

## **Parnon Announces Oklahoma Crude Oil Pipeline Construction Project**

**Parnon Gathering, Inc.**, a wholly owned subsidiary of **Parnon Holdings, Inc.**, announced the construction of its crude oil pipeline in Central Oklahoma. The project includes laying approximately 109 miles of new 8 inch pipeline from Cherokee, Oklahoma to Cushing, Oklahoma and is designed to move 18,000 barrels per day of crude oil with an option to up rate to 35,000 barrels per day. The pipeline, to be named “*Great Salt Plains Pipeline*”, will transport production from Central and Western Oklahoma and interconnect with Parnon’s crude oil tanks located at Cushing.

With right-of-way negotiations well advanced and pipe order confirmed, the line is scheduled to commission in March 2012. In response to interest from producers with acreage in Western Oklahoma, plans are being prepared to extend the Great Salt Plains Pipeline (Phase II) further west to serve the Granite Wash and other new tight sands plays. As sufficient interest and commitment to this extension is confirmed, the second phase of the project will run concurrently with Phase 1 and could commission as soon as midyear 2012.

Parnon Gathering, Inc., headquartered in Tulsa, OK, is a crude oil logistics company operating both owned pipelines and trucks and providing transportation and marketing for North America’s oil and gas industry. Parnon Gathering looks to establish long-lasting relationships with producers and refiners and works to maintain and build upon these relationships by providing exceptional customer service.