude oil mix in its production process.

Currently, more than 100 construction workers are on site and actively engaged in the project. This figure is expected to grow to 250 in the near future. A 30-day turnaround scheduled as part of the expansion in the third quarter of 2008 will involve 1,600 workers.

As an independent oil refinery located in Port Allen, Placid currently supplies 35 to 40 percent of the gasoline consumed in the Baton Rouge area. The refinery's current production of approximately 1 million gallons of gasoline per day will increase to about 1.5 million gallons per day when the expansion is complete in 2010. Diesel production will increase from 750,000 gallons per day to 1 million gallons per day. The modifications will create 20 to 25 new permanent positions at the refinery.

The Port Allen facility is among the safest refineries in the United States. In April 2007, refinery employees completed 17 years without a single lost-time incident. In May 2006, the National Petrochemical & Refiners Association presented Placid with its second Distinguished Safety Award, the highest level of safety recognition presented to a facility

by the 450-member organization. In March 2007, the U.S. Department of Labor's Occupational Health and Safety Administration (OSHA) admitted Placid into its Voluntary Protection Program at the "Star" level, which is the highest level of achievement recognized by the OSHA VPP program.

Placid Refining Company LLC is an independent, privately-owned company. The 80-acre Port Allen refinery was purchased by Placid in 1975 and is the company's only manufacturing facility. Placid is one of the largest employers and taxpayers in West Baton Rouge Parish, and assists the community through various financial contributions and by supporting the volunteer efforts of its employees.



SUGGESTED CAPTION FOR PHOTO: *More than 100 construction workers are currently onsite for Placid Refining Company's \$300 million expansion, which will increase the refinery's refining capacity from 55,000 barrels to 80,000 barrels per day. The construction force will jump to 250 in the near future and to 1,600 workers during a 30-day turnaround scheduled as part of the expansion in the third quarter of 2008.*

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