Activity is up at the VPC

Summer is warming up and so is activity at the Venice Port Complex. Companies are applying for new construction permits, while at the same time exploration for new wells is picking up. It is also a great time to go fishing from Venice.

With the cleanup from the Deepwater Horizon accident winding down, the effort now moves toward more environmental monitoring—and the Mississippi River's receding after historic levels. We are monitoring the silt levels that may result in draft restrictions in the Mississippi Delta. Our local, state and congressional leaders are working in Congress to address the dredging issue so that the U.S.Army Corps of Engineers will receive funding to maintain safe shipping and movement on the Mississippi River and its major tributaries, such as Baptiste Collette Bayou, Tiger Pass, South Pass and Southwest Pass.

Meanwhile, ongoing infrastructure and maintenance is keeping schedule. The Agency Technical Review of the Corps of Engineers for the Baptiste Collette Bayou feasibility study for the deepening to -26 MSL will be completed in August. With funding in hand, the raising of Tidewater Road to +5 MSL from Coast Guard Road to Venice Boat Harbor Road is only waiting for Corps of Engineers permits.

Fishing Rodeos are now in full swing at the VPC. It is the perfect time to take

your boat out or have someone else take you. One of the many charter fishing guides will have you out catching your limit in no time.

While summer is often considered the season of carefree vacations, we at the VPC have not forgotten that it is also hurricane season, and we have made sure that we are prepared for whatever comes our way.

On another note, we at the VPC were happy to participate in the Oilfield Crawfish Boil Off this spring to raise money for the Buras Volunteer Fire Department. Funds raised go to support equipment items, training and fire prevention efforts at local schools.

We are also proud to have co-sponsored and collaborated on a costal restoration project that included planting 5,000 bald cypress trees near the VPC to reclaim coastal wetlands and help restore Louisiana's eroding coastline.

Lastly, I would like to welcome a new tenant, Whitetail Oilfield Services, to the VPC. I wish everyone a safe and enjoyable summer and encourage you to read more about the VPC within this newsletter.

Sincerely,

George Pivach II

Vice President and General Counsel









Please visit the VPC Website at www.veniceportcomplex.com

What's Inside:

2) Bonvillian Marine Service, Inc.



3) Venice Restoration Project



4) Opportunities Abound



INDUSTRY UPDATES

U.S. Liquids of Louisiana (USLL)



USLL, an R360 company, has operated a fully permitted Exploration and Production (E&P) Marine Water Transfer facility in Venice since 2002. This transfer facility offers a safe, proven solution for the waste management needs of area E&P marine operators that are compli-

ant with all applicable regulatory bodies, including the Louisiana Department of Natural Resources (LADNR) and the U.S. Coast Guard.

Because waste management is a vital component to E&P operations, USLL offers unmatched dependability and service at its transfer stations. The Venice facility provides a full complement of dockside disposal, treatment and cleaning services for the oil and gas industry. USLL occupies approximately 6 acres of property in the Port with frontage on both Tidewater Road and water front on "Slip #1."

The Venice transfer facility is just one of USLL's 10 fully-manned, equipped and permitted marine facilities serving the Gulf of Mexico, northwest Louisiana and south Texas. USLL prides itself in being able to not only treat and dispose of these waste products, but also recycle them into permitted and approved reuse materials. These reuse materials have been accepted and certified by both the LADNR and the Texas Railroad Commission, and are available for various construction and fill project applications.

USLL, provides safe dependable service and has made systematic improvements to their Venice transfer facility over the past year. To learn more about USLL visit www.r360environmentalsolutions.com.

Bonvillian Marine Service, Inc.

In 1995, John Bonvillian, Jr., began operating Bonvillian Marine Service, Inc. with one boat, the M/V Captain Jack. He was the president and owner until his death in 2002. At that time his wife, Ann Bonvillian, took control of the company. It is now classified as a woman-owned company. Presently there are four boats and three barges fully operational. All vessels are operating out of their home port at the Venice Port Complex. The sizes of the

boats in the fleet are one 300 horse power, two 600 horse power, and one 900 horse power.

Bonvillian Marine Services, Inc. offers tug boat services as well as the delivery of water, supplies and fuel to the oilfield. Currently, it has on average 20 employees. All boats are equipped with licensed captains and experienced deck hands. Employees are required to follow a strict drug policy and are tested randomly on a regular basis. All of the tug boats have been Coast Guard inspected and were the first to go

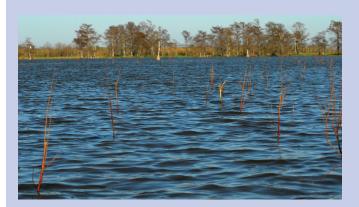
through all the necessary procedures in order to pass inspection.

The company is small enough to care but yet big enough to handle the needs of the oilfield. We are available 24 hours a day and 7 days a week. When Bonvillian Marine is on the job, you can rest assure you are getting the best price along with quality work. Call Ann Bonvillian for all your oilfield related needs at 504-416-4476.



Venice Restoration Project to protect Venice Port Complex, help restore other coastal areas









This March, the Louisiana Fruit Company/Venice Port Complex funded an experiment at Venice, Louisiana that will help reclaim coastal wetlands, restore Louisiana's eroded coastline, and reduce future storm surges at the Venice Port Complex.

The Venice Restoration Experiment is a collaboration involving the Louisiana Fruit Company, Empire Environmental Solutions, Dr. Alex Kolker of Louisiana University Marine Consortium (LUMCON), and the Gulf Coast Restoration Project. The project involves planting 5,000 two-year-old, salt-tolerant bald cypress (Taxodium distichum) seedlings and then monitoring sedimentation rates (the rate at which the tree roots help anchor sediment to form land), tree growth, tree losses, and water salinity. The information gathered through this experiment will be applied to other coastal restoration projects in Plaquemines Parish.

The experiment area, which is just across Tante Phine Pass, was land 30 years ago. The project is establishing seedlings in an attempt to reclaim this land.

"Bald cypress are native to fresh water and low salinity wetlands in South Louisiana," says Dr. Kolker, a sediment expert with LUMCON, who advises the experiment. "Planting them is an established coastal restoration method that has been used across the southern United States."

The project has faced many difficulties due to invasive species. "Nutria are the biggest problem because they eat the bark off the tree," explains Richie Blink, with Empire Environmental Solutions, the local company that planted trees, "Feral hogs, rabbits and water hyacinth threaten the trees, too, so we take extra time to wrap them in wire mesh. Although we're doing some intense nutria control in the experiment area, we can't be there all the time." Fortunately, the project is getting a helping hand from local alligators.

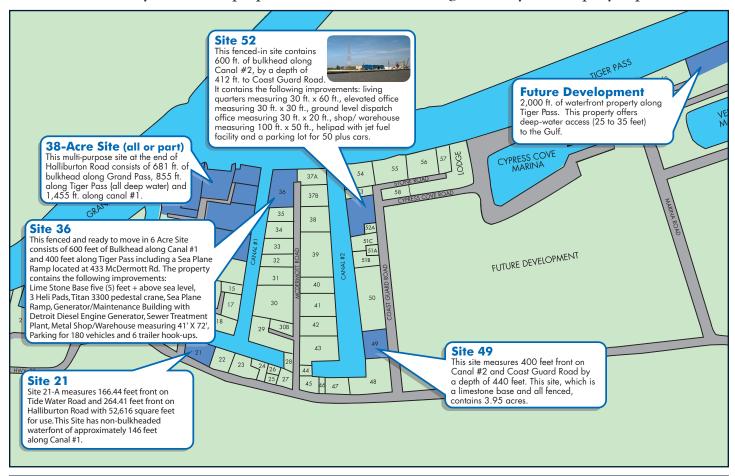
"We're finding that the more alligators in the area, the lower the mortality rate of the trees," Blink says. "You can really see how everything is connected."

"The planting of trees in Plaquemines Parish is a key part of our coastal restoration efforts," says Plaquemines Parish president Billy Nungesser. "Our Coastal Plan involves pumping sediment to build large ridges with trees. A ridge of trees lowers storm surge eight to one over a mound of marsh grass. These trees help create additional protection for our coastline and precious marshes."

Infrastructure and Future Development

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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