



## **PRESS RELEASE**

**October 10, 2005**

### **MIDSTREAM ENERGY ANNOUNCES ACQUISITION OF GATHERING AND PROCESSING ASSETS**

Midstream Energy Services, LLC (Tulsa) announced today that it has signed definitive agreements to purchase Nathaniel Energy Corporation's (Denver) and its subsidiaries' (Nathaniel Energy Oklahoma Holdings Corporation and MCNIC Rodeo Gathering, LLC) interests which combined make-up 100% of the assets of the Keyes, Oklahoma natural gas processing plant, treating unit, helium plant and liquefier, a 155-mile gathering system located in Cimarron and Texas Counties of Oklahoma, Baca County, Colorado and a 38-mile Helium pipeline in Kearny County, Kansas. Consideration for the transaction is reported to be \$16.2 million. The system and plant will be operated by Midstream Energy Services, LLC.

The Keyes Plant is a 12 MMscfd propane refrigeration, cryogenic helium extraction, and amine treating plant processing gas from several Oklahoma and Colorado gas fields, including the Keyes field in Cimarron and Texas Counties, Oklahoma. The Keyes field is one of the premier helium supplies in the country, and the Keyes Plant provides one of only 9 liquifaction processes for helium in the United States, a commodity that trades for over \$55.00/mcf in unrefined form.

Jim Lind, President of Midstream stated, "The Keyes facilities are an excellent fit with Midstream's strategy of providing superior solutions to producer needs. In an environment of rising commodity prices, these assets provide more than the traditional services that exist in the midstream sector by handling off-spec, high-nitrogen natural gas, helium extraction as well as traditional gas processing capabilities."

Tulsa Oklahoma based Midstream is a privately owned full service energy company (whose equity provider is Dallas based Energy Spectrum) engaged in the gathering, processing, treating, and marketing of natural gas and natural gas liquids. For more information about Midstream, please contact us at (918) 388-6900 or visit our web site at [www.midstreamenergyllc.com](http://www.midstreamenergyllc.com).

Nathaniel Energy Corporation (ticker symbol "NECX.OB") is an Englewood, Colorado based publicly traded company and emerging leader in the "waste-to-energy" business. For more information about Nathaniel, please visit [www.nathanielenergy.com](http://www.nathanielenergy.com).