

# Western Gas Partners Announces Acquisition of Midstream Assets from Anadarko, Increases Quarterly Distribution and Schedules Earnings Conference Call

HOUSTON, Jul 05, 2011 (BUSINESS WIRE) -- Western Gas Partners, LP (NYSE:WES) today announced that it has agreed to acquire the Bison gas treating facility and related assets (collectively the "Bison Assets") located in the Powder River Basin from Anadarko Petroleum Corporation (NYSE:APC) for total consideration of \$130 million.

"The cash flow profile of the Bison assets, which is 100-percent fee-based and entirely supported by demand charges, is a great addition to WES's portfolio," said Western Gas Partners' President and Chief Executive Officer Don Sinclair. "The transaction will be immediately accretive to distributable cash flow, allowing us to further increase our distribution while maintaining a conservative risk profile."

Under the terms of the acquisition agreement, Western Gas will acquire Anadarko's 100-percent ownership interest in the Bison Assets, which are located in northeastern Wyoming and have a combined CO<sub>2</sub> treating capacity of 450 MMcf/d. Western Gas expects to finance the acquisition with \$25 million of cash on hand and the issuance of 2,950,284 common units to Anadarko and 60,210 general partner units to Western Gas Holdings, LLC, the Partnership's general partner, at an implied price of approximately \$34.88 per unit.

The acquisition price represents an approximate 8.8x multiple of the assets' forecasted earnings before interest, taxes, depreciation and amortization for the next 12 months. Western Gas expects the transaction to close in early July 2011, with an effective date of July 1, 2011. Terms of the transaction were unanimously approved by the Board of Directors of the Partnership's general partner and by the Board's special committee, which is comprised entirely of independent directors. The special committee engaged Tudor, Pickering, Holt & Co. Securities, Inc. to act as its financial advisor and Bracewell & Giuliani LLP to act as its legal advisor.

The Partnership also announced today that the board of directors of its general partner has declared a cash distribution of \$0.405 per unit for the second quarter of 2011, representing a 4-percent increase over the prior quarter's distribution of \$0.39/unit and a 19-percent increase over the second quarter of 2010. The distribution is payable on August 12, 2011 to unitholders of record at the close of business on July 29, 2011.

The partnership plans to report its second-quarter 2011 results after the market closes on Wednesday, August 3, 2011. Management will host a conference call on Thursday, August 4, 2011, at 11 a.m. CDT (12 p.m. EDT) to discuss quarterly results.

The full text of the release announcing the results will be available on the partnership's Web site at <http://www.westerngas.com>. To access the live audio webcast of the conference call, please visit the investor relations section of the Web site. To participate via telephone, please dial 1.888.680.0878 and enter participant code 29292066. Please call in 10 minutes prior to the scheduled start time. A replay of the call will be available on the Web site for 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 consummate the transactions contemplated by this press release; 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 2010 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.*

*Note to Non-United States Investors: This release is intended to be a qualified notice under Treasury Regulation Section 1.1446-4(b). Brokers and nominees should treat one hundred percent (100.0%) of Western Gas Partners, LP's distributions to foreign investors as being attributable to income that is effectively connected with a United States trade or business. Accordingly, Western Gas Partners LP's distributions to foreign investors are subject to federal income tax withholding at the highest applicable effective tax rate.*

SOURCE: Western Gas Partners, LP

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