

WBR ARTICLE

Western Gas buys Anadarko pipeline, assets

By Staff

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HOUSTON — Western Gas Partners LP, a limited partnership formed by Anadarko Petroleum Corporation to acquire and develop midstream energy assets, announced yesterday that it has purchased Anadarko's Granger Gathering System (a 750-mile gathering system with related compression and other facilities) and the Granger Plants (two cryogenic trains with combined capacity of 200 million cubic feet per day [MMcf/d], two refrigeration trains, a natural gas liquids fractionation facility and ancillary equipment). The average throughput on these systems for the fourth quarter of 2009 was approximately 240 MMcf/d.

The deal was valued at \$254 million and as financed primarily with a \$210 million draw on the partnership's revolving credit facility plus cash on hand. Western Gas shares closed at \$19.99 and Anadarko's at \$63.78 Friday on the New York Stock Exchange.

"We are pleased to begin the new year with our third and largest acquisition since our initial public offering," said Western Gas Partners' President and Chief Executive Officer Don Sinclair. "We expect the acquisition to be immediately accretive to distributable cash flow, and believe these assets have significant potential for organic growth by serving the prolific Moxa, Pinedale, and Jonah fields."