



## **NGP ENERGY CAPITAL MANAGEMENT ANNOUNCES FORMATION OF NGP ENERGY INFRASTRUCTURE AND RESOURCES PARTNERS, L.P.**

IRVING, TX – September 7, 2006 – NGP Energy Capital Management is pleased to announce the formation of NGP Energy Infrastructure and Resources Partners, L.P. as the latest addition to its family of investment initiatives focused on the energy and natural resources industries.

NGP Energy Infrastructure and Resources Partners, L.P. will concentrate on making direct equity investments in infrastructure ventures in various sectors of the midstream energy industry as well as all facets of the mining and minerals sector. The fund size is targeted at \$1.5 billion, of which \$75.0 million has been committed by the principals of the fund's management group.

The fund will be managed by the two founding principals, John T. Raymond, who will serve as CEO and a Managing Partner, and John G. Calvert, who will serve as a Managing Partner. Mr. Raymond and Mr. Calvert have a combined 29 years experience in the oil and gas and natural resource sectors. NGP Energy Capital Management will oversee the activities of the fund.

Prior to this endeavor, John Raymond led a number of successful public companies in the energy sector. From December 2002 through April 2005 he served as President and CEO of Plains Resources and its successor Vulcan Energy Corporation. As CEO of Plains Resources he orchestrated the 2004 management led buyout of the company with Vulcan Capital that resulted in the creation of Vulcan Energy Corporation in July of 2004. Also during that time, he served as President and COO of Plains Exploration and Production and served as a director of Plains All American Pipeline, L.P. Mr. Raymond was instrumental in building Plains Exploration and Production through several significant corporate acquisitions and in creating and effecting its December 2002 tax free spin off from Plains Resources. Mr. Raymond continues to serve as a director of Vulcan Energy Corporation. During the period from 1998 to 2001, Mr. Raymond was Director of Corporate Development of Kinder Morgan, Inc. preceded by his role as Vice President of Corporate Development of Ocean Energy, Inc. From 1992-1998, Mr. Raymond served as a Vice President of the investment banking firm of Howard Weil Labouisse Friedrichs, Inc. concentrating in the equity research group covering upstream and midstream oil and gas companies. Mr. Raymond earned his Bachelor of Science in Management at the Tulane University AB Freeman School of Business with dual concentrations in Finance and Accounting. He is currently a member of the University's Advisory Board.

Prior to this endeavor, John Calvert was a senior investment banker responsible for initiating, structuring and executing transactions in the natural resource industries. Most recently, Mr. Calvert served as a Managing Director at Deutsche Bank in the Large-Cap investment banking coverage group based in New York, where he provided strategic counsel and transaction execution advice to Deutsche Bank's global mining and metals clients. Prior to joining Deutsche Bank in 2005, Mr. Calvert was a Managing Director and Global Head of Mining Investment Banking at Credit Suisse First Boston. Mr. Calvert earned a Bachelor of Laws (First Class Honors) degree from the University of Sydney and was a pilot in the Royal Australian Navy Fleet Air Arm.

In explaining the rationale for forming the fund, NGP Energy Capital Management's CEO Ken Hersh stated: "The energy sector is now in the early stage of the most dramatic investment cycle that we have ever seen. Today's growing energy needs have been met by the utilization of the world's excess capacity that was created by the last investment cycle that ended 20 years ago. Over the next 15 years, the industry will need to invest several trillion dollars globally on infrastructure projects in order to meet the world's growing energy needs. In addition, the investment cycle of the mining and minerals sector will mirror that of the rest of the energy industry due to the same combination of factors – strong global demand coupled with deterioration in the sector's excess capacity."

Mr. Hersh continued. "We are thrilled to have partnered with John Raymond and John Calvert to create this investment initiative. They have both been very successful in their prior endeavors and bring to the fund a tremendous level of experience and depth in their deal flow and corporate relationships."

John Raymond commented: “Over the past decade, both the North American energy and global mining sectors have largely been defined by the reshuffling of existing assets among various firms in industry wide consolidation efforts. In the coming decade, we expect that companies throughout these sectors will need a tremendous amount of capital from external sources to be able to fund the required development and expansion of their respective asset bases to meet the growing and changing energy and resource needs of the world. To this end, in the past 12 months over \$25 billion of expansion projects have been announced in the domestic midstream sector alone. The fund will be primarily focused on providing equity capital to assist existing companies in their infrastructure and natural resource expansion and development plans via large scale investments complemented by the application of flexible financing solutions. We are excited about the prospects for the fund and we have already begun reviewing numerous compelling opportunities.”

John Calvert continued, “We are honored to have the opportunity to be sponsored by NGP. NGP has an 18 year track record in the private equity business that is second to none. They also have the experience to assist us in building a lasting investment firm and assembling a quality portfolio of investments.”

The management team and NGP representatives will be meeting with investors in the fall and early winter to review the business plan and the investment opportunities that the fund currently has under review. It is anticipated that the fund will hold a closing prior to year end.

### **About NGP Energy Capital Management**

Founded in 1988, [NGP Energy Capital Management](#) is the leading investment firm in the energy industry. Its investment platform includes the Natural Gas Partners private equity fund complex, a family of funds with over \$3 billion of total capital under management since inception. The funds invest private equity capital in oil and gas production, midstream and oilfield service companies and co-invest in direct oil and gas property interests alongside portfolio companies.

In addition, NGP Energy Capital Management oversees the activities of [NGP Capital Resources Company](#) (NASDAQ: "NGPC"), a \$261 million publicly-traded business development company that focuses on providing senior debt and mezzanine capital to the energy industry.

Also, the firm provides oversight to [NGP Energy Technology Partners](#), a \$148 million fund investing growth equity capital in companies providing technology-related products and services to the oil and gas, power and alternative energy sectors.

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