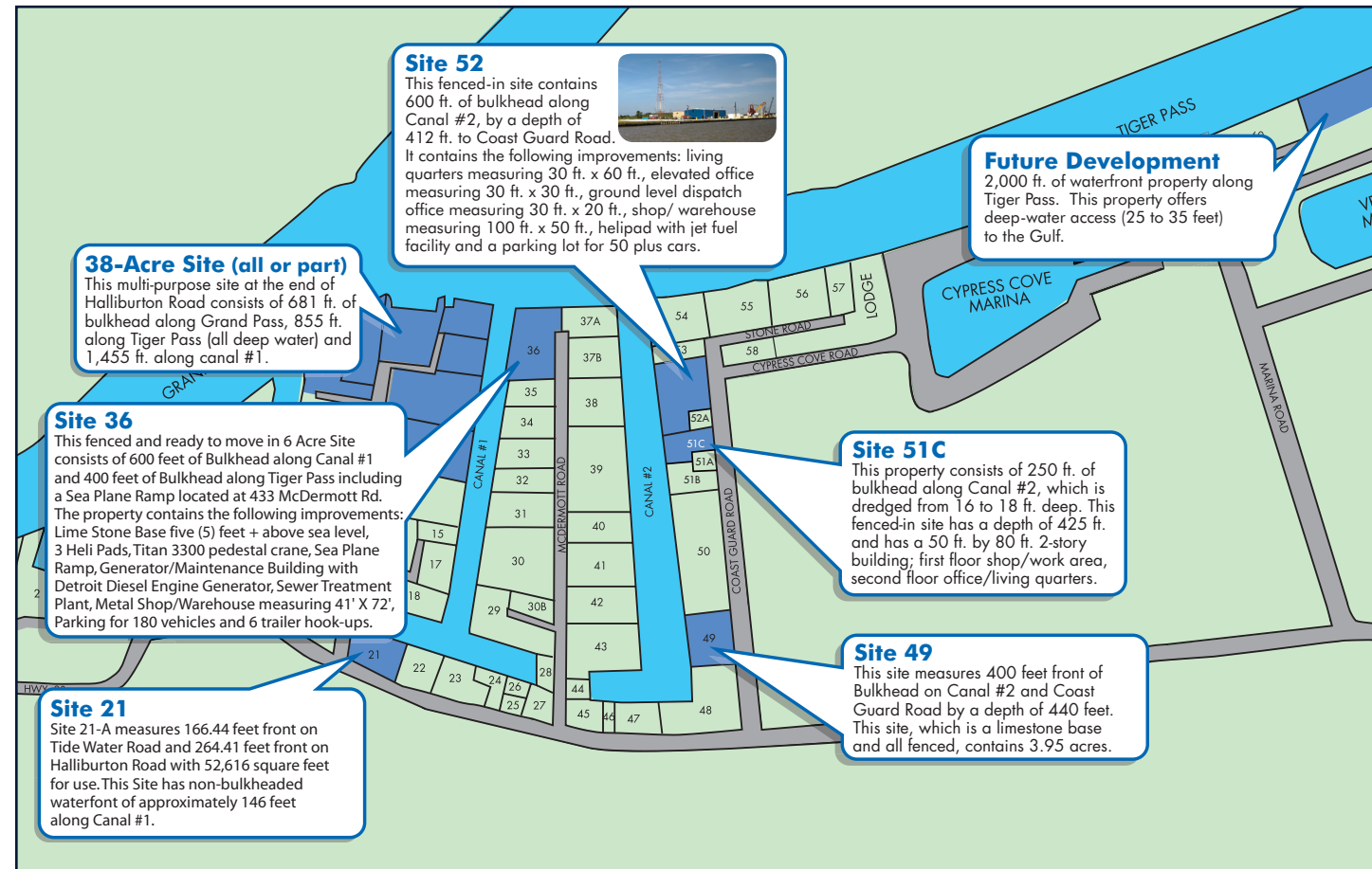


Opportunities abound at the VPC

The VPC offers ready to move in properties as well as customizing to meet your company's specific needs.



The Venice Port Complex Report will be published quarterly. If you have any updates or news that you would like to contribute, please contact George Pivach II at 504-392-1830 or gpivach@veniceportcomplex.com www.veniceportcomplex.com

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The VPC Report

WINTER 2012

Construction at the VPC Continues in 2012 as New Year Begins

The Venice Port Complex has made steady progress during 2011 and has much to look forward to in the coming year.

One recent positive step was seen Dec. 14 when the first oil and natural gas lease sale was held in the Gulf of Mexico since last year's BP oil spill. While this lease sale consisted of drilling tracts in the Western Gulf, it can be seen as a positive sign that progress is being made toward opening leases in the Central and Eastern Gulf and in getting the oil and gas industry back in business.

As progress continues, so does infrastructure improvements. Permitting is complete, and the bids for raising Tidewater Road to a + 5 MSL from Coast Guard Road to Marina Road in the VPC are scheduled for advertisement early February 2012. Currently, bids are being finalized for the overlaying of Marina Road from Tidewater Road to Tiger Pass Road in the VPC.


The VPC has also completed the installation of 355 linear feet of bulkhead along Site 5 D on Grand Pass and 400 linear feet of bulkhead on Site 49 in

Slip 2 and Coast Guard Road. Both sites are available for immediate lease.

Meanwhile, the Corps of Engineers has completed maintenance dredging of Baptiste Collette Bayou, restoring it to a depth of -16 feet MSL.

Community improvements include construction bids opening January of 2012 for the new state-of-the-art, \$20 million Plaquemines Medical Center, located in Port Sulphur, approximately 30 minutes from the VPC. Check out our website for an artist's rendition of the Medical Center.

This past year exhibited a positive transition from the response efforts to the Deepwater Horizon accident winding down and the opening of oil and gas activity coming back on board. We are optimistic that 2012 will be a great year for the VPC and our tenants. We wish all of you a happy and a prosperous new year.

Sincerely,

George Pivach II
Venice Port Complex Vice President and General Counsel



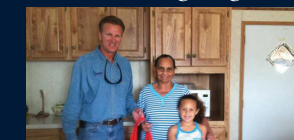
Please visit the VPC Website at www.veniceportcomplex.com

What's Inside:

Page 2: Grand Isle Shipyard, Inc.



Page 3: 5th Annual VPC Thanksgiving Drive



Page 4: Opportunities Abound at the VPC



INDUSTRY UPDATES

Grand Isle Shipyard, Inc.

The Grand Isle Shipyard, Inc. (GIS) has been in business since 1948. They offer a wide variety of services, including: Fabrication and Dockside services, Environmental Cleaning, Safety & Training, Construction & Maintenance Crews, Instrumentation & Electrical Division, Scaffolding Crews, Project Management, Offshore Production Operators, Basket Rentals and much more.

The GIS Venice facility offers a full selection of quality heavy lift equipment at competitive rates. With a 200 Ton 777 Manitowoc Crawler Crane and 80 ton crane, they are equipped to handle industrial load-out needs. They also have 36,000 lb and 8,000 lb capacity forklifts for optimal yard mobility. GIS looks forward to serving Venice for all production & drilling operations, compressor load outs, tubular load outs, and many other services tailored to the Oil & Gas industry.



Our new expanded Venice dockside facility is located at 310 McDermott Road and covers approximately 8 acres located on Slip #2. The GIS Venice facility boasts 700 feet of bulkhead. Their facility offers secure parking for up to 250 vehicles, an open yard configuration, ample storage with on-site lube, fuel and water.

For more information call 504-534-7744, or visit gis.com.

Production Management Industries, LLC



Production Management Industries, LLC (PMI) began operating in 1971 as a contract production labor company. PMI's Environmental Services Group, which was introduced in 1997, consists of three major divisions - Dockside Cleaning Services, Offshore Cleaning Services and Technical Services. While headquartered in Morgan City, PMI operates shorebase facilities in Venice and Fourchon for prompt response to their customers' needs. Other operating locations include Harvey and various temporary jobsites throughout Louisiana and Texas.

The oil and gas industry began moving in a new direction that was more environmentally sensitive in the late 1990s. During this time, one of PMI's major HSE initiatives was to develop innovative technology that would remove its employees from the hazardous atmospheres of oil and gas industry-related confined space entries while cleaning production equipment and drilling mud tanks.

In 1998, PMI unveiled a patented on-line production vessel cleaning system called VICTA®. This system allows cleaning of production sands and solids from vessels not only without manned entry but without the facility operator shutting in a

well or field flowing into the platform.

Superior Energy Services acquired PMI in 1999, realizing that an environmental group fit their long-range strategic plan. Superior Energy later divested the construction and contract operating divisions of PMI in 2003 and 2007 respectively.

In 2007, PMI continued its initiative to remove employees from confined spaces by introducing automated drilling mud tank cleaning on marine supply vessels. PMI's process not only reduces entry time, it reduces port time (or downtime) for marine fleets and wash water utilized in cleaning the tanks - making a considerable environmental impact. To date, VICTA® remains the most innovative and successful process for cleaning drilling mud tanks in the industry.

Both the Dockside and Offshore Cleaning Services divisions stage equipment at their new shorebase located at 351 McDermott Road to provide prompt response and reduce trucking charges to transport offshore cleaning equipment locally versus trucking it in from other locales.

PMI's third division - the Technical Services Group - provides land remediation and restoration services and is an industry leader when it comes to NORM (Naturally Occurring Radioactive Material) contamination removal. Among its largest projects was the facility decommissioning and soil remediation at the Venice Dome as well as closing a large operator's Venice shorebase. PMI is currently working on pit closures in Coquille Bay, thus restoring the area to its original condition.

Having a long-term presence in Venice, PMI was among the first companies to return to Venice after the devastation from Hurricane Katrina. PMI is recognized as one of the leaders in the environmental industry and has long-range plans to continue supporting our customers out of the Venice Port Complex.

For more information on PMI, visit: www.pmi.net or call 1-888-229-3837.

5th Annual VPC Thanksgiving Drive gives to 200 families in South Plaquemines



The Venice Port Complex (VPC) organized its 5th annual Thanksgiving gift basket drive to support members of their community on Nov. 19 and 20, 2011.

"Thanksgiving is a time to reflect on all that we have to be

grateful for and to share with those less fortunate in the community," said George Pivach, II, VPC vice president and general counsel. "I'm continually amazed at the outpouring of goods and support for our gift basket drive. It's wonderful how everyone comes together to help bring joy to these families in need."

The drive provided 200 families in South Plaquemines a Thanksgiving basket that included a turkey and traditional holiday fare. The VPC, VPC tenants, local businesses and residents gave contributions and assisted in the packaging and delivery of the baskets to area residents. Recipient names were provided from several churches, schools and charitable institutions that represent the area.

The following businesses provided contributions to this event:

Platinum Level \$2,000 and above:

The Louisiana Fruit Company/ Venice Port Complex and Premier Industries, Inc.

Gold Level \$1,000 to \$1,999:

Denet Towing, Inc.; Fremin's Food Liner and U.S. Liquids of La., L.P.

Silver Level \$500 to \$999:

National Oilwell Varco, Madere & Sons Towing, Inc., Abe's Boat Rental, Ballestra's Food Liner, Cypress Cove

Marina, Inc., Daybrook Fisheries, Inc., Ellzey Marine and Hardware, Inc., Fill A Sack and Pivach, Pivach, Hufft & Thriffley, LLC.

Bronze Level \$100 to \$499:

Ansardi Financial LLC, Callais Marine Service of Venice, Inc., Couvillion Group, LLC, John W. Stone Oil Distributor, L.L.C., Liberty Services, Inc., Settoon Construction, Inc., D&C Seafood, Inc., Cattle Farms Management, LLC, Ben Becnel's, Delta Wells Surveyors, Inc. Deltone Electric, Inc., Maw's Sandwich and Snack Shop, Robert Modansky, Newman Crane Service, Inc. and Offshore Cleaning Systems, LLC.

Contributor/Friend \$0 to \$99:

Whitetail Oilfield Services, LLC.

The following companies and parish residents provided help and assistance: Harmonie Antoine, Kathleen Antoine, Andrew Barrois, Bayli Barrois, MacKenzie Barrois, Boothville Venice Elementary School, Boothville Venice Vol. Fire Dept., Joe Clark, Marla Cooper and Staff, Isabelle Couvillion, Timmy Couvillion, Dace Duffy, Jeff Edgecombe and Staff, Michelle Frickey, Tony Frickey, Ricky Harvey, Todd Harvey Byron Marinovich and Staff, Rolf & Marlyn Parelius, Cherie Pete, Port Sulphur Baptist Church, Kelsey Prestenburg, Zarian Rachuba, Solid Rock Academy, South Plaquemines Elementary School, South Plaquemines High School, Gerald & Mary Thompkins, Trinity United Methodist Church, Burghart Turner and Staff, Venice Baptist Church and Venice Steel.

"Thank you to all the residents and VPC businesses who helped make this year's drive so successful. Their generosity helped make this Thanksgiving special for more than two hundred families in our community," said Tony Frickey, VPC site supervisor.

Newman Crane Service, Inc.

With the pending expansion of Baptiste Collette and Tiger Pass, Newman Crane Service is poised to be a leading service and re-supply point for the Eastern and Central Gulf Region. The expansion will be a great staging area for the oil exploration companies. Instead of having to go to Mississippi or Alabama, exploration companies can take advantage of Venice's shorter distance. Newman Crane commends the VPC for working as hard as possible to get this done.

Newman Crane is celebrating their 53 year anniversary in 2012 and has the drive and experience to go well into the future.

The company also offers mobile crane service. If any of the other docks in the area lose use of their crane, keep your customers happy by placing one of Newman Crane's mobile cranes at your dock in short order until your crane is operational.

Also, if you don't necessarily want to be in the crane side of the business, Newman Crane can do a turnkey dock load-out package at your dock. By offering competitive rates and more experience in this field than anyone else in Plaquemines Parish, they can get you set up with what you need.



For more information call 504-534-7507 or visit www.newmancrane.com.