



## Targa Teams Up To Expand Eagle Ford NGL Capacity

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Houston-based **Targa Resources Partners LP** (NYSE: NGLS) reports it has signed an exclusive non-binding Memorandum of Understanding (MOU) with **TexStar Midstream Services, LP** and **Teak Midstream LLC** for the development of a new pipeline to transport natural gas liquids (y-grade) from processing facilities in the Eagle Ford shale to Mont Belvieu, Texas.

Teak plans to install and operate a new cryogenic natural gas processing plant with approximately 200 MMcf per day of processing capacity, and TexStar plans to install and operate a new cryogenic natural gas processing plant with approximately 300 MMcf per day of processing capacity. Meanwhile, Teak and TexStar will expand existing gas gathering systems that supply the new natural gas processing plants.

The two plants are expected to produce approximately 50,000 barrels per day of natural gas liquids. Combined, the two processing plants and the gathering systems behind them would serve twelve counties in the liquids-rich Eagle Ford shale of South Texas.

Upon consummation of the transaction, Targa Resources Partners will become an owner in the new y-grade pipeline that would provide transportation services from natural gas processing plants in the Eagle Ford shale area, including a Teak gas plant and a TexStar gas plant, into Mont Belvieu, Texas. The new y-grade pipeline would be designed to provide additional capacity to customers in the Eagle Ford shale area. Additionally, the y-grade pipeline would be designed to accommodate a future extension into the Permian Basin area of West Texas to provide y-grade transportation services to that growth region.



Developing natural gas pipeline: **Targa Resources Partners LP**, **TexStar Midstream Services, LP** and **Teak Midstream LLC**, from facilities in the Eagle Ford Shale to Mont Belvieu, Texas.

Additionally, an agreement was signed for a new fractionation train at the Targa Resources Partners-operated Cedar Bayou fractionation facility, which is owned by **Cedar Bayou Fractionators LP**, a joint venture that is 88% owned by Targa Resources Partners.

The facility will be expanded by 100,000 barrels per day, with commencement of operations expected in late 2012. The 100,000-barrel-per-day expansion would be an addition to the current 78,000-barrel-per-day expansion at the Cedar Bayou facility, which is expected to be operational in second-quarter 2011. Upon the completion of both expansions, the facility's y-grade fractionation capacity will be approximately 353,000 barrels per day.