
Morgan Stanley



For Immediate Release

Morgan Stanley Private Equity and Trinity CO2 Announce Strategic Partnership

MIDLAND, September 15, 2010 – Morgan Stanley and the group of Trinity companies (“Trinity”), including Trinity Pipeline LP, Trinity CO2 LLC, and Trinity CO2 Partners LLC, announced today a strategic partnership whereby Morgan Stanley Private Equity will make a majority equity investment in Trinity through a newly formed company called Trinity CO2 Investments LLC. Terms of the transaction were not disclosed.

Trinity transports and supplies CO2 to well-established, long-lived oil fields undergoing enhanced oil recovery (EOR) operations in the Permian Basin of West Texas and southeastern New Mexico. The Company currently owns and operates over 200 miles of pipeline on its Llano and West Texas systems and has the capacity to transport significant additional throughput. The Trinity management team has decades of experience in CO2-based EOR, including the supply and transportation of carbon dioxide as well as oil exploration and production activities.

Trinity was founded in 2000 by President and Chief Executive Officer Barry F. Petty. Mr. Petty has been the Managing Partner of Trinity for the past 10 years and previously managed the CO2 supply business of BP America and its predecessor, ARCO. Robert Kincaid is joining the business as Executive Vice President and Chief Financial Officer and brings a successful track record of building midstream businesses as well as deep financial and capital markets experience. Bryan Hargrove joined Trinity in 2006 and has been promoted to Senior Vice President of Marketing. Prior to joining Trinity, Mr. Hargrove managed ExxonMobil’s CO2 and helium business in North America

Trinity President and CEO Barry Petty said, “We are very excited to partner with Morgan Stanley Private Equity in support of our long-term strategic plan to expand our existing asset base and build an even more comprehensive and integrated CO2 business. There is still a tremendous volume of proven oil reserves that are recoverable through CO2 injection in North America generally and the

Permian Basin in particular. Trinity has been, and will continue to be, the key to unlocking much of that resource. Trinity will be a leading CO₂-based EOR company throughout North America.”

John Moon, Managing Director of Morgan Stanley Private Equity, said, “We are delighted to be partnering with the Trinity team. They bring best-in-class management talent and CO₂ EOR experience that is truly second to none. This is an extraordinary opportunity to invest alongside a highly experienced management team to grow a world-class CO₂ enhanced oil recovery business. Furthermore, as our business also involves the sequestration of manmade CO₂, we are doubly pleased to be supporting activity that facilitates development of energy resources in a sensible and environmentally responsible way. We look forward to pursuing additional opportunities in enhanced oil recovery and CO₂-related infrastructure throughout North America.”

About Trinity CO₂ Investments

Headquartered in Midland, TX, Trinity CO₂ Investments is a privately owned CO₂ pipeline and supply company serving upstream oil producers in the Permian Basin of West Texas and New Mexico, the hub of CO₂-based enhanced oil recovery activity in the United States. Trinity CO₂ Investments LLC has offices in Midland, Texas and Seminole, Texas. For further information about Trinity CO₂ Investments, please visit www.trinityco2.com.

About Morgan Stanley Private Equity

Morgan Stanley Private Equity, part of Morgan Stanley Investment Management’s Merchant Banking Division, makes private equity and equity-related investments on a global basis. Morgan Stanley Private Equity utilizes Morgan Stanley’s vast resources, including its global franchise and relationships with leading corporate management teams and financial sponsors, to source attractive opportunities for its investment funds. Morgan Stanley’s roots in private equity investing date back to 1985 with the Morgan Stanley Capital Partners private equity funds. To date, Morgan Stanley Private Equity and its funds have invested approximately \$7.5 billion of equity across a broad spectrum of industries. For further information about Morgan Stanley Private Equity, please visit www.morganstanley.com/privateequity.

About Morgan Stanley

Morgan Stanley (NYSE: MS) is a leading global financial services firm providing a wide range of investment banking, securities, investment management and wealth management services. The Firm’s employees serve clients worldwide including corporations, governments, institutions and

individuals from more than 1,200 offices in 42 countries. For further information about Morgan Stanley, please visit www.morganstanley.com.

###

For additional information, contact:

Barry Petty, President and CEO
Phone: 432-683-8265
Email: bpetty@trinityco2.com

Morgan Stanley
Alyson Barnes
Phone: 212-761-5304
Email: alyson.barnes@morganstanley.com