

MARTIN MIDSTREAM PARTNERS LP
Form 10-K
March 02, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

- Mark One
- Annual Report Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934
For the fiscal year ended December 31, 2010
- OR
- Transition Report Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934
For the transition period from _____ to _____.
Commission file number 000-50056

MARTIN MIDSTREAM PARTNERS L.P.
(Exact name of registrant as specified in its charter)

Delaware
State or other jurisdiction of incorporation or
organization

05-0527861
(I.R.S. Employer Identification No.)

4200 Stone Road Kilgore, Texas 75662
(Address of principal executive offices) (Zip Code)

903-983-6200
(Registrant's telephone number, including area code)

Securities Registered Pursuant to Section 12(b) of the Act:

NONE

Securities Registered Pursuant to Section 12(g) of the Act:

Title of each class
Common Units representing limited partnership
interests

Name of each exchange on which registered
NASDAQ

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

Edgar Filing: MARTIN MIDSTREAM PARTNERS LP - Form 10-K

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements the past 90 days.

Yes No

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files).

Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of June 30, 2010, 17,707,832 common units were outstanding. The aggregate market value of the common units held by non-affiliates of the registrant as of such date approximated \$206,544,787 based on the closing sale price on that date. There were 19,582,332 of the registrant's common units and 889,444 of the registrant's subordinated units outstanding as of March 2, 2011.

DOCUMENTS INCORPORATED BY REFERENCE: None.

TABLE OF CONTENTS

	Page
<u>PART I</u>	1
Item 1. <u>Business</u>	1
Item 1A. <u>Risk Factors</u>	45
Item 1B. <u>Unresolved Staff Comments</u>	45
Item 2. <u>Properties</u>	45
Item 3. <u>Legal Proceedings</u>	45
Item 4. <u>[Removed and Reserved]</u>	45
<u>PART II</u>	45
Item 5. <u>Market for Our Common Equity, Related Unitholder Matters and Issuer Purchases of Equity Securities</u>	45
Item 6. <u>Selected Financial Data</u>	46
Item 7. <u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	48
Item 7A. <u>Quantitative and Qualitative Disclosures about Market Risk</u>	73
Item 8. <u>Financial Statements and Supplementary Data</u>	76
Item 9. <u>Changes in and Disagreements with Accountants in Accounting and Financial Disclosure</u>	120
Item 9A. <u>Controls and Procedures</u>	120
Item 9B. <u>Other Information</u>	120
<u>PART III</u>	123
Item 10. <u>Directors, Executive Officers and Corporate Governance</u>	123
Item 11. <u>Executive Compensation</u>	128
Item 12. <u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u>	137
Item 13. <u>Certain Relationships and Related Transactions, and Director Independence</u>	142
Item 14. <u>Principal Accounting Fees and Services</u>	149
<u>PART IV</u>	150
Item 15. <u>Exhibits and Financial Statement Schedules</u>	150

Table of Contents

PART I

Item 1. Business

Overview

We are a publicly traded limited partnership with a diverse set of operations focused primarily in the United States Gulf Coast region. Our four primary business lines include:

- Terminalling and storage services for petroleum products and by-products;
- Natural gas services;
- Sulfur and sulfur-based products gathering, processing, marketing, manufacturing and distribution; and
- Marine transportation services for petroleum products and by-products.

The petroleum products and by-products we gather, process, transport, store and market are produced primarily by major and independent oil and gas companies who often turn to third parties, such as us, for the transportation and disposition of these products. In addition to these major and independent oil and gas companies, our primary customers include independent refiners, large chemical companies, fertilizer manufacturers and other wholesale purchasers of these products. We generate the majority of our cash flow from fee-based contracts with these customers. Our location in the Gulf Coast region of the United States provides us strategic access to a major hub for petroleum refining, natural gas gathering and processing and support services for the exploration and production industry.

We were formed in 2002 by Martin Resource Management Corporation (“Martin Resource Management”), a privately-held company whose initial predecessor was incorporated in 1951 as a supplier of products and services to drilling rig contractors. Since then, Martin Resource Management has expanded its operations through acquisitions and internal expansion initiatives as its management identified and capitalized on the needs of producers and purchasers of hydrocarbon products and by-products and other bulk liquids. As of March 2, 2011, Martin Resource Management owns an approximate 31.6% limited partnership interest in us. Furthermore, it owns and controls our general partner, which owns a 2.0% general partner interest and incentive distribution rights in us.

The historical operation of our business segments by Martin Resource Management provides us with several decades of experience and a demonstrated track record of customer service across our operations. Our current lines of business have been developed and systematically integrated over this period of more than 60 years, including natural gas services (1950s); sulfur (1960s); marine transportation (late 1980s) and terminalling and storage (early 1990s). This development of a diversified and integrated set of assets and operations has produced a complementary portfolio of midstream services that facilitates the maintenance of long-term customer relationships and encourages the development of new customer relationships.

Primary Business Segments

Our primary business segments can be generally described as follows:

- **Terminalling and Storage.** We own or operate 27 marine shore based terminal facilities and 12 specialty terminal facilities located in the United States Gulf Coast region that provide storage, processing and handling services for producers and suppliers of petroleum products and by-products, lubricants and other liquids, including the refining

of various grades and quantities of naphthenic lubricants and related products. As further described in the “Subsequent Events” section within this Item, 13 of our marine shore based terminals and one of our specialty terminals were acquired January 31, 2011 through our acquisition of certain terminalling assets from Martin Resource Management. Our facilities and resources provide us with the ability to handle various products that require specialized treatment, such as molten sulfur and asphalt. We also provide land rental to oil and gas companies along with storage and handling services for lubricants and fuel oil. We provide these terminalling and storage services on a fee basis primarily under long-term contracts. A significant portion of the contracts in this segment provide for minimum fee arrangements that are not based on the volumes handled.

- **Natural Gas Services.** Through our acquisitions of Prism Gas Systems I, L.P. (“Prism Gas”) and Woodlawn Pipeline Co., Inc. (“Woodlawn”), we have ownership interests in over 706 miles of gathering and transmission pipelines located in the natural gas producing regions of East Texas, Northwest Louisiana, the Texas Gulf Coast and offshore Texas and federal waters in the Gulf of Mexico, as well as a 285 MMcfd capacity natural gas processing plant located in East Texas. In addition to our natural gas gathering and processing business, we distribute natural gas liquids or, “NGLs”. We purchase NGLs primarily from natural gas processors. We store NGLs in our supply and storage facilities for wholesale deliveries to propane retailers, refineries and industrial NGL users in Texas and the Southeastern United States. We own an NGL pipeline which spans approximately 200 miles running from Kilgore to Beaumont, Texas. We own three NGL supply and storage facilities with an aggregate above-ground storage capacity of approximately 3,000 barrels and we lease approximately 2.6 million barrels of underground storage capacity for NGLs. We believe we have a natural gas processing competitive advantage in East Texas with the only full fractionation facilities serving this area. The recent acquisition of natural gas gathering and processing assets from Crosstex Energy, L.P. and Crosstex Energy, Inc. by Waskom Gas Processing Company (a joint venture in which we participate with Center Point Energy Gas Processing Company, an indirect, wholly-owned subsidiary of CenterPoint Energy, Inc.) and the Darco Gathering System further strengthens our East Texas infrastructure.

Table of Contents

- **Sulfur Services.** We have developed an integrated system of transportation assets and facilities relating to sulfur services over the last 30 years. We process and distribute sulfur predominantly produced by oil refineries primarily located in the United States Gulf Coast region. We handle molten sulfur on contracts that are tied to sulfur indices and tend to provide stable margins. We process molten sulfur into prilled or pelletized sulfur on take or pay fee contracts at our facilities in Port of Stockton, California and Beaumont, Texas. The sulfur we process and handle is primarily used in the production of fertilizers and industrial chemicals. We own and operate six sulfur-based fertilizer production plants and one emulsified sulfur blending plant that manufacture primarily sulfur-based fertilizer products for wholesale distributors and industrial users. These plants are located in Illinois, Texas and Utah. We own and operate a sulfuric acid production plant in Plainview, Texas which processes molten sulfur into sulfuric acid. Demand for our sulfur products exists in both the domestic and foreign markets, and we believe our asset base provides us with additional opportunities to handle increases in U.S. supply and access to foreign demand.
- **Marine Transportation.** We utilize a fleet of 44 inland marine tank barges, 18 inland push boats and four offshore tug barge units that transport petroleum products and by-products largely in the United States Gulf Coast region. We provide these transportation services on a fee basis primarily under annual contracts and many of our customers have long standing contractual relationships with us. Over the past several years, we have focused on modernizing our fleet. As a result, the average age of our vessels has decreased from 33 years in 2006 to 20 years as of March 2, 2011. This modernized asset base is attractive both to our existing customers as well as potential new customers. In addition, our fleet contains several vessels that reflect our focus on specialty products.

2010 Developments and Subsequent Events

Recent Acquisitions

Acquisition of the Darco Gathering System. On November 12, 2010, we, through our wholly owned subsidiary, Prism Gas, acquired approximately 20 miles of natural gas gathering pipeline and various equipment located in Harrison County, Texas for approximately \$25.0 million. We financed this acquisition with borrowings under our revolving loan facility.

Acquisition by Waskom of the Harrison Pipeline System. On January 15, 2010, we, through Prism Gas, as 50% owner and the operator of Waskom Gas Processing Company (“WGPC”), through WGPC’s wholly owned subsidiary Waskom Midstream LLC, acquired from Crosstex North Texas Gathering, L.P., a 100% interest in approximately 62 miles of gathering pipeline, two 35 MMcf/d dew point control plants and equipment referred to as the Harrison Pipeline System. Our share of the acquisition cost was approximately \$20.0 million.

Other Developments

Public Offerings. On August 17, 2010, we completed a public offering of 1,000,000 common units, resulting in net proceeds of approximately \$28.1 million after payment of underwriters’ discounts. We used the net proceeds of \$28.1 million to redeem from subsidiaries of Martin Resource Management an aggregate number of common units equal to the number of common units issued in the offering. Martin Resource Management reimbursed us for our payments of commissions and offering expenses. As a result of these transactions, our general partner was not required to contribute cash to us in conjunction with the issuance of these units in order to maintain its 2% general partner interest in us since there was no net increase in the outstanding limited partner units.

Table of Contents

On February 8, 2010, we completed a public offering of 1,650,000 common units, resulting in net proceeds of \$50.6 million, after payment of underwriters' discounts, commissions and offering expenses. Our general partner contributed \$1.1 million in cash to us in conjunction with the issuance in order to maintain its 2% general partner interest in us. The net proceeds were used to pay down revolving debt under our credit facility.

Debt Financing Activities. Effective March 26, 2010, our credit facility was amended to (i) decrease the size of our aggregate facility from \$350.0 million to \$275.0 million, (ii) convert all term loans to revolving loans, (iii) extend the maturity date from November 9, 2012 to March 15, 2013, (iv) permit us to invest up to \$40.0 million in our joint ventures, (v) eliminate the covenant that limits our ability to make capital expenditures, (vi) decrease the applicable interest rate margin on committed revolver loans, (vii) limit our ability to make future acquisitions and (viii) adjust the financial covenants.

On March 26, 2010, we completed a private placement of \$200.0 million in aggregate principal amount of 8.875% senior unsecured notes due 2018 ("2018 Notes") to qualified institutional buyers under Rule 144A. We received proceeds of approximately \$197.2 million, after deducting initial purchasers' discounts and the expenses of the private placement. The proceeds were primarily used to repay borrowings under the Partnership's revolving credit facility. Pursuant to the terms of a registration rights agreement entered into in connection with the offering of the 2018 Notes, we filed an exchange offer registration statement with the SEC on September 16, 2010 with respect to an offer to exchange the 2018 Notes for registered notes with substantially identical terms. The registration statement was declared effective by the SEC and the exchange offer was completed in the fourth quarter of 2010.

For a more detailed discussion regarding our credit facility, see "Description of Our Long-Term Debt—Senior Notes" in Item 7.

Subsequent Events

Public Offering. On February 9, 2011, we completed a public offering of 1,874,500 common units, resulting in net proceeds of \$70.7 million after payment of underwriters' discounts, commissions and offering expenses. Our general partner contributed \$1.5 million in cash to us in conjunction with the issuance of these units in order to maintain its 2% general partner interest in us. The net proceeds were used to pay down revolving debt under our credit facility.

Acquisition of Certain Terminalling Assets. On January 31, 2011, we acquired 13 shore-based marine terminalling facilities, one specialty terminalling facility and certain terminalling related assets from Martin Resource Management for \$36.5 million. The net book value of the acquired assets was recorded in property, plant and equipment. These assets are located across the Louisiana Gulf Coast.

Quarterly Distribution. On January 24, 2011, we declared a quarterly cash distribution of \$0.76 per common unit for the fourth quarter of 2010, or \$3.04 per common unit on an annualized basis, to be paid on February 14, 2011 to unitholders of record as of February 3, 2011, reflecting a \$0.01 increase over the quarterly distribution paid in respect to the third quarter of 2010.

Business Strategy

The key components of our business strategy are to:

- **Pursue Organic Growth Projects.** We continually evaluate economically attractive organic expansion opportunities in new or existing areas of operation that will allow us to leverage our existing market position, increase the distributable cash flow from our existing assets through improved utilization and efficiency, and leverage our existing customer base.

- Pursue Internal Organic Growth by Attracting New Customers and Expanding Services Provided to Existing Customers. We seek to identify and pursue opportunities to expand our customer base across all of our business segments. We generally begin a relationship with a customer by transporting or marketing a limited range of products and services. We believe expanding our customer base and our service and product offerings to existing customers is the most efficient and cost effective method of achieving organic growth in revenues and cash flow. We believe significant opportunities exist to expand our customer base and provide additional services and products to existing customers.

Table of Contents

- **Pursue Strategic Acquisitions.** We monitor the marketplace to identify and pursue accretive acquisitions that expand the services and products we offer or that expand our geographic presence. After acquiring other businesses, we will attempt to utilize our industry knowledge, network of customers and suppliers and strategic asset base to operate the acquired businesses more efficiently and competitively, thereby increasing revenues and cash flow. We believe that our diversified base of operations provides multiple platforms for strategic growth through acquisitions.
- **Pursue Strategic Alliances.** Many of our larger customers are establishing strategic alliances with midstream service providers such as us to address logistical and transportation problems or achieve operational synergies. These strategic alliances are typically structured differently than our regular commercial relationships, with the goal that such alliances would expand our business relationships with our customers and suppliers. We intend to pursue strategic alliances with customers in the future.
- **Expand Geographically.** We work to identify and assess other attractive geographic markets for our services and products based on the market dynamics and the cost associated with penetration of such markets. We typically enter a new market through an acquisition or by securing at least one major customer or supplier and then dedicating or purchasing assets for operation in the new market. Once in a new territory, we seek to expand our operations within this new territory both by targeting new customers and by selling additional services and products to our original customers in the territory.

Competitive Strengths

We believe we are well positioned to execute our business strategy because of the following competitive strengths:

§ **Asset Base and Integrated Distribution Network.** We operate a diversified asset base that, together with the services provided by Martin Resource Management, enables us to offer our customers an integrated distribution network consisting of transportation, terminalling and midstream logistical services while minimizing our dependence on the availability and pricing of services provided by third parties. Our integrated distribution network enables us to provide customers a complementary portfolio of transportation, terminalling, distribution and other midstream services for petroleum products and by-products.

§ **Strategically Located Assets.** We believe we are one of the largest providers of shore bases and one of the largest lubricant distributors and marketers in the United States Gulf Coast region. In addition, we are one of the largest operators of marine service terminals in the United States Gulf Coast region providing broad geographic coverage and distribution capability of our products and services to our customers. Our natural gas gathering and processing assets are focused in areas that have continued to experience high levels of drilling activity and natural gas production.

§ **Specialized Transportation Equipment and Storage Facilities.** We have the assets and expertise to handle and transport certain petroleum products and by-products with unique requirements for transportation and storage, such as molten sulfur and asphalt. For example, we own facilities and resources to transport molten sulfur and asphalt, which must be maintained at temperatures between approximately 275 and 350 degrees Fahrenheit to remain in liquid form. We believe these capabilities help us enhance relationships with our customers by offering them services to handle their unique product requirements.

§ **Ability to Grow Our Natural Gas Gathering and Processing Services.** We believe that, with our Prism Gas assets, we have opportunities for organic growth in our natural gas gathering and processing operations through increasing fractionation capacity, pipeline expansions, new pipeline construction and bolt-on acquisitions. We believe Prism's assets are well situated in the Haynesville Shale which is one of the four largest U.S. shale deposits.

§Experienced Management Team and Operational Expertise. Members of our executive management team and the heads of our principal business lines have, on average, more than 30 years of experience in the industries in which we operate. Further, these individuals have been employed by Martin Resource Management, on average, for more than 18 years. Our management team has a successful track record of creating internal growth and completing acquisitions. We believe our management team's experience and familiarity with our industry and businesses are important assets that assist us in implementing our business strategies.

Table of Contents

§Strong Industry Reputation and Established Relationships with Suppliers and Customers. We believe we have established a reputation in our industry as a reliable and cost-effective supplier of services to our customers and have a track record of safe, efficient operation of our facilities. Our management has also established long-term relationships with many of our suppliers and customers. We believe we benefit from our management's reputation and track record, and from these long-term relationships.

§Financial Strength and Flexibility. We have historically financed our operations with a combination of debt and equity while maintaining a modest leverage profile, even in challenging business environments. Since our initial public offering, we have accessed the public equity markets six times for \$334.6 million in total net proceeds, including capital contributions from our general partner. We have also occasionally issued units to Martin Resource Management in exchange for cash or assets.

§Fee-Based Contracts and Active Commodity Risk Management. We generate a majority of our cash flow from fee-based contracts with our customers. In addition, a significant portion of these fee-based contracts consist of reservation charges or minimum fee arrangements, which reduce the volatility of a portion of cash flows to volume fluctuations. We seek to further minimize our exposure to commodity price fluctuations through swaps for crude oil, natural gas and natural gas liquids. As of December 31, 2010, Prism Gas has hedged approximately 37% and 10% of its commodity risk by volume for 2011 and 2012, respectively. As of March 2, 2011, Prism Gas has hedged approximately 45% and 14% of its commodity risk by volume for 2011 and 2012, respectively.

Terminalling and Storage Segment

Industry Overview. The United States petroleum distribution system moves petroleum products and by-products from oil refinery and natural gas processing facilities to end users. This distribution system is comprised of a network of terminals, storage facilities, pipelines, tankers, barges, rail cars and trucks. Terminals play a key role in moving these products throughout the distribution system by providing storage, blending and other ancillary services.

In the 1990s, the petroleum industry entered a period of consolidation. Refiners and marketers developed large-scale, cost-efficient operations resulting in several refinery acquisitions, combinations, alliances and joint ventures. This consolidation resulted in major oil companies integrating the various components of their businesses, including terminalling and storage. However, major integrated oil companies later concentrated their focus and resources on their core competencies of exploration, production, refining and retail marketing and examined ways to lower their distribution costs. Additionally, the Federal Trade Commission required some divestitures of terminal assets in markets in which merged companies, alliances and joint ventures were regarded as having excessive market power. As a result of these factors, oil and gas companies began to increasingly rely on third parties such as us to perform many terminalling and storage services.

Although many large energy and chemical companies own terminalling and storage facilities, these companies also use third-party terminalling and storage services. Major energy and chemical companies typically have a strong demand for terminals owned by independent operators when such terminals are strategically located at or near key transportation links, such as deep-water ports. Major energy and chemical companies also need independent terminal storage when their owned storage facilities are inadequate, either because of lack of capacity, the nature of the stored material or specialized handling requirements.

The Gulf Coast region is a major hub for petroleum refining. Approximately two-thirds of United States refining capacity expansion in the 1990s occurred in this region. Growth in the refining and natural gas processing industries has increased the volume of petroleum products and by-products that are transported within the Gulf Coast region, which consequently has increased the need for terminalling and storage services.

The marine and offshore oil and gas exploration and production industries use terminal facilities in the Gulf Coast region as shore bases that provide them logistical support services as well as provide a broad range of products, including fuel oil, lubricants, chemicals and supplies. The demand for these types of terminals, services and products is driven primarily by offshore exploration, development and production in the Gulf of Mexico. Offshore activity is greatly influenced by current and projected prices of oil and natural gas.

Marine Shore Based Terminals. We own or operate 27 marine shore based terminals along the Gulf Coast from Theodore, Alabama to Corpus Christi, Texas. Of our 27 marine shore based terminals, 13 were acquired on January 31, 2011 through our acquisition of certain terminalling assets from Martin Resource Management. Our terminal assets are located at strategic distribution points for the products we handle and are in close proximity to our customers.

Table of Contents

We are one of the largest operators of marine shore based terminals in the Gulf Coast region. These terminals are used to distribute and market lubricants and the full service terminals also provide shore bases for companies that are operating in the offshore exploration and production industry. Customers are primarily oil and gas exploration and production companies and oilfield service companies, such as drilling fluid companies, marine transportation companies and offshore construction companies. Shore bases typically provide logistical support, including the storing and handling of tubular goods, loading and unloading bulk materials, providing facilities from which major and independent oil companies can communicate with and control offshore operations and leasing dockside facilities to companies which provide complementary products and services such as drilling fluids and cementing services. We generate revenues from our terminals that have shore bases by fees that we charge our customers under land rental contracts for the use of our terminal facility for these shore bases. These contracts generally provide us a fixed land rental fee and additional rental fees that are determined based on a percentage of the sales value of the products and services delivered from the shore base. In addition, Martin Resource Management, through contractual arrangements, pays us for terminalling and storage of fuel oil and lubricants at these terminal facilities.

Our 27 marine shore based terminals are divided into two classes of terminals: (i) full service terminals and (ii) fuel and lubricant terminals.

Full Service Terminals. We own or operate fifteen full service terminals. These terminal facilities provide logistical support services and provide storage and handling services for fuel oil and lubricants. The significant difference between our full service terminals and our fuel and lubricant terminals is that our full service terminals generate additional revenues by providing shore bases to support our customer's operating activities related to the offshore exploration and production industry. One typical use for our shore bases is for drilling fluids manufacturers to manufacture and sell drilling fluids to the offshore drilling industry. Offshore drilling companies may also set up service facilities at these terminals to support their offshore operations. Customers of our full service terminals are primarily oil and gas exploration and production companies, and oilfield service companies such as drilling fluids companies, marine transportation companies and offshore construction companies.

The following is a summary description of our fifteen full service terminals:

Terminal	Location	Acres	Tanks	Aggregate Capacity
Pelican Island	Galveston, Texas	51.3	16	87,200 Bbls.
Harbor Island(1)	Harbor Island, Texas	25.5	12	32,500 Bbls.
Freeport	Freeport, Texas	17.8	1	8,300 Bbls.
Port O'Connor(2)	Port O'Connor, Texas	22.8	8	7,000 Bbls.
Sabine Pass(3)	Sabine Pass, Texas	23.1	11	17,000 Bbls.
Cameron "East"(4)	Cameron, Louisiana	34.3	12	34,000 Bbls.
Cameron "West"(5)	Cameron, Louisiana	16.9	5	16,500 Bbls.
Venice (6)	Venice, Louisiana	2.8	2	15,000 Bbls.
Theodore	Theodore, Alabama	14.0	18	19,800 Bbls.
Pascagoula	Pascagoula, Mississippi	29.0	5	11,400 Bbls.