San Mateo Black River Oil Pipeline, LLC Notice of Open Season

May 9, 2018

San Mateo Black River Oil Pipeline, LLC ("San Mateo") is conducting a binding open season to gauge shipper interest in committed crude oil interstate transportation service on the Rustler Breaks Pipeline Project (the "Project"), a proposed approximately 17-mile, 10-inch diameter crude petroleum gathering and transportation system to be constructed and operated by San Mateo from certain points of origin in Eddy County, New Mexico to an interconnect with Plains Pipeline, L.P. in Eddy County, New Mexico. Upon closing of the open season, San Mateo will incur significant expenses in constructing the Project. Commencement of commercial operations is targeted for the third quarter of 2018.

San Mateo hereby announces this open season that will provide an opportunity for shippers to support the Project by making acreage dedications and volume commitments for priority (firm) service, or acreage dedications for non-firm committed service, thereby becoming committed shippers for the term of their transportation services agreements (the "TSAs"). The final volume of capacity for both committed and uncommitted service on the Project will be determined by San Mateo in part based on the results of this open season.

Highlights of Project

- Committed shippers, whether priority (firm) or non-firm, will make acreage dedications and minimum volume commitments or acreage dedications in exchange for certain rate and/or allocation benefits in accordance with the terms of the TSAs.
- During the term of the TSAs, in the event of prorationing, committed shippers who elect to become priority shippers will be entitled to an allocation equal to their volume commitments.

Open Season Process

Bona fide prospective shippers that wish to have access to the open season documents and to discuss the Project with San Mateo's representatives are first required to execute a confidentiality agreement with San Mateo. The confidentiality agreement and open season documents can be obtained by contacting San Mateo using the information below. Electronic copies of executed confidentiality agreements may be returned to San Mateo via email or facsimile.

The open season documents consist of the following:

- Binding Open Season Notice and Information Memorandum;
- Pro Forma Crude Oil Transportation Services Agreement; and
- Pro Forma Draft Pipeline Tariff.

For information on the Project, please contact:

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