



NEWS RELEASE

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FOR IMMEDIATE RELEASE

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MDC Approves Incentive for Growth

Midland, Texas- At a special meeting of the Midland Development Corporation (MDC) today, the MDC Board of Directors approved an economic development agreement for \$2,000,000 to Permian Plaza, LLC, a wholly owned subsidiary of Basic Energy Services, L.P., for a new, state-of-the-art parking garage with approximate 440 vehicle spaces. The agreement will be on the City Council agenda for consideration at a later date.

Basic Energy Services, with 4,200 employees in eleven states, is consolidating and retaining its corporate headquarters in Midland. Basic, as the managing member of Permian Plaza, LLC, has acquired 300 N. Pecos (the former "Belt Buckle" building), 600 W. Illinois ("Hightower" building), and the 511 W. Ohio building. The redevelopment of these properties as Permian Plaza will offer over 180,000 square feet of office, restaurant and retail development for the Central Business District (CBD).

"This project is on target to the MDC's strategic plan initiatives in promoting and assisting with the continued revitalization of Midland's CBD and the retention of jobs for Midland," said Doug Henson, board chair of MDC.

The multi-level parking facility will provide parking for tenants of Permian Plaza, Basic Energy Services employees, and 75 spaces dedicated to the public and/or third-party non-tenants of Permian Plaza. The entire parking facility will also be available to the public during non-business hours by arrangement.

"As we have moved forward with the development and execution of Permian Plaza, we've kept the elements of Midland's downtown as a priority," explained Ken Huseman, president and chief executive officer of Basic. "Infrastructure, increased property values, accessibility, and urban lifestyle such as retail and entertainment have all been considered as critical points to this project."

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Meeting the requirements of the retention of a minimum of 50 primary jobs, coupled with continued infrastructure to further develop new and expanded business enterprises, the Permian Plaza development has a total project estimate of fifteen million dollars.

“The parking facility is a great project for MDC to be a partner with. With Independence Plaza as the last new facility built since 1985, this new facility is fulfilling a long-term need in downtown Midland; the current inadequate and outdated parking options would only impede the success of downtown and its corporate residents,” said Henson. “And, the redevelopment of obsolete properties is a trend we’d like to see well into the future of Midland and the CBD.”

Basic Energy Services provides well site services essential to maintaining production from the oil and gas wells within its operating area. The company employs more than 4,200 employees in more than 100 service points throughout the major oil and gas producing regions in Texas, Louisiana, Oklahoma, New Mexico, Arkansas, Kansas and the Rocky Mountain States.

Additional information on Basic Energy Services is available on the Company's website at <http://basicenergyservices.com>.

The Midland Development Corporation (MDC), created in January 2002, offers assistance to qualified new and existing employers who create and retain jobs for the community. A five-member board appointed by the City Council governs the Midland Development Corporation.

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