



## Leviathan, Coastal's ANR Pipeline and NGPL Sign Agreements for Gulf of Mexico Pipeline Services

February 8, 1999

**Houston, Texas, February 8, 1999** - Leviathan Gas Pipeline Partners, L.P. (Leviathan) announced today that it, along with The Coastal Corporation's ANR Pipeline Company (ANR) subsidiary and Natural Gas Pipeline Company of America (NGPL) [collectively referred to as the "joint venture partners"], has executed definitive agreements with Exxon Company U.S.A. (Exxon) and BP Amoco Plc. (BP Amoco) whereby the joint venture partners will own and operate gas pipeline facilities and provide related services for Exxon and BP Amoco's development of their Diana and Hoover deepwater prospects.

The new 85-mile, predominantly 20-inch diameter pipeline will have a design capacity of over 400 million cubic feet of gas per day and extend from Exxon and BP Amoco's production facility in Alaminos Canyon Block 25 to a point of interconnection with the existing High Island Offshore System at High Island Block A-573. The facility is approximately 160 miles south of Galveston, Texas in 4,800 feet of water.

The pipeline and related facilities will cost approximately \$90 million. They will be owned by East Breaks Gathering Company, L.L.C. which is owned 40 percent by Leviathan, 40 percent by ANR and 20 percent by NGPL. The majority of the construction will occur in 1999, and the new pipeline is expected to be in service in mid-2000. In addition, all of the gas to be produced from 11 blocks in the East Breaks and Alaminos Canyon areas will be dedicated for transportation services on the High Island Offshore System.

Leviathan Gas Pipeline Partners, L.P. (NYSE:LEV) is a publicly owned master limited partnership which was formed to acquire, own and manage offshore pipelines and related assets. Leviathan operates or has interests in eight gas pipeline systems located offshore Louisiana and Texas, which currently gather over three billion cubic feet of gas per day. In addition, Leviathan owns working interests in five offshore fields and a 36 percent interest in Poseidon Oil Pipeline, a crude oil system designed to serve new developments in the subsalt and deepwater areas of the Gulf of Mexico. El Paso Energy Corporation (NYSE:EPG) owns a 27.3 percent effective partnership interest in Leviathan.

With over \$10 billion in assets, El Paso Energy Corporation provides energy solutions through five business units: Tennessee Gas Pipeline Company, El Paso Natural Gas Company, El Paso Field Services Company, El Paso Energy Marketing Company, and El Paso Energy International Company. The company owns the nation's only integrated coast-to-coast natural gas pipeline system and has operations in interstate natural gas transmission, gas gathering and processing, energy marketing, and international infrastructure development.

ANR Pipeline Company, headquartered in Detroit, Michigan, is an interstate pipeline subsidiary of The Coastal Corporation. ANR operates a 10,600-mile interstate natural gas pipeline system providing storage, transportation and capacity-related services for customers in the United States and Canada. The company's address on the World Wide Web is [www.anrpl.com](http://www.anrpl.com)

The Coastal Corporation (NYSE:CGP) is a Houston-based energy holding company with consolidated assets of about \$12 billion and subsidiary operations in natural gas marketing, transmission, storage, gathering and processing; petroleum refining and marketing; oil and gas exploration and production; chemicals; power production; and coal. Coastal's address on the World Wide Web is [www.elpaso.com](http://www.elpaso.com)

Natural Gas Pipeline Company of America is an interstate gas transmission subsidiary of KN Energy, Inc. (NYSE:KNE), based in Lakewood, Colorado. With almost 14,000 miles of wholly and jointly owned interstate pipelines, NGPL's system moves gas from major U.S. and Canadian producing areas to Midwest markets and other pipelines serving North America. KN Energy is the nation's sixth-largest integrated natural gas company with \$9 billion in total assets, and is the second-largest pipeline operator with more than 25,000 miles of pipe. It has operations in 16 states, including natural gas gathering, processing, marketing, storage, transportation, energy commodity sales -- natural gas and natural gas liquids -- electric generation design, construction and operation; and innovative services designed for consumers, utilities and commercial entities. It also jointly owns en- able, which markets the SimpleChoice brand of enhanced products and services for consumers through their local utilities.

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Information in this document may contain forward-looking statements or projections. Leviathan has made every reasonable effort to ensure that the information on which these projections are based is current, accurate and complete. However, a variety of factors could cause actual results to differ materially from the projections contained in the document including oil and gas prices; continued drilling, exploration and production activity in the areas of the Gulf of Mexico served by Leviathan; and successful negotiation of customer contracts on its pipelines and platforms. While Leviathan makes these projections in good faith, neither Leviathan nor its management can guarantee that the future results predicted in these projections will be achieved. Reference should be made to Leviathan's (and its affiliates') Securities and Exchange Commission filings for important factors that may affect actual results.