

# Western Gas Partners Announces Second-Quarter 2010 Results

HOUSTON, Aug 04, 2010 (BUSINESS WIRE) -- Western Gas Partners, LP (NYSE: WES) today announced second-quarter 2010 financial and operating results. Net income available to limited partners for the second quarter of 2010 totaled \$22.9 million, or \$0.35 per limited partner unit (diluted). The Partnership's second-quarter Adjusted EBITDA<sup>(1)</sup> was \$38.5 million and distributable cash flow<sup>(1)</sup> was \$35.4 million, resulting in a coverage ratio<sup>(1)</sup> of 1.45 times for the period.

Total throughput attributable to Western Gas Partners, LP for the second quarter of 2010 averaged 1,364 MMcf/d, essentially flat compared to the prior quarter and approximately 8 percent below the second quarter of 2009. These results include the net throughput attributable to the acquired Chipeta and Granger assets for all periods of comparison.

Capital expenditures attributable to Western Gas Partners, LP totaled approximately \$4.0 million during the second quarter of 2010. Of this amount, maintenance capital expenditures were approximately \$3.7 million, or 10 percent of Adjusted EBITDA.

"Our operating results for the quarter reflect the continued improvement in our cost structure while maintaining relatively stable throughput year-to-date," said Western Gas Partners' President and Chief Executive Officer Don Sinclair. "We are pleased with the contribution of our Granger and Chipeta acquisitions to our portfolio's distributable cash flow. These systems, which are situated in two key liquids-rich basins in the Rockies, continue to benefit from ongoing drilling activity due to favorable producer economics."

The Partnership previously declared a quarterly distribution of \$0.35 per unit for the second quarter of 2010, payable on August 13, 2010 to unitholders of record at the close of business on July 30, 2010, representing a 3-percent increase over the prior quarter and a 13-percent increase over the second-quarter 2009 distribution of \$0.31 per unit. The second-quarter 2010 coverage ratio of 1.45 times is based on the quarterly distribution of \$0.35 per unit.

<sup>(1)</sup> Please see the tables at the end of this release for a reconciliation of non-GAAP to GAAP measures and calculation of the coverage ratio.

## RECENT ACQUISITION AND 2010 GUIDANCE UPDATE

On August 2, 2010, the Partnership closed the \$498 million acquisition of the Wattenberg gathering system and related facilities. In connection with the acquisition, management has updated the Partnership's 2010 guidance to reflect the contribution of the Wattenberg assets to its full-year results based on an effective date of July 1, 2010.

As a result, full-year 2010 guidance for Adjusted EBITDA has been increased by \$30 million to a range of \$160 to \$180 million. Full-year 2010 guidance for total capital expenditures has also been increased by \$12 to \$13 million to a range of \$40 to \$45 million, which reflects an additional \$18 million of post-acquisition capital expenditures for the Wattenberg assets, partially offset by a reduction in capital spending across the remainder of the portfolio of approximately \$5 to \$6 million for the balance of the year. Lastly, full-year 2010 guidance for maintenance capital expenditures as a percent of Adjusted EBITDA has been reduced to a range of 13% to 16%.

## CONFERENCE CALL TOMORROW AT 11 A.M. CDT

The Partnership will host a conference call on August 5, at 11 a.m. Central Daylight Time (12 p.m. Eastern Daylight Time) to discuss second-quarter results. The dial-in number for the call is 888.680.0860 and the participant code is 54338427. Please call in 10 minutes prior to the scheduled start time. For complete instructions on how to participate in the conference call, or to access the live audio webcast and slide presentation, please visit <http://www.westerngas.com>. A replay of the call will also be available on the Web site for approximately two weeks following the conference call.

Western Gas Partners, LP is a growth-oriented Delaware limited partnership formed by Anadarko Petroleum Corporation to own, operate, acquire and develop midstream energy assets. With midstream assets in East and West Texas, the Rocky Mountains and the Mid-Continent, the Partnership is engaged in the business of gathering, compressing, processing, treating and transporting natural gas for Anadarko and other producers and customers. For more information about Western Gas Partners, please visit <http://www.westerngas.com>.

*This news release contains forward-looking statements. Western Gas Partners believes that its expectations are based on reasonable assumptions. No assurance, however, can be given that such expectations will prove to have been correct. A number of factors could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this news release. These factors include the ability to meet financial guidance or distribution growth expectations; the ability to obtain new sources of natural gas supplies; the effect of fluctuations in commodity prices and the demand for natural gas and related products; and construction costs or capital expenditures exceeding estimated or budgeted costs or expenditures, as well as other factors described in the "Risk Factors" section of the Partnership's 2009 Annual Report on Form 10-K filed with the Securities and Exchange Commission and other public filings and press releases by Western Gas Partners. Western Gas Partners undertakes no obligation to publicly update or revise any forward-looking statements.*

[Click here for PDF version of Tables](#)

SOURCE: Western Gas Partners, LP

**Western Gas Partners, LP**

Chris Campbell, CFA, 832.636.6012

[chris.campbell@westerngas.com](mailto:chris.campbell@westerngas.com)

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