

**GulfTerra**

# **GulfTerra Energy Partners, L.P.**

**Emerging Challenges For Deepwater Oil Transportation In  
The Gulf Of Mexico**

**Brad Graves – Director, Offshore Crude Oil & Platform  
Services**

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**October 14, 2003**



# GulfTerra Energy Partners



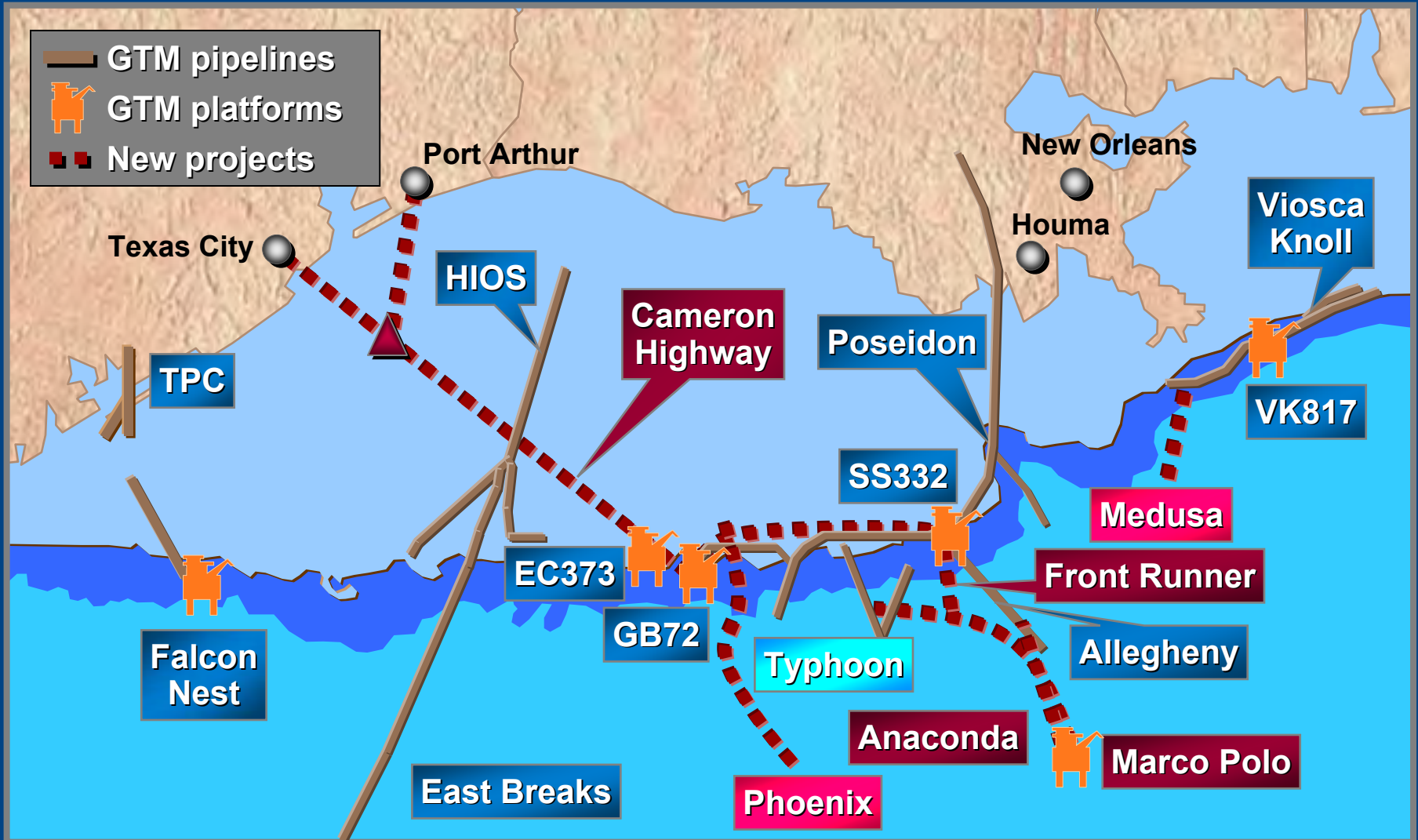
- \* Publicly traded master limited partnership (NYSE:GTM)
- \* Leading provider of midstream energy services
  - Largest independent owner of pipelines and platforms in Gulf of Mexico
  - Largest natural gas pipeline system in Texas
  - Owns largest gas gathering system in US (San Juan Basin)

# Offshore Assets



# Offshore Projects

## Gulf of Mexico

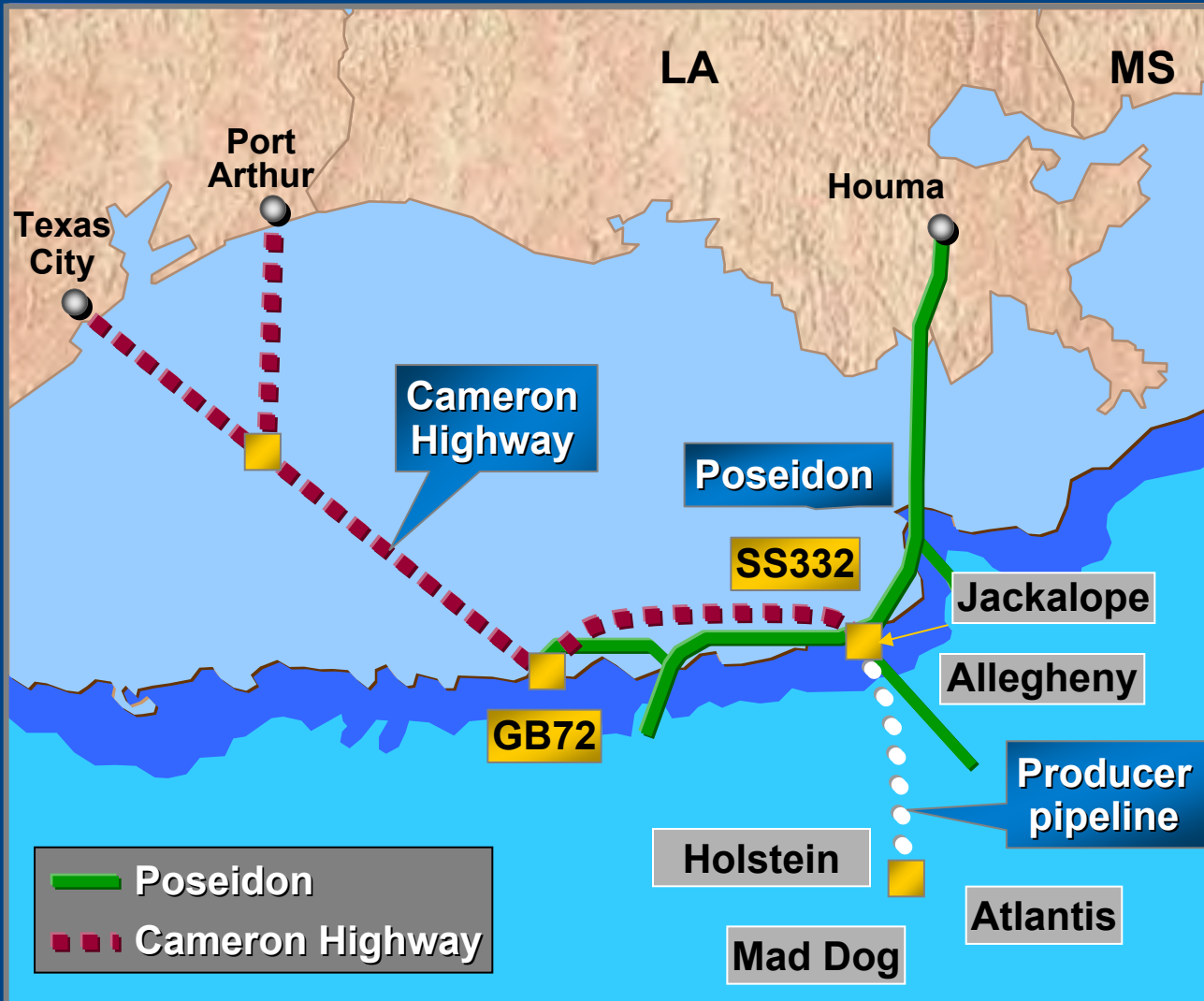


# GulfTerra Oil Export Goals



- ✦ Establish new oil pipeline infrastructure where needed
  - Provide options to producers
  - Address existing and potential bottlenecks
  - Establish DIRECT connections to onshore delivery points
  
- ✦ Extend infrastructure ownership to host facilities
  - Improve economics for producers
  - Oversize facility for area discoveries
  - Enable producers to redeploy capital toward drilling
  - Feed existing and new oil pipeline infrastructure

# Cameron Highway Oil Pipeline



- \* \$458 MM project
- \* 380 miles of 24" and 30" pipe
- \* 500,000 BOPD capacity (Initially)
- \* Estimated in-service date 3Q 2004
- \* Will be capable of receiving barrels from Caesar, Allegheny, and Jackalope
- \* Establishes SS332 area as important crude oil hub with options for producers

# CHOPS Onshore Delivery Points



## \* Texas City

- BP Refinery: 450 MBOPD capacity
- TEPPCO: 3 MMBO tankage
  - \* Connects to Houston refineries – 1,885 MBOPD capacity
- Valero: 150 MBOPD capacity

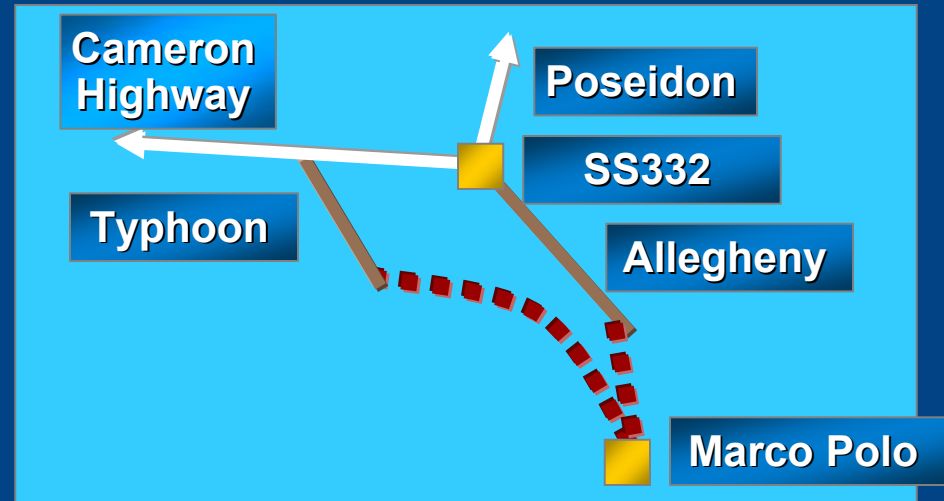
## \* Port Arthur

- Unocal: 9 MMBO tankage, 11 downstream pipelines – 2,015 MBOPD capacity
- Sunoco: 7.5 MMBO tankage, 7 downstream pipelines – 1,715 MBOPD capacity
- Premcor: 250 MBOPD capacity

# Marco Polo Platform and Pipelines Project

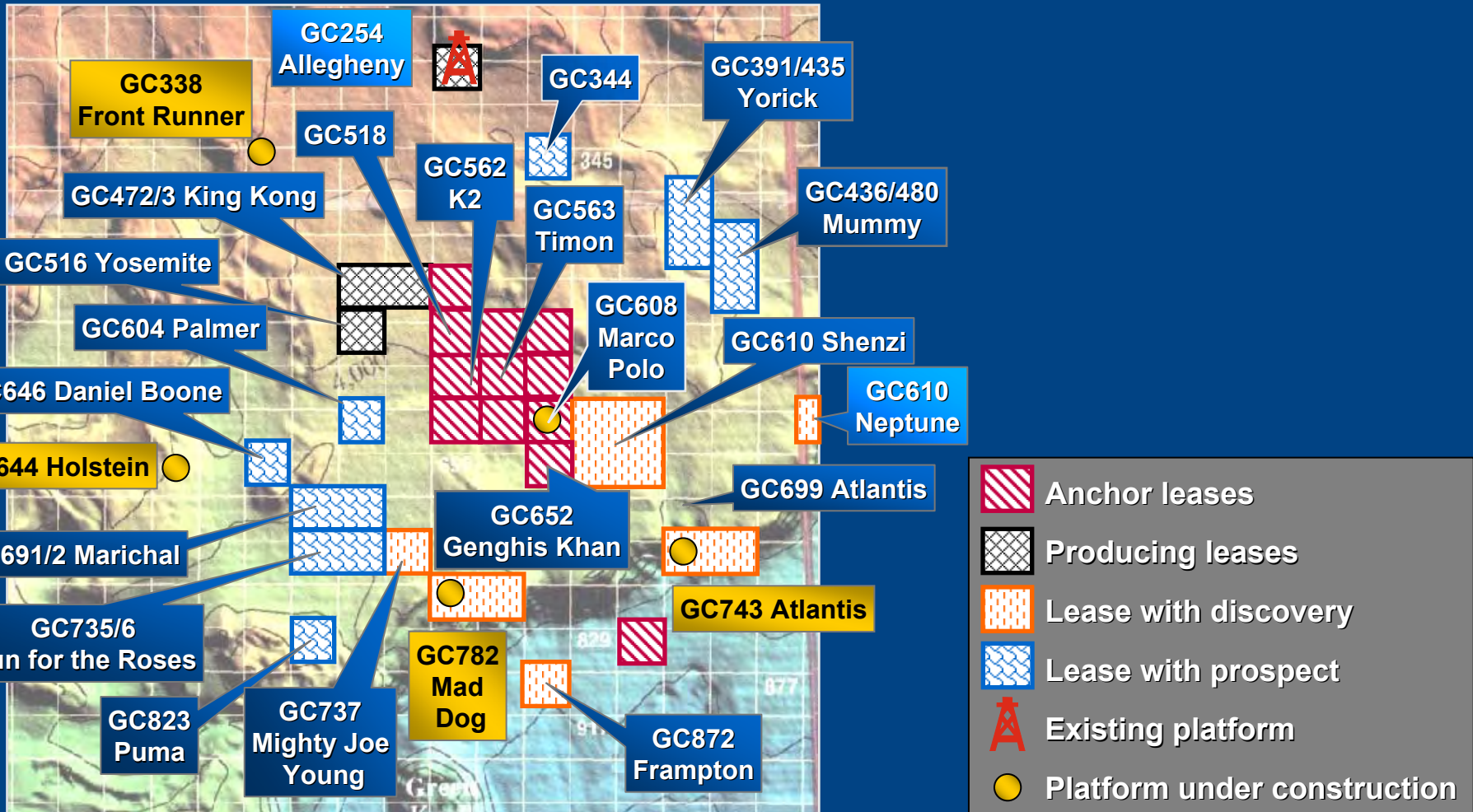


- \* \$324 MM project
- \* 120MBOPD & 300MMcfD Modec Moses TLP
- \* 34 miles of new oil pipeline to GTM's Allegheny oil pipeline
- \* 75 miles of new gas pipeline to GTM's Typhoon gas gathering line
- \* On target to commence installation in 4Q 2003 in 4,300 ft.





# Marco Polo Area Potential



# GulfTerra Oil Export Achievements



- ✓ Establish new oil pipeline infrastructure where needed
  - Provide options to producers
  - Address existing and potential bottlenecks
  - Establish DIRECT connections to onshore delivery points

## CAMERON HIGHWAY

- ✓ Extend infrastructure ownership to host facilities
  - Improve economics for producers
  - Oversize facility for area discoveries
  - Enable producers to redeploy capital toward drilling
  - Feed existing and new oil pipeline infrastructure

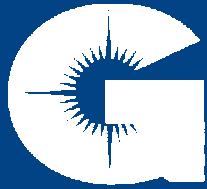
## MARCO POLO

# The Future of DeepWater Oil Transportation



“The deepwater Gulf of Mexico part of the United States is probably one of the greatest new oil provinces in the entire world.”

*Lord John Browne, CEO-BP, 60 Minutes interview, February 10, 2002*



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