AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON AUGUST 12, 2002
REGISTRATION NOS. 333-

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM S-4
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

EL PASO ENERGY PARTNERS, L.P.
EL PASO ENERGY PARTNERS FINANCE CORPORATION
(Exact name of Registrant as Specified in Its Charter)

DELAWARE DELAWARE (State or Other Jurisdiction of Incorporation or Organization)	1311 1311 (Primary Standard Industrial Classification Code Number)	76-0396023 76-0605880 (I.R.S. Employer Identification Number)

EL PASO BUILDING 1001 LOUISIANA STREET, 30TH FLOOR HOUSTON, TX 77002 (713) 420-2600 (Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)	PEGGY A. HEEG, ESQ. EL PASO BUILDING 1001 LOUISIANA STREET, 30TH FLOOR HOUSTON, TX 77002 (713) 420-2600 (Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

COPY TO:
J. VINCENT KENDRICK
AKIN, GUMP, STRAUSS, HAUER & FELD, L.L.P.
1900 PENNZOIL PLACE, SOUTH TOWER
711 LOUISIANA STREET
HOUSTON, TX 77002
(713) 220-5800
(713) 236-0822 (FAX)

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: As soon as practicable after this registration statement becomes effective.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. [ ]

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

CALCULATION OF REGISTRATION FEE

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED(1)	AMOUNT TO BE REGISTERED(1)	PROPOSED MAXIMUM OFFERING PRICE PER UNIT(1)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE(1)	AMOUNT OF REGISTRATION FEE

8 1/2% Series B Senior Subordinated Notes due 2011	$230,000,000	102%	$230,000,000	$21,160
Guarantees of 8 1/2% Series B Senior Subordinated Notes due 2011(2)	(3)	-	-	-

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o).

(2) Each of the subsidiaries of El Paso Energy Partners, L.P. that is listed on the Table of Additional Registrant Guarantors on the following page has guaranteed the notes being registered pursuant hereto.

(3) No separate consideration will be received for the Guarantees and, therefore, no additional registration fee is required.

EACH REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL SUCH REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

TABLE OF ADDITIONAL REGISTRANT GUARANTORS

STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION	I.R.S. EMPLOYER IDENTIFICATION NUMBER	EXACT NAME OF REGISTRANT GUARANTOR(1)
------	--------------	Argo, L.L.C.
Delaware	76-0396023	Argo I, L.L.C.
Delaware	76-0396023	Argo II, L.L.C.
Delaware	76-0396023	Chaco Liquids Plant Trust
Massachusetts	76-0396023	Crystal Holding, L.L.C.
Delaware	76-0396023	Delos Offshore Company, L.L.C.
Delaware	76-0396023	East Breaks Gathering Company, L.L.C.
Delaware	76-0396023	El Paso Energy Partners Deepwater, L.L.C.
Delaware	76-0396023	El Paso Energy Partners Oil Transport, L.L.C.
Delaware	76-0396023	El Paso Energy Partners Operating Company, L.L.C.
Delaware	76-0396023	EPN NGL Storage, L.L.C.
Delaware	76-0396023	First Reserve Gas, L.L.C.
Delaware	76-0396023	Flextrend Development Company, L.L.C.
Delaware	76-0396023	Green Canyon Pipe Line Company, L.P.
Delaware	N/A	Hattiesburg Gas Storage Company
Delaware	N/A	Hattiesburg Industrial Gas Sales, L.L.C.
Delaware	76-0396023	High Island Offshore System, L.L.C.
Delaware	76-0396023	Manta Ray Gathering Company, L.L.C.
Delaware	76-0396023	Petal Gas Storage, L.L.C.
Delaware	76-0396023	Poseidon Pipeline Company, L.L.C.
Delaware	76-0396023	VK Deepwater Gathering Company, L.L.C.
Delaware	76-0396023	VK-Main Pass Gathering Company, L.L.C.

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(1) The address for each Registrant Guarantor is 4 East Greenway Plaza, Houston, Texas, 77046.

Information in this prospectus is not complete and may be changed. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. We may not exchange these securities until the registration statement is effective. This prospectus is not an offer to sell or a solicitation of an offer to buy the securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED AUGUST 12, 2002

$230,000,000

EL PASO ENERGY PARTNERS, L.P.
EL PASO ENERGY PARTNERS FINANCE CORPORATION

Offer to Exchange
8 1/2% Series B Senior Subordinated Notes due 2011
for any and all outstanding 8 1/2% Series A
Senior Subordinated Notes due 2011

CUSIP: 28368QAD1 and U5325MAB1

[EL PASO ENERGY PARTNERS LOGO]

This prospectus, the accompanying letter of transmittal and notice of guaranteed delivery relate to our proposed exchange offer. We are offering to exchange up to $230,000,000 aggregate principal amount of new 8 1/2% Series B senior subordinated notes due 2011, which we call the Series B notes, which will be freely transferable, for any and all outstanding 8 1/2% Series A senior subordinated notes due 2011, which we call the Series A notes, issued in a private offering on May 17, 2002, and which have certain transfer restrictions.

In this prospectus we sometimes refer to the Series A notes and the Series B notes collectively as the notes.

- The exchange offer expires at 5:00 p.m., New York City time, on , 2002, unless extended.

- The terms of the Series B notes are substantially identical to the terms of the Series A notes, except that the Series B notes will be freely transferable and issued free of any covenants regarding exchange and registration rights.

- All Series A notes that are validly tendered and not validly withdrawn will be exchanged.

- Tenders of Series A notes may be withdrawn at any time prior to expiration of the exchange offer.

- We will not receive any proceeds from the exchange offer.

- The exchange of Series A notes for Series B notes will not be a taxable event for United States federal income tax purposes.

- Holders of Series A notes do not have any appraisal or dissenters' rights in connection with the exchange offer.

- Series A notes not exchanged in the exchange offer will remain outstanding and be entitled to the benefits of the Indenture, but except under certain circumstances, will have no further exchange or registration rights under the registration rights agreement discussed in this prospectus.

PLEASE SEE "RISK FACTORS" BEGINNING ON PAGE 9 FOR A DISCUSSION OF FACTORS YOU SHOULD CONSIDER IN CONNECTION WITH THE EXCHANGE OFFER.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE NOTES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

We may amend or supplement this prospectus from time to time by filing amendments or supplements as required. You should read this entire prospectus, the accompanying letter of transmittal and related documents and any amendments or supplements to this prospectus carefully before making your investment decision.

The date of this prospectus is , 2002.

TABLE OF CONTENTS

The information contained in this prospectus was obtained from us and other sources believed by us to be reliable. This prospectus also incorporates important business and financial information about us that is not included in or delivered with this prospectus.

You should rely only on the information contained in this prospectus or any supplement and any information incorporated by reference in this prospectus or any supplement. We have not authorized anyone to provide you with any information that is different. If you receive any unauthorized information, you must not rely on it. You should disregard anything we said in an earlier document that is inconsistent with what is included in or incorporated by reference in this prospectus.

You should not assume that the information in this prospectus or any supplement is current as of any date other than the date on the front page of this prospectus. This prospectus is not an offer to sell nor is it seeking an offer to buy these securities in any state or jurisdiction where the offer or sale is not permitted.

We include cross references in this prospectus to captions in these materials where you can find further related discussions. The above table of contents tells you where to find these captions.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and other reports, proxy statements and other information with the SEC. You can inspect and/or copy these reports and other information on the Internet or at offices maintained by the SEC, including:

- the SEC's website at http://www.sec.gov; and

- the SEC's public reference room located at Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549.

You may obtain information on the operation of the SEC's public reference room by calling the SEC at 1-800-SEC-0330.

Because our common units are listed on the New York Stock Exchange, our reports, proxy statements and other information can be reviewed and copied at the office of that exchange at 20 Broad Street, New York, New York 10005.

The SEC allows us to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus, and information that we file later with

the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future made with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until the termination of this offering, other than information furnished under Item 9 of any Current Report on Form 8-K or Form 8-K/A that is listed below or filed in the future and which is not deemed filed under the Securities Exchange Act of 1934 and is not incorporated in this prospectus:

- Annual Report on Form 10-K for the year ended December 31, 2001;

- Quarterly Report on Form 10-Q for the quarter ended March 31, 2002;

- Current Reports on Form 8-K filed April 15, 2002, April 22, 2002, April 24, 2002, April 29, 2002, June 5, 2002, July 15, 2002, July 24, 2002, July 31, 2002 and August 12, 2002; and

- Current Report on Form 8-K/A filed July 19, 2002.

We will provide a copy of any document incorporated by reference in this prospectus and any exhibit specifically incorporate by reference in those documents at not cost by request directed to us at the following address and telephone number:

El Paso Energy Partners
4 East Greenway Plaza
Houston, Texas 77046
(832) 676-5332
Attention: Investor Relations

TO OBTAIN TIMELY DELIVERY, YOU MUST REQUEST THIS INFORMATION NO LATER THAN , 2002.

FORWARD-LOOKING STATEMENTS

This prospectus contains or incorporates by reference forward-looking statements. Where any forward-looking statement includes a statement of the assumptions or bases underlying the forward-looking statement, we caution that, while we believe these assumptions or bases to be reasonable and made in good faith, assumed facts or bases almost always vary from the actual results, and the differences between assumed facts or bases and actual results can be material, depending upon the circumstances. Where, in any forward-looking statement, we or our management express an expectation or belief as to future results, such expectation or belief is expressed in good faith and is believed to have a reasonable basis. We cannot assure you, however, that the statement of expectation or belief will result or be achieved or accomplished. These statements relate to analyses and other information which are based on forecasts of future results and estimates of amounts not yet determinable. These statements also relate to our future prospects, developments and business strategies. These forward-looking statements are identified by their use of terms and phrases such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "predict," "project," "will," and similar terms and phrases, including references to assumptions. These statements are contained in the sections entitled "Summary" and "Risk Factors" and other sections of this prospectus and in the documents incorporated by reference. These forward-looking statements involve risks and uncertainties that may cause our actual future activities and results of operations to be materially different from those suggested or described in this prospectus or the documents incorporated by reference. These risks include the risks that are identified in:

- this prospectus in the "Risk Factors" section;

- the section entitled "Risk Factors and Cautionary Statement for Purposes of the "Safe Harbor" Provisions of the Private Securities Litigation Reform Act of 1995" included in our Annual Report on Form 10-K for the year ended December 31, 2001; and

- the other documents incorporated by reference.

These risks may also be specifically described in our Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, Annual Reports on Form 10-K and other documents we have filed with the Securities and Exchange Commission. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or otherwise. If one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect, our actual results may vary materially from those expected, estimated or projected.

SUMMARY

This summary highlights some basic information from this prospectus to help you understand the notes. It likely does not contain all the information that is important to you. You should carefully read this prospectus and the documents incorporated by reference to understand fully the terms of the notes, as well as the tax and other considerations that are important to you in making your investment decision. You should pay special attention to the "Risk Factors" section beginning on page 9 of this prospectus, as well as the section entitled "Risk Factors and Cautionary Statement for Purposes of the "Safe Harbor" Provisions of the Private Securities Litigation Reform Act of 1995" included in our Annual Report on Form 10-K for the year ended December 31, 2001, and the other documents incorporated by reference, to determine whether an investment in the notes is appropriate for you. For purposes of this prospectus, unless the context otherwise indicates, when we refer to "us," "we," "our," or "ours," we are describing El Paso Energy Partners, L.P., together with its subsidiaries, including El Paso Energy Partners Finance Corporation.

EL PASO ENERGY PARTNERS, L.P.

WHO WE ARE

Formed in 1993, we are a Delaware limited partnership with common units traded on the New York Stock Exchange under the symbol "EPN." We are one of the largest publicly-traded master limited partnerships, or MLPs, in terms of market capitalization. We currently manage a balanced, diversified portfolio of midstream energy interests and assets that includes:

- offshore oil and natural gas pipelines, platforms and infrastructure in the Gulf of Mexico, primarily offshore Louisiana and Texas;

- onshore natural gas pipeline assets and processing facilities in Alabama, Mississippi, New Mexico and Texas;

- onshore natural gas liquids, or NGL, transportation and fractionation facilities in Texas; and

- onshore natural gas and NGL storage facilities in Mississippi, Louisiana and Texas.

Since El Paso Corporation's 1998 acquisition of an interest in us, we have diversified our asset base, stabilized our cash flow and decreased our financial leverage as a percentage of total capital. We have accomplished this through a series of acquisitions and development projects.

SAN JUAN ASSET ACQUISITION AND DISTRIBUTION INCREASE

On July 16, 2002, we entered into a letter of intent with El Paso Corporation regarding the proposed acquisition by us of a package of midstream energy assets, referred to as the San Juan assets, from El Paso Corporation for approximately $782 million, subject to adjustments. The San Juan assets include:

- substantially all of El Paso Corporation's natural gas gathering, processing and treating assets in the San Juan Basin of New Mexico -- specifically, its 5,300-mile San Juan Basin gathering system, including the associated compression, processing and treating facilities and contracts, and the remaining interest in the Chaco cryogenic natural gas processing plant not already owned by us;

- a 35-mile, 20-inch natural gas pipeline and a 16-mile, 12-inch oil pipeline originating on the Chevron/BHP "Typhoon" platform in the Green Canyon area of the Gulf of Mexico; and

- over 570 miles of NGL pipelines and a related fractionation facility in South Texas.

The acquisition is expected to be consummated in the fourth quarter of 2002.

We approved a quarterly distribution of $0.675 ($2.70 annualized) per common unit payable in November 2002. This represented the third increase to the distribution rate announced this year. During 2002, we have declared or approved the following quarterly distributions:

QUARTERLY DISTRIBUTION AMOUNT	INCREASE OVER PRIOR QUARTER	PAYMENT DATE	
$0.6750	$0.0250	August 15	
$0.6500	--	May 15	
$0.6500	$0.0250	February 15	
$0.6250	$0.0125	November 15	

The exchange offer is intended to satisfy our obligations under the registration rights agreement, and we will not receive any cash proceeds from the issuance of the Series B notes offered by this prospectus. For further details, please read "Use of Proceeds" on page 24.

OUR GENERAL PARTNER'S UNIQUE SPONSORSHIP

We continue to benefit from the unique corporate sponsorship we receive from El Paso Corporation, the indirect parent of El Paso Energy Partners Company, our general partner. El Paso Corporation, a Delaware corporation with its stock traded on the NYSE under the symbol "EP," is a global energy company with operations that extend from energy production and extraction to power generation, with total assets of $49 billion at March 31, 2002. El Paso Corporation's principal operations include:

- natural gas transportation, gathering, processing and storage;
- natural gas and oil exploration, development and production;
- energy and energy-related commodities and products marketing;
- power generation;
- energy infrastructure facility development and operation;
- petroleum refining; and
- chemicals production.

El Paso Corporation has designated its investment in us as its primary vehicle for growth and development of its midstream energy business. Through its subsidiaries, El Paso Corporation owns approximately 26.5%, or 11,674,245, of our common units and our 1% general partner interest. Additionally, El Paso Corporation, through a subsidiary, owns all 125,392 of our outstanding Series B preference units. As of March 31, the liquidation value of the Series B units was approximately $146 million.

OUR OBJECTIVE AND STRATEGY

Our objective is to operate as a growth-oriented MLP with a focus on increasing cash flow, earnings and return to our unitholders by becoming one of the industry's leading providers of midstream energy services. Our strategy is to maintain and grow a diversified, balanced base of strategically located and efficiently operated midstream energy assets with stable and long-term cash flows. Upon completion of our acquisition of the San Juan assets, we will be the largest natural gas gatherer, based on miles of pipeline, in Texas and the San Juan Basin (which covers the four contiguous corners of New Mexico, Arizona, Colorado and Utah), which collectively accounted for approximately 35% of domestic natural gas production in 2001. We are also one of the largest natural gas gatherers in the Gulf of Mexico, which accounted for approximately 27% of domestic natural gas production during 2001.

These regions, especially the deeper water regions of the Gulf of Mexico -- one of the United States' fastest growing natural gas producing regions -- offer us significant infrastructure growth potential through

the acquisition and construction of pipelines, platforms, processing and storage facilities and other infrastructure.

Our strategy entails continually enhancing the quality of our cash flow by emphasizing operations and services for which the fees are not traditionally linked to commodity prices, like gathering, transportation and storage; shifting commodity price risks by using contractual arrangements, like fixed-fee contracts and hedging and tolling arrangements; and exiting the oil and gas production business by not acquiring additional properties. Our offshore gathering and transportation arrangements tend to have longer terms, which often last for the productive life of the producing property, and our onshore gathering transportation, processing and fractionating arrangements tend to have multiple-year terms.

We intend to execute our business strategy by:

- purchasing and constructing onshore pipelines; gathering systems; storage, processing and fractionation facilities; and other midstream assets to provide a broad range of more stable, fee-based services to producers, marketers and users of energy products;

- expanding our existing asset base, supported by the dedication of new discoveries and long-term commitments, to capitalize on the accelerated growth of oil and natural gas supplies from the deeper water regions of the Gulf of Mexico;

- operating at a low cost by achieving economies of scale in select regions through reinvesting in and expanding our organic growth opportunities, as well as by acquiring new assets; and

- continuing to strengthen our solid balance sheet by financing our growth with 50% equity so as to provide the financial flexibility to fund future opportunities.

BUSINESS SEGMENTS

Our business and operations cover four primary business segments. This section of the summary depicts our business segments after the completion of the San Juan assets acquisition.

NATURAL GAS PIPELINES AND PLANTS

We own interests in natural gas pipeline systems extending over 16,900 miles with a combined maximum design capacity (net to our interest) of over 10.3 billion cubic feet per day, or Bcf/d, of natural gas. We own or have interests in gathering and transportation systems onshore in Texas, New Mexico, Alabama and Colorado, including the EPGT system, the largest intrastate pipeline system in Texas based on miles of pipe, and the San Juan gathering system, which includes 5,300 miles of pipeline currently gathering over 1.1 Bcf/d of natural gas. In addition, we have interests in offshore natural gas pipeline systems, which are strategically located to serve production activities in some of the most active drilling and development regions in the Gulf of Mexico, including select locations offshore of Texas, Louisiana and Mississippi, and to provide relatively low cost access to long-line transmission pipelines that access multiple markets in the eastern half of the United States.

We also own interests in three processing and treating plants in New Mexico, with a combined maximum capacity of over 1.2 Bcf/d of natural gas and 50 thousand barrels per day, or MBbls/d, of NGLs, including the Chaco cryogenic natural gas processing plant, the third largest natural gas processing plant in the United States measured by liquids produced.

OIL AND NGL LOGISTICS

We own interests in three offshore oil pipeline systems which extend over 340 miles and have a combined maximum capacity of 580 MBbls/d of oil with the addition of pumps and the use of friction reducers. In addition to being strategically located in the vicinity of some prolific producing regions in the Gulf of Mexico, our oil pipeline systems are parallel to, and interconnect with, key segments of some of our natural gas pipeline systems and offshore platforms, which contain separation and handling facilities. This distinguishes us from our competitors by allowing us to provide some producing properties with a

unique single point of contact through which the producers may access a wide range of midstream services and assets.

We also own NGL transportation, fractionation and storage assets. Our four fractionation plants, located in Texas, have a combined capacity of approximately 120 MBbls/d. We also own or have interests in more than 1,100 miles of intrastate NGL pipelines in Texas and NGL storage facilities in Louisiana, Texas and Mississippi with combined capacity of 20.1 million barrels, or MMBbls.

PLATFORM SERVICES

We have interests in five multi-purpose offshore hub platforms in the Gulf of Mexico. These platforms were specifically designed to be used as deepwater hubs and production handling and pipeline maintenance facilities. These facilities allow us to provide a variety of midstream services, such as gas separation and handling, to increase deliverability and attract new volumes into our offshore pipeline systems.

NATURAL GAS STORAGE

We own the Petal and Hattiesburg salt dome natural gas storage facilities located in Mississippi, which are strategically situated to serve the Northeast, Mid-Atlantic and Southeast natural gas markets. These facilities have a combined current working capacity of 12.65 Bcf and are capable of delivering in excess of 1.2 Bcf/d of natural gas into five interstate pipeline systems: Transcontinental Gas Pipeline Company (Transco), Tennessee Gas Pipeline, Gulf South Pipeline, Destin Pipeline and Southern Natural Gas Pipeline. Each of these facilities is capable of making deliveries at the high rates necessary to satisfy peaking requirements in the electric generation industry.

In April 2002, we acquired a leased interest in the Wilson natural gas storage facility located in Wharton County, Texas, which has a working capacity of 7.0 Bcf. This lease expires in January 2008.

OTHER

Currently, we own interests in five oil and natural gas properties in waters offshore Louisiana. Production is gathered, transported and processed through our pipeline systems and platform facilities and is sold to various third parties and subsidiaries of El Paso Corporation. We intend to continue to concentrate on fee-based operations that traditionally provide more stable cash flow and de-emphasize our commodity-based activities, including our oil and natural gas producing operations.

RECENT DEVELOPMENTS

COMPLETED ACQUISITIONS

In accordance with our business strategy, we have entered into transactions that have further diversified and grown our midstream asset base and expanded our sources of cash flow over the past several months. For example, in April 2002, EPN Holding Company, L.P., our wholly-owned subsidiary, acquired from El Paso Corporation midstream energy assets located in New Mexico and Texas for net consideration of $735 million. The acquired assets, which are referred to as the EPN Holding assets, include:

- interests in four intrastate natural gas gathering systems, including the EPGT Texas intrastate pipeline system, the largest intrastate pipeline system in Texas based on miles of pipe;

- a non-operating interest in a natural gas processing and treating facility; and

- a leased interest in a natural gas storage facility.

The EPN Holding assets generated approximately $84.5 million of EBITDA for the year ended December 31, 2001.

PROJECTS UNDER DEVELOPMENT

We also expect to continue to experience organic growth in 2002 and beyond by constructing and operating strategic midstream infrastructure assets onshore and offshore, including the following projects:

- a $99 million, 60-mile takeaway pipeline, including a 9,000-horsepower compression station, connected to the Petal facility with design capacity of 1.25 Bcf/d (currently FERC-certified to 700 million cubic feet per day, or MMcf/d), completed in June 2002;

- a $58 million, 5.4 Bcf expansion of the Petal natural gas storage facility, including a withdrawal facility and a 20,000 horsepower compression station, located near Hattiesburg, Mississippi, completed in June 2002;

- the $28 million, 37-mile Medusa natural gas pipeline extension of our Viosca Knoll gathering system, expected to be in service in the first quarter of 2003;

- the $53 million Falcon Nest fixed-leg platform, expected to be in service during the first quarter of 2003;

- the $206 million Marco Polo tension leg platform, or TLP, expected to be in service in 2004;

- the $96 million Marco Polo oil and gas pipelines, expected to be in service in 2004; and

- the $450 million, 380-mile Cameron Highway Oil Pipeline, expected to be in service by the third quarter of 2004.

RECENT FINANCINGS

During 2002, we have executed several financings intended to facilitate growth and help achieve our targeted capital structure, including:

- raising approximately $149 million in net proceeds through the issuance of 4,083,938 common units in April;

- raising approximately $230 million in net proceeds in a private offering of long-term debt securities in May;

- entering into the $560 million EPN Holding acquisition and working capital facility, of which $375 million has been repaid to date; and

- repaying a $95 million limited recourse term loan used to construct our Prince TLP, which we sold to El Paso Corporation in connection with our April 2002 EPN Holding acquisition.

OFFICES

Our principal executive offices are located at the El Paso Building, 1001 Louisiana Street, Houston, Texas 77002, and our phone number at this address is (713) 420-2600.

THE EXCHANGE OFFER

You are entitled to exchange in the exchange offer your outstanding Series A notes for Series B notes with substantially identical terms. You should read the discussion under the heading "Description of Notes" beginning on page 24 for further information regarding the Series B notes.

We summarize the terms of the exchange offer below. You should read the discussion under the heading "The Exchange Offer" beginning on page 12 for further information regarding the exchange offer and resale of the Series B notes.

Registration Rights Agreement.....	We sold $230 million in aggregate principal amount of Series A notes to Credit Suisse First Boston Corporation, Goldman, Sachs & Co., J.P. Morgan Securities Inc., Banc One Capital Markets, Inc., First Union Securities, Inc., Fleet Securities, Inc., Fortis Investment Services LLC, BNP Paribas Securities Corp. and The Royal Bank of Scotland plc, as initial purchasers in a transaction exempt from the registration requirements of the Securities Act. We entered into a registration rights agreement dated as of May 17, 2002 with the initial purchasers which grants the holders of the Series A notes exchange and registration rights. This exchange offer satisfies those exchange rights.
The Exchange Offer.....	$1,000 principal amount of Series B notes in exchange for each $1,000 principal amount of Series A notes. As of the date of this prospectus, $230 million aggregate principal amount of the Series A notes are outstanding. We will issue Series B notes to holders on the earliest practicable date following the Expiration Date.
Resales of the Series B Notes.....	Based on interpretations by the staff of the SEC set forth in no-action letters issued to third parties, we believe that, except as described below, the Series B notes issued pursuant to the exchange offer may be offered for resale, resold and otherwise transferred by holders of the Series B notes, other than a holder that is an "affiliate" of ours within the meaning of Rule 405 under the Securities Act, without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that the Series B notes are acquired in the ordinary course of the holder's business and the holder has no arrangement or understanding with any person to participate in the distribution of the Series B notes. Each broker-dealer that receives Series B notes pursuant to the exchange offer in exchange for Series A notes that the broker-dealer acquired for its own account as a result of market-making activities or other trading activities, other than Series A notes acquired directly from us or our affiliates, must acknowledge that it will deliver a prospectus in connection with any resale of the Series B notes. The letter of transmittal states that by acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. If we receive notices in the letter of transmittal, this prospectus, as it may be amended or supplemented from time to time, may

	be used for the period described below by a broker-dealer in connection with resales of Series B notes received in exchange for Series A notes where the Series A notes were acquired by the broker-dealer as a result of market-making activities or other trading activities and not acquired directly from us. The letter of transmittal requires broker-dealers tendering Series A notes in the exchange offer to indicate whether the broker-dealer acquired the Series A notes for its own account as a result of market-making activities or other trading activities, other than Series A notes acquired directly from us or any of our affiliates. If no broker-dealer indicates that the Series A notes were so acquired, we have no obligation under the registration rights agreement to maintain the effectiveness of the registration statement past the consummation of the exchange offer or to allow the use of this prospectus for such resales. See "The Exchange Offer -- Registration Rights" and "-- Resale of the Series B Notes; Plan of Distribution."
Expiration Date.....	The exchange offer expires at 5:00 p.m., New York City time, on , 2002, unless we extend the exchange offer in our sole discretion, in which case the term "Expiration Date" means the latest date and time to which the exchange offer is extended.
Conditions to the Exchange Offer.....	The exchange offer is subject to certain conditions which we may waive. See "The Exchange Offer -- Conditions to the Exchange Offer."
Procedures for Tendering the Series A Notes.....	Each holder of Series A notes wishing to accept the exchange offer must complete, sign and date the accompanying letter of transmittal in accordance with the instructions, and mail or otherwise deliver the letter of transmittal together with the Series A notes and any other required documentation to the exchange agent identified below under "Exchange Agent" at the address set forth in this prospectus. By executing the letter of transmittal, a holder will make certain representations to us. See "The Exchange Offer -- Registration Rights" and "-- Procedures for Tendering Series A Notes."
Special Procedures for Beneficial Owners.....	Any beneficial owner whose Series A notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender should contact the registered holder promptly and instruct the registered holder to tender on its behalf. See "The Exchange Offer -- Procedures for Tendering Series A Notes."
Guaranteed Delivery Procedures.....	Holders of Series A notes who wish to tender their Series A notes when those securities are not immediately available or who cannot deliver their Series A notes, the letter of transmittal or any other documents required by the letter of transmittal to the exchange agent prior to the Expiration Date must tender their Series A notes according to the guaranteed delivery procedures set forth in "The Exchange Offer -- Procedures for Tendering Series A Notes -- Guaranteed Delivery."

Withdrawal Rights.....	Tenders of Series A notes pursuant to the exchange offer may be withdrawn at any time prior to the Expiration Date.
Acceptance of Series A Notes and Delivery of Series B Notes.....	We will accept for exchange any and all Series A notes that are properly tendered in the exchange offer, and not withdrawn, prior to the Expiration Date. The Series B notes issued pursuant to the exchange offer will be issued on the earliest practicable date following our acceptance for exchange of Series A notes. See "The Exchange Offer -- Terms of the Exchange Offer."
Exchange Agent.....	JPMorgan Chase Bank is serving as exchange agent in connection with the exchange offer. See "The Exchange Offer -- Exchange Agent."
Federal Income Tax Considerations.....	The exchange of Series A notes for Series B notes pursuant to the exchange offer will not be treated as a taxable exchange for federal income tax purposes. See "Federal Income Tax Considerations."

RATIO OF EARNINGS TO FIXED CHARGES

The ratio of earnings to fixed charges for each of the periods indicated is as follows:

YEAR ENDED DECEMBER 31,	THREE MONTHS ENDED MARCH 31,
2002	2.00
2001	2.25
2000	1.54
1999	1.81
1998	1.17
1997	(1)

- ---

(1) Earnings were inadequate to cover fixed charges by $5,362,000 for 1997.

These computations include us and our Restricted Subsidiaries. For these ratios, "earnings" is the aggregate of the following items:

- pre-tax income from continuing operations before adjustment for
  - minority interests in consolidated subsidiaries and
  - income or loss from equity investees;
- plus fixed charges;
- plus distributed income of equity investees;
- less interest capitalized; and
- less minority interest in pre-tax income of subsidiaries that have not incurred fixed charges.

The term "fixed charges" means the sum of the following:

- interest expensed and capitalized, including amortized premiums, discounts and capitalized expenses related to indebtedness; and

- an estimate of the interest within rental expenses.

RISK FACTORS

You should carefully consider the risks described below, as well as the section entitled "Risk Factors and Cautionary Statement for Purposes of the "Safe Harbor" Provisions of the Private Securities Litigation Reform Act of 1995" included in our Annual Report on Form 10-K for the year ended December 31, 2001 and the other documents incorporated by reference. Realization of any of the following risks could have a material adverse effect on our business, financial condition, cash flows and results of operations.

RISKS RELATED TO THE EXCHANGE OFFER

THE MARKET VALUE OF YOUR SERIES A NOTES MAY BE LOWER IF YOU DO NOT EXCHANGE YOUR SERIES A NOTES OR FAIL TO PROPERLY TENDER YOUR SERIES A NOTES FOR EXCHANGE.

Consequences of Failure to Exchange. To the extent that Series A notes are tendered and accepted for exchange pursuant to the exchange offer, the trading market for Series A notes that remain outstanding may be significantly more limited, which might adversely affect the liquidity of the Series A notes not tendered for exchange. The extent of the market and the availability of price quotations for Series A notes would depend upon a number of factors, including the number of holders of Series A notes remaining at such time and the interest in maintaining a market in such Series A notes on the part of securities firms. An issue of securities with a smaller outstanding market value available for trading, or float, may command a lower price than would a comparable issue of securities with a greater float. Therefore, the market price for Series A notes that are not exchanged in the exchange offer may be affected adversely to the extent that the amount of Series A notes exchanged pursuant to the exchange offer reduces the float. The reduced float also may tend to make the trading price of the Series A notes that are not exchanged more volatile.

Consequences of Failure to Properly Tender. Issuance of the Series B notes in exchange for the Series A notes pursuant to the exchange offer will be made following the prior satisfaction, or waiver, of the conditions set forth in "The Exchange Offer -- Conditions to the Exchange Offer" and only after timely receipt by the exchange agent of the Series A notes, a properly completed and duly executed letter of transmittal and all other required documents. Therefore, holders of Series A notes desiring to tender Series A notes in exchange for Series B notes should allow sufficient time to ensure timely delivery of all required documentation. Neither we, the exchange agent nor any other person is under any duty to give notification of defects or irregularities with respect to the tenders of Series A notes for exchange. Series A notes that may be tendered in the exchange offer but which are not validly tendered will, following the consummation of the exchange offer, remain outstanding and will continue to be subject to the same transfer restrictions currently applicable to the Series A notes.

WE CANNOT ASSURE YOU THAT AN ACTIVE TRADING MARKET FOR THE NOTES WILL DEVELOP.

The Series A notes have not been registered under the Securities Act, and may not be resold by purchasers thereof unless the Series A notes are subsequently registered or an exemption from the registration requirements of the Securities Act is available. However, we cannot assure you that, even following registration or exchange of the Series A notes for Series B notes, that an active trading market for the Series A notes or the Series B notes will exist, and we will have no obligation to create such a market. At the time of the private placement of the Series A notes, the initial purchasers advised us that they intended to make a market in the Series A notes and, if issued, the Series B notes. The initial purchasers are not obligated, however, to make a market in the Series A notes or the Series B notes and any market-making may be discontinued at any time at their sole discretion. No assurance can be given as to the liquidity of or trading market for the Series A notes or the Series B notes.

The liquidity of any trading market for the notes and the market price quoted for the notes will depend upon the number of holders of the notes, the overall market for high yield securities, our financial performance or prospects or the prospects for companies in our industry generally, the interest of securities dealers in making a market in the notes and other factors.

If the number of outstanding Series A notes is reduced through the exchange offer, the existing limited market for the Series A notes will become further constricted, with a probable decrease in the liquidity of the Series A notes. Further, the Series A notes that are not tendered in the exchange offer will continue to be subject to the existing restrictions upon their transfer. We will have no obligation to provide for the registration under the Securities Act of unexchanged Series A notes.

RISKS RELATED TO AN INVESTMENT IN THE NOTES

FEDERAL AND STATE STATUTES WOULD ALLOW COURTS, UNDER SPECIFIC CIRCUMSTANCES, TO SUBORDINATE FURTHER OR VOID THE NOTES AND THE RELATED GUARANTEES AND REQUIRE HOLDERS OF NOTES TO RETURN PAYMENTS RECEIVED FROM US.

Under the federal bankruptcy law and comparable provisions of state fraudulent transfer laws, a court could further subordinate or void the notes and the related guarantees if, at the time the notes and the guarantees were issued, certain facts, circumstances and conditions existed, including that:

- we received less than reasonably equivalent value or fair consideration for the incurrence of such indebtedness;

- we were insolvent or rendered insolvent by reason of such incurrence;

- we were engaged in a business or transaction for which our remaining assets constituted unreasonably small capital; or

- we intended to incur, or believed that we would incur, indebtedness we could not repay at its maturity.

In such a circumstance, a court could require the holders of the notes to return to us or pay to our other creditors amounts we paid under the notes. This would entitle other creditors to be paid in full before any payment could be made under the notes. We may not have sufficient assets to fully pay the notes after the payment to other creditors. The guarantees of the notes by our subsidiaries could be challenged on the same grounds as the notes. In addition, a creditor may avoid a guarantee based on the level of benefits received by a guarantor compared to the amount of the subsidiary guarantee. The indenture will contain a savings clause, which generally limits the obligations of each guarantor to the maximum amount that is not a fraudulent conveyance. If a subsidiary guarantee is avoided, or limited as a fraudulent conveyance or held unenforceable for any other reason, you would not have any claim against the guarantors and would be only creditors of us and El Paso Energy Partners Finance Corporation and any guarantor whose subsidiary guarantee was not avoided or held unenforceable. In such event, claims of holders of notes against a guarantor would be subject to the prior payment of all liabilities (including trade payables) of such guarantor. We cannot assure you that, after providing for all prior claims, there would be sufficient assets to satisfy claims of holders of notes relating to any avoided portions of any of the subsidiary guarantees.

The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, we would be considered insolvent if:

- the sum of our indebtedness, including contingent liabilities, were greater than the fair value or fair saleable value of all of our assets;

- if the present fair value or fair saleable value of our assets were less than the amount that would be required to pay our probable liability on our existing indebtedness, including contingent liabilities, as it becomes absolute and mature; or

- we could not pay our indebtedness as it becomes due.

There is a risk of a preferential transfer if:

- a subsidiary guarantor declares bankruptcy or its creditors force it to declare bankruptcy within 90 days (or in certain cases, one year) after a payment on the guarantee; or

- a subsidiary guarantee was made in contemplation of insolvency.

The subsidiary guarantee could be avoided by a court as a preferential transfer. In addition, a court could require holders of notes to return any payments made on the debt securities during the 90-day (or one-year) period.

WE MAY NOT BE ABLE TO SATISFY OUR OBLIGATION TO REPURCHASE NOTES UPON A CHANGE OF CONTROL.

Upon a change of control (among other things, the acquisition of 50% or more of El Paso Corporation's voting stock, or if El Paso Corporation and its subsidiaries no longer own all of our general partner interests, or the sale of all or substantially all of our assets), we will be required to repay the amounts outstanding under our revolving credit facility and to offer to repurchase our outstanding senior subordinated notes at 101% of the principal amount, plus accrued and unpaid interest to the date of repurchase. In addition, we may be required to offer to repurchase any outstanding notes issued to you. We cannot assure you that we will have sufficient funds available or that we will be permitted by our other debt instruments to fulfill these obligations upon the occurrence of a change of control.

ARTHUR ANDERSEN LLP, THE PUBLIC ACCOUNTANTS THAT AUDITED THE 2000 FINANCIAL STATEMENTS OF OUR JOINT VENTURE POSEIDON OIL PIPELINE COMPANY, L.L.C., HAS BEEN CONVICTED OF A FELONY AND HAS NOT CONSENTED TO OUR USE OF THEIR OPINION, WHICH MAY ADVERSELY AFFECT THE ABILITY OF ARTHUR ANDERSEN LLP TO SATISFY ANY CLAIMS THAT MAY ARISE OUT OF ARTHUR ANDERSEN LLP'S AUDIT OF POSEIDON'S FINANCIAL STATEMENTS.

Arthur Andersen LLP is the independent public accountant that audited the financial statements of our Poseidon joint venture for the years ended December 31, 1999 and 2000. Arthur Andersen LLP was recently convicted of obstruction of justice in connection with the U.S. government's investigation of Enron Corp. Events arising out of this conviction may adversely affect the ability of Arthur Andersen LLP to satisfy any claims that may arise out of Arthur Andersen LLP's audits of Poseidon's financial statements. Additionally, because the personnel responsible for the audit of Poseidon's financial statements are no longer employed by Arthur Andersen LLP, we have not received Arthur Andersen LLP's consent with respect to the inclusion of those financial statements and the related audit report; accordingly, if those financial statements are inaccurate, your ability to make a claim against Arthur Andersen LLP may be limited or prohibited.

THE RIGHTS OF HOLDERS OF THE NOTES TO RECEIVE PAYMENTS WILL BE UNSECURED AND CONTRACTUALLY SUBORDINATED TO MOST OF OUR EXISTING INDEBTEDNESS AND, POSSIBLY, ANY ADDITIONAL INDEBTEDNESS WE INCUR. FURTHER, THE GUARANTEES OF THE NOTES WILL BE JUNIOR TO ALL THE GUARANTORS' EXISTING INDEBTEDNESS AND POSSIBLY TO ALL THEIR FUTURE BORROWINGS.

The notes and the related subsidiary guarantees will rank behind most of our and the subsidiary guarantors' existing senior indebtedness (other than trade payables and certain other indebtedness) and possibly all additional senior indebtedness (other than trade payables) we incur unless, and to the extent, that additional indebtedness expressly provides that it ranks equal with, or junior in right of payment to, the notes and the related guarantees. Further, the notes may rank senior to, equal with or subordinate to our existing senior subordinated notes and the guarantees of those notes.

In addition, all payments on the notes and the related guarantees may be blocked in the event of a payment default or in the event of certain non-payment defaults on our significant senior indebtedness.

In the event of a bankruptcy, liquidation, reorganization or similar proceeding relating to us, any subsidiary guarantors or our property, our assets or the assets of the subsidiary guarantors would be available to pay obligors under the notes only after all payments had been made on our or the guarantors' senior indebtedness. Our creditors and the subsidiary guarantors' creditors holding claims which are not

subordinated to any applicable senior indebtedness will in all likelihood be entitled to payments before all of our or the subsidiary guarantors' senior indebtedness has been paid in full. Therefore, holders of the notes will participate with trade creditors and all other holders of our and the guarantors' unsubordinated indebtedness in the assets remaining after we and the guarantors have paid all of the senior indebtedness. However, because the notes indenture may require that amounts otherwise payable to holders of the notes in a bankruptcy, liquidation, reorganization or similar proceeding be paid to holders of senior indebtedness instead, holders of the notes may receive less, ratably, than holders of trade payables and other creditors in any such proceeding. In any of these cases, we and the subsidiary guarantors may not have sufficient funds to pay all of our creditors and, therefore, holders of notes would receive less, ratably, than the holders of senior indebtedness.

THE NOTES WILL BE EFFECTIVELY SUBORDINATED TO INDEBTEDNESS AND LIABILITIES OF OUR SUBSIDIARIES THAT ARE NOT GUARANTORS.

The notes will be effectively subordinated to claims of all creditors of any of our subsidiaries that are not guarantors of the notes, including EPN Holding and its subsidiaries. If EPN Holding or any other non-guarantor subsidiary defaults on its debt, the holders of the notes would not receive any money from that subsidiary until its debts are repaid in full. For example, we do not expect that our unrestricted subsidiaries will guarantee the notes. Most of our existing subsidiaries other than El Paso Energy Partners Finance Corporation, EPN Holding I, EPN GP Holding, EPN GP Holding I, and EPN Holding and its subsidiaries will guarantee the notes. See "Description of Notes."

THE EXCHANGE OFFER

For the purposes of this section, "we" means El Paso Energy Partners, L.P., El Paso Energy Partners Finance Corporation and the Subsidiary Guarantors.

REGISTRATION RIGHTS

At the closing of the offering of the Series A notes, we entered into a registration rights agreement with the initial purchasers pursuant to which we agreed, for the benefit of the holders of the Series A notes, at our cost,

- to file an exchange offer registration statement with the SEC with respect to the exchange offer for the Series B notes within 95 days after the date of the original issuance of the Series A notes, and

- to use our best efforts to cause the exchange offer registration statement to be declared effective under the Securities Act within 150 days after the date of original issuance of the Series A notes.

Upon the exchange offer registration statement being declared effective, we agreed to offer the Series B notes in exchange for surrender of the Series A notes. We agreed to use our best efforts to cause the exchange offer registration statement to be effective continuously, to keep the exchange offer open for a period of not less than 20 business days and to use our best efforts to cause the exchange offer to be consummated no later than 30 business days after the exchange offer registration statement is declared effective by the SEC.

For each Series A note surrendered to us pursuant to the exchange offer, the holder of such Series A note will receive a Series B note having a principal amount equal to that of the surrendered Series A note. Interest on each Series B note will accrue from the last interest payment date on which interest was paid on the Series A note surrendered in exchange therefor or, if no interest has been paid on such Series A note, from the date of its original issue. The registration rights agreement also provides an agreement to include in the prospectus for the exchange offer certain information necessary to allow a broker-dealer who holds Series A notes that were acquired for its own account as a result of market-making activities or other ordinary course trading activities (other than Series A notes acquired directly from us or one of our affiliates) to exchange such Series A notes pursuant to the exchange offer and to satisfy the prospectus delivery requirements in connection with resales of Series B notes received by such broker-dealer in the

exchange offer. We agreed to use our best efforts to maintain the effectiveness of the exchange offer registration statement for these purposes for a period of not more than 30 business days plus one year after the exchange offer registration statement has become effective.

The preceding agreement is needed because any broker-dealer who acquires Series A notes for its own account as a result of market-making activities or other trading activities is required to deliver a prospectus meeting the requirements of the Securities Act. This prospectus covers the offer and sale of the Series B notes pursuant to the exchange offer made hereby and the resale of Series B notes received in the exchange offer by any broker-dealer who held Series A notes of the same series acquired for its own account as a result of market-making activities or other trading activities other than Series A notes acquired directly from us or one of our affiliates.

Based on interpretations by the staff of the SEC set forth in no-action letters issued to third parties, we believe that the Series B notes issued pursuant to the exchange offer would in general be freely tradable after the exchange offer without further registration under the Securities Act. However, any purchaser of Series A notes who is an "affiliate" of ours or who intends to participate in the exchange offer for the purpose of distributing the related Series B notes

- will not be able to rely on the interpretation of the staff of the SEC,

- will not be able to tender its Series A notes in the exchange offer, and

- must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any sale or transfer of the Series A notes unless such sale or transfer is made pursuant to an exemption from such requirements.

Each holder of the Series A notes (other than certain specified holders) who wishes to exchange Series A notes for Series B notes in the exchange offer will be required to make certain representations, including

- that it is not an affiliate of El Paso Energy Partners,

- that it is not engaged in, and does not intend to engage in, and has no arrangement or understanding with any person to participate in, a distribution of the Series B notes, and

- that it is acquiring the Series B notes in the exchange offer in its ordinary course of business.

We further agreed to file with the SEC a shelf registration statement to register for public resale the Transfer Restricted Securities held by any such holder who provides El Paso Energy Partners with certain information for inclusion in the shelf registration statement if:

- the exchange offer is not permitted by applicable law or SEC policy, or

- any holder of notes which are Transfer Restricted Securities notifies El Paso Energy Partners prior to the 20th business day following the consummation of the exchange offer that

- it is prohibited by law or SEC policy from participating in the exchange offer,

- it may not resell the Series B notes acquired by it in the exchange offer to the public without delivering a prospectus, and the prospectus contained in the exchange offer registration statement is not appropriate or available for such resales by it, or

- it is a broker-dealer and holds notes acquired directly from El Paso Energy Partners or any of the affiliates of El Paso Energy Partners.

For the purposes of the registration rights agreement, Transfer Restricted Securities means each Series A note or Series B note until the earliest of the date of which

- such Series A note or Series B note is exchanged in the exchange offer and entitled to be resold to the public by the holder thereof without complying with the prospectus delivery requirements of the Securities Act,

- such Series A note or Series B note has been disposed of in accordance with the shelf registration statement,

- such Series A note or Series B note is disposed of by a broker-dealer as set forth in "Plan of Distribution" (including delivery of the prospectus contained therein), or

- such Series A note or Series B note is distributed to the public pursuant to Rule 144 under the Securities Act.

The registration rights agreement provides that:

(1) if we fail to file an exchange offer registration statement with the SEC on or prior to the 95th day after the closing of the offering of the Series A notes,

(2) if the exchange offer registration statement is not declared effective by the SEC on or prior to the 150th day after the closing of the offering of the Series A notes,

(3) if the exchange offer is not consummated on or before the 30th business day after the exchange offer registration statement is declared effective,

(4) if obligated to file the shelf registration statement and we fail to file the shelf registration statement with the SEC on or prior to the 30th day after such filing obligation arises,

(5) if obligated to file a shelf registration statement and the shelf registration statement is not declared effective on or prior to the 60th day after the obligation to file a shelf registration statement arises, or

(6) subject to certain conditions, if the exchange offer registration statement or the shelf registration statement, as the case may be, is declared effective but thereafter ceases to be effective or useable in connection with resales of the Transfer Restricted Securities, for such time of non-effectiveness or non-usability (each, a "Registration Default"),

we agree to pay to each holder of Transfer Restricted Securities affected thereby liquidated damages in an amount equal to $0.05 per week per $1,000 in original principal amount of Transfer Restricted Securities held by such holder for each week or portion thereof that the Registration Default continues for the first 90 day period immediately following the occurrence of such Registration Default. The amount of the liquidated damages shall increase by an additional $0.05 per week per $1,000 in original principal amount of Transfer Restricted Securities with respect to each subsequent 90 day period until all Registration Defaults have been cured, up to a maximum amount of liquidated damages of $0.50 per week per $1,000 in principal amount of Transfer Restricted Securities. We shall not be required to pay liquidated damages for more than one Registration Default at any given time. Upon curing all Registration Defaults, liquidated damages will cease to accrue.

A Registration Default will be cured and liquidated damages will cease to accrue upon:

- filing of the exchange offer registration statement (and/or, if applicable, the shelf registration statement), in the cases of the Registration Defaults described in clauses (1) and (4) above,

- the effectiveness of the exchange offer registration statement (and/or, if applicable, the shelf registration statement), in the cases of the Registration Defaults described in clauses (2) and (5) above,

- consummation of the exchange offer, in the case of the Registration Default described in clause (3) above, and

- the filing of a post-effective amendment to the registration statement or an additional registration statement that causes the exchange offer registration statement (and/or, if applicable, the shelf registration statement) to again be declared effective or made usable, in the case of the Registration Default described in clause (6) above.

All accrued liquidated damages shall be paid by us to holders entitled thereto by wire transfer to the accounts specified by them or by mailing checks to their registered address if no such accounts have been specified.

Holders of the notes will be required to make certain representations to us (as described in the registration rights agreement) in order to participate in the exchange offer and will be required to deliver

information to be used in connection with the shelf registration statement and to provide comments on the shelf registration statement within the time periods set forth in the registration rights agreement in order to have their notes included in the shelf registration statement.

If we effect the registered exchange offer, we will be entitled to close the registered exchange offer 20 business days after the commencement thereof; provided that the we have accepted all notes theretofore validly rendered in accordance with the terms of the exchange offer and no brokers or dealers continue to hold any notes.

This summary of the material provisions of the registration rights agreement does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of the registration rights agreement, a copy of which is filed as an exhibit to the registration statement of which this prospectus is a part.

Except as set forth above, after consummation of the exchange offer, holders of Series A notes which are the subject of the exchange offer have no registration or exchange rights under the registration rights agreement. See "-- Consequences of Failure to Exchange," and "-- Resale of the Series B Notes; Plan of Distribution."

CONSEQUENCES OF FAILURE TO EXCHANGE

The Series A notes which are not exchanged for Series B notes pursuant to the exchange offer and are not included in a resale prospectus which, if required, will be filed as part of an amendment to the registration statement of which this prospectus is a part, will remain restricted securities and subject to restrictions on transfer. Accordingly, such Series A notes may only be resold

(1) to us, upon redemption thereof or otherwise,

(2) so long as the Series A notes are eligible for resale pursuant to Rule 144A, to a person whom the seller reasonably believes is a qualified institutional buyer within the meaning of Rule 144A under the Securities Act, purchasing for its own account or for the account of a qualified institutional buyer to whom notice is given that the resale, pledge or other transfer is being made in reliance on Rule 144A,

(3) in an offshore transaction in accordance with Regulation S under the Securities Act,

(4) pursuant to an exemption from registration in accordance with Rule 144, if available, under the Securities Act,

(5) in reliance on another exemption from the registration requirements of the Securities Act, or

(6) pursuant to an effective registration statement under the Securities Act.

In all of the situations discussed above, the resale must be in accordance with any applicable securities laws of any state of the United States and subject to certain requirements of the registrar or co-registrar being met, including receipt by the registrar or co-registrar of a certification and, in the case of (3), (4) and (5) above, an opinion of counsel reasonably acceptable to us and the registrar.

To the extent Series A notes are tendered and accepted in the exchange offer, the principal amount of outstanding Series A notes will decrease with a resulting decrease in the liquidity in the market therefor. Accordingly, the liquidity of the market of the Series A notes could be adversely affected. See "Risk Factors -- Risks Related to the Exchange Offer."

TERMS OF THE EXCHANGE OFFER

Upon the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal, a copy of which is attached to this prospectus as Annex A, we will accept any and all Series A notes validly tendered and not withdrawn prior to the Expiration Date. We will issue $1,000 principal amount of Series B notes in exchange for each $1,000 principal amount of Series A notes accepted in the exchange offer. Holders may tender some or all of their Series A notes pursuant to the exchange offer. However, Series A notes may be tendered only in integral multiples of $1,000 principal amount.

The form and terms of the Series B notes are the same as the form and terms of the Series A notes, except that

- the Series B notes will have been registered under the Securities Act and will not bear legends restricting their transfer pursuant to the Securities Act, and

- except as otherwise described above, holders of the Series B notes will not be entitled to the rights of holders of Series A notes under the registration rights agreement.

The Series B notes will evidence the same debt as the Series A notes which they replace, and will be issued under, and be entitled to the benefits of, the indenture which governs all of the notes.

Solely for reasons of administration and for no other purpose, we have fixed the close of business on , 2002 as the record date for the exchange offer for purposes of determining the persons to whom this prospectus and the letter of transmittal will be mailed initially. Only a registered holder of Series A notes or such holder's legal representative or attorney-in-fact as reflected on the records of the trustee under the indenture may participate in the exchange offer. There will be no fixed record date for determining registered holders of the Series A notes entitled to participate in the exchange offer.

Holders of the Series A notes do not have any appraisal or dissenters' rights under Delaware law or the indenture in connection with the exchange offer. We intend to conduct the exchange offer in accordance with the applicable requirements of the Exchange Act and the rules and regulations of the SEC thereunder.

We shall be deemed to have accepted validly tendered Series A notes when, as and if we have given oral or written notice thereof to the exchange agent. The exchange agent will act as agent for the tendering holders of the Series A notes for the purposes of receiving the Series B notes. The Series B notes delivered pursuant to the exchange offer will be issued on the earliest practicable date following our acceptance for exchange of Series A notes.

If any tendered Series A notes are not accepted for exchange because of an invalid tender, the occurrence of certain other events set forth herein or otherwise, certificates for any such unaccepted Series A notes will be returned, without expense, to the tendering holder thereof as promptly as practicable after the Expiration Date.

Holders who tender Series A notes in the exchange offer will not be required to pay brokerage commissions or fees or, subject to the instructions in the letter of transmittal, transfer taxes with respect to the exchange of the Series A notes pursuant to the exchange offer. We will pay all charges and expenses, other than certain applicable taxes, in connection with the exchange offer. See "-- Fees and Expenses."

EXPIRATION DATE; EXTENSIONS; AMENDMENTS

The term "Expiration Date" with respect to the exchange offer means 5:00 p.m., New York City time, on , 2002 unless we, in our sole discretion, extend the exchange offer, in which case "Expiration Date" shall mean the latest date and time to which the exchange offer is extended.

In order to extend the exchange offer, we will notify the exchange agent of any extension by oral or written notice and will make a public announcement thereof, each prior to 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Date.

We reserve the right, in our sole discretion,

(1) to delay accepting any Series A notes,

(2) to extend the exchange offer,

(3) if any of the conditions set forth below under "-- Conditions to the Exchange Offer" have not been satisfied, to terminate the exchange offer, or

(4) to amend the terms of the exchange offer in any manner.

We may effect any such delay, extension or termination by giving oral or written notice thereof to the exchange agent.

Except as specified in the second paragraph under this heading, any such delay in acceptance, extension, termination or amendment will be followed as promptly as practicable by a public announcement thereof. If the exchange offer is amended in a manner determined by us to constitute a material change, we will promptly disclose such amendment by means of a prospectus supplement that will be distributed to the registered holders of the Series A notes. The exchange offer will then be extended for a period of five to 10 business days, as required by law, depending upon the significance of the amendment and the manner of disclosure to the registered holders, if the exchange offer would otherwise expire during such five to 10 business day period.

Without limiting the manner in which we may choose to make a public announcement of any delay, extension, termination or amendment of the exchange offer, we shall not have an obligation to publish, advertise, or otherwise communicate any such public announcement, other than by making a timely release thereof to the Dow Jones News Service.

PROCEDURES FOR TENDERING SERIES A NOTES

Tenders of Series A Notes. The tender by a holder of Series A notes pursuant to any of the procedures set forth below will constitute the tendering holder's acceptance of the terms and conditions of the exchange offer. Our acceptance for exchange of Series A notes tendered pursuant to any of the procedures described below will constitute a binding agreement between such tendering holder and us in accordance with the terms and subject to the conditions of the exchange offer. Only holders are authorized to tender their Series A notes. The procedures by which Series A notes may be tendered by beneficial owners that are not holders will depend upon the manner in which the Series A notes are held.

DTC has authorized DTC participants that are beneficial owners of Series A notes through DTC to tender their Series A notes as if they were holders. To effect a tender, DTC participants should either (1) complete and sign the letter of transmittal or a facsimile thereof, have the signature thereon guaranteed if required by Instruction 1 of the letter of transmittal, and mail or deliver the letter of transmittal or such facsimile pursuant to the procedures for book-entry transfer set forth below under "-- Book-Entry Delivery Procedures," or (2) transmit their acceptance to DTC through the DTC Automated Tender Offer Program ("ATOP"), for which the transaction will be eligible, and follow the procedures for book-entry transfer, set forth below under "-- Book-Entry Delivery Procedures."

Tender of Series A Notes Held in Physical Form. To tender effectively Series A notes held in physical form pursuant to the exchange offer,

- a properly completed letter of transmittal applicable to such notes (or a facsimile thereof) duly executed by the holder thereof, and any other documents required by the letter of transmittal, must be received by the exchange agent at one of its addresses set forth below, and tendered Series A notes must be received by the exchange agent at such address (or delivery effected through the deposit of Series A notes into the exchange agent's account with DTC and making book-entry delivery as set forth below) on or prior to the Expiration Date, or

- the tendering holder must comply with the guaranteed delivery procedures set forth below.

Letters of transmittal or Series A notes should be sent only to the exchange agent and should not be sent to us.

Tender of Series A Notes Held Through a Custodian. To tender effectively Series A notes that are held of record by a custodian bank, depository, broker, trust company or other nominee, the beneficial owner thereof must instruct such holder to tender the Series A notes on the beneficial owner's behalf. A letter of instructions from the record owner to the beneficial owner may be included in the materials provided along with this prospectus which may be used by the beneficial owner in this process to instruct the registered holder of such owner's Series A notes to effect the tender.

Tender of Series A Notes Held Through DTC. To tender effectively Series A notes that are held through DTC, DTC participants should either

- properly complete and duly execute the letter of transmittal (or a facsimile thereof), and any other documents required by the letter of transmittal, and mail or deliver the letter of transmittal or such facsimile pursuant to the procedures for book-entry transfer set forth below, or

- transmit their acceptance through ATOP, for which the transaction will be eligible, and DTC will then edit and verify the acceptance and send an Agent's Message to the exchange agent for its acceptance.

The term "Agent's Message" means a message transmitted by DTC to, and received by, the exchange agent and forming a part of the Book-Entry Confirmation, which states that DTC has received an express acknowledgment from each participant in DTC tendering the Series A notes and that such participant has received the letter of transmittal and agrees to be bound by the terms of the letter of transmittal and we may enforce such agreement against such participant.

Delivery of tendering Series A notes held through DTC must be made to the exchange agent pursuant to the book-entry delivery procedures set forth below or the tendering DTC participant must comply with the guaranteed delivery procedures set forth below.

The method of delivery of Series A notes and letters of transmittal, any required signature guarantees and all other required documents, including delivery through DTC and any acceptance or Agent's Message transmitted through ATOP, is at the election and risk of the person tendering Series A notes and delivering letters of transmittal. Except as otherwise provided in the letter of transmittal, delivery will be deemed made only when actually received by the exchange agent. If delivery is by mail, it is suggested that the holder use properly insured, registered mail with return receipt requested, and that the mailing be made sufficiently in advance of the Expiration Date to permit delivery to the exchange agent prior to such date.

Except as provided below, unless the Series A notes being tendered are deposited with the exchange agent on or prior to the Expiration Date (accompanied by a properly completed and duly executed letter of transmittal or a properly transmitted Agent's Message), we may, at our option, reject such tender. Exchange of Series B notes for Series A notes will be made only against deposit of the tendered Series A notes and delivery of all other required documents.

Book-Entry Delivery Procedures. The exchange agent will establish accounts with respect to the Series A notes at DTC for purposes of the exchange offer within two business days after the date of this prospectus, and any financial institution that is a participant in DTC may make book-entry delivery of the Series A notes by causing DTC to transfer such Series A notes into the exchange agent's account in accordance with DTC's procedures for such transfer. However, although delivery of Series A notes may be effected through book-entry at DTC, the letter of transmittal (or facsimile thereof), with any required signature guarantees or an Agent's Message in connection with a book-entry transfer, and any other required documents, must, in any case, be transmitted to and received by the exchange agent at one or more of its addresses set forth in this prospectus on or prior to the Expiration Date, or compliance must be made with the guaranteed delivery procedures described below. Delivery of documents to DTC does not constitute delivery to the exchange agent. The confirmation of a book-entry transfer into the exchange agent's account at DTC as described above is referred to herein as a "Book-Entry Confirmation."

Signature Guarantees. Signatures on all letters of transmittal must be guaranteed by a recognized member of the Medallion Signature Guarantee Program or by any other "eligible guarantor institution," as such term is defined in Rule 17Ad-15 promulgated under the Exchange Act (each of the foregoing, an "Eligible Institution"), unless the Series A notes tendered thereby are tendered (1) by a registered holder of Series A notes (or by a participant in DTC whose name appears on a DTC security position listing as the owner of such Series A notes) who has not completed either the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on the letter of transmittal, or (2) for the account of an Eligible Institution. See Instruction 1 of the letter of transmittal. If the Series A notes are registered in the

name of a person other than the signer of the letter of transmittal or if Series A notes not accepted for exchange or not tendered are to be returned to a person other than the registered holder, then the signatures on the letter of transmittal accompanying the tendered Series A notes must be guaranteed by an Eligible Institution as described above. See Instructions 1 and 5 of the letter of transmittal.

Guaranteed Delivery. If a holder desires to tender Series A notes pursuant to the exchange offer and time will not permit the letter of transmittal, certificates representing such Series A notes and all other required documents to reach the exchange agent, or the procedures for book-entry transfer cannot be completed, on or prior to the Expiration Date, such Series A notes may nevertheless be tendered if all the following conditions are satisfied:

(1) the tender is made by or through an Eligible Institution;

(2) a properly completed and duly executed notice of guaranteed delivery, substantially in the form provided by us herewith, or an Agent's Message with respect to guaranteed delivery that is accepted by us, is received by the exchange agent on or prior to the Expiration Date, as provided below; and

(3) the certificates for the tendered Series A notes, in proper form for transfer (or a Book-Entry Confirmation of the transfer of such Series A notes into the exchange agent's account at DTC as described above), together with the letter of transmittal (or facsimile thereof), properly completed and duly executed, with any required signature guarantees and any other documents required by the letter of transmittal or a properly transmitted Agent's Message, are received by the exchange agent within two business days after the date of execution of the notice of guaranteed delivery.

The notice of guaranteed delivery may be sent by hand delivery, telegram, facsimile transmission or mail to the exchange agent and must include a guarantee by an Eligible Institution in the form set forth in the notice of guaranteed delivery.

Notwithstanding any other provision hereof, delivery of Series B notes by the exchange agent for Series A notes tendered and accepted for exchange pursuant to the exchange offer will, in all cases, be made only after timely receipt by the exchange agent of such Series A notes (or Book-Entry Confirmation of the transfer of such Series A notes into the exchange agent's account at DTC as described above), and the letter of transmittal (or facsimile thereof) with respect to such Series A notes, properly completed and duly executed, with any required signature guarantees and any other documents required by the letter of transmittal, or a properly transmitted Agent's Message.

Determination of Validity. All questions as to the validity, form, eligibility (including time of receipt), acceptance and withdrawal of tendered Series A notes will be determined by us in our sole discretion, which determination will be final and binding. We reserve the absolute right to reject any and all Series A notes not properly tendered or any Series A notes our acceptance of which, in the opinion of our counsel, would be unlawful.

We also reserve the right to waive any defects, irregularities or conditions of tender as to particular Series A notes. The interpretation of the terms and conditions of our exchange offer (including the instructions in the letter of transmittal) by us will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of Series A notes must be cured within such time as we shall determine.

Although we intend to notify holders of defects or irregularities with respect to tenders of Series A notes through the exchange agent, neither we, the exchange agent nor any other person is under any duty to give such notice, nor shall they incur any liability for failure to give such notification. Tenders of Series A notes will not be deemed to have been made until such defects or irregularities have been cured or waived.

Any Series A notes received by the exchange agent that are not validly tendered and as to which the defects or irregularities have not been cured or waived, or if Series A notes are submitted in a principal

amount greater than the principal amount of Series A notes being tendered by such tendering holder, such unaccepted or non-exchanged Series A notes will either be

(1) returned by the exchange agent to the tendering holders, or

(2) in the case of Series A notes tendered by book-entry transfer into the exchange agent's account at the Book-Entry Transfer Facility pursuant to the book-entry transfer procedures described below, credited to an account maintained with such Book-Entry Transfer Facility.

By tendering, each registered holder will represent to us that, among other things,

- the Series B notes to be acquired by the holder and any beneficial owner(s) of the Series A notes in connection with the exchange offer are being acquired by the holder and any beneficial owner(s) in the ordinary course of business of the holder and any beneficial owner(s),

- the holder and each beneficial owner are not participating, do not intend to participate, and have no arrangement or understanding with any person to participate, in a distribution of the Series B notes,

- the holder and each beneficial owner acknowledge and agree that (x) any person participating in the exchange offer for the purpose of distributing the Series B notes must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction with respect to the Series B notes acquired by such person and cannot rely on the position of the Staff of the SEC set forth in no-action letters that are discussed herein under "-- Resale of the Series B Notes; Plan of Distribution," and (y) any broker-dealer that receives Series B notes for its own account in exchange for Series A notes pursuant to the exchange offer must delivery a prospectus in connection with any resale of such Series B notes, but by so acknowledging, the holder shall not be deemed to admit that, by delivering a prospectus, it is an "underwriter" within the meaning of the Securities Act,

- neither the holder nor any beneficial owner is an "affiliate," as defined under Rule 405 of the Securities Act, of ours except as otherwise disclosed to us in writing, and

- the holder and each beneficial owner understands, that a secondary resale transaction described in clause (3) above should be covered by an effective registration statement containing the selling securityholder information required by Item 507 of Regulation S-K of the SEC.

Each broker-dealer that receives Series B notes for its own account in exchange for Series A notes, where such Series A notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such Series B notes. See "-- Resale of the Series B Notes; Plan of Distribution."

WITHDRAWAL OF TENDERS

Except as otherwise provided herein, tenders of Series A notes pursuant to the exchange offer may be withdrawn, unless accepted for exchange as provided in the exchange offer, at any time prior to the Expiration Date.

To be effective, a written or facsimile transmission notice of withdrawal must be received by the exchange agent at its address set forth herein prior to the Expiration Date. Any such notice of withdrawal must

- specify the name of the person having deposited the Series A notes to be withdrawn,

- identify the Series A notes to be withdrawn, including the certificate number or numbers of the particular certificates evidencing the Series A notes (unless such Series A notes were tendered by book-entry transfer), and aggregate principal amount of such Series A notes, and

- be signed by the holder in the same manner as the original signature on the letter of transmittal (including any required signature guarantees) or be accompanied by documents of transfer

sufficient to have the trustee under the indenture register the transfer of the Series A notes into the name of the person withdrawing such Series A notes.

If Series A notes have been delivered pursuant to the procedures for book-entry transfer set forth in "-- Procedures for Tendering Series A Notes -- Book-Entry Delivery Procedures," any notice of withdrawal must specify the name and number of the account at the appropriate book-entry transfer facility to be credited with such withdrawn Series A notes and must otherwise comply with such book-entry transfer facility's procedures.

If the Series A notes to be withdrawn have been delivered or otherwise identified to the exchange agent, a signed notice of withdrawal meeting the requirements discussed above is effective immediately upon written or facsimile notice of withdrawal even if physical release is not yet effected. A withdrawal of Series A notes can only be accomplished in accordance with these procedures.

All questions as to the validity, form and eligibility (including time of receipt) of such notices will be determined by us in our sole discretion, which determination shall be final and binding on all parties. No withdrawal of Series A notes will be deemed to have been properly made until all defects or irregularities have been cured or expressly waived. Neither we, the exchange agent nor any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or revocation, nor shall we or they incur any liability for failure to give any such notification. Any Series A notes so withdrawn will be deemed not to have been validly tendered for purposes of the exchange offer and no Series B notes will be issued with respect thereto unless the Series A notes so withdrawn are retendered. Properly withdrawn Series A notes may be retendered by following one of the procedures described above under "-- Procedures for Tendering Series A Notes" at any time prior to the Expiration Date.

Any Series A notes which have been tendered but which are not accepted for exchange due to the rejection of the tender due to uncured defects or the prior termination of the exchange offer, or which have been validly withdrawn, will be returned to the holder thereof unless otherwise provided in the letter of transmittal, as soon as practicable following the Expiration Date or, if so requested in the notice of withdrawal, promptly after receipt by us of notice of withdrawal without cost to such holder.

CONDITIONS TO THE EXCHANGE OFFER

The exchange offer shall not be subject to any conditions, other than that

(1) the SEC has issued an order or orders declaring the indenture governing the notes qualified under the Trust Indenture Act of 1939,

(2) the exchange offer, or the making of any exchange by a holder, does not violate applicable law or any applicable interpretation of the staff of the SEC,

(3) no action or proceeding shall have been instituted or threatened in any court or by or before any governmental agency with respect to the exchange offer, which, in our judgment, might impair our ability to proceed with the exchange offer,

(4) there shall not have been adopted or enacted any law, statute, rule or regulation which, in our judgment, would materially impair our ability to proceed with the exchange offer, or

(5) there shall not have occurred any material change in the financial markets in the United States or any outbreak of hostilities or escalation thereof or other calamity or crisis the effect of which on the financial markets of the United States, in our judgment, would materially impair our ability to proceed with the exchange offer.

If we determine in our sole discretion that any of the conditions to the exchange offer are not satisfied, we may

(1) refuse to accept any Series A notes and return all tendered Series A notes to the tendering holders,

(2) extend the exchange offer and retain all Series A notes tendered prior to the Expiration Date applicable to the exchange offer, subject, however, to the rights of holders to withdraw such Series A notes (see "-- Withdrawal of Original Tenders"), or

(3) waive such unsatisfied conditions with respect to the exchange offer and accept all validly tendered Series A notes which have not been withdrawn.

If such waiver constitutes a material change to the exchange offer, we will promptly disclose such waiver by means of a prospectus supplement that will be distributed to the registered holders, and will extend the exchange offer for a period of five to 10 business days, depending upon the significance of the waiver and the manner of disclosure to the registered holders, if the exchange offer would otherwise expire during such five to 10 business day period.

EXCHANGE AGENT

JPMorgan Chase Bank, the trustee under the indenture governing the notes, has been appointed as exchange agent for the exchange offer. Questions and requests for assistance, requests for additional copies of this prospectus or of the letter of transmittal and requests for notices of guaranteed delivery and other documents should be directed to the exchange agent addressed as follows:

By Mail:
JPMorgan Chase Bank
600 Travis, Suite 1150
Houston, Texas 77002
Attention: Rebecca Newman

By Facsimile:
(713) 577-5200
Attention: Rebecca Newman

Confirm by Telephone:
(713) 216-4931
Attention: Rebecca Newman

By Hand:
JPMorgan Chase Bank
600 Travis, Suite 1150
Houston, Texas 77002
Attention: Rebecca Newman

FEES AND EXPENSES

We will bear the expenses of soliciting tenders. The principal solicitation is being made by mail; however, additional solicitation may be made by telegraph, telecopy, telephone or in person by officers and regular employees of El Paso Energy Partners, L.P., our general partner and their affiliates.

No dealer-manager has been retained in connection with the exchange offer and no payments will be made to brokers, dealers or others soliciting acceptance of the exchange offer. However, reasonable and customary fees will be paid to the exchange agent for its services and it will be reimbursed for its reasonable out-of-pocket expenses in connection therewith.

Our out of pocket expenses for the exchange offer will include fees and expenses of the exchange agent and the trustee under the indenture, accounting and legal fees and printing costs, among others.

We will pay all transfer taxes, if any, applicable to the exchange of the Series A notes pursuant to the exchange offer. If, however, a transfer tax is imposed for any reason other than the exchange of the Series A notes pursuant to the exchange offer, then the amount of any such transfer taxes (whether

imposed on the registered holder or any other persons) will be payable by the tendering holder. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted with the letter of transmittal, the amount of such transfer taxes will be billed directly to such tendering holder.

ACCOUNTING TREATMENT

The Series B notes will be recorded at the carrying value of the Series A notes and no gain or loss for accounting purposes will be recognized. The expenses of the exchange offer will be amortized over the term of the Series B notes.

RESALE OF THE SERIES B NOTES; PLAN OF DISTRIBUTION

Each broker-dealer that receives Series B notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of Series B notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of Series B notes received in exchange for Series A notes where such Series A notes were acquired as a result of market-making activities or other trading activities. In addition, until (90 days after the date of this prospectus), all dealers effecting transactions in the Series B notes, whether or not participating in this distribution, may be required to deliver a prospectus. This requirement is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

We will not receive any proceeds from any sale of Series B notes by broker-dealers. Series B notes received by broker-dealers for their own account pursuant to the exchange offer may be sold from time to time in one or more transactions

(1) in the over-the-counter market,

(2) in negotiated transactions,

(3) through the writing of options on the Series B notes or a combination of such methods of resale,

(4) at market prices prevailing at the time of resale,

(5) at prices related to such prevailing market prices, or

(6) at negotiated prices.

Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer or the purchasers of any such Series B notes.

Any broker-dealer that resells Series B notes that were received by it for its own account pursuant to the exchange offer and any broker or dealer that participates in a distribution of such Series B notes may be deemed to be an "underwriter" within the meaning of the Securities Act and any profit on any such resale of Series B notes and any commission on concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that, by acknowledging that it will deliver a prospectus and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

We agreed to permit the use of this prospectus by such broker-dealers to satisfy this prospectus delivery requirement. To the extent necessary to ensure that the prospectus is available for sales of Series B notes by broker-dealers, we agreed to use our best efforts to keep the exchange offer registration statement continuously effective, supplemented, amended and current for a period of 30 business days plus one year from the closing of the offering of the Series A notes or such shorter period as will terminate when all Transfer Restricted Securities covered by such registration statement have been sold. We will provide sufficient copies of the latest version of this prospectus to such broker-dealers no event later than one day after such request at any time during this period.

USE OF PROCEEDS

The exchange offer is intended to satisfy our obligations under the registration rights agreement. We will not receive any cash proceeds from the issuance of the Series B notes offered by this prospectus. In consideration for issuing the Series B notes as contemplated in this prospectus, we will receive in exchange Series A notes in like principal amount, the form and terms of which are the same as the form and terms of the Series B notes, except as otherwise described herein under "The Exchange Offer -- Terms of the Exchange Offer." The Series A notes surrendered in exchange for the Series B notes will be retired and canceled and cannot be reissued. Accordingly, issuance of the Series B notes will not result in any increase in our indebtedness.

DESCRIPTION OF NOTES

You can find the definitions of terms used in this description under the subheading "Definitions." In this description, the word "Issuers" refers only to El Paso Energy Partners and El Paso Finance and not to any of their subsidiaries and any reference to "El Paso Energy Partners" or "El Paso Finance" does not include any of their respective subsidiaries. As used in this section, unless the context otherwise requires, "notes" means the notes offered hereby, the $250 million aggregate principal amount of notes originally issued in May 2001 under the Indenture and any other notes issued under the Indenture. "El Paso Finance" means our subsidiary, El Paso Energy Partners Finance Corporation, which is a co-issuer of the notes.

The Issuers issued the Series A notes under the Indenture (the "Indenture") dated as of May 17, 2001, as supplemented by the First Supplemental Indenture and Second Supplemental Indenture each dated as of April 18, 2002, among the Issuers, the Subsidiary Guarantors and JPMorgan Chase Bank, as successor trustee to The Chase Manhattan Bank, as trustee (the "Trustee") in a private transaction that was not subject to the registration requirements of the Securities Act. The Series B notes will be issued under the same Indenture. The terms of the notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (the "Trust Indenture Act").

The following description is a summary of the material provisions of the Indenture. It does not restate that agreement in its entirety. We urge you to read the Indenture because it, and not this description, defines your rights as a holder of these notes. Copies of the Indenture are available upon request from El Paso Energy Partners.

GENERAL

The Series A notes and the Series B notes will constitute a single class of debt securities under the Indenture. If the exchange offer is completed, holders of Series A notes who do not exchange their Series A notes for Series B notes will vote together with holders of the Series B notes for all relevant purposes under the Indenture. In that regard, the Indenture requires that certain actions by holders, including acceleration following an event of default, must be taken, and certain rights must be exercised, by specified minimum percentages of the aggregate principal amount of the outstanding securities issued under the Indenture. In determining whether the required holders have given any notice, consent or waiver or taken any other action permitted under the Indenture, any Series A notes that remain outstanding after the exchange offer will be aggregated with the Series B notes, and the holders of the Series A notes and the Series B notes will vote together as a single series. All references in this prospectus to specified percentages in aggregate principal amount of the notes means, at any time after the exchange offer is completed, the percentages in aggregate principal amount of the Series A notes and the Series B notes collectively then outstanding.

BRIEF DESCRIPTION OF THE NOTES AND THE GUARANTEES

THE NOTES

The notes are:

- general unsecured obligations of the Issuers;
- subordinated in right of payment to all existing and future Senior Debt of the Issuers, including borrowings under the Partnership Credit Facility;
- senior or equal in right of payment to any future subordinated Indebtedness of the Issuers and equal in right of payment to our existing senior subordinated notes; and
- unconditionally guaranteed by the Subsidiary Guarantors.

THE GUARANTEES

The notes are guaranteed by the following subsidiaries of El Paso Energy Partners:

- Argo, L.L.C.
- Argo I, L.L.C.
- Argo II, L.L.C.
- Chaco Liquids Plant Trust
- Crystal Holding, L.L.C.
- Delos Offshore Company, L.L.C.
- East Breaks Gathering Company, L.L.C.
- El Paso Energy Partners Deepwater, L.L.C.
- El Paso Energy Partners Oil Transport, L.L.C.
- El Paso Energy Partners Operating Company, L.L.C.
- EPN NGL Storage, L.L.C.
- First Reserve Gas, L.L.C.
- Flextrend Development Company, L.L.C.
- Green Canyon Pipe Line Company, L.P.
- Hattiesburg Gas Storage Company
- Hattiesburg Industrial Gas Sales, L.L.C.
- High Island Offshore System, L.L.C.
- Manta Ray Gathering Company, L.L.C.
- Petal Gas Storage, L.L.C.
- Poseidon Pipeline Company, L.L.C.
- VK Deepwater Gathering Company, L.L.C.
- VK-Main Pass Gathering Company, L.L.C.

Each Guarantee of a Subsidiary Guarantor of these notes:

- is a general unsecured obligation of that Subsidiary Guarantor;

- is subordinated in right of payment to all existing and future Senior Debt of that Subsidiary Guarantor; and

- is senior or equal in right of payment to any future subordinated Indebtedness of that Subsidiary Guarantor.

As of June 30, 2002 the Issuers and the Subsidiary Guarantors had total Senior Debt and Guarantor Senior Debt of approximately $514 million, although the Indenture will allow us to incur at least $600 million of Senior Debt. As indicated above and as discussed in detail below under the subheading "Subordination," payments on the notes and the Guarantees will be subordinated to the payment of Senior Debt and Guarantor Senior Debt, respectively. The Indenture will permit the Issuers and the Subsidiary Guarantors to incur additional Senior Debt and Guarantor Senior Debt. The Guarantee of each Subsidiary Guarantor will be subordinated to all Senior Debt of that Subsidiary Guarantor. In addition, payments on the notes will be effectively subordinated to claims of creditors (other than El Paso Energy Partners) of our subsidiaries that are not guarantors of the notes. As of June 30, 2002 our non-guarantor subsidiaries had total indebtedness of approximately $167 million.

As of the date of original issue of the Series B notes offered hereby, all of our Subsidiaries (other than El Paso Finance and our Unrestricted Subsidiaries) will be "Restricted Subsidiaries." Certain Subsidiaries in the future may not be Subsidiary Guarantors. Also, under the circumstances described below under the subheading "Covenants Designation of Restricted and Unrestricted Subsidiaries," we will be permitted to designate certain of our Subsidiaries as "Unrestricted Subsidiaries." Unrestricted Subsidiaries will not be subject to many of the restrictive covenants in the Indenture. Unrestricted Subsidiaries will not guarantee the notes. As of the date of this prospectus, EPN Holding I, EPN GP Holding, EPN GP Holding I, and EPN Holding and its subsidiaries, which are the entities that own the EPN Holding assets we acquired in April 2002, are the only Unrestricted Subsidiaries. In addition, El Paso Energy Partners has invested, and may invest in the future, in Joint Ventures. The rights of El Paso Energy Partners to receive assets from any Subsidiary that is not a Subsidiary Guarantor or from any Joint Venture that are attributable to El Paso Energy Partners's Equity Interests therein (and thus the ability of the holders of the notes to benefit indirectly from such assets) are subject to the claims of all existing and future third party indebtedness and liabilities (including trade debt) of such Subsidiary or Joint Venture.

PRINCIPAL, MATURITY, AND INTEREST

The Issuers will issue notes offered hereby in an initial aggregate principal amount of $230 million as part of a single series under the Indenture of which $250 million aggregate principal amount of notes was originally issued in May 2001. The terms of all $480 million aggregate principal amount of notes will be identical in all material respects, except that (1) the notes offered hereby will accrue interest beginning on their date of issuance and the $250 million aggregate principal amount of notes originally issued in May 2001 accrued interest from May 17, 2001 and (2) only the $230 million principal amount of notes offered hereby will be subject to the restrictions on transfer specified below under "Transfer Restrictions." The series of notes under the Indenture is unlimited in principal amount, and subject to compliance with the covenant described under "Incurrence of Indebtedness and Issuance of Disqualified Equity," we may issue additional notes from time to time under the Indenture. The Issuers will issue notes in denominations of $1,000 and integral multiples of $1,000. The notes will mature on June 1, 2011.

Interest on the notes offered hereby will accrue at the rate of 8 1/2% per annum and will be payable semi-annually in arrears on June 1 and December 1, commencing on June 1, 2002. The Issuers will make each interest payment to the holders of record of these notes on the immediately preceding May 15 and November 15; provided, however, that the record date for the June 1, 2002 interest payment date will be May 17, 2002.

Interest on the notes offered hereby will accrue from May 17, 2002 or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

METHODS OF RECEIVING PAYMENTS ON THE NOTES

If a holder has given wire transfer instructions to the Issuers, the Issuers will make all payments of principal of, premium, if any, and interest and Liquidated Damages, if any, on the notes in accordance with those instructions. All other payments on these notes will be made at the office or agency of the Paying Agent and Registrar within the City and State of New York, unless the Issuers elect to make interest payments by check mailed to the holders at their address set forth in the register of holders.

PAYING AGENT AND REGISTRAR FOR THE NOTES

The Trustee will initially act as Paying Agent and Registrar. The Issuers may change the Paying Agent or Registrar without prior notice to the holders of the notes, and the Issuers or any of their Subsidiaries may act as Paying Agent or Registrar.

TRANSFER AND EXCHANGE

A holder may transfer or exchange notes in accordance with the Indenture. The Registrar and the Trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents and the Issuers may require a holder to pay any taxes and fees required by law or permitted by the Indenture. The Issuers are not required to transfer or exchange any note selected for redemption or repurchase (except in the case of a note to be redeemed or repurchased in part, the portion not to be redeemed or repurchased). Also, the Issuers are not required to transfer or exchange any note for a period of 15 days before a selection of notes to be redeemed or between a record date and the next succeeding interest payment date.

The registered holder of a note will be treated as the owner of it for all purposes.

SUBORDINATION

The payment of principal of, premium, if any, and interest and Liquidated Damages, if any, and other Obligations on, the notes, including upon the acceleration or redemption of the notes, will be subordinated to the prior payment in full in cash of all Senior Debt of the Issuers.

The holders of Senior Debt of the Issuers and the holders of Guarantor Senior Debt of the Subsidiary Guarantors will be entitled to receive payment in full in cash of all Obligations due in respect of Senior Debt and Guarantor Senior Debt (including interest after the commencement of any of the following specified proceedings at the rate specified in the applicable Senior Debt, whether or not such interest would be an allowed claim in such proceeding), as applicable, before the holders of notes will be entitled to receive any payment or distribution with respect to the notes (except that holders of notes may receive and retain Permitted Junior Securities and payments made from the trust described under "-- Legal Defeasance and Covenant Defeasance," provided that the funding of such trust was permitted), in the event of any payment or distribution to creditors of an Issuer:

(1) in a liquidation or dissolution of that Issuer;

(2) in a bankruptcy, reorganization, insolvency, receivership or similar proceeding relating to that Issuer or its property;

(3) in an assignment for the benefit of creditors; or

(4) in any marshalling of that Issuer's assets and liabilities.

Neither of the Issuers may make any payment or distribution (whether by redemption, purchase, defeasance or otherwise) in respect of the notes (except in Permitted Junior Securities or from the trust described under "-- Legal Defeasance and Covenant Defeasance") if:

(1) a default in the payment of principal, premium or interest (and other Obligations in the case of the Credit Facilities) on Designated Senior Debt occurs and is continuing; or

(2) any other default occurs and is continuing on Designated Senior Debt that permits holders of the Designated Senior Debt to accelerate its maturity and the Trustee receives a notice of such default (a "Payment Blockage Notice") from the Issuers or the holders of any Designated Senior Debt (or their representative).

Payments on the notes may and shall be resumed:

(1) in the case of a payment default, upon the date on which such default is cured or waived; and

(2) in case of a nonpayment default, the earlier of the date on which such nonpayment default is cured or waived and 179 days after the date on which the applicable Payment Blockage Notice is received, unless the maturity of any Designated Senior Debt has been accelerated.

No new Payment Blockage Notice may be delivered unless and until 360 days have elapsed since the effectiveness of the immediately prior Payment Blockage Notice.

No nonpayment default that existed or was continuing on the date of delivery of any Payment Blockage Notice to the Trustee shall be, or be made, the basis for a subsequent Payment Blockage Notice unless such default shall have been cured or waived for a period of not less than 120 days.

If the Trustee or any holder receives payment that violates the above, such payment shall be held in trust by the Trustee or such holder for the benefit of, and upon written request shall be paid to, the holder of Designated Senior Debt. Holders of the notes shall have subrogation rights.

The Issuers must promptly notify holders of Senior Debt if payment of the notes is accelerated because of an Event of Default.

As a result of the subordination provisions described above, in the event of a bankruptcy, liquidation or reorganization of El Paso Energy Partners or El Paso Finance, holders of these notes may recover less ratably than creditors of the Issuers who are holders of Senior Debt. See "Risk Factors -- Risks Related to an Investment in the Notes" beginning on page 10.

THE GUARANTEES

To the extent that any of our Restricted Subsidiaries guarantees any of our indebtedness or any indebtedness of any other Restricted Subsidiary, such guarantor will be required to guarantee our obligations under the notes and the Indenture.

The Subsidiary Guarantors will jointly and severally guarantee the Issuers' obligations under these notes. Each Guarantee and the related obligations will be subordinated to the prior payment in full of all Senior Debt of that Subsidiary Guarantor. The obligations of each Subsidiary Guarantor under its Guarantee will be limited as necessary to prevent that Guarantee from constituting a fraudulent conveyance under applicable law. See "Risk Factors -- Risks Related to an Investment in the Notes" beginning on page 10.

The Obligations of each Subsidiary Guarantor with respect to the notes under its Guarantee will be subordinated to its Guarantor Senior Debt on the same basis as the notes are subordinated to Senior Debt.

No Subsidiary Guarantor will incur, create, issue, assume, guarantee or otherwise become liable for any Indebtedness that is subordinate or junior in right of payment to any Guarantor Senior Debt of such Subsidiary Guarantor and senior in any respect in right of payment to such Subsidiary Guarantor's Guarantee.

A Subsidiary Guarantor may not consolidate with or merge with or into (whether or not such Subsidiary Guarantor is the surviving Person), another Person unless:

(1) immediately after giving effect to that transaction, no Default or Event of Default exists; and

(2) the Person (if not otherwise a Subsidiary Guarantor) formed by or surviving any such consolidation or merger assumes all the obligations of that Subsidiary Guarantor pursuant to a supplemental indenture satisfactory to the Trustee, except as provided in the next paragraph.

El Paso Energy Partners or any Subsidiary Guarantor, however, may be merged or consolidated with or into any one or more Subsidiary Guarantors or El Paso Energy Partners.

The Guarantee of a Subsidiary Guarantor will be released:

(1) in connection with any sale or other disposition of all or substantially all of the assets of that Subsidiary Guarantor (including by way of merger or consolidation), if El Paso Energy Partners applies the Net Proceeds of that sale or other disposition in accordance with the applicable provisions of the Indenture; or

(2) in connection with any sale or other disposition of all of the Equity Interests of a Subsidiary Guarantor, if El Paso Energy Partners applies the Net Proceeds of that sale in accordance with the applicable provisions of the Indenture applicable to Asset Sales; or

(3) if El Paso Energy Partners designates any Restricted Subsidiary that is a Subsidiary Guarantor as an Unrestricted Subsidiary; or

(4) at such time as such Subsidiary Guarantor ceases to guarantee any other Indebtedness of El Paso Energy Partners.

See "Repurchase at the Option of Holders -- Asset Sales" beginning on page 32.

Any Restricted Subsidiary that guarantees Indebtedness of either of the Issuers or any other Restricted Subsidiary at a time when it is not a Subsidiary Guarantor shall execute a Guarantee.

OPTIONAL REDEMPTION

Prior to June 1, 2004, the Issuers may on any one or more occasions redeem up to 33% of the aggregate principal amount of notes originally issued under the Indenture at a redemption price of 108.500% of the principal amount thereof, plus accrued and unpaid interest and Liquidated Damages, if any, to the redemption date, with the net cash proceeds of one or more Equity Offerings. However, at least 67% of the aggregate principal amount of notes must remain outstanding immediately after the occurrence of such redemption (excluding notes held by El Paso Energy Partners, El Paso Finance and our Restricted Subsidiaries). Any redemption must occur within 90 days of the date of the closing of such Equity Offering.

Except pursuant to the preceding paragraph, the notes will not be redeemable at the Issuers' option prior to June 1, 2006.

On or after June 1, 2006, the Issuers may redeem all or a part of these notes upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest thereon, if any, and Liquidated Damages, if any, to the applicable redemption date, if redeemed during the 12-month period beginning on June 1st of the years indicated below:

YEAR	PERCENTAGE
2006	104.250%
2007	102.833%
2008	101.417%
2009 and thereafter	100.000%

SELECTION AND NOTICE

If less than all of the notes are to be redeemed at any time, the Trustee will select notes for redemption as follows:

(1) if the notes are listed, in compliance with the requirements of the principal national securities exchange on which the notes are listed; or

(2) if the notes are not so listed or there are no such requirements, on a pro rata basis, by lot or by such method as the Trustee shall deem fair and appropriate.

No notes of $1,000 or less shall be redeemed in part. Notices of redemption shall be mailed by first class mail at least 30 but not more than 60 days before the redemption date to each holder of notes to be redeemed at its registered address. Notices of redemption may not be conditional.

If any note is to be redeemed in part only, the notice of redemption that relates to that note shall state the portion of the principal amount thereof to be redeemed. A new note in principal amount equal to the unredeemed portion of the original note will be issued in the name of the holder thereof upon cancellation of the original note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest and Liquidated Damages, if applicable, ceases to accrue on notes or portions of them called for redemption unless the Issuers default in making such redemption payment.

REPURCHASE AT THE OPTION OF HOLDERS

CHANGE OF CONTROL

If a Change of Control occurs, each holder of notes will have the right to require the Issuers to repurchase all or any part (equal to $1,000 or an integral multiple thereof) of that holder's notes pursuant to the Change of Control Offer. In the Change of Control Offer, the Issuers will offer a Change of Control Payment in cash equal to 101% of the aggregate principal amount of notes repurchased plus accrued and unpaid interest thereon, if any, and Liquidated Damages, if any, to the date of purchase (the "Change of Control Payment"), subject to the rights of holders in whose name a note is registered on a record date occurring prior to the Change of Control Payment Date to receive interest on an interest payment date occurring after such Change of Control Payment Date. Within 30 days following any Change of Control, the Issuers will mail a notice to each holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase notes on the Change of Control Payment Date specified in such notice, pursuant to the procedures required by the Indenture and described in such notice. The Issuers will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of the notes as a result of a Change of Control.

On the Change of Control Payment Date, the Issuers will, to the extent lawful:

(1) accept for payment all notes or portions thereof properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all notes or portions thereof so tendered; and

(3) deliver or cause to be delivered to the Trustee the notes so accepted together with an Officers' Certificate stating the aggregate principal amount of notes or portions thereof being purchased by El Paso Energy Partners.

The Paying Agent will promptly mail to each holder of notes so tendered the Change of Control Payment for such notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each holder a new note equal in principal amount to any unpurchased portion of the notes surrendered, if any; provided that each such new note will be in a principal amount of $1,000 or an

integral multiple thereof. The Issuers will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

Prior to complying with any of the provisions of this "Change of Control" covenant, but in any event within 90 days following a Change of Control, the Issuers will either repay all outstanding Senior Debt or obtain the requisite consents, if any, under all agreements governing outstanding Senior Debt to permit the repurchase of notes required by this covenant.

The provisions described above that require the Issuers to make a Change of Control Offer following a Change of Control will be applicable regardless of whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control, the Indenture does not contain provisions that permit the holder of the notes to require that the Issuers repurchase or redeem the notes in the event of a takeover, recapitalization or similar transaction.

El Paso Energy Partners's outstanding Senior Debt currently prohibits El Paso Energy Partners from purchasing any notes, and also provides that certain change of control events with respect to El Paso Energy Partners would constitute a default under the agreements governing the Senior Debt. Any future credit agreements or other agreements relating to Senior Debt to which El Paso Energy Partners becomes a party may contain similar restrictions and provisions. Moreover, the exercise by the holders of their right to require the Issuers to repurchase the notes could cause a default under such Senior Debt, even if the Change of Control does not, due to the financial effect of such a repurchase on El Paso Energy Partners. If a Change of Control occurs at a time when El Paso Energy Partners is prohibited from purchasing notes, El Paso Energy Partners could seek the consent of its senior lenders to the purchase of notes or could attempt to refinance the borrowings that contain such prohibition. If El Paso Energy Partners does not obtain such a consent or repay such borrowings, El Paso Energy Partners will remain prohibited from purchasing notes. In such case, El Paso Energy Partners's failure to purchase tendered notes would constitute an Event of Default under the Indenture which would, in turn, in all likelihood constitute a default under such Senior Debt. In such circumstances, the subordination provisions in the Indenture would likely restrict payments to the holders of notes. Finally, the Issuers' ability to pay cash to the holders upon a repurchase may be limited by El Paso Energy Partners's then existing financial resources. We cannot assure you that sufficient funds will be available when necessary to make any required repurchases.

Notwithstanding the preceding paragraphs of this covenant, the Issuers will not be required to make a Change of Control Offer upon a Change of Control and a holder will not have the right to require the Issuers to repurchase any notes pursuant to a Change of Control Offer if a third party makes an offer to purchase the notes in the manner, at the times and otherwise in substantial compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer and purchases all notes validly tendered and not withdrawn under such purchase offer.

The definition of Change of Control includes a phrase relating to the sale, transfer, lease, conveyance or other disposition of "all or substantially all" of the assets of El Paso Energy Partners and its Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of notes to require El Paso Energy Partners to repurchase such notes as a result of a sale, transfer, lease, conveyance or other disposition of less than all of the assets of El Paso Energy Partners and its Restricted Subsidiaries taken as a whole to another Person or group may be uncertain.

ASSET SALES

The Issuers will not, and will not permit any of El Paso Energy Partners's Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) El Paso Energy Partners (or the Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the fair market value of the assets or Equity Interests issued or sold or otherwise disposed of;

(2) such fair market value is determined by (a) an executive officer of El Paso Energy Partners if the value is less than $10.0 million, as evidence by an Officers' Certificate delivered to the Trustee or (b) the Board of Directors of the General Partner if the value is $10.0 million or more, as evidenced by a resolution of such Board of Directors of the General Partner; and

(3) at least 75% of the consideration therefor received by El Paso Energy Partners or such Restricted Subsidiary is in the form of cash or Cash Equivalents. For purposes of this provision, each of the following shall be deemed to be cash:

(a) any liabilities (as shown on the Issuer's or such Restricted Subsidiary's most recent balance sheet) of El Paso Energy Partners or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the notes or any Guarantee) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases El Paso Energy Partners or such Restricted Subsidiary from further liability; and

(b) any securities, notes or other obligations received by El Paso Energy Partners or any such Restricted Subsidiary from such transferee that are within 90 days after the Asset Sale (subject to ordinary settlement periods) converted by such Issuer or such Restricted Subsidiary into cash (to the extent of the cash received in that conversion).

Within 360 days after the receipt of any Net Proceeds from an Asset Sale, El Paso Energy Partners or a Restricted Subsidiary may apply (or enter into a definitive agreement for such application within such 360-day period, provided that such capital expenditure or purchase is closed within 90 days after the end of such 360-day period) such Net Proceeds at its option:

(1) to repay Senior Debt of El Paso Energy Partners and/or its Restricted Subsidiaries (or to make an offer to repurchase or redeem Senior Debt, provided that such repurchase or redemption closes within 45 days after the end of such 360-day period) with a permanent reduction in availability for any revolving credit Indebtedness;

(2) to make a capital expenditure in a Permitted Business;

(3) to acquire other long-term tangible assets that are used or useful in a Permitted Business; or

(4) to invest in any other Permitted Business Investment or any other Permitted Investments other than Investments in Cash Equivalents, Interest Swaps or Currency Agreements.

Pending the final application of any such Net Proceeds, we may temporarily reduce revolving credit borrowings or otherwise invest such Net Proceeds in any manner that is not prohibited by the Indenture.

Any Net Proceeds from Asset Sales that are not applied or invested as provided in the preceding paragraph will constitute Excess Proceeds. When the aggregate amount of Excess Proceeds exceeds $10.0 million, the Issuers will make a pro rata offer (an "Asset Sale Offer") to all holders of notes and all holders of other Indebtedness that is pari passu with the notes containing provisions similar to those set forth in the Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets to purchase the maximum principal amount of notes and such other pari passu Indebtedness that may be purchased out of the Excess Proceeds. The offer price in any Asset Sale Offer will be equal to 100% of principal amount plus accrued and unpaid interest (including any Liquidated Damages in the case of the notes), if any, and premium, if any, to the date of purchase, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, El Paso Energy Partners may use such

Excess Proceeds for any purpose not otherwise prohibited by the Indenture, including, without limitation, the repurchase or redemption of Indebtedness of the Issuers or any Subsidiary Guarantor that is subordinated to the notes or, in the case of any Subsidiary Guarantor, the Guarantee of such Subsidiary Guarantor. If the aggregate principal amount of notes tendered into such Asset Sale Offer exceeds the amount of Excess Proceeds allocated for repurchases of notes pursuant to the Asset Sale Offer for notes, the Trustee shall select the notes to be purchased on a pro rata basis. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds shall be reset at zero.

The term Asset Sale excludes:

(1) any transaction whereby assets or properties (including (a) ownership interests in any Subsidiary or Joint Venture and (b) in the case of an exchange or contribution for tangible assets, up to 25% in the form of cash, Cash Equivalents, accounts receivable or other current assets), owned by El Paso Energy Partners or a Restricted Subsidiary are exchanged or contributed for the Equity Interests of a Joint Venture or Unrestricted Subsidiary in a transaction that satisfies the requirements of a Permitted Business Investment or for other assets (not more than 25% of which consists of cash, Cash Equivalents, accounts receivables or other current assets) or properties (including interests in any Subsidiary or Joint Venture) so long as (i) the fair market value of the assets or properties (if other than a Permitted Business Investment) received are substantially equivalent to the fair market value of the assets or properties given up, and (ii) any cash received in such exchange or contribution by El Paso Energy Partners or any Restricted Subsidiary is applied in accordance with the foregoing "-- Asset Sales" provision;

(2) any sale, transfer or other disposition of cash or Cash Equivalents;

(3) any sale, transfer or other disposition of Restricted Investments; and

(4) any sale, transfer or other disposition of interests in oil and gas leaseholds (including, without limitation, by abandonment, farm-ins, farm-outs, leases, swaps and subleases), hydrocarbons and other mineral products in the ordinary course of business of the oil and gas operations conducted by El Paso Energy Partners or any Restricted Subsidiary, which sale, transfer or other disposition is made by El Paso Energy Partners or any Restricted Subsidiary.

COVENANTS

RESTRICTED PAYMENTS

The Issuers will not, and will not permit any of their Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of El Paso Energy Partners's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving El Paso Energy Partners or any of its Restricted Subsidiaries) or to the direct or indirect holders of El Paso Energy Partners's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than distributions or dividends payable in Equity Interests of El Paso Energy Partners (other than Disqualified Equity) and other than distributions or dividends payable to El Paso Energy Partners or a Restricted Subsidiary);

(2) except to the extent permitted in clause (4) below, purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving an Issuer) any Equity Interests of El Paso Energy Partners or any of its Restricted Subsidiaries (other than any such Equity Interests owned by El Paso Energy Partners or any of its Restricted Subsidiaries);

(3) except to the extent permitted in clause (4) below, make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness that is pari passu with or subordinated to the notes or the Guarantees (other than the notes or the Guarantees), except (a) a payment of interest or principal at the Stated Maturity thereof, (b) a purchase,

redemption, acquisition or retirement required to be made pursuant to the terms of such Indebtedness (including pursuant to an asset sale or change of control provision) and (c) any such Indebtedness of El Paso Energy Partners or a Restricted Subsidiary owned by El Paso Energy Partners or a Restricted Subsidiary; or

(4) make any Investment other than a Permitted Investment or a Permitted Business Investment (all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as "Restricted Payments"),

unless, at the time of and after giving effect to such Restricted Payment, no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof and either:

(1) if the Fixed Charge Coverage Ratio for El Paso Energy Partners's four most recent fiscal quarters for which internal financial statements are available is not less than 2.0 to 1.0, such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by El Paso Energy Partners and its Restricted Subsidiaries during the quarter in which such Restricted Payment is made, is less than the sum, without duplication, of:

(a) Available Cash constituting Cash from Operations as of the end of the immediately preceding quarter, plus

(b) the aggregate net cash proceeds of any (i) substantially concurrent capital contribution to El Paso Energy Partners from any Person (other than a Restricted Subsidiary of El Paso Energy Partners) made after the Issue Date, (ii) substantially concurrent issuance and sale made after the Issue Date of Equity Interests (other than Disqualified Equity) of El Paso Energy Partners or from the issuance or sale made after the Issue Date of convertible or exchangeable Disqualified Equity or convertible or exchangeable debt securities of El Paso Energy Partners that have been converted into or exchanged for such Equity Interests (other than Disqualified Equity), (iii) to the extent that any Restricted Investment that was made after the Issue Date is sold for cash or Cash Equivalents or otherwise liquidated or repaid for cash or Cash Equivalents, the lesser of the refund of capital or similar payment made in cash or Cash Equivalents with respect to such Restricted Investment (less the cost of such disposition, if any) and the initial amount of such Restricted Investment (other than to a Restricted Subsidiary of El Paso Energy Partners), plus

(c) the net reduction in Investments in Restricted Investments resulting from dividends, repayments of loans or advances, or other transfers of assets in each case to El Paso Energy Partners or any of its Restricted Subsidiaries from any Person (including, without limitation, Unrestricted Subsidiaries) or from redesignations of Unrestricted Subsidiaries as Restricted Subsidiaries, to the extent such amounts have not been included in Available Cash constituting Cash from Operations for any period commencing on or after the Issue Date (items (b) and (c) being referred to as "Incremental Funds"), minus

(d) the aggregate amount of Incremental Funds previously expended pursuant to this clause (1) or clause (2) below; or

(2) if the Fixed Charge Coverage Ratio for El Paso Energy Partners's four most recent fiscal quarters for which internal financial statements are available is less than 2.0 to 1.0, such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by El Paso Energy Partners and its Restricted Subsidiaries during the quarter in which such Restricted Payment is made, is less than the sum, without duplication, of:

(a) $60.0 million less the aggregate amount of all Restricted Payments made by El Paso Energy Partners and its Restricted Subsidiaries pursuant to this clause (2)(a) during the period ending on the last day of the fiscal quarter of El Paso Energy Partners immediately preceding the date of such Restricted Payment and beginning on the Issue Date, plus

(b) Incremental Funds to the extent not previously expended pursuant to this clause (2) or clause (1) above.

For purposes of clauses (1) and (2) above, the term "substantially concurrent" means that either (x) the offering was consummated within 120 days of the date of determination or (y) the offering was consummated within 24 months of the date of determination and the proceeds therefrom were used for the purposes expressly stated in the documents related thereto and may be traced to such use by segregating, separating or otherwise specifically identifying the movement of such proceeds.

So long as no Default has occurred and is continuing or would be caused thereby, the preceding provisions will not prohibit:

(1) the payment by El Paso Energy Partners or any Restricted Subsidiary of any distribution or dividend within 60 days after the date of declaration thereof, if at said date of declaration such payment would have complied with the provisions of the Indenture;

(2) the redemption, repurchase, retirement, defeasance or other acquisition of any pari passu or subordinated Indebtedness of El Paso Energy Partners or any of its Restricted Subsidiaries or of any Equity Interests of El Paso Energy Partners or any of its Restricted Subsidiaries in exchange for, or out of the net cash proceeds of, a substantially concurrent (a) capital contribution to El Paso Energy Partners or such Restricted Subsidiary from any Person (other than El Paso Energy Partners or another Restricted Subsidiary) or (b) sale (a sale will be deemed substantially concurrent if such redemption, repurchase, retirement, defeasance or acquisition occurs not more than 120 days after such sale) (other than to a Restricted Subsidiary of El Paso Energy Partners) of (i) Equity Interests (other than Disqualified Equity) of El Paso Energy Partners or such Restricted Subsidiary or (ii) Indebtedness that is subordinated to the notes or the Guarantees, provided that such new subordinated Indebtedness with respect to the redemption, repurchase, retirement, defeasance or other acquisition of pari passu or subordinated Indebtedness (W) is subordinated to the same extent as such refinanced subordinated Indebtedness, (X) has a Weighted Average Life to Maturity of at least the remaining Weighted Average Life to Maturity of the refinanced subordinated Indebtedness, (Y) is for the same principal amount as either such refinanced subordinated Indebtedness plus original issue discount to the extent not reflected therein or the redemption or purchase price of such Equity Interests (plus reasonable expenses of refinancing and any premiums paid on such refinanced subordinated Indebtedness) and (Z) is incurred by El Paso Energy Partners or the Restricted Subsidiary that is the obligor on the Indebtedness so refinanced or the issuer of the Equity Interests so redeemed, repurchased or retired; provided, however, that the amount of any net cash proceeds that are utilized for any such redemption, repurchase or other acquisition or retirement shall be excluded or deducted from the calculation of Available Cash and Incremental Funds;

(3) the defeasance, redemption, repurchase or other acquisition of pari passu or subordinated Indebtedness of El Paso Energy Partners or any Restricted Subsidiary with the net cash proceeds from an incurrence of Permitted Refinancing Indebtedness;

(4) the payment of any distribution or dividend by a Restricted Subsidiary to El Paso Energy Partners or to the holders of its Equity Interests (other than Disqualified Equity) on a pro rata basis;

(5) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of El Paso Energy Partners or any Restricted Subsidiary of El Paso Energy Partners held by any member of the General Partner's or El Paso Energy Partners's or any Restricted Subsidiary's management pursuant to any management equity subscription agreement or stock option agreement or to satisfy obligations under any Equity Interests appreciation rights or option plan or similar arrangement; provided that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests shall not exceed $5.0 million in any 12-month period; and

(6) any payment by El Paso Energy Partners pursuant to section 3.1(b) of the Management Agreement to compensate for certain tax liabilities resulting from certain allocated income.

In computing the amount of Restricted Payments previously made for purposes of the immediately preceding paragraph, Restricted Payments made under clauses (1) (but only if the declaration of such dividend or other distribution has not been counted in a prior period) and, to the extent of amounts paid to holders other than El Paso Energy Partners or a Restricted Subsidiary, (4) of this paragraph shall be included, and Restricted Payments made under clauses (2), (3), (5) and (6) and, except to the extent noted above, (4) of this paragraph shall not be included. The amount of all Restricted Payments (other than cash) shall be the fair market value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by El Paso Energy Partners or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The fair market value of any assets or securities that are required to be valued by this covenant shall be determined by the Board of Directors of the General Partner whose resolution with respect thereto shall be delivered to the Trustee.

INCURRENCE OF INDEBTEDNESS AND ISSUANCE OF DISQUALIFIED EQUITY

El Paso Energy Partners will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "incur") any Indebtedness (including Acquired Debt), and El Paso Energy Partners will not issue any Disqualified Equity and will not permit any of its Restricted Subsidiaries to issue any Disqualified Equity; provided, however, that El Paso Energy Partners and any Restricted.

Subsidiary may incur Indebtedness (including Acquired Debt), and El Paso Energy Partners and the Restricted Subsidiaries may issue Disqualified Equity, if the Fixed Charge Coverage Ratio for El Paso Energy Partners's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Equity is issued would have been at least 2.25 to 1.0, determined on a pro forma basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been incurred, or the Disqualified Equity had been issued, as the case may be, at the beginning of such four-quarter period.

So long as no Default shall have occurred and be continuing or would be caused thereby, the first paragraph of this covenant will not prohibit the incurrence of any of the following items of Indebtedness (collectively, "Permitted Debt"):

(1) the incurrence by El Paso Energy Partners and any Restricted Subsidiary of the Indebtedness under Credit Facilities and the guarantees thereof; provided that the aggregate principal amount of all Indebtedness of El Paso Energy Partners and the Restricted Subsidiaries outstanding under all Credit Facilities after giving effect to such incurrence does not exceed $600.0 million less the aggregate amount of all repayments of Indebtedness under a Credit Facility that have been made by El Paso Energy Partners or any of its Restricted Subsidiaries in respect of Asset Sales to the extent such repayments constitute a permanent reduction of commitments under such Credit Facility;

(2) the incurrence by El Paso Energy Partners and its Restricted Subsidiaries of Existing Indebtedness;

(3) the incurrence by El Paso Energy Partners and the Subsidiary Guarantors of Indebtedness represented by the notes and the Guarantees and the related Obligations;

(4) the incurrence by El Paso Energy Partners or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used in the business of El Paso Energy Partners or such Restricted Subsidiary, in an aggregate principal amount not to exceed $20.0 million at any time outstanding;

(5) the incurrence by El Paso Energy Partners or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to refund, refinance

or replace, Indebtedness (other than intercompany Indebtedness) that was not incurred in violation of the Indenture;

(6) the incurrence by El Paso Energy Partners or any of its Restricted Subsidiaries of intercompany Indebtedness between or among El Paso Energy Partners and any of its Restricted Subsidiaries; provided, however, that:

(a) if El Paso Energy Partners or any Subsidiary Guarantor is the obligor on such Indebtedness, such Indebtedness must be expressly subordinated to the prior payment in full in cash of all Obligations with respect to the notes, in the case of El Paso Energy Partners, or the Guarantee of such Subsidiary Guarantor, in the case of a Subsidiary Guarantor, and

(b) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than El Paso Energy Partners or a Restricted Subsidiary thereof and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either El Paso Energy Partners or a Restricted Subsidiary thereof, shall be deemed, in each case, to constitute an incurrence of such Indebtedness by El Paso Energy Partners or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (6);

(7) the incurrence by El Paso Energy Partners or any of its Restricted Subsidiaries of Hedging Obligations that are incurred for the purpose of fixing or hedging foreign currency exchange rate risk of El Paso Energy Partners or any Restricted Subsidiary or interest rate risk with respect to any floating rate Indebtedness of El Paso Energy Partners or any Restricted Subsidiary that is permitted by the terms of this Indenture to be outstanding or commodities pricing risks of El Paso Energy Partners or any Restricted Subsidiary in respect of hydrocarbon production from properties in which El Paso Energy Partners or any of its Restricted Subsidiaries owns an interest;

(8) the guarantee by El Paso Energy Partners or any of the Restricted Subsidiaries of Indebtedness of El Paso Energy Partners or a Restricted Subsidiary that was permitted to be incurred by another provision of this covenant;

(9) bid, performance, surety and appeal bonds in the ordinary course of business, including guarantees and standby letters of credit supporting such obligations, to the extent not drawn;

(10) the incurrence by El Paso Energy Partners or any of its Restricted Subsidiaries of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness incurred to refund, refinance or replace any Indebtedness incurred pursuant to this clause (10), not to exceed $20.0 million;

(11) the incurrence by El Paso Energy Partners's Unrestricted Subsidiaries of Non-Recourse Debt; provided, however, that if any such Indebtedness ceases to be Non-Recourse Debt of an Unrestricted Subsidiary, such event shall be deemed to constitute an incurrence of Indebtedness by a Restricted Subsidiary of El Paso Energy Partners that was not permitted by this clause (11);

(12) the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, and the payment of dividends on Disqualified Equity, in the form of additional shares of the same class of Disqualified Equity, provided, in each such case, that the amount thereof is included in Fixed Charges of El Paso Energy Partners as so accrued, accredited or amortized; and

(13) Indebtedness incurred by El Paso Energy Partners or any of its Restricted Subsidiaries arising from agreements or their respective bylaws providing for indemnification, adjustment of purchase price or similar obligations.

For purposes of determining compliance with this "-- Incurrence of Indebtedness and Issuance of Disqualified Equity" covenant, in the event that an item of proposed Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (13) above, or is entitled to be incurred pursuant to the first paragraph of this covenant, El Paso Energy Partners will be

permitted to classify such item of Indebtedness in any manner that complies with this covenant. An item of Indebtedness may be divided and classified in one or more of the types of Permitted Indebtedness.

LIMITATION ON LAYERING

The Issuers will not incur, create, issue, assume, guarantee or otherwise become liable for any Indebtedness that is subordinate or junior in right of payment to any Senior Debt of either Issuer and senior in any respect in right of payment to the notes. No Subsidiary Guarantor will incur, create, issue, assume, guarantee or otherwise become liable for any Indebtedness that is subordinate or junior in right of payment to any Senior Debt of such Subsidiary Guarantor and senior in any respect in right of payment to such Subsidiary Guarantor's Guarantee.

LIENS

El Paso Energy Partners will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien of any kind securing Indebtedness, Attributable Debt or trade payables on any asset now owned or hereafter acquired, except Permitted Liens, without making effective provision whereby all Obligations due under the notes and Indenture or any Guarantee, as applicable, will be secured by a Lien equally and ratably with any and all Obligations thereby secured for so long as any such Obligations shall be so secured.

DIVIDEND AND OTHER PAYMENT RESTRICTIONS AFFECTING SUBSIDIARIES

El Paso Energy Partners will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Equity Interests to El Paso Energy Partners or any of El Paso Energy Partners's Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any indebtedness owed to El Paso Energy Partners or any of the other Restricted Subsidiaries;

(2) make loans or advances to or make other investments in El Paso Energy Partners or any of the other Restricted Subsidiaries; or

(3) transfer any of its properties or assets to El Paso Energy Partners or any of the other Restricted Subsidiaries.

However, the preceding restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(1) agreements as in effect on the Issue Date and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of any such agreements or any Existing Indebtedness to which such agreement relates, provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are no more restrictive, taken as a whole, with respect to such distribution, dividend and other payment restrictions and loan or investment restrictions than those contained in such agreement, as in effect on the date of the Indenture;

(2) the Partnership Credit Facility and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings thereof, provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are no more restrictive, taken as a whole, with respect to such distribution, dividend and other payment restrictions and loan or investment restrictions than those contained in such Credit Facility as in effect on the Issue Date;

(3) the Indenture, the notes and the Guarantees;

(4) applicable law;

(5) any instrument governing Indebtedness or Equity Interests of a Person acquired by El Paso Energy Partners or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than such Person, or the property or assets of such Person, so acquired, provided that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Indenture to be incurred;

(6) customary non-assignment provisions in licenses and leases entered into in the ordinary course of business and consistent with past practices;

(7) purchase money obligations for property acquired in the ordinary course of business that impose restrictions on the property so acquired of the nature described in clause (3) of the preceding paragraph;

(8) any agreement for the sale or other disposition of a Restricted Subsidiary that contains any one or more of the restrictions described in clauses (1) through (3) of the preceding paragraph by such Restricted Subsidiary pending its sale or other disposition, provided that such sale or disposition is consummated, or such restrictions are canceled or terminated or lapse, within 90 days;

(9) Permitted Refinancing Indebtedness, provided that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are no more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;

(10) Liens securing Indebtedness otherwise permitted to be issued pursuant to the provisions of the covenant described above under the caption "-- Liens" that limit the right of El Paso Energy Partners or any of its Restricted Subsidiaries to dispose of the assets subject to such Lien;

(11) any agreement or instrument relating to any property or assets acquired after the Issue Date, so long as such encumbrance or restriction relates only to the property or assets so acquired and is not and was not created in anticipation of such acquisitions;

(12) any agreement or instrument relating to any Acquired Debt of any Restricted Subsidiary at the date on which such Restricted Subsidiary was acquired by El Paso Energy Partners or any Restricted Subsidiary (other than Indebtedness incurred in anticipation of such acquisition and provided such encumbrances or restrictions extend only to property of such acquired Restricted Subsidiary);

(13) any agreement or instrument governing Indebtedness permitted to be incurred under the Indenture, provided that the terms and conditions of any such restrictions and encumbrances, taken as a whole, are not materially more restrictive than those contained in the Indenture, taken as a whole;

(14) provisions with respect to the disposition or distribution of assets or property in joint venture agreements and other similar agreements, including clawback, "make-well" or "keep-well" agreements, to maintain financial performance or results of operations of a joint venture entered into in the ordinary course of business; and

(15) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business.

MERGER, CONSOLIDATION, OR SALE OF ASSETS

Neither of the Issuers may, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not such Issuer is the survivor); or (2) sell, assign, transfer, lease, convey or otherwise

dispose of all or substantially all of its properties or assets, in one or more related transactions, to another Person; unless:

(1) either: (a) such Issuer is the surviving entity of such transaction; or (b) the Person formed by or surviving any such consolidation or merger (if other than such Issuer) or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made is an entity organized or existing under the laws of the United States, any state thereof or the District of Columbia, provided that El Paso Finance may not consolidate or merge with or into any entity other than a corporation satisfying such requirement for so long as El Paso Energy Partners remains a partnership;

(2) the Person formed by or surviving any such consolidation or merger (if other than such Issuer) or the Person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made expressly assumes all the obligations of such Issuer under the notes and the Indenture pursuant to agreements reasonably satisfactory to the Trustee;

(3) immediately after such transaction no Default or Event of Default exists;

(4) such Issuer or the Person formed by or surviving any such consolidation or merger (if other than such Issuer):

(a) will have Consolidated Net Worth immediately after the transaction equal to or greater than the Consolidated Net Worth of such Issuer immediately preceding the transaction; and

(b) will, on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period, be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described above under the caption "Incurrence of Indebtedness and Issuance of Disqualified Equity;" provided, however, that this clause (b) shall be suspended during any period in which we and our Restricted Subsidiaries are not subject to the Suspended Covenants.

(5) such Issuer has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and, if a supplemental indenture is required, such supplemental indenture comply with the Indenture and all conditions precedent therein relating to such transaction have been satisfied.

Notwithstanding the foregoing paragraph, El Paso Energy Partners is permitted to reorganize as any other form of entity in accordance with the procedures established in the Indenture; provided that:

(1) the reorganization involves the conversion (by merger, sale, contribution or exchange of assets or otherwise) of El Paso Energy Partners into a form of entity other than a limited partnership formed under Delaware law;

(2) the entity so formed by or resulting from such reorganization is an entity organized or existing under the laws of the United States, any state thereof or the District of Columbia;

(3) the entity so formed by or resulting from such reorganization assumes all the obligations of El Paso Energy Partners under the notes and the Indenture pursuant to agreements reasonably satisfactory to the Trustee;

(4) immediately after such reorganization no Default or Event of Default exists; and

(5) such reorganization is not adverse to the holders of the notes (for purposes of this clause (5) it is stipulated that such reorganization shall not be considered adverse to the holders of the notes solely because the successor or survivor of such reorganization (i) is subject to federal or state income taxation as an entity or (ii) is considered to be an "includible corporation" of an affiliated group of corporations within the meaning of Section 1504(b)(i) of the Code or any similar state or local law).

The "Merger, Consolidation, or Sale of Assets" covenant described in the first paragraph of this section will not apply to a merger or consolidation, or any sale, assignment, transfer, lease, conveyance or other disposition of assets between or among El Paso Energy Partners and any of its Restricted Subsidiaries.

No Subsidiary Guarantor may consolidate with or merge with or into (whether or not such Subsidiary Guarantor is the surviving Person) another Person, whether or not affiliated with such Subsidiary Guarantor, but excluding El Paso Energy Partners or another Subsidiary Guarantor, unless (i) subject to the provisions of the following paragraph, the Person formed by or surviving any such consolidation or merger (if other than such Subsidiary Guarantor) assumes all the obligations of such Subsidiary Guarantor pursuant to the Subsidiary Guarantor's Guarantee of the notes and the Indenture pursuant to a supplemental indenture and (ii) immediately after giving effect to such transaction, no Default or Event of Default exists. Any Subsidiary Guarantor may be merged or consolidated with or into any one or more Subsidiary Guarantors.

In the event of a sale or other disposition of all or substantially all of the assets of any Subsidiary Guarantor, by way of merger, consolidation or otherwise, or a sale or other disposition of all or substantially all of the Equity Interests of any Subsidiary Guarantor, then such Subsidiary Guarantor (in the event of a sale or other disposition, by way of such a merger, consolidation or otherwise, of all of the Equity Interests of such Subsidiary Guarantor) or the Person acquiring the property (in the event of a sale or other disposition of all or substantially all of the assets of such Subsidiary Guarantor) will be released and relieved of any obligations under its Guarantee; provided that the transaction complies with the provisions set forth under "Asset Sales."

TRANSACTIONS WITH AFFILIATES

El Paso Energy Partners will not, and will not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate (each, an "Affiliate Transaction"), unless:

(1) such Affiliate Transaction is on terms that are no less favorable to El Paso Energy Partners or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by El Paso Energy Partners or such Restricted Subsidiary with an unrelated Person; and

(2) El Paso Energy Partners delivers to the Trustee:

(a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $10.0 million but less than or equal to $25.0 million, an Officers' Certificate certifying that such Affiliate Transaction complies with this covenant and that such Affiliate Transaction has been approved (either pursuant to specific or general resolutions) by the Board of Directors of the General Partner or has been approved by an officer pursuant to a delegation (specific or general) of authority from the Board of Directors of the General Partner; and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $25.0 million, (A) a resolution of the Board of Directors of the General Partner set forth in an Officers' Certificate certifying that such Affiliate Transaction complies with this covenant and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the General Partner and (B) either (I) an opinion as to the fairness to El Paso Energy Partners of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of national standing recognized as an expert in rendering fairness opinions on transactions such as those proposed, (II) with respect to assets classified, in accordance with GAAP, as property, plant and equipment on El Paso Energy Partners's or such Restricted

Subsidiary's balance sheet, a written appraisal from a nationally recognized appraiser showing the assets have a fair market value not less than the consideration to be paid (provided that if the fair market value determined by such appraiser is a range of values or otherwise inexact, the Board of Directors of the General Partner shall determine the exact fair market value, provided that it shall be within the range so determined by the appraiser), (III) in the case of gathering, transportation, marketing, hedging, production handling, operating, construction, storage, platform use, or other operational contracts, any such contracts are entered into in the ordinary course of business on terms substantially similar to those contained in similar contracts entered into by El Paso Energy Partners or any Restricted Subsidiary and third parties or, if none of El Paso Energy Partners or any Restricted Subsidiary has entered into a similar contract with a third party, that the terms are no less favorable than those available from third parties on an arm's-length basis, as determined by the Board of Directors of the General Partner or (IV) in the case of any transaction between El Paso Energy Partners or any of its Restricted Subsidiaries and any Affiliate thereof in which El Paso Energy Partners beneficially owns 50% or less of the Voting Stock and one or more Persons not Affiliated with El Paso Energy Partners beneficially own (together) a percentage of Voting Stock at least equal to the interest in Voting Stock of such Affiliate beneficially owned by El Paso Energy Partners, a resolution of the Board of Directors of the General Partner set forth in the Officers' Certificate certifying that such Affiliate Transaction complies with this covenant and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the General Partner. Even though a particular Affiliate Transaction or series of Affiliate Transactions may be covered by two or more of clauses (I) through (IV) above, the compliance with any one of such applicable clauses shall be satisfactory.

The following items shall not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the prior paragraph:

(1) transactions pursuant to the Management Agreement as in effect on the date hereof,

(2) any employment, equity option or equity appreciation agreement or plan entered into by El Paso Energy Partners or any of its Restricted Subsidiaries in the ordinary course of business and, as applicable, consistent with the past practice of El Paso Energy Partners or such Restricted Subsidiary;

(3) transactions between or among El Paso Energy Partners and/or its Restricted Subsidiaries;

(4) Restricted Payments that are permitted by the provisions of the Indenture described above under the caption "-- Restricted Payments;"

(5) transactions effected in accordance with the terms of agreements as in effect on the Issue Date;

(6) customary compensation, indemnification and other benefits made available to officers, directors or employees of El Paso Energy Partners or a Restricted Subsidiary, including reimbursement or advancement of out-of-pocket expenses and provisions of officers' and directors' liability insurance; and

(7) loans to officers and employees made in the ordinary course of business in an aggregate amount not to exceed $1.0 million at any one time outstanding.

ADDITIONAL SUBSIDIARY GUARANTEES

If El Paso Energy Partners or any of its Restricted Subsidiaries acquires or creates another Restricted Subsidiary after the date of the Indenture that guarantees any Indebtedness of either of the Issuers, then that newly acquired or created Restricted Subsidiary must become a Subsidiary Guarantor and execute a supplemental indenture satisfactory to the Trustee and deliver an Opinion of Counsel to the Trustee within 10 Business Days of the date on which it was acquired or created. If a Restricted Subsidiary that is not

then a Subsidiary Guarantor guarantees Indebtedness of either of the Issuers or any other Restricted Subsidiary, such Restricted Subsidiary shall execute and deliver a Guarantee. El Paso Energy Partners will not permit any of its Restricted Subsidiaries, directly or indirectly, to guarantee or pledge any assets to secure the payment of any other Indebtedness of either Issuer unless such Restricted Subsidiary simultaneously executes and delivers a supplemental indenture providing for the guarantee of the payment of the notes by such Restricted Subsidiary, which guarantee shall be senior to or pari passu with such Restricted Subsidiary's guarantee of or pledge to secure such other Indebtedness, unless such other Indebtedness is Senior Debt, in which case the guarantee of the notes may be subordinated to the guarantee of such Senior Debt to the same extent as the notes are subordinated to such Senior Debt. Notwithstanding the foregoing, any Guarantee of a Restricted Subsidiary that was incurred pursuant to this paragraph shall provide by its terms that it shall be automatically and unconditionally released upon the release or discharge of the guarantee which resulted in the creation of such Restricted Subsidiary's Subsidiary Guarantee, except a discharge or release by, or as a result of payment under, such guarantee.

DESIGNATION OF RESTRICTED AND UNRESTRICTED SUBSIDIARIES

The General Partner may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if that designation would not cause a Default or Event of Default. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, all outstanding Investments owned by El Paso Energy Partners and its Restricted Subsidiaries in the Subsidiary so designated will be deemed to be an Investment made as of the time of such designation and will reduce the amount available for Restricted Payments under the first paragraph of the covenant described above under the caption "-- Restricted Payments," for Permitted Investments or for Permitted Business Investments, as applicable. All such outstanding Investments will be valued at their fair market value at the time of such designation. That designation will only be permitted if such Restricted Payment, Permitted Investments or Permitted Business Investments would be permitted at that time and such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. All Subsidiaries of an Unrestricted Subsidiary shall be also Unrestricted Subsidiaries. The Board of Directors of the General Partner may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if a Default or Event of Default is not continuing, the redesignation would not cause a Default or Event of Default and provided that, if at the time of such designation such Subsidiary is a Subsidiary Guarantor, after giving effect to such designation, El Paso Energy Partners and its remaining Restricted Subsidiaries could incur at least $1.00 of additional Indebtedness under the limitation on indebtedness included in the first paragraph under the caption "Incurrence of Indebtedness and Issuance of Disqualified Equity" above. A Subsidiary may not be designated as an Unrestricted Subsidiary unless at the time of such designation, (x) it has no Indebtedness other than Non-Recourse Debt; (y) no portion of the Indebtedness or any other obligation of such Subsidiary (whether contingent or otherwise and whether pursuant to the terms of such Indebtedness or the terms governing the organization and operation of such Subsidiary or by law) (A) is guaranteed by El Paso Energy Partners or any other Restricted Subsidiary, except as such Indebtedness is permitted by the covenants under "-- Restricted Payments" and "-- Incurrence of Indebtedness and Issuance of Disqualified Equity" above, (B) is recourse to or obligates El Paso Energy Partners or any Restricted Subsidiary in any way (including any "claw-back," "keep-well" or "make-well" agreements or other agreements, arrangements or understandings to maintain the financial performance or results of operations of such Subsidiary, except as such Indebtedness or Investment is permitted by the covenants captioned "-- Incurrence of Indebtedness and Issuance of Disqualified Equity" and "-- Restricted Payments") or (C) subjects any property or assets of El Paso Energy Partners or any Restricted Subsidiary, directly or indirectly, contingently or otherwise, to the satisfaction thereof; and (z) no Equity Interests of a Restricted Subsidiary are held by such Subsidiary, directly or indirectly. Upon the designation of a Restricted Subsidiary that is a Subsidiary Guarantor as an Unrestricted Subsidiary, the Guarantee of such entity shall be released.

SALE AND LEASE-BACK TRANSACTIONS

El Paso Energy Partners will not, and will not permit any of its Restricted Subsidiaries to, enter into any sale and lease-back transaction; provided that El Paso Energy Partners or any Restricted Subsidiary that is a Subsidiary Guarantor may enter into a sale and lease-back transaction if:

(1) El Paso Energy Partners or that Subsidiary Guarantor, as applicable, could have (a) incurred Indebtedness in an amount equal to the Attributable Debt relating to such sale and lease-back transaction under the Fixed Charge Coverage Ratio test in the first paragraph of the covenant described above under the caption "-- Incurrence of Additional Indebtedness and Issuance of Disqualified Equity," and (b) incurred a Lien to secure such Indebtedness pursuant to the covenant described above under the caption "-- Liens;" provided, however, that clause (a) of this clause (1) shall be suspended during any period in which we and our Restricted Subsidiaries are not subject to the Suspended Covenants;

(2) the gross cash proceeds of that sale and lease-back transaction are at least equal to the fair market value, as determined in good faith by the Board of Directors of the General Partner, of the property that is the subject of such sale and lease-back transaction; and

(3) the transfer of assets in that sale and lease-back transaction is permitted by, and El Paso Energy Partners applies the proceeds of such transaction in compliance with, the covenant described above under the caption "-- Repurchase at the Option of Holders -- Asset Sales."

BUSINESS ACTIVITIES

El Paso Energy Partners will not, and will not permit any Restricted Subsidiary to, engage in any business other than Permitted Businesses.

PAYMENTS FOR CONSENT

El Paso Energy Partners will not, and will not permit any of its Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any holder of notes for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture or the notes unless such consideration is offered to be paid and is paid to all holders of the notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement.

REPORTS

Whether or not required by the SEC, so long as any notes are outstanding, El Paso Energy Partners will file with the SEC (unless the SEC will not accept such a filing) within the time periods specified in the SEC's rules and regulations, and upon request, El Paso Energy Partners will furnish (without exhibits) to the Trustee for delivery to the holders of the notes:

(1) all quarterly and annual financial information that would be required to be contained in a filing with the SEC on Forms 10-Q and 10-K if El Paso Energy Partners were required to file such Forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" and, with respect to the annual information only, a report on the annual financial statements by El Paso Energy Partners's certified independent accountants; and

(2) all current reports that would be required to be filed with the SEC on Form 8-K if El Paso Energy Partners were required to file such reports.

If as of the end of any such quarterly or annual period El Paso Energy Partners has designated any of its Subsidiaries as Unrestricted Subsidiaries or if El Paso Energy Partners owns more than 50% of Deepwater Holdings, but such entity or any of its Subsidiaries still is designated as a Joint Venture, then El Paso Energy Partners shall deliver (promptly after such SEC filing referred to in the preceding paragraph) to the Trustee for delivery to the holders of the notes quarterly and annual financial

information required by the preceding paragraph as revised to include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, and in Management's Discussion and Analysis of Financial Condition and Results of Operations, of the financial condition and results of operations of El Paso Energy Partners and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries and the designated Joint Ventures of El Paso Energy Partners.

In addition, whether or not required by the SEC, El Paso Energy Partners will make such information available to securities analysts, investors and prospective investors upon request.

SUSPENDED COVENANTS

During any period when the notes have an Investment Grade Rating from both Rating Agencies and no Default has occurred and is continuing under the Indenture, we and our Restricted Subsidiaries will not be subject to the provisions of the Indenture described above under the following headings under the caption "-- Covenants":

- "-- Incurrence of Indebtedness and Issuance of Disqualified Equity,"
- "-- Restricted Payments,"
- "-- Dividend and Other Payment Restrictions Affecting Subsidiaries,"
- "-- Asset Sales,"
- "-- Transactions with Affiliates,"
- "-- Sale -- Leaseback Transactions" (only to the extent set forth in that covenant), and
- "-- Merger, Consolidation, or Sale of Assets" (only to the extent set forth in that covenant)

(collectively, the "Suspended Covenants"); provided, however, that the provisions of the Indenture described above under the caption "-- Change of Control," and described below under the following headings:

- "-- Liens,"
- "-- Additional Subsidiary Guarantees,"
- "-- Reports,"
- "-- Business Activities,"
- "-- Payments for Consent," and
- "-- Limitation on Layering"

will not be so suspended; and provided further, that if we and our Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of the preceding portion of this sentence and, subsequently, either of the Rating Agencies withdraws its ratings or downgrades the ratings assigned to the notes below the Investment Grade Ratings so that the notes do not have an Investment Grade Rating from both Rating Agencies, or a Default (other than with respect to the Suspended Covenants) occurs and is continuing, we and our Restricted Subsidiaries will thereafter again be subject to the Suspended Covenants, subject to the terms, conditions and obligations set forth in the Indenture (each such date of reinstatement being the "Reinstatement Date"). Compliance with the Suspended Covenants with respect to Restricted Payments made after the Reinstatement Date will be calculated in accordance with the terms of the covenant described under "-- Restricted Payments" as though such covenants had been in effect during the entire period of time from which the notes are issued. As a result, during any period in which we and our Restricted Subsidiaries are not subject to the Suspended Covenants, the notes will be entitled to substantially reduced covenant protection.

EVENTS OF DEFAULT AND REMEDIES

Each of the following is an Event of Default:

(1) default for 30 days in the payment when due of interest on, or Liquidated Damages with respect to, the notes, whether or not prohibited by the subordination provisions of the Indenture;

(2) default in payment when due of the principal of or premium, if any, on the notes, whether or not prohibited by the subordination provisions of the Indenture;

(3) failure by El Paso Energy Partners or any of its Subsidiaries to comply with the provisions described under the captions "-- Change of Control" or "-- Asset Sales."

(4) failure by El Paso Energy Partners or any of its Restricted Subsidiaries for 60 days after notice to comply with any of the other agreements in the Indenture (provided that notice need not be given, and an Event of Default shall occur, 60 days after any breach of the covenants under "-- Covenants -- Restricted Payments," "-- Covenants -- Incurrence of Indebtedness and Issuance of Disqualified Equity" and "-- Merger, Consolidation or Sale of Assets");

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by an Issuer or any of El Paso Energy Partners's Restricted Subsidiaries (or the payment of which is guaranteed by El Paso Energy Partners or any of its Restricted Subsidiaries), whether such Indebtedness or guarantee now exists or is created after the date of the Indenture, if that default:

(a) is caused by a failure to pay principal of or premium, if any, or interest on such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "Payment Default"); or

(b) results in the acceleration of such Indebtedness prior to its express maturity, and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $20.0 million or more;

(6) failure by an Issuer or any of El Paso Energy Partners's Restricted Subsidiaries to pay final judgments aggregating in excess of $10.0 million, which judgments are not paid, discharged or stayed for a period of 60 days;

(7) except as permitted by the Indenture, any Guarantee shall be held in any judicial proceeding to be unenforceable or invalid or shall cease for any reason to be in force and effect or any Subsidiary Guarantor, or any Person acting on behalf of any Subsidiary Guarantor, shall deny or disaffirm its obligations under its Guarantee; and

(8) certain events of bankruptcy or insolvency with respect to El Paso Energy Partners or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary.

In the case of an Event of Default arising from certain events of bankruptcy or insolvency, with respect to the Issuers, all outstanding notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the holders of at least 25% in principal amount of the then outstanding notes may declare all the notes to be due and payable immediately. Notwithstanding the foregoing, so long as any Credit Facility shall be in full force and effect, if an Event of Default pursuant to clause (5) above with regard to such Credit Facility shall have occurred and be continuing, the notes shall not become due and payable until the earlier to occur of (x) five business days following delivery of written notice of such acceleration of the notes to the agent under such Credit Facility and (y) the acceleration of any Indebtedness under such Credit Facility.

Holders of the notes may not enforce the Indenture or the notes except as provided in the Indenture. Subject to certain limitations, holders of a majority in principal amount of the then outstanding notes may

direct the Trustee in its exercise of any trust or power. The Trustee may withhold from holders of the notes notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal or interest) if it determines that withholding notice is in their interest.

The holder of a majority in aggregate principal amount of the notes then outstanding by notice to the Trustee may on behalf of the holders of all of the notes waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of interest (or Liquidated Damages, if any) on, or the principal of, the notes.

The Issuers and the Subsidiary Guarantors are required to deliver to the Trustee annually a statement regarding compliance with the Indenture. Upon any officer of the General Partner or El Paso Finance becoming aware of any Default or Event of Default, the Issuers are required to deliver to the Trustee a statement specifying such Default or Event of Default.

NO PERSONAL LIABILITY OF DIRECTORS, OFFICERS, EMPLOYEES AND STOCKHOLDERS

No past, present or future director, officer, partner, employee, incorporator, stockholder or member of the Issuers, the General Partner, or any Subsidiary Guarantor, as such, shall have any liability for any obligations of the Issuers or the Subsidiary Guarantors under the notes, the Indenture, the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of notes by accepting a note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the notes. The waiver may not be effective to waive liabilities under the federal securities laws.

LEGAL DEFEASANCE AND COVENANT DEFEASANCE

The Issuers may, at their option and at any time, elect to have all of the Issuers' obligations discharged with respect to the outstanding notes and all obligations of the Subsidiary Guarantors discharged with respect to their Guarantees ("Legal Defeasance"), except for:

(1) the rights of holders of outstanding notes to receive payments in respect of the principal of, premium, if any, and interest on such notes when such payments are due (but not the Change of Control Payment or the payment pursuant to an Asset Sale Offer) from the list referred to below;

(2) the Issuers' obligations with respect to the notes concerning issuing temporary notes, registration of notes, mutilated, destroyed, lost or stolen notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuers' obligations in connection therewith;

(4) the Legal Defeasance provisions of the Indenture; and

(5) the Issuers' rights of optional redemption.

In addition, El Paso Energy Partners may, at its option and at any time, elect to have the obligations of the Issuers and the Guarantors released with respect to certain covenants that are described in the Indenture ("Covenant Defeasance") and thereafter any omission to comply with those covenants shall not constitute a Default or Event of Default with respect to the notes. In the event Covenant Defeasance occurs, certain events (not including non-payment, bankruptcy, receivership, rehabilitation and insolvency events) described under "Events of Default" will no longer constitute an Event of Default with respect to the notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Issuers must irrevocably deposit with the Trustee, in trust, for the benefit of the holders of the notes, cash in U.S. dollars, non-callable U.S. Government Obligations, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, and interest on the

outstanding notes at the Stated Maturity thereof or on the applicable redemption date, as the case may be, and El Paso Energy Partners must specify whether the notes are being defeased to maturity or to a particular redemption date;

(2) in the case of Legal Defeasance, El Paso Energy Partners shall have delivered to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that (a) El Paso Energy Partners has received from, or there has been published by, the Internal Revenue Service a ruling or (b) since the date of the Indenture, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the holders of the outstanding notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, El Paso Energy Partners shall have delivered to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the holders of the outstanding notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default shall have occurred and be continuing either: (a) on the date of such deposit (other than a Default or Event of Default resulting from the incurrence of Indebtedness all or a portion of the proceeds of which shall be applied to such deposit); or (b) or insofar as Events of Default from bankruptcy or insolvency events are concerned, at any time in the period ending on the 91st day after the date of deposit;

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under any material agreement or instrument (other than the Indenture) to which El Paso Energy Partners or any of its Restricted Subsidiaries is a party or by which El Paso Energy Partners or any of its Restricted Subsidiaries is bound;

(6) El Paso Energy Partners must have delivered to the Trustee an Opinion of Counsel to the effect that after the 91st day following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally;

(7) El Paso Energy Partners must deliver to the Trustee an Officers' Certificate stating that the deposit was not made by El Paso Energy Partners with the intent of preferring the holders of notes over the other creditors of El Paso Energy Partners with the intent of defeating, hindering, delaying or defrauding other creditors of El Paso Energy Partners; and

(8) El Paso Energy Partners must deliver to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

AMENDMENT, SUPPLEMENT AND WAIVER

Generally, the Issuers, the Subsidiary Guarantors and the Trustee may amend or supplement the Indenture, the Guarantees and the notes with the consent of the holders of at least a majority in principal amount of the debt securities then outstanding. However, without the consent of each holder affected, an amendment or waiver may not (with respect to any notes held by a non-consenting holder):

(1) reduce the principal amount of notes whose holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any note or alter or waive the provisions with respect to the redemption of the notes (other than provisions relating to the covenants described above under the caption "-- Repurchase at the Option of Holders"):

(3) reduce the rate of or change the time for payment of interest on any note;

(4) waive a Default or Event of Default in the payment of principal of or premium, if any, or interest on the notes (except a rescission of acceleration of the notes by the holders of at least a majority in aggregate principal amount of the notes and a waiver of the payment default that resulted from such acceleration);

(5) make any note payable in money other than that stated in the notes;

(6) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of notes to receive payments of principal of or premium, if any, or interest on the notes;

(7) waive a redemption payment with respect to any note (other than a payment required by one of the covenants described above under the caption "-- Repurchase at the Option of Holders");

(8) except as otherwise permitted in the Indenture, release any Subsidiary Guarantor from its obligations under its Guarantee or the Indenture or change any Guarantee in any manner that would adversely affect the rights of holders; or

(9) make any change in the preceding amendment and waiver provisions (except to increase any percentage set forth therein).

In addition, any amendment to, or waiver of, the provisions of the Indenture relating to subordination that adversely affects the rights of the holders of the notes will require the consent of the holders of at least 75% in aggregate principal amount of notes then outstanding.

Notwithstanding the preceding, without the consent of any holder of notes, the Issuers, the Subsidiary Guarantors and the Trustee may amend or supplement the Indenture or the notes:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated notes in addition to or in place of certificated notes;

(3) to provide for the assumption of an Issuer's or Subsidiary Guarantor's obligations to holders of notes in the case of a merger or consolidation or sale of all or substantially all of such Issuer's assets;

(4) to add or release Subsidiary Guarantors pursuant to the terms of the Indenture;

(5) to make any change that would provide any additional rights or benefits to the holders of notes or surrender any right or power conferred upon the Issuers or the Subsidiary Guarantors by the Indenture that does not adversely affect the rights under the Indenture of any holder of the Notes;

(6) to comply with requirements of the SEC in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act;

(7) to evidence or provide for the acceptance of appointment under the Indenture of a successor Trustee;

(8) to add any additional Events of Default; or

(9) to secure the notes and/or the Guarantees.

CONCERNING THE TRUSTEE

If the Trustee becomes a creditor of an Issuer or any Subsidiary Guarantor, the Indenture limits its right to obtain payment of claims in certain cases, or to realize on certain property received in aspect of

any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions; however, if it acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the SEC for permission to continue or resign.

The holders of a majority in principal amount of the then outstanding notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The Indenture provides that in case an Event of Default shall occur and be continuing, the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent person in the conduct of his own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of notes, unless such holder shall have offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

ADDITIONAL INFORMATION

Anyone who receives this prospectus may obtain a copy of the Indenture and Registration Rights Agreement without charge by writing to El Paso Energy Partners at 4 East Greenway Plaza, Houston, Texas, 77046, Attention: Investor Relations.

BOOK-ENTRY, DELIVERY AND FORM

The Series A notes were offered and sold to QIBs in reliance on Rule 144A ("Rule 144A notes") and in offshore transactions in reliance on Regulation S ("Regulation S notes").

Rule 144A notes were represented by one or more notes in registered, global form without interest coupons (collectively, the "Rule 144A Global notes"). Upon issuance, the Rule 144A Global notes were:

- deposited with the Trustee as custodian for The Depository Trust Company ("DTC"), in New York, New York, and

- registered in the name of DTC or its nominee,

in each case for credit to an account of a direct or indirect participant as described below. Regulation S notes were represented by one or more Global notes in registered, global form without interest coupons (collectively, the "Regulation S Global notes"). The Regulation S Global notes were deposited with the Trustee, as a custodian for DTC, in New York, New York and registered in the name of a nominee of DTC for credit to the accounts of Indirect Participants participating in DTC through the Euroclear System ("Euroclear") and Clearstream International ("Clearstream"). During the 40-day period commencing on the day after the later of the commencement of the offering of the original notes and the original Issue Date (as defined) of the notes (the "Distribution Compliance Period"), beneficial interests in the Regulation S Global note may be held only through Euroclear or Clearstream, and, pursuant to DTC's procedures, Indirect Participants that hold a beneficial interest in the Regulation S Global note will not be able to transfer such interest to a person that takes delivery thereof in the form of an interest in the Rule 144A Global notes. After the Distribution Compliance Period, (i) beneficial interests in the Regulation S Global Notes may be transferred to a person that takes delivery in the form of an interest in the Rule 144A Global Notes and (ii) beneficial interests in the Regulation S Global notes may be transferred to a person that takes delivery in the form of an interest in the Regulation S Global notes, provided, in each case, that the certification requirements described below are complied with. See "-- Transfers of Interests in One Global Note for Interests in Another Global Note."

Except as set forth below, the Series B notes issued in the exchange offer will be represented by one or more registered notes in global form (referred to herein collectively as the "Exchange Global note") and the Series A notes, if any remain outstanding after the exchange offer, will be represented by one ore more registered notes in global form, in each case without interest coupons (collectively, the "Global notes"). The Exchange Global note will be deposited with, or on behalf of, the DTC and registered in the name of Cede & Co., as nominee of DTC, or will remain in the custody of the Trustee pursuant to the FAST Balance Certificate Agreement between DTC and the Trustee.

Beneficial interests in Series A notes, if any remain outstanding after the exchange offer, will be subject to certain restrictions on transfer and will bear a restrictive legend. In addition, transfer of beneficial interests in any Global notes will be subject to the applicable rules and procedures of DTC and its direct or Indirect Participants (including, if applicable, those of Euroclear and Clearstream), which may change from time to time.

The Global notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee in certain limited circumstances. Beneficial interests in the Global notes may be exchanged for notes in certificated form in certain limited circumstances. See "-- Transfers of Interests in Global Notes for Certificated Notes."

Initially, the Trustee will act as Paying Agent and Registrar. The notes may be presented for registration of transfer and exchange at the officers of the Registrar.

DEPOSITARY PROCEDURES

DTC has advised El Paso Energy Partners that DTC is a limited-purpose trust company created to hold securities for its participating organizations (collectively, the "Direct Participants") and to facilitate the clearance and settlement of transactions in those securities between Direct Participants through electronic book-entry changes in accounts of Participants. The Direct Participants include securities brokers and dealers (including the Initial Purchasers), banks, trust companies, clearing corporations and certain other organizations, including Euroclear and Clearstream. Access to DTC's system is also available to other entities that clear through or maintain a direct or indirect, custodial relationship with a Direct Participant (collectively, the "Indirect Participants").

DTC has advised El Paso Energy Partners that, pursuant to DTC's procedures, (i) upon deposit of the Global notes, DTC will credit the accounts of the Direct Participants designated by the Initial Purchasers with portions of the principal amount of the Global notes that have been allocated to them by the Initial Purchasers, and (ii) DTC will maintain records of the ownership interests of such Direct Participants in the Global notes and the transfer of ownership interests by and between Direct Participants. DTC will not maintain records of the ownership interests of, or the transfer of ownership interests by and between, Indirect Participants or other owners of beneficial interests in the Global notes. Direct Participants and Indirect Participants must maintain their own records of the ownership interests of, and the transfer of ownership interests by and between, Indirect Participants and other owners of beneficial interests in the Global notes.

Investors in the Rule 144A Global notes may hold their interests therein directly through DTC if they are Direct Participants in DTC or indirectly through organizations that are Direct Participants in DTC. Investors in the Regulation S Global notes may hold their interests therein directly through Euroclear or Clearstream. After the expiration of the Distribution Compliance Period (but not earlier), investors may hold interests in the Regulation S Global notes through organizations other than Euroclear and Clearstream that are Direct Participants in the DTC system. Morgan Guaranty Trust Company of New York, Brussels office will act initially as depository for Euroclear, and Citibank, N.A. will act initially as depository for Clearstream (each a "Nominee" of Euroclear and Clearstream, respectively). Therefore, they will each be recorded on DTC's records as the holders of all ownership interests held by them on behalf of Euroclear and Clearstream, respectively. Euroclear and Clearstream must maintain on their own records the ownership interests, and transfers of ownership interests by and between, their own customers' securities accounts. DTC will not maintain such records. All ownership interests in any Global notes, including those of customers' securities accounts held through Euroclear or Clearstream, may be subject to the procedures and requirements of DTC.

The laws of some states in the United States require that certain persons take physical delivery in definitive, certificated form, of securities that they own. This may limit or curtail the ability to transfer beneficial interest in a Global note to such persons. Because DTC can act only on behalf of Direct Participants, which in turn act on behalf of Indirect Participants and others, the ability of a person having a beneficial interest in a Global note to pledge such interest to persons or entities that are not Direct

Participants in DTC, or to otherwise take actions in respect of such interests, may be affected by the lack of physical certificates evidencing such interests. For certain other restrictions on the transferability of the notes see "-- Transfers of Interests in Global Notes for Certificated Notes."

EXCEPT AS DESCRIBED IN "-- TRANSFERS OF INTERESTS IN GLOBAL NOTES FOR CERTIFICATED NOTES," OWNERS OF BENEFICIAL INTERESTS IN THE GLOBAL NOTES WILL NOT HAVE NOTES REGISTERED IN THEIR NAMES, WILL NOT RECEIVE PHYSICAL DELIVERY OF NOTES IN CERTIFICATED FORM AND WILL NOT BE CONSIDERED THE REGISTERED OWNERS OR HOLDERS THEREOF UNDER THE INDENTURE FOR ANY PURPOSE.

Under the terms of the Indenture, the Issuers, the Subsidiary Guarantors and the Trustee will treat the persons in whose names the notes are registered (including notes represented by Global notes) as the owners thereof for the purpose of receiving payments and for any and all other purposes whatsoever. Payments in respect of the principal of premium, if any, and interest and Liquidated Damages, if any, on Global notes registered in the name of DTC or its nominee will be payable by the Trustee to DTC or its nominee as the registered holder under the Indenture. Consequently, none of the Issuers, the Trustee nor any agent of the Issuers or the Trustee has or will have any responsibility or liability for (i) any aspect of DTC's records or any Direct Participant's or Indirect Participant's records relating to or payments made on account of beneficial ownership interests in the Global notes or for maintaining, supervising or reviewing any of DTC's records or any Direct Participant's or Indirect Participant's records relating to the beneficial ownership interests in any Global note or (ii) any other matter relating to the actions and practices of DTC or any of its Direct Participants or Indirect Participants.

DTC has advised the Issuers that its current payment practice (for payments of principal, interest and the like) with respect to securities such as the notes is to credit the accounts of the relevant Direct Participants with such payment on the payment date in amounts proportionate to such Direct Participant's respective ownership interests in the Global notes as shown on DTC's records. Payments by Direct Participants and Indirect Participants to the beneficial owners of the notes will be governed by standing instructions and customary practices between them and will not be the responsibility of DTC, the Trustee, the Issuers or the Subsidiary Guarantors. None of the Issuers, the Subsidiary Guarantors or the Trustee will be liable for any delay by DTC or its Direct Participants or Indirect Participants in identifying the beneficial owners of the notes, and the Issuers and the Trustee may conclusively relay on and will be protected in relying on instructions from DTC or its nominee as the registered owner of the notes for all purposes.

The Global notes will trade in DTC's Same-day Funds Settlement System and, therefore, transfers between Direct Participants in DTC will be effected in accordance with DTC's procedures, and will be settled in immediately available funds. Transfers between Indirect Participants (other than Indirect Participants who hold an interest in the notes through Euroclear or Clearstream) who hold an interest through a Direct Participant will be effected in accordance with the procedures of such Direct Participant but generally will settle in immediately available funds. Transfers between and among Indirect Participants who hold interests in the notes through Euroclear and Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the notes described herein, cross-market transfers between Direct Participants in DTC, on the one hand, and Indirect Participants who hold interests in the notes through Euroclear or Clearstream, on the other hand, will be effected by Euroclear's or Clearstream's respective Nominee through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream; however, delivery of instructions relating to crossmarket transactions must be made directly to Euroclear or Clearstream and within their established deadlines (Brussels time) of such systems. Indirect Participants who hold interest in the notes through Euroclear and Clearstream may not deliver instructions directly to Euroclear's and Clearstream's Nominee. Euroclear and Clearstream will, if the transaction meets its settlement requirements, deliver instructions to its respective Nominee to deliver or receive interests on Euroclear's or Clearstream's behalf in the relevant Global note in DTC, and make or receive payment in accordance with normal procedures for same-day fund settlement applicable to DTC.

Because of time zone differences, the securities accounts of an Indirect Participant who holds an interest in the notes through Euroclear or Clearstream purchasing an interest in a Global Note from a Direct Participant in DTC will be credited, and any such crediting will be reported to Euroclear or Clearstream during the European business day immediately following the settlement date of DTC in New York. Although recorded in DTC's accounting records as of DTC's settlement date in New York, Euroclear and Clearstream customers will not have access to the cash amount credited to their accounts as a result of a sale of an interest in a Regulation S Global Note to a DTC Participant unit the European business for Euroclear and Clearstream immediately following DTC's settlement date.

DTC has advised El Paso Energy Partners that it will take any action permitted to be taken by a holder of notes only at the direction of one or more Direct Participants to whose account interests in the Global notes are credited and only in respect of such portion of the aggregate principal amount of the notes to which such Direct Participant or Direct Participants has or have given direction. However, if there is an Event of Default under the notes, DTC reserves the right to exchange Global notes (without the direction of one or more of its Direct Participants) for legended notes in certificated form, and to distribute such certificated forms of notes to its Direct Participants. See "-- Transfers of Interests in Global Notes for Certificated Notes."

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in the Global notes among Direct Participants, including Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuers, the Subsidiary Guarantors, the Initial Purchasers or the Trustee shall have any responsibility for the performance by DTC, Euroclear and Clearstream or their respective Direct and Indirect Participants of their respective obligations under the rules and procedures governing any of their operations.

The information in this section concerning DTC, Euroclear and Clearstream and their book-entry systems has been obtained from sources that the Issuers believe to be reliable, but the Issuers take no responsibility for the accuracy thereof.

TRANSFERS OF INTERESTS IN ONE GLOBAL NOTE FOR INTERESTS IN ANOTHER GLOBAL NOTE

Prior to the expiration of the Distribution Compliance Period, an Indirect Participant who holds an interest in the Regulation S Global Note through Euroclear or Clearstream will not be permitted to transfer its interest to a U.S. Person who takes delivery in the form of an interest in Rule 144A Global notes. After the expiration of the Distribution Compliance Period, an Indirect Participant who holds an interest in Regulation S Global notes will be permitted to transfer its interest to a U.S. Person who takes delivery in the form of an interest in Rule 144A Global notes only upon receipt by the Trustee of a written certification from the transferor to the effect that such transfer is being made in accordance with the restrictions on transfer set forth under "-- Transfer Restrictions" and set forth in the legend printed on the Regulation S Global note.

"U.S. Person" means (i) any individual resident in the United States, (ii) any partnership or corporation organized or incorporated under the laws of the United States, (iii) any estate of which an executor or administrator is a U.S. Person (other than an estate governed by foreign law and of which at least one executor or administrator is a non-U.S. Person who has sole or shared investment discretion with respect to its assets), (iv) any trust of which any trustee is a U.S. Person (other than a trust of which at least one trustee is a non-U.S. Person who has sole or shared investment discretion with respect to its assets and no beneficiary of the trust (and no settler, if the trust is revocable) is a U.S. Person), (v) any agency or branch of a foreign entity located in the United States, (vi) any non-discretionary or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person, (vii) any discretionary or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated or (if an individual) resident in the United States (other than such an account held for the benefit or account of a non-U.S. Person), (viii) any partnership or corporation organized or incorporated under the laws of a foreign jurisdiction and formed by a U.S. Person principally

for the purpose of investing in securities not registered under the Securities Act (unless it is organized or incorporated and owned by "accredited investors" within the meaning of Rule 501(a) under the Securities Act who are not natural persons, estates or trusts); provided, however, that the term "U.S. Person" shall not include (A) a branch or agency of a U.S. Person that is located and operating outside the United States for valid business purposes as a locally regulated branch or agency engaged in the banking or insurance business, (B) any employee benefit plan established and administered in accordance with the law, customary practices and documentation of a foreign country and (C) the international organizations set forth in Section 902(o)(7) of Regulation S under the Securities Act and any other similar international organizations, and their agencies, affiliates and pension plans.

Prior to the expiration of the Distribution Compliance Period, a Direct or Indirect Participant who holds an interest in the Rule 144A Global note will not be permitted to transfer its interests to any person that takes delivery thereof in the form of an interest in Regulation S Global notes. After the expiration of the Distribution Compliance Period, a Direct or Indirect Participant who holds an interest in Rule 144A Global notes may transfer its interests to a person who takes delivery in the form of an interest in Regulation S Global notes only upon receipt by the Trustee of a written certification from the transferor to the effect that such transfer is being made in accordance with Rule 904 of Regulation S.

Transfers involving an exchange of a beneficial interest in Regulation S Global notes for a beneficial interest in Rule 144A Global notes or vice versa will be effected by DTC by means of an instruction originated by the Trustee through DTC/Deposit Withdraw at Custodian (DWAC) system. In connection with such transfer, therefore, appropriate adjustments will be made to reflect a decrease in the principal amount of the one Global note and a corresponding increase in the principal amount of the other Global note, as applicable. Any beneficial interest in the one Global note that is transferred to a person who takes delivery in the form of the other Global note will, upon transfer, cease to be an interest in such first Global note and become an interest in such other Global note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global note for as long as it remains such an interest.

TRANSFERS OF INTERESTS IN GLOBAL NOTES FOR CERTIFICATED NOTES

An entire Global note may be exchanged for definitive notes in registered, certificated form without interest coupons ("Certificated notes") if (i) DTC (x) notifies the Issuers that it is unwilling or unable to continue as depositary for the Global notes and the Issuers thereupon fail to appoint a successor depositary within 90 days or (y) has ceased to be a clearing agency registered under the Exchange Act, (ii) the Issuers, at their option, notify the Trustee in writing that they elect to cause the issuance of Certificated notes or (iii) there shall have occurred and be continuing a Default or an Event of Default with respect to the notes. In any such case, the Issuers will notify the Trustee in writing that, upon surrender by the Direct and Indirect Participants of their interest in such Global Note, Certificated notes will be issued to each person that such Direct and Indirect Participants and the DTC identify as being the beneficial owner of the related notes.

Beneficial interests in the Global notes held by any Direct or Indirect Participant may be exchanged for Certificated notes upon request to DTC, by such Direct Participant (for itself or on behalf of an Indirect Participant), to the Trustee in accordance with customary DTC procedures. Certificated notes delivered in exchange for any beneficial interest in any Global note will be registered in the names, and issued in any approved denominations, requested by DTC on behalf of such Direct or Indirect Participants (in accordance with DTC's customary procedures).

None of the Issuers, the Subsidiary Guarantors or the Trustee will be liable for any delay by the holder of any Global note or DTC in identifying the beneficial owners of notes, and the Issuers and the Trustee may conclusively rely on, and will be protected in relying on, instructions from the holder of the Global note or DTC for all purposes.

SAME DAY SETTLEMENT AND PAYMENT

Payments in respect of the notes represented by the Global notes (including principal, premium, if any, interest and Liquidated Damages, if any) will be made by wire transfer of immediately available same day funds to the accounts specified by the holder of interests in such Global Note. With respect to Certificated notes, the Issuers will make all payments of principal, premium, if any, interest and Liquidated Damages, if any, by wire transfer of immediately available same day funds to the accounts specified by the holders thereof or, if no such account is specified, by mailing a check to each such holder's registered address. The Issuers expect that secondary trading in the Certificated notes will also be settled in immediately available funds.

DEFINITIONS

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

"Acquired Debt" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Subsidiary of, such specified Person, but excluding Indebtedness which is extinguished, retired or repaid in connection with such Person merging with or becoming a Subsidiary of such specific Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; provided that beneficial ownership of 10% or more of the Voting Stock of a specified Person shall be deemed to be control by the other Person; provided, further, that any third Person which also beneficially owns 10% or more of the Voting Stock of a specified Person shall not be deemed to be Affiliate of either the specified Person or the other Person merely because of such common ownership in such specified Person. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" shall have correlative meanings. Notwithstanding the foregoing, the term "Affiliate" shall not include a Restricted Subsidiary of any specified Person.

"Asset Sale" means:

(1) the sale, lease, conveyance or other disposition of any assets or rights, other than sales of inventory in the ordinary course of business consistent with past practices; provided that the sale, conveyance or other disposition of all or substantially all of the assets of El Paso Energy Partners or El Paso Energy Partners and its Restricted Subsidiaries taken as a whole will be governed by the provisions of the Indenture described above under the caption "-- Change of Control," and/or the provisions described above under the caption "-- Merger, Consolidation or Sale of Assets" and not by the provisions of the Asset Sale covenant; and

(2) the issuance of Equity Interests by any of El Paso Energy Partners's Restricted Subsidiaries or the sale by El Paso Energy Partners or any of its Restricted Subsidiaries of Equity Interests in any of its Restricted Subsidiaries;

Notwithstanding the preceding, the following items shall not be deemed to be Asset Sales:

(1) any single transaction or series of related transactions that: (a) involves assets having a fair market value of less than $5.0 million; or (b) results in net proceeds to El Paso Energy Partners and its Restricted Subsidiaries of less than $5.0 million;

(2) a transfer of assets between or among El Paso Energy Partners and its Restricted Subsidiaries;

(3) an issuance of Equity Interests by a Restricted Subsidiary to El Paso Energy Partners or to another Restricted Subsidiary;

(4) a Restricted Payment that is permitted by the covenant described above under the caption "-- Restricted Payments;" and

(5) a transaction of the type described in the last paragraph of the covenant entitled "Asset Sales."

"Attributable Debt" in respect of a sale and lease-back transaction means, at the time of determination, the present value of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and lease-back transaction including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with GAAP.

"Available Cash" has the meaning assigned to such term in the Partnership Agreement, as in effect on the Issue Date.

"Capital Lease Obligation" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet in accordance with GAAP.

"Cash Equivalent" means:

(1) United States dollars or, in an amount up to the amount necessary or appropriate to fund local operating expenses, other currencies;

(2) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (provided that the full faith and credit of the United States is pledged in support thereof) having maturities of not more than one year from the date of acquisition;

(3) certificates of deposit, time deposits and Eurodollar deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding 365 days, demand and overnight bank deposits and other similar types of investments routinely offered by commercial banks, in each case, with any domestic commercial bank having capital and surplus in excess of $500.0 million and a Thompson Bank Watch Rating of "B" or better or any commercial bank of any other country that is a member of the Organization for Economic Cooperation and Development ("OECD") and has total assets in excess of $500.0 million;

(4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;

(5) commercial paper having one of the two highest ratings obtainable from Moody's Investors Service, Inc. or Standard & Poor's Ratings Group and in each case maturing within six months after the date of acquisition; and

(6) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (5) of this definition.

"Cash from Operations" shall have the meaning assigned to such term in the Partnership Agreement, as in effect on the Issue Date.

"Change of Control" means the occurrence of any of the following:

(1) the sale, transfer, lease, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the assets of El Paso Energy Partners and its Restricted Subsidiaries taken as a whole to any "person" (as such term is used in Section 13(d)(3) of the Exchange Act) other than the El Paso Group;

(2) the adoption of a plan relating to the liquidation or dissolution of El Paso Energy Partners or the General Partner; and

(3) such time as the El Paso Group ceases to own, directly or indirectly, the general partner interests of El Paso Energy Partners, or members of the El Paso Group cease to serve as the only general partners of El Paso Energy Partners.

Notwithstanding the foregoing, a conversion of El Paso Energy Partners from a limited partnership to a corporation, limited liability company or other form of entity or an exchange of all of the outstanding limited partnership interests for capital stock in a corporation, for member interests in a limited liability company or for Equity Interests in such other form of entity shall not constitute a Change of Control, so long as following such conversion or exchange the El Paso Group beneficially owns, directly or indirectly, in the aggregate more than 50% of the Voting Stock of such entity, or continues to own a sufficient number of the outstanding shares of Voting Stock of such entity to elect a majority of its directors, managers, trustees or other persons serving in a similar capacity for such entity.

"Consolidated Cash Flow" means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period plus:

(1) an amount equal to the dividends or distributions paid during such period in cash or Cash Equivalents to such Person or any of its Restricted Subsidiaries by a Person that is not a Restricted Subsidiary of such Person; plus

(2) an amount equal to any extraordinary loss of such Person and its Restricted Subsidiaries plus any net loss realized by such Person and its Restricted Subsidiaries in connection with an Asset Sale, to the extent such losses were deducted in computing such Consolidated Net Income; plus

(3) the provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; plus

(4) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued (including, without limitation, amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with aspect to Attributable Debt, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net payments, if any, pursuant to Hedging Obligations), to the extent that any such expense was deducted in computing such Consolidated Net Income, excluding any such expenses to the extent incurred by a Person that is not a Restricted Subsidiary of the Person for which the calculation is being made; plus

(5) depreciation, depletion and amortization (including amortization of goodwill and other intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period) of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing

such Consolidated Net Income (excluding any such expenses to the extent incurred by a Person that is neither El Paso Energy Partners, El Paso Finance, nor a Restricted Subsidiary;); minus

(6) non-cash items increasing such Consolidated Net Income for such period, other than items that were accrued in the ordinary course of business, in each case, on a consolidated basis and determined in accordance with GAAP.

Notwithstanding the preceding, the provision for taxes based on the income or profits of, and the depreciation and amortization and other non-cash charges of, a Restricted Subsidiary of El Paso Energy Partners shall be added to Consolidated Net Income to compute Consolidated Cash Flow of El Paso Energy Partners only to the extent that a corresponding amount would be permitted at the date of determination to be dividended or distributed to El Paso Energy Partners by such Restricted Subsidiary without prior approval (that has not been obtained), pursuant to the terms of its charter and all agreements, instruments, judgments, decrees, orders, statutes, rules and governmental regulations applicable to that Restricted Subsidiary or its stockholders.

"Consolidated Net Income" means, with respect to any specified Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; provided that:

(1) the aggregate Net Income (but not net loss in excess of such aggregate Net Income) of all Persons that are Unrestricted Subsidiaries shall be excluded (without duplication);

(2) the earnings included therein attributable to all entities that are accounted for by the equity method of accounting and the aggregate Net Income (but not net loss in excess of such aggregate Net Income) included therein attributable to all entities constituting Joint Ventures that are accounted for on a consolidated basis (rather than by the equity method of accounting) shall be excluded;

(3) the Net Income of any Restricted Subsidiary shall be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that Net Income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement (other than the Indenture or its Guarantee), instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders;

(4) the Net Income of any Person acquired in a pooling of interests transaction for any period prior to the date of such acquisition shall be excluded; and

(5) the cumulative effect of a change in accounting principles shall be excluded.

"Consolidated Net Worth" means, with respect to any Person as of any date, the sum of:

(1) the consolidated equity of the common stockholders or members (or consolidated partners' capital in the case of a partnership) of such Person and its consolidated Subsidiaries as of such date as determined in accordance with GAAP; plus

(2) the respective amounts reported on such Person's balance sheet as of such date with respect to any series of preferred stock (other than Disqualified Equity) that by its terms is not entitled to the payment of dividends unless such dividends may be declared and paid only out of net earnings in respect of the year of such declaration and payment, but only to the extent of any cash received by such Person upon issuance of such preferred stock.

"Credit Facilities" means, with respect to El Paso Energy Partners, El Paso Finance or any Restricted Subsidiary, one or more debt facilities or commercial paper facilities, including the Partnership Credit Facility, providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time.

"Default" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"Designated Senior Debt" means any Indebtedness under the Partnership Credit Facility and any Senior Debt permitted under the Indenture the principal amount of which is $25.0 million or more and that has been designated by El Paso Energy Partners as "Designated Senior Debt."

"Disqualified Equity" means any Equity Interest that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to the date on which the notes mature. Notwithstanding the preceding sentence, any Equity Interest that would constitute Disqualified Equity solely because the holders thereof have the right to require El Paso Energy Partners or a Restricted Subsidiary to repurchase such Equity Interests upon the occurrence of a change of control or an asset sale shall not constitute Disqualified Equity if the terms of such Equity Interests provide that El Paso Energy Partners or Restricted Subsidiary may not repurchase or redeem any such Equity Interests pursuant to such provisions unless such repurchase or redemption complies with the covenant described above under the caption "-- Covenants -- Restricted Payments."

"El Paso" means El Paso Corporation, a Delaware corporation, and its successors.

"El Paso Group" means, collectively, (1) El Paso, (2) each Person of which El Paso is a direct or indirect Subsidiary and (3) each Person which is a direct or indirect Subsidiary of any Person described in (1) or (2) above.

"Equity Interests" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited);

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, and any rights (other than debt securities convertible into capital stock) warrants or options exchangeable for or convertible into such capital stock; and

(5) all warrants, options or other rights to acquire any of the interests described in clauses (1)-(4) above (but excluding any debt security that is convertible into, or exchangeable for, any of the interests described in clauses (1)-(4) above).

"Equity Offering" means any sale for cash of Equity Interests of El Paso Energy Partners (excluding sales made to any Restricted Subsidiary and excluding sales of Disqualified Equity).

"Existing Indebtedness" means the aggregate principal amount of Indebtedness of El Paso Energy Partners and its Restricted Subsidiaries in existence on date of the Indenture.

"Fixed Charges" means, with respect to any Person for any period, without duplication, (A) the sum of:

(1) the consolidated interest expense of such Person and its Restricted Subsidiaries (excluding for purposes of this clause (1) consolidated interest expense included therein that is attributable to Indebtedness of a Person that is not a Restricted Subsidiary of the Person for which the calculation is being made) for such period, whether paid or accrued, including, without limitation, amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to Attributable Debt, commissions, discounts, and

other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net payments, if any, pursuant to Hedging Obligations; plus

(2) the consolidated interest of such Person and its Restricted Subsidiaries that was capitalized during such period (excluding for purposes of this clause (2) any such consolidated interest included therein that is attributable to Indebtedness of a Person that is not a Restricted Subsidiary); plus

(3) any interest expense on Indebtedness of another Person that is guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries, whether or not such guarantee or Lien is called upon, provided that this clause (3) excludes interest on "claw-back," "make-well" or "keep-well" payments made by El Paso Energy Partners or any Restricted Subsidiary; plus

(4) the product of (a) all dividend payments, whether or not in cash, on any series of Disqualified Equity of such Person or any of its Restricted Subsidiaries, other than dividend payments on Equity Interests payable solely in Equity Interests of El Paso Energy Partners (other than Disqualified Equity) or to El Paso Energy Partners or a Restricted Subsidiary of El Paso Energy Partners, times (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, state and local statutory tax rate of such Person, expressed as a decimal, in each case, on a consolidated basis and in accordance with GAAP; less

(B) to the extent included in (A) above, amortization or write-off of deferred financing costs of such Person and its Restricted Subsidiaries during such period and any charge related to, or any premium or penalty paid in connection with, incurring any such Indebtedness of such Person and its Restricted Subsidiaries prior to its Stated Maturity.

In the case of both (A) and (B), such amounts will be determined after elimination of intercompany accounts among such Person and its Restricted Subsidiaries and in accordance with GAAP.

"Fixed Charge Coverage Ratio" means, with respect to any specified Person for any period, the ratio of the Consolidated Cash Flow of such Person and its Restricted Subsidiaries for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays or redeems any Indebtedness (other than revolving credit borrowings not constituting a permanent commitment reduction) or issues or redeems Disqualified Equity subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated but prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "Calculation Date"), then the Fixed Charge Coverage Ratio shall be calculated giving pro forma effect to such incurrence (and the application of the net proceeds thereof), assumption, guarantee, repayment or redemption of Indebtedness, or such issuance or redemption of Disqualified Equity, as if the same had occurred at the beginning of the applicable four-quarter reference period (and if such Indebtedness is incurred to finance the acquisition of assets (including, without limitation, a single asset, a division or segment or an entire company) that were conducting commercial operations prior to such acquisition, there shall be included pro forma net income for such assets, as if such assets had been acquired on the first day of such period).

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations and including any related financing transactions, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date shall be deemed to have occurred on the first day of the four-quarter reference period and Consolidated Cash Flow for such reference period shall be calculated without giving effect to clause (4) of the proviso set forth in the definition of Consolidated Net Income;

(2) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to the Calculation Date, shall be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to the Calculation Date, shall be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the specified Person or any of its Restricted Subsidiaries following the Calculation Date;

(4) interest on outstanding Indebtedness of the specified Person or any of its Restricted Subsidiaries as of the last day of the four-quarter reference period shall be deemed to have accrued at a fixed rate per annum equal to the rate of interest on such Indebtedness in effect on such last day after giving effect to any Hedging Obligation then in effect; and

(5) if interest on any Indebtedness incurred by the specified Person or any of its Restricted Subsidiaries on such date may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency interbank offered rate or other rates, then the interest rate in effect on the last day of the four-quarter reference period will be deemed to have been in effect during such period.

"GAAP" means United States generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect from time to time.

"Guarantee" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets, or through letters of credit or reimbursement, "claw-back," "make-well," or "keep-well" agreements in respect thereof, of all or any part of any Indebtedness.

"Guarantor Senior Debt" of a Subsidiary Guarantor means all Obligations with respect to any Indebtedness of such Subsidiary Guarantor, whether outstanding on the Issue Date or thereafter created, incurred or assumed, unless, in the case of any particular Indebtedness, the instrument creating or evidencing the same or pursuant to which the same is outstanding expressly provides that such Indebtedness shall be on a parity with or subordinated in right of payment to such Subsidiary Guarantor's Guarantee. Without limiting the generality of the foregoing, (x) "Guarantor Senior Debt" shall include the principal of, premium, if any, and interest on all Obligations of every nature of such Subsidiary Guarantor from time to time owed to the lenders under the Partnership Credit Facility, including, without limitation, principal of and interest on, and all fees, indemnities and expenses payable by such Subsidiary Guarantor under, the Partnership Credit Facility, and (y) in the case of amounts owing by such Subsidiary Guarantor under the Partnership Credit Facility and guarantees of Designated Senior Indebtedness, "Guarantor Senior Debt" shall include interest accruing thereon subsequent to the occurrence of any bankruptcy Event of Default specified in the Indenture relating to such Subsidiary Guarantor, whether or not the claim for such interest is allowed under any applicable Bankruptcy Law. Notwithstanding the foregoing, "Guarantor Senior Indebtedness" shall not include (i) Indebtedness evidenced by the notes or the Guarantees, (ii) Indebtedness that is expressly subordinate or junior in right of payment to any other Indebtedness of such Subsidiary Guarantor, (iii) any liability for federal, state, local or other taxes owed or owing by such Subsidiary Guarantor, (vi) Indebtedness of such Subsidiary Guarantor to El Paso Energy Partners or a Subsidiary of El Paso Energy Partners or any other Affiliate of El Paso Energy Partners, (vii) any trade payables of such Subsidiary Guarantor, and (viii) any Indebtedness which is incurred by such Subsidiary Guarantor in violation of the Indenture.

"Hedging Obligations" means, with respect to any Person, the net obligations (not the notional amount) of such Person under interest rate and commodity price swap agreements, interest rate and commodity price cap agreements, interest rate and commodity price collar agreements and foreign currency and commodity price exchange agreements, options or futures contract or other similar agreements or arrangements or hydrocarbon hedge contracts or hydrocarbon forward sale contracts, in each case designed to protect such Person against fluctuations in interest rates, of foreign exchange rates, or commodity prices.

"Indebtedness" means, with respect to any specified Person, any indebtedness of such Person, whether or not contingent, in respect of:

(1) borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof), other than standby letters of credit and performance bonds issued by such Person in the ordinary course of business, to the extent not drawn;

(3) banker's acceptances;

(4) representing Capital Lease Obligations;

(5) all Attributable Debt of such Person in respect of any sale and lease-back transactions not involving a Capital Lease Obligation;

(6) the balance deferred and unpaid of the purchase price of any property, except any such balance that constitutes an accrued expense or trade payable incurred in the ordinary course of business;

(7) representing Disqualified Equity; or

(8) representing any Hedging Obligations other than to (in the ordinary course of business and consistent with prior practice) hedge risk exposure in the operations, ownership of assets or the management of liabilities of such Person and its Restricted Subsidiaries;

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the guarantee by such Person of any indebtedness of any other Person, provided that a guarantee otherwise permitted by the Indenture to be incurred by El Paso Energy Partners or any of its Restricted Subsidiaries of Indebtedness incurred by El Paso Energy Partners or a Restricted Subsidiary in compliance with the terms of the Indenture shall not constitute a separate incurrence of Indebtedness.

The amount of any Indebtedness outstanding as of any date shall be:

(1) the accreted value thereof, in the case of any Indebtedness issued with original issue discount; and

(2) the principal amount thereof, together with any interest thereon that is more than 30 days past due, in the case of any other Indebtedness.

For purposes of clause (7) of the preceding paragraph, Disqualified Equity shall be valued at the maximum fixed redemption, repayment or repurchase price, which shall be calculated in accordance with the terms of such Disqualified Equity as if such Disqualified Equity were repurchased on any date on which Indebtedness shall be required to be determined pursuant to the Indenture; provided, however, that if such Disqualified Equity is not then permitted by its terms to be redeemed, repaid or repurchased, the redemption, repayment or repurchase price shall be the book value of such Disqualified Equity. The amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above and the maximum liability of any guarantees at such date; provided that for purposes of calculating the amount of any non-interest bearing or other discount security, such Indebtedness shall be deemed to be the principal amount thereof that would be shown on the balance sheet of the issuer thereof dated such date prepared in accordance with GAAP, but that such security shall be deemed to have been incurred only on the date of the original issuance thereof. The amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above and the maximum liability, upon the occurrence of the contingency giving rise to the obligation, of any contingent obligations at such date.

"Investment Grade Rating" means a rating equal to or higher than Baa3 (or the equivalent) by Moody's or BBB- (or the equivalent) by S&P.

"Investments" means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the forms of direct or indirect loans (including guarantees of Indebtedness or other obligations), advances (other than advances to customers in the ordinary course of business that are recorded as accounts receivable on the balance sheet of the lender and commission, moving, travel and similar advances to officers and employees made in the ordinary course of business) or capital contributions, purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. For purposes of the definition of "Unrestricted Subsidiary," the definition of "Restricted Payment" and the covenant described under the "Limitation on Restricted Payments" covenant (i) the term "Investment" shall include the portion (proportionate to El Paso Energy Partners's Equity Interest in such Subsidiary) of the fair market value of the net assets of any Subsidiary of El Paso Energy Partners or any of its Restricted Subsidiaries at the time that such Subsidiary is designated an Unrestricted Subsidiary; provided, however, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, El Paso Energy Partners or such Restricted Subsidiary shall be deemed to continue to have a permanent "Investment" in such Subsidiary at the time immediately before the effectiveness of such redesignation less the portion (proportionate to El Paso Energy Partners's or such Restricted Subsidiary's Equity Interest in such Subsidiary) of the fair market value of the net assets of such Subsidiary at the time of such redesignation, and (ii) any property transferred to or from an Unrestricted Subsidiary shall be valued at its fair market value at the time of such transfer, in each case as determined in good faith by the Board of Directors of the General Partner. If El Paso Energy Partners or any Restricted Subsidiary of El Paso Energy Partners sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary of El Paso Energy Partners such that, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary of El Paso Energy Partners, El Paso Energy Partners shall be deemed to have made an Investment on the date of any such sale or disposition equal to the fair market value of the Equity Interests of such Restricted Subsidiary not sold or disposed of in an amount determined as provided in the final paragraph of the covenant described above under the caption "Covenants -- Restricted Payments."

"Issue Date" means May 17, 2001, the date of the first issuance of the notes under the Indenture.

"Lien" means, with respect to any asset, any mortgage, lien (statutory or otherwise), pledge, charge, security interest, hypothecation, assignment for security, claim, preference, priority or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement or any lease in the nature thereof, any option or other agreement to grant a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statute) of any jurisdiction.

"Liquidated Damages" means all liquidated damages then owing pursuant to the Registration Rights Agreement.

"Moody's" means Moody's Investors Service, Inc. or any successor to the rating agency business thereof.

"Net Income" means, with respect to any Person, the consolidated net income (loss) of such Person and its Restricted Subsidiaries, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends, excluding, however:

(1) the aggregate gain (but not loss in excess of such aggregate gain), together with any related provision for taxes on such gain, realized in connection with:

(a) any Asset Sale; or

(b) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment of any Indebtedness of such Person or any of its Restricted Subsidiaries; and

(2) the aggregate extraordinary gain (but not loss in excess of such aggregate extraordinary gain), together with any related provision for taxes on such aggregate extraordinary gain (but not loss in excess of such aggregate extraordinary gain).

"Net Proceeds" means, with respect to any Asset Sale or sale of Equity Interests, the aggregate proceeds received by El Paso Energy Partners or any of its Restricted Subsidiaries in cash or Cash Equivalents in respect of any Asset Sale or sale of Equity Interests (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any such sale), net of, without duplication, (i) the direct costs relating to such Asset Sale or sale of Equity Interests, including, without limitation, brokerage commissions and legal, accounting and investment banking fees, sales commissions, recording fees, title transfer fees, and any relocation expenses incurred as a result thereof, (ii) taxes paid or payable as a result thereof, in each case after taking into account any available tax credits or deductions and any tax sharing arrangements and amounts required to be applied to the repayment of Indebtedness secured by a Lien on the asset or assets that were the subject of such Asset Sale or sale of Equity Interests, (iii) all distributions and payments required to be made to minority interest holders in Restricted Subsidiaries as a result of such Asset Sale and (iv) any amounts to be set aside in any reserve established in accordance with GAAP or any amount placed in escrow, in either case for adjustment in respect of the sale price of such asset or assets or for liabilities associated with such Asset Sale or sale of Equity Interests and retained by El Paso Energy Partners or any of its Restricted Subsidiaries until such time as such reserve is reversed or such escrow arrangement is terminated, in which case Net Proceeds shall include only the amount of the reserve so reversed or the amount returned to El Paso Energy Partners or its Restricted Subsidiaries from such escrow arrangement, as the case may be.

"Non-Recourse Debt" means Indebtedness as to which:

(1) neither El Paso Energy Partners nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable as a guarantor or otherwise, or (c) constitutes the lender of such Indebtedness;

(2) no default with respect to which (including any rights that the holders thereof may have to take enforcement action against an Unrestricted Subsidiary) would permit upon notice, lapse of time or both any holder of any other Indebtedness (other than the notes) of El Paso Energy Partners or any of its Restricted Subsidiaries to declare a default on such other Indebtedness or cause the payment thereof to be accelerated or payable prior to its stated maturity; and

(3) the lenders have been notified in writing that they will not have any recourse to the stock or assets of El Paso Energy Partners or any of its Restricted Subsidiaries; provided that in no event shall Indebtedness of any Person which is not a Restricted Subsidiary fail to be Non-Recourse Debt solely as a result of any default provisions contained in a guarantee thereof by El Paso Energy Partners or any of its Restricted Subsidiaries provided that El Paso Energy Partners or such Restricted Subsidiary was otherwise permitted to incur such guarantee pursuant to the Indenture.

"Obligations" means any principal, interest, penalties, fees, indemnifications, reimbursement obligations, damages and other liabilities payable under the documentation governing any Indebtedness.

"Partnership Agreement" means the Second Amended and Restated Agreement of Limited Partnership of El Paso Energy Partners, L.P., amended and restated effective as of August 31, 2000, as such may be amended, modified or supplemented from time to time.

"Partnership Credit Facility" means the Fourth Amended and Restated Credit Agreement among El Paso Energy Partners, El Paso Finance, the lenders from time to time party thereto and The Chase Manhattan Bank, as administrative agent, including any deferrals, renewals, extensions, replacements, refinancings or refundings thereof, and any amendments, modifications or supplements thereto and any agreement providing therefor (including any restatement thereof and any increases in the amount of commitments thereunder), whether by or with the same or any other lenders, creditors, group of lenders or

group of creditors and including related notes, guarantees, collateral security documents and other instruments and agreements executed in connection therewith.

"Permitted Business" means (1) gathering, transporting (by barge, pipeline, ship, truck or other modes of hydrocarbon transportation), terminalling, storing, producing, acquiring, developing, exploring for, processing, dehydrating and otherwise handling hydrocarbons, including, without limitation, constructing pipeline, platform, dehydration, processing and other energy-related facilities, and activities or services reasonably related or ancillary thereto, (2) any business that generates gross income that constitutes "qualifying income" under Section 7704(d) of the Internal Revenue Code of 1986, as amended, other than any business that generates any gross income arising from the refining of a natural resource, and (3) any other business that does not constitute a reportable segment (as determined in accordance with GAAP) for El Paso Energy Partners's annual audited consolidated financial statements.

"Permitted Business Investments" means Investments by El Paso Energy Partners or any of its Restricted Subsidiaries in any Unrestricted Subsidiary of El Paso Energy Partners or in any Person that does not constitute a direct or indirect Subsidiary of El Paso Energy Partners (a "Joint Venture"), provided that:

(1) either (a) at the time of such Investment and immediately thereafter, El Paso Energy Partners could incur $1.00 of additional Indebtedness under the first paragraph in the limitation of indebtedness set forth under the caption "-- Incurrence of Indebtedness and Issuance of Disqualified Equity" above or (b) such Investment is made with the proceeds of Incremental Funds (as defined in the covenant described under "-- Covenants -- Restricted Payments");

(2) if such Unrestricted Subsidiary or Joint Venture has outstanding Indebtedness at the time of such Investment, either (a) all such Indebtedness is non-recourse to El Paso Energy Partners and its Restricted Subsidiaries or (b) any such Indebtedness of such Unrestricted Subsidiary or Joint Venture that is recourse to El Paso Energy Partners or any of its Restricted Subsidiaries (which shall include all Indebtedness of such Unrestricted Subsidiary or Joint Venture for which El Paso Energy Partners or any of its Restricted Subsidiaries may be directly or indirectly, contingently or otherwise, obligated to pay, whether pursuant to the terms of such Indebtedness, by law or pursuant to any guaranty or "claw-back," "make-well" or "keep-well" arrangement) could, at the time such Investment is made and, if later, at the time any such Indebtedness is incurred, be incurred by El Paso Energy Partners and its Restricted Subsidiaries in accordance with the limitation on indebtedness set forth in the first paragraph under the caption "-- Incurrence of Indebtedness and Issuance of Disqualified Equity" above; and

(3) such Unrestricted Subsidiary's or Joint Venture's activities are not outside the scope of the Permitted Business.

The term "Joint Venture" shall include Poseidon Oil Pipeline Company, L.L.C., Atlantis Offshore, L.L.C. and Deepwater Gateway, L.L.C., and none of Poseidon Oil Pipeline Company, Atlantis Offshore or Deepwater Gateway, L.L.C. shall constitute a Restricted Subsidiary for purposes of the Indenture (even if such Person is then a Subsidiary of El Paso Energy Partners), until such time as the Board of Directors of the General Partner designates, in a manner consistent with the designation of an Unrestricted Subsidiary as a Restricted Subsidiary or a Restricted Subsidiary as an Unrestricted Subsidiary, each as described under "Covenants Designation of Restricted and Unrestricted Subsidiaries," Poseidon Oil Pipeline Company, Atlantis Offshore or Deepwater Gateway, L.L.C., including one or more of its Subsidiaries, as the case may be, as a Restricted Subsidiary or an Unrestricted Subsidiary.

"Permitted Investments" means:

(1) any Investment in, or that results in the creation of, any Restricted Subsidiary of El Paso Energy Partners;

(2) any Investment in El Paso Energy Partners or in a Restricted Subsidiary of El Paso Energy Partners (excluding redemptions, purchases, acquisitions or other retirements of Equity Interests in El Paso Energy Partners) at any one time outstanding;

(3) any Investment in cash or Cash Equivalents;

(4) any Investment by El Paso Energy Partners or any Restricted Subsidiary of El Paso Energy Partners in a Person if as a result of such Investment:

(c) such Person becomes a Restricted Subsidiary of El Paso Energy Partners; or

(d) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, El Paso Energy Partners or a Restricted Subsidiary of El Paso Energy Partners;

(5) any Investment made as a result of the receipt of consideration consisting of other than cash or Cash Equivalents from an Asset Sale that was made pursuant to and in compliance with the covenant described above under the caption "-- Repurchase at the Option of Holders -- Asset Sales;"

(6) any acquisition of assets solely in exchange for the issuance of Equity Interests (other than Disqualified Equity) of El Paso Energy Partners;

(7) payroll advances in the ordinary course of business and other advances and loans to officers and employees of El Paso Energy Partners or any of its Restricted Subsidiaries, so long as the aggregate principal amount of such advances and loans does not exceed $1.0 million at any one time outstanding;

(8) Investments in stock, obligations or securities received in settlement of debts owing to El Paso Energy Partners or any of its Restricted Subsidiaries as a result of bankruptcy or insolvency proceedings or upon the foreclosure, perfection or enforcement of any Lien in favor of El Paso Energy Partners or any such Restricted Subsidiary, in each case as to debt owing to El Paso Energy Partners or any of its Restricted Subsidiary that arose in the ordinary course of business of El Paso Energy Partners or any such Restricted Subsidiary;

(9) any Investment in Hedging Obligations;

(10) any Investments in prepaid expenses, negotiable instruments held for collection and lease, utility, workers' compensation and performance and other similar deposits and prepaid expenses made in the ordinary course of business;

(11) any Investments required to be made pursuant to any agreement or obligation of El Paso Energy Partners or any Restricted Subsidiary in effect on the Issue Date and listed on a schedule to the Indenture; and

(12) other Investments in any Person engaged in a Permitted Business (other than an Investment in an Unrestricted Subsidiary) having an aggregate fair market value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (12) since the Issue Date and existing at the time the Investment, which is the subject of the determination, was made, not to exceed $5.0 million.

"Permitted Junior Securities" means: (1) nonmandatorily redeemable Equity Interests in El Paso Energy Partners or any Subsidiary Guarantor, as reorganized or readjusted; or (2) debt securities of El Paso Energy Partners or any Subsidiary Guarantor as reorganized or readjusted that are subordinated to all Senior Debt and Guarantor Senior Debt and any debt securities issued in exchange for Senior Debt and Guarantor Senior Debt to substantially the same extent as, or to a greater extent than, the notes and the Guarantees are subordinated to Senior Debt and Guarantor Senior Debt pursuant to the Indenture, provided that the rights of the holders of Senior Debt and Guarantor Senior Debt under the Partnership Credit Facility are not altered or impaired by such reorganization or readjustment.

"Permitted Liens" means:

(1) Liens on the assets of El Paso Energy Partners and any Subsidiary securing Senior Debt and Guarantor Senior Debt;

(2) easements, rights-of-way, restrictions, minor defects and irregularities in title and other similar charges or encumbrances not interfering in any material respect with the business of El Paso Energy Partners or its Restricted Subsidiaries;

(3) Liens securing reimbursement obligations of El Paso Energy Partners or a Restricted Subsidiary with respect to letters of credit encumbering only documents and other property relating to such letters of credit and the products and proceeds thereof;

(4) Liens encumbering deposits made to secure obligations arising from statutory, regulatory, contractual or warranty requirements of El Paso Energy Partners and its Restricted Subsidiaries;

(5) Liens in favor of El Paso Energy Partners or any of the Restricted Subsidiaries;

(6) any interest or title of a lessor in the property subject to a Capital Lease Obligation;

(7) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with El Paso Energy Partners or any Restricted Subsidiary of El Paso Energy Partners, provided that such Liens were in existence prior to the contemplation of such merger or consolidation and do not extend to any assets other than those of the Person merged into or consolidated with El Paso Energy Partners or such Restricted Subsidiary;

(8) Liens on property existing at the time of acquisition thereof by El Paso Energy Partners or any Restricted Subsidiary of El Paso Energy Partners, provided that such Liens were in existence prior to the contemplation of such acquisition and relate solely to such property, accessions thereto and the proceeds thereof;

(9) Liens to secure the performance of tenders, bids, leases, statutory obligations, surety or appeal bonds, government contracts, performance bonds or other obligations of a like nature incurred in the ordinary course of business;

(10) Liens on any property or asset acquired, constructed or improved by El Paso Energy Partners or any Restricted Subsidiary (a "Purchase Money Lien"), which (A) are in favor of the seller of such property or assets, in favor of the Person constructing or improving such asset or property, or in favor of the Person that provided the funding for the acquisition, construction or improvement of such asset or property, (B) are created within 360 days after the date of acquisition, construction or improvement, (C) secure the purchase price or construction or improvement cost, as the case may be, of such asset or property in an amount up to 100% of the fair market value (as determined by the Board of Directors of the General Partner) of such acquisition, construction or improvement of such asset or property, and (D) are limited to the asset or property so acquired, constructed or improved (including proceeds thereof, accessions thereto and upgrades thereof);

(11) Liens to secure performance of Hedging Obligations of El Paso Energy Partners or a Restricted Subsidiary;

(12) Liens existing on the date of the Indenture and Liens on any extensions, refinancing, renewal, replacement or defeasance of any Indebtedness or other obligation secured thereby;

(13) Liens on and pledges of the Equity Interests of any Unrestricted Subsidiary or any Joint Venture owned by El Paso Energy Partners or any Restricted Subsidiary to the extent securing Non-Recourse Debt or Indebtedness (other than Permitted Debt) otherwise permitted by the first paragraph under "-- Incurrence of Indebtedness and Issuance of Disqualified Equity;"

(14) statutory Liens of landlords and warehousemen's, carriers', mechanics', suppliers', materialman's, repairmen's, or other like Liens (including contractual landlord's liens) arising in the ordinary course of business and with respect to amounts not yet delinquent or being contested in good faith by

appropriate proceedings, if a reserve or appropriate provision, if any, as shall be required in conformity with GAAP shall have been made therefor;

(15) Liens incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other similar types of social security, old age pension or public liability obligations;

(16) Liens on pipelines or pipeline facilities that arise by operation of law;

(17) Liens arising under operating agreements, joint venture agreements, partnership agreements, oil and gas leases, farmout agreements, division orders, contracts for sale, transportation or exchange of oil and natural gas, unitization and pooling declarations and agreements, area of mutual interest agreements and other agreements arising in the ordinary course of El Paso Energy Partners's or any Restricted Subsidiary's business that are customary in the Permitted Business;

(18) judgment and attachment Liens not giving rise to a Default or Event of Default;

(19) Liens securing the Obligations of the Issuers under the notes and the indenture and of the Subsidiary Guarantors under the Guarantees;

(20) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded, provided that any reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor;

(21) Liens arising from protective filings made in the appropriate office(s) for the filing of a financing statement in the applicable jurisdiction(s) in connection with any lease, consignment or similar transaction otherwise permitted hereby, which filings are made for the purpose of perfecting the interest of the secured party in the relevant items, if the transaction were subsequently classified as a sale and secured lending arrangement;

(22) Liens arising out of consignment or similar arrangements for sale of goods;

(23) Liens upon specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(24) Liens securing any Indebtedness which includes a covenant that limits liens in a manner substantially similar to the covenant entitled "Liens;"

(25) Liens incurred in the ordinary course of business of El Paso Energy Partners or any Restricted Subsidiary of El Paso Energy Partners with respect to obligations that do not exceed $10.0 million at any one time outstanding; and

(26) Liens in favor of collecting or payor banks having a right of setoff, revocation, refund or chargeback with respect to money or instruments of El Paso Energy Partners or any of its Restricted Subsidiaries on deposit with or in possession of such bank.

"Permitted Refinancing Indebtedness" means any Indebtedness of El Paso Energy Partners or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund other Indebtedness of El Paso Energy Partners or any of its Restricted Subsidiaries (other than intercompany Indebtedness); provided that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount of (or accreted value, if applicable), plus accrued interest on the Indebtedness so extended, refinanced, renewed, replaced, defeased or refunded (plus the amount of necessary fees and expenses incurred in connection therewith and any premiums paid on the Indebtedness so extended, refinanced, renewed, replaced, defeased or refunded);

(2) such Permitted Refinancing Indebtedness has a final maturity date no earlier than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded;

(3) if the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded is subordinated in right of payment to the notes or the Guarantees, such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and is subordinated in right of payment to, the notes or the Guarantees, as the case may be, on terms at least as favorable to the holders of notes as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; and

(4) such Indebtedness is incurred either by El Paso Energy Partners or by the Restricted Subsidiary who is the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded.

"Rating Agency" means each of S&P and Moody's, or if S&P or Moody's or both shall not make a rating on the notes publicly available, a nationally recognized statistical rating agency or agencies, as the case may be, selected by the Issuer (as certified by a resolution of the Board of Directors) which shall be substituted for S&P or Moody's, or both, as the case may be.

"Restricted Investment" means an Investment other than a Permitted Investment or a Permitted Business Investment.

"Restricted Subsidiary" of a Person means any Subsidiary of the referenced Person that is not an Unrestricted Subsidiary. Notwithstanding anything in the Indenture to the contrary, El Paso Finance shall be designated as a Restricted Subsidiary of El Paso Energy Partners.

"S&P" means Standard & Poor's Ratings Group, Inc., or any successor to the rating agency business thereof.

"Senior Debt" means:

(1) all Indebtedness outstanding under Credit Facilities and all Hedging Obligations with respect thereto;

(2) any other Indebtedness permitted to be incurred by El Paso Energy Partners and the Restricted Subsidiaries under the terms of the Indenture, unless the instrument under which such Indebtedness is incurred expressly provides that it is on a parity with or subordinated in right of payment to the notes; and

(3) all Obligations with respect to the items listed in the preceding clauses (1) and (2).

Notwithstanding anything to the contrary in the preceding, Senior Debt will not include:

(1) any Indebtedness that is expressly subordinate or junior in right of payment to any Indebtedness of El Paso Energy Partners or any Subsidiary Guarantor;

(2) Indebtedness evidenced by the notes or the Guarantees;

(3) any liability for federal, state, local or other taxes owed or owing by El Paso Energy Partners or any Subsidiary Guarantor;

(4) any Indebtedness of El Paso Energy Partners or any of its Subsidiaries to any of its Subsidiaries or other Affiliates;

(5) any trade payables; or

(6) any Indebtedness that is incurred in violation of the Indenture.

"Significant Subsidiary" means any Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act and the Exchange Act, as such Regulation is in effect on the date hereof.

"Stated Maturity" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which such payment of interest or principal was scheduled to be paid in the original documentation governing such Indebtedness, and shall not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"Subsidiary" means, with respect to any Person:

(1) any corporation, association or other business entity of which more than 50% of the Voting Stock is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (whether general or limited), limited liability company or joint venture (a) the sole general partner or the managing general partner or managing member of which is such Person or a Subsidiary of such Person, or (b) if there are more than a single general partner or member, either (i) the only general partners or managing members of which are such Person and/or one or more Subsidiaries of such Person (or any combination thereof) or (ii) such Person owns or controls, directly or indirectly, a majority of the outstanding general partner interests, member interests or other Voting Stock of such partnership, limited liability company or joint venture, respectively.

"Subsidiary Guarantors" means each of:

(1) Argo, L.L.C.; Argo I, L.L.C.; Argo II, L.L.C.; Chaco Liquids Plant Trust; Crystal Holding, L.L.C.; Delos Offshore Company, L.L.C.; East Breaks Gathering Company, L.L.C.; El Paso Energy Partners Deepwater, L.L.C.; El Paso Energy Partners Oil Transport Systems, L.L.C.; El Paso Energy Partners Operating Company, L.L.C.; EPN NGL Storage, L.L.C.; First Reserve Gas, L.L.C.; Flextrend Development Company, L.L.C.; Green Canyon Pipe Line Company, L.P.; Hattiesburg Gas Storage Company; Hattiesburg Industrial Gas Sales, L.L.C.; High Island Offshore System, L.L.C.; Manta Ray Gathering Company, L.L.C.; Petal Gas Storage, L.L.C.; Poseidon Pipeline Company, L.L.C.; VK Deepwater Gathering Company, L.L.C.; VK-Main Pass Gathering Company, L.L.C.; and

(2) any other Subsidiary that executes a Guarantee in accordance with the provisions of the Indenture; and

(3) their respective successors and assigns.

Notwithstanding anything in the Indenture to the contrary, El Paso Finance shall not be a Subsidiary Guarantor.

"Suspended Covenants" has the meaning given to such term under the caption "-- Suspended Covenants."

"U.S. Government Obligations" means securities that are (i) direct obligations of the United States of America for the payment of which its full faith and credit is pledged; (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in either case under clauses (i) or (ii) above, are not callable or redeemable at the option of the issuers thereof: or (iii) depository receipts issued by a bank or trust company as custodian with respect to any such U.S. Government Obligations or a specific payment of interest on or principal of any such U.S. Government Obligation held by such custodian for the account of the holder of a Depository receipt, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such Depository receipt from any amount received by the custodian in respect of the U.S. Government Obligation evidenced by such Depository receipt.

"Unrestricted Subsidiary" means any Subsidiary of El Paso Energy Partners (other than El Paso Finance) that is designated by the Board of Directors of the General Partner as an Unrestricted Subsidiary pursuant to a Board Resolution, provided that, at the time of such designation, (x) no portion of the Indebtedness or other obligation of such Subsidiary (whether contingent or otherwise and whether pursuant to the terms of such Indebtedness or the terms governing the organization of such Subsidiary or by law) (A) is guaranteed by El Paso Energy Partners or any other Restricted Subsidiary, (B) is recourse to or obligates El Paso Energy Partners or any Restricted Subsidiary in any way (including any "claw-back," "keep-well," "make-well" or other agreements, arrangements or understandings to maintain the financial performance or results of operations of such Subsidiary or to otherwise infuse or contribute cash to such Subsidiary), or (C) subjects any property or assets of El Paso Energy Partners or any Restricted Subsidiary, directly or indirectly, contingently or otherwise, to the satisfaction of such Indebtedness, unless such Investment or Indebtedness is permitted by the provisions of the Indenture described above under the captions "-- Covenants -- Restricted Payments" and "-- Incurrence of Indebtedness and Issuance of Disqualified Equity," (y) no Equity Interests of a Restricted Subsidiary are held by such Subsidiary, directly or indirectly, and (z) the amount of El Paso Energy Partners's Investment, as determined at the time of such designation, in such Subsidiary since the Issue Date to the date of designation is treated as of the date of such designation as a Restricted Investment, Permitted Investment or Permitted Business Investment, as applicable. Initially, EPN Holding and its subsidiaries shall be designated as Unrestricted Subsidiaries. Notwithstanding anything in the Indenture to the contrary, El Paso Finance shall not be, and shall not be designated as, an Unrestricted Subsidiary.

Any designation of a Subsidiary of El Paso Energy Partners as an Unrestricted Subsidiary shall be evidenced to the Trustee by filing with the Trustee a certified copy of the resolutions of the Board of Directors of the General Partner giving effect to such designation and an Officers' Certificate certifying that such designation compiled with the preceding conditions and was permitted by the covenant described above under the caption "-- Covenants -- Restricted Payments." If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it shall thereafter cease to be an Unrestricted Subsidiary for purposes of the Indenture and any Indebtedness of such Subsidiary shall be deemed to be incurred by a Restricted Subsidiary of El Paso Energy Partners as of such date and, if such Indebtedness is not permitted to be incurred as of such date under the covenant described under the caption "Incurrence of Indebtedness and Issuance of Preferred Stock," El Paso Energy Partners shall be in default of such covenant. The Board of Directors of the General Partner may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that such designation shall be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of El Paso Energy Partners of any outstanding Indebtedness of such Unrestricted Subsidiary and such designation shall only be permitted if (1) such Indebtedness is permitted under the covenant described under the caption "-- Covenants -- Incurrence of Indebtedness and Issuance of Disqualified Equity," calculated on a pro forma basis as if such designation had occurred at the beginning of the four-quarter reference period; and (2) no Default or Event of Default would be in existence following such designation.

"Voting Stock" of any Person as of any date means the Equity Interests of such Person pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect at least a majority of the board of directors, managers, general partners or trustees of any Person (regardless of whether, at the time, Equity Interests of any other class or classes shall have, or might have, voting power by reason of the occurrence of any contingency) or, with respect to a partnership (whether general or limited), any general partner interest in such partnership.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

FEDERAL INCOME TAX CONSIDERATIONS

The following is a general discussion of United States federal income tax considerations applicable to the initial holders of the notes who purchase the notes at their "issue price," that is, the first price at which a substantial amount of the notes is sold for money to the public (not including bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). This summary is based upon provisions of the Internal Revenue Code of 1986, as amended (the "Code"), regulations, rulings and decisions currently in effect, all of which are subject to change, possibly with retroactive effect. The discussion does not purport to deal with all aspects of the United States federal taxation that may be relevant to particular investors in light of their particular circumstances (for example, to persons holding notes as part of a conversion transaction or as part of a hedge or hedging transaction, or as a position in a straddle for tax purposes), nor does it discuss the United States federal income tax considerations applicable to certain types of investors subject to special treatment under the federal income tax laws (for example, insurance companies, tax-exempt organizations and financial institutions). In addition, the discussion does not consider the effect of any foreign, state, local or other tax laws that may be applicable to a particular investor. The discussion assumes that investors hold the notes as "capital assets" within the meaning of Section 1221 of the Code. We intend to treat the notes as indebtedness and not as equity for United States federal income tax purposes, and the United States federal income and estate tax considerations described below are based on that characterization.

PROSPECTIVE INVESTORS CONSIDERING THE PURCHASE OF NOTES SHOULD CONSULT THEIR TAX ADVISORS WITH REGARD TO THE APPLICATION OF THE UNITED STATES FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER THE LAWS OF ANY STATE, LOCAL OR FOREIGN TAXING JURISDICTION.

TAX CONSEQUENCES TO UNITED STATES HOLDERS

As used in this tax discussion, the term "United States holder" means a beneficial owner of a note that is, for United States federal income tax purposes,

- a citizen or resident of the United States,
- a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof,
- an estate, the income of which is subject to United States federal income taxation regardless of its source, or
- a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust.

The term also includes certain former citizens and certain former long-term residents of the United States.

Interest on a Note. The notes were not issued with original issue discount for United States federal income tax purposes. Accordingly, interest on a note will generally be taxable to a United States holder as ordinary interest income at the time it accrues or is received in accordance with the United States holder's method of accounting for United States federal income tax purposes.

Sale of Retirement of a Note. Upon the sale or retirement of a note, a United States holder will recognize a taxable gain or loss equal to the difference between the amount realized on the sale or retirement and the holder's adjusted tax basis in the note. This gain or loss generally will be capital gain or loss and will be long-term capital gain or loss if the notes have been held for more than one year. To the extent the amount realized represents accrued but unpaid interest, that amount must be taken into account as interest income, if it was not previously included in income of the holder.

Exchange Offer. The exchange of the Series A notes for Series B notes pursuant to this exchange offer will not result in any United States federal income tax consequences to the United States holders.

When a United States holder exchanges a Series A note for a Series B note pursuant to the exchange offer, the holder will have the same adjusted tax basis and holding period in the Series B note as in the Series A note immediately before the exchange.

Backup Withholding and Information Reporting. Information reporting will apply to payments of principal, premium and interest on, and the proceeds of disposition of, a note with respect to certain noncorporate United States holders and backup unitholding at a rate of 31% may also apply. Backup withholding will apply only if the United States holder (i) fails to furnish its Taxpayer Identification Number ("TIN") which, for an individual, would be his Social Security number, (ii) furnishes an incorrect TIN, (iii) is notified by the Internal Revenue Service that it has failed to properly report payments of interest or dividends or (iv) under certain circumstances, fails to certify, under penalties of perjury, that it has not been notified by the IRS that it is subject to backup withholding for failure to report interest and dividend payments. United States holders should consult their tax advisors regarding their qualification for exemption from backup withholding and the procedure for obtaining such an exemption if applicable.

The amount of any backup withholding from a payment to a United States holder will be allowed as a credit against the holder's United States federal income tax liability and may entitle the holder to a refund, provided that the required information is furnished to the Internal Revenue Service.

TAX CONSEQUENCES TO NON-UNITED STATES HOLDERS

As used in this tax discussion, a non-United States holder means any beneficial owner of a note that is not a United States holder. The rules governing the United States federal income and estate taxation of a non-United States holder are complex, and no attempt will be made herein to provide more than a summary of those rules. Special rules may apply to a non-United States holder if that holder is a controlled foreign corporation, passive foreign investment company or foreign personal holding company and therefore subject to special treatment under the Code. NON-UNITED STATES HOLDERS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS TO DETERMINE THE EFFECT OF FEDERAL, STATE, LOCAL AND FOREIGN TAX LAWS WITH REGARD TO AN INVESTMENT IN THE NOTES, INCLUDING ANY REPORTING REQUIREMENTS.

Payment of Interest. Generally, payment of interest on a note to a non-United States holder will qualify for the "portfolio interest" exemption and, therefore, will not be subject to United States federal income tax or withholding tax, provided that this interest income is not effectively connected with a United States trade or business of the non-United States holder and provided that the non-United States holder:

- does not actually or constructively own 10% or more of the capital or profits interest in any issuer or 10% or more of the combined voting power of all classes of stock of any issuer entitled to vote,

- is not, for United States federal income tax purposes, a controlled foreign corporation related to the issuer within the meaning of the Code,

- is not a bank receiving interest on a loan entered into in the ordinary course of its business within the meaning of the Code and

- either:

  (a) provides a Form W-8BEN or W-8IMY, as appropriate (or a suitable substitute form), signed under penalties of perjury that includes its name and address and certifies as to its non-United States holder status in compliance with applicable law and regulations or

  (b) holds its notes through a securities clearing organization, bank or other financial institution that holds customers' securities in the ordinary course of its trade or business and that provides a statement signed under penalties of perjury in which it certifies to the issuers or the issuers' agent that a Form W-8BEN or W-8IMY, as appropriate (or suitable substitute), has been received by it from the non-United States holder or qualifying intermediary and furnishes the issuers or the issuers' agent with a copy thereof.

Recently adopted United States Treasury Regulations provide alternative methods for satisfying these certification requirements and are generally effective for payments made after December 31, 2000, subject to certain transition rules. For example, in the case of notes held by a foreign partnership, the new regulations require that the certification described above be provided by the partners rather than by the partnership and that the partnership provide certain information, including a U.S. taxpayer identification number. A look-through rule applies in the case of tiered partnerships. Non-United States holders are urged to consult their own tax advisors regarding the new regulations.

Except to the extent that an applicable treaty otherwise provides, a non-United States holder generally will be taxed in the same manner as a United States holder with respect to interest if the interest income is effectively connected with a United States trade or business of the non-United States holder. Effectively connected interest received by a corporate non-United States holder may also, under certain circumstances, be subject to an additional "branch profits tax" at a 30% rate (or, if applicable, a lower treaty rate). Even though this effectively connected interest is subject to income tax, and may be subject to the branch profits tax, it is not subject to withholding tax, unless derived through a partnership, if the non-United States holder delivers IRS Form W-8ECI (or successor form) annually to the payor.

Interest income of a non-United States holder that is not effectively connected with a United States trade or business and that does not qualify for the portfolio interest exemption described above will generally be subject to a withholding tax at a 30% rate unless that rate is reduced or eliminated pursuant to an applicable tax treaty.

Sale, Exchange or Redemption of the Notes. A non-United States holder of a note will generally not be subject to United States federal income tax or withholding tax on any gain realized on the sale, exchange, redemption or other disposition of the note unless:

- the gain is effectively connected with a United States trade or business of the non-United States holder,

- in the case of a non-United States holder who is an individual, the holder is present in the United States for a period or periods aggregating 183 days or more during the taxable year of the disposition, and either the holder has a "tax home" in the United States or the disposition is attributable to an office or other fixed place of business maintained by that holder in the United States or

- the non-United States holder is subject to tax pursuant to the provisions of the Code applicable to certain United States expatriates.

U.S. Federal Estate Tax Considerations. A note beneficially owned by an individual who is not a citizen or resident of the United States at the time of death will generally not be includable in the decedent's gross estate for United States federal estate tax purposes, provided that the beneficial owner did not at the time of death actually or constructively own 10% or more of the capital or profits interests in any issuer or 10% or more of the combined voting power of all classes of stock of any issuer entitled to vote, and provided that, at the time of the holder's death, payments with respect to that note would not have been effectively connected with the holder's conduct of a trade or business within the United States.

Information Reporting and Backup Withholding Tax. United States information reporting requirements and backup withholding tax generally will not apply to payments of interest and principal on a note to a non-United States holder if the statement described in "-- Payment of Interest" is duly provided by the holder or the holder otherwise establishes an exemption, provided that the issuers do not have actual knowledge that the holder is a United States person.

Information reporting requirements and backup withholding tax generally will not apply to any payment of the proceeds of the sale of a note effected outside the United States by a foreign office of a "broker" (as defined in applicable United States Treasury Regulations). However, if the broker:

- is a United States person,

- derives 50% or more of its gross income from all sources for certain periods from the conduct of a United States trade or business,

- is a controlled foreign corporation for United States tax purposes or

- is a foreign partnership in which one or more United States persons, in the aggregate, own more than 50% of the income or capital interests in the partnership or a foreign partnership that is engaged in a trade or business in the United States,

payment of the proceeds will be subject to information reporting requirements unless the broker has documentary evidence in its records that the beneficial owner is a non-United States holder and certain other conditions are met, or the beneficial owner otherwise establishes an exemption.

Payment of the proceeds of any sale of a note to or through the United States office of a broker, whether foreign or United States, is subject to information reporting and backup withholding requirements, unless the beneficial owner of the note provides the statement described in "-- Payment of Interest" or otherwise establishes an exemption and the broker does not have actual knowledge that the payee is a United States person or that the exemption conditions are not satisfied.

Any amounts withheld from a payment to a non-United States holder under the backup withholding rules will be allowed as a credit against the holder's United States federal income tax liability and may entitle the non-United States holder to a refund, provided that the required information is provided to the IRS.

United States Treasury Regulations, which generally are effective for payments made after December 31, 2000, provide certain presumptions under which a non-United States holder is subject to backup withholding and information reporting unless such holder provides a certification as to its non-United States status. Non-United States holders should consult their own tax advisors with respect to the impact of the new regulations.

THE FEDERAL TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON A HOLDER'S PARTICULAR SITUATION. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE NOTES, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND THE POSSIBLE EFFECTS OF CHANGES IN FEDERAL OR OTHER TAX LAWS.

PLAN OF DISTRIBUTION

Based on interpretations by the staff of the SEC set forth in no-action letters issued to third parties, we believe that you may freely transfer Series B notes issued under the exchange offer in exchange for Series A notes, unless you are:

- our "affiliate" within the meaning of Rule 405 under the Securities Act;

- a broker-dealer or an initial purchaser that acquired Series A notes directly from us; or

- a broker-dealer that acquired Series A notes as a result of market-making or other trading activities without compliance with the registration and prospectus delivery provisions of the Securities Act;

provided that you acquire the Series B notes in the ordinary course of your business and you are not engaged in, and do not intend to engage in, and have no arrangement or understanding with any person to participate in, a distribution of the Series B notes. Broker-dealers receiving Series B notes in the exchange offer in exchange for Series A notes that were acquired in market-making or other trading activities will be subject to a prospectus delivery requirement with respect to resales of the Series B notes.

To date, the staff of the SEC has taken the position that participating broker-dealers may fulfill their prospectus delivery requirements with respect to transactions involving an exchange of securities such as this exchange offer, other than a resale of an unsold allotment from the original sale of the Series A notes, with the prospectus contained in the exchange offer registration statement. Pursuant to the registration

agreement, we have agreed to permit such participating broker-dealers to use this prospectus in connection with the resale of Series B notes.

If you wish to exchange your Series A notes for Series B notes in the exchange offer, you will be required to make certain representations to us as set forth in "The Exchange Offer -- Registration Rights" and "The Exchange Offer -- Procedures for Tendering Series A Notes -- Determination of Validity" of this prospectus beginning on pages 12 and 19, and in the letter of transmittal. In addition, if you are a broker-dealer who receives Series B notes for your own account in exchange for Series A notes that were acquired by you as a result of market-making activities or other trading activities, you will be required to acknowledge that you will deliver a prospectus in connection with any resale by you of those Series B notes. See "The Exchange Offer -- Resale of Series B Notes; Plan of Distribution" beginning on page 23.

We will not receive any proceeds from any sale of Series B notes by broker-dealers. Broker-dealers who receive Series B notes for their own account in the exchange offer may sell them from time to time in one or more transactions in the over-the-counter market:

- in negotiated transactions;
- through the writing of options on the Series B notes or a combination of such methods of resale;
- at market prices prevailing at the time of resale; or
- at prices related to the prevailing market prices or negotiated prices.

Any resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any broker-dealer or the purchasers of any Series B notes. Any broker-dealer that resells Series B notes it received for its own account pursuant to the exchange offer and any broker or dealer that participates in a distribution of Series B notes may be deemed to be an "underwriter" within the meaning of the Securities Act, and any profit on any resale of Series B notes and any commissions or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. Although the letter of transmittal requires a broker-dealer to deliver a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act as a result of such delivery.

We have agreed to pay all expenses incidental to the exchange offer other than commissions and concessions of any brokers or dealers and will indemnify holders of the Series A notes, including any broker-dealers, against certain liabilities, including liabilities under the Securities Act, as set forth in the registration rights agreement.

VALIDITY OF THE SERIES B NOTES

The validity of the Series B notes being offered hereby will be passed upon for us by Akin, Gump, Strauss, Hauer & Feld, L.L.P., Houston, Texas.

EXPERTS

The financial statements incorporated in this Registration Statement by reference to the Current Report on Form 8-K/A dated July 19, 2002 of El Paso Energy Partners, L.P., the Annual Report on Form 10-K of El Paso Energy Partners, L.P. for Poseidon Oil Pipeline Company, L.L.C., the Current Report on Form 8-K dated April 22, 2002 of El Paso Energy Partners, L.P., and the Current Report on Form 8-K dated August 12, 2002 of El Paso Energy Partners, L.P., have been so incorporated in reliance on the reports of PricewaterhouseCoopers L.L.P., independent accountants, given on the authority of said firm as experts in auditing and accounting.

The consent of Arthur Andersen LLP to the inclusion of its report regarding the financial statements of Poseidon Oil Pipeline Company, L.L.C. with respect to periods prior to 2001, incorporated in this prospectus and registration statement by reference to El Paso Energy Partners' Annual Report on

Form 10-K for the year ended December 31, 2000, is omitted pursuant to Securities Act Rule 437a. We attempted to obtain the appropriate consent from Arthur Andersen LLP, but the personnel responsible for the audit of Poseidon's financial statements are no longer employed by Arthur Andersen LLP. Because Arthur Andersen LLP has not consented to the inclusion of their report in this prospectus, you will not be able to recover against Arthur Andersen LLP under Section 11 of the Securities Act of 1933 for any untrue statement of a material fact contained in the financial statements audited by Arthur Andersen LLP or any omissions to state a material fact required to be stated therein. We have not obtained a consent from Arthur Andersen LLP with respect to such financial statements.

Information derived from the report of Netherland, Sewell & Associates, Inc., independent petroleum engineers, with respect to El Paso Energy Partners' estimated oil and natural gas reserves incorporated in this prospectus and registration statement by reference to El Paso Energy Partners' Annual Report on Form 10-K for the year ended December 31, 2001, has been so incorporated in reliance on the authority of said firm as experts with respect to such matters contained in their report.

ANNEX A

LETTER OF TRANSMITTAL

TO TENDER FOR EXCHANGE
8 1/2% SERIES A SENIOR SUBORDINATED NOTES DUE 2011
OF

EL PASO ENERGY PARTNERS, L.P.
EL PASO ENERGY PARTNERS FINANCE CORPORATION

PURSUANT TO THE PROSPECTUS DATED , 2002

THIS OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2002 UNLESS EXTENDED BY EL PASO ENERGY PARTNERS, L.P. AND EL PASO ENERGY PARTNERS FINANCE CORPORATION IN THEIR SOLE DISCRETION (THE "EXPIRATION DATE"). TENDERS OF NOTES MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE.

The Exchange Agent for the Exchange Offer is:

JPMORGAN CHASE BANK

By Mail:	By Facsimile:	By Hand:
JPMorgan Chase Bank	(713) 577-5200	JPMorgan Chase Bank
600 Travis, Suite 1150	Attention: Rebecca Newman	600 Travis, Suite 1150
Houston, Texas 77002	Confirm by Telephone:	Houston, Texas 77002
Attention: Rebecca Newman	(713) 216-4931	Attention: Rebecca Newman
	Attention: Rebecca Newman	

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSION OF INSTRUCTIONS VIA FACSIMILE TO A NUMBER OTHER THAN AS LISTED ABOVE WILL NOT CONSTITUTE A VALID DELIVERY.

HOLDERS WHO WISH TO BE ELIGIBLE TO RECEIVE SERIES B NOTES PURSUANT TO THE EXCHANGE OFFER MUST VALIDLY TENDER (AND NOT WITHDRAW) THEIR SERIES A NOTES TO THE EXCHANGE AGENT ON OR PRIOR TO THE EXPIRATION DATE.

This Letter of Transmittal is to be used by holders ("Holders") of 8 1/2% Series A Senior Subordinated Notes due 2011 (the "Series A Notes") of El Paso Energy Partners, L.P. and El Paso Energy Partners Finance Corporation (together, the "Issuers") to receive 8 1/2% Series B Senior Subordinated Notes due 2011 (the "Series B Notes") if: (i) certificates representing Series A Notes are to be physically delivered to the Exchange Agent herewith by such Holders; (ii) tender of Series A Notes is to be made by book-entry transfer to the Exchange Agent's account at The Depository Trust Company ("DTC") pursuant to the procedures set forth under the caption "The Exchange Offer -- Procedures for Tendering Series A Notes Book-Entry Delivery Procedures" in the Prospectus dated (the "Prospectus"); or (iii) tender of Series A Notes is to be made according to the guaranteed delivery procedures set forth under the caption "The Exchange Offer -- Procedures for Tendering Series A Notes -- Guaranteed Delivery" in the Prospectus, and, in each case, instructions are not being transmitted through the DTC

Automated Tender Offer Program ("ATOP"). The undersigned hereby acknowledges receipt of the Prospectus. All capitalized terms used herein and not defined shall have the meanings ascribed to them in the Prospectus.

Holders of Series A Notes that are tendering by book-entry transfer to the Exchange Agent's account at DTC can execute the tender through ATOP, for which the transaction will be eligible. DTC participants that are accepting the exchange offer as set forth in the Prospectus and this Letter of Transmittal (together, the "Exchange Offer") must transmit their acceptance to DTC which will edit and verify the acceptance and execute a book-entry delivery to the Exchange Agent's account at DTC. DTC will then send an Agent's Message to the Exchange Agent for its acceptance. Delivery of the Agent's Message by DTC will satisfy the terms of the Offer as to execution and delivery of a Letter of Transmittal by the participant identified in the Agent's Message. DTC participants may also accept the Exchange Offer by submitting a notice of guaranteed delivery through ATOP.

DELIVERY OF DOCUMENTS TO DTC DOES NOT CONSTITUTE DELIVERY TO THE EXCHANGE AGENT.

If a Holder desires to tender Series A Notes pursuant to the Exchange Offer and time will not permit this Letter of Transmittal, certificates representing such Series A Notes and all other required documents to reach the Exchange Agent, or the procedures for book-entry transfer cannot be completed, on or prior to the Expiration Date, then such Holder must tender such Series A Notes according to the guaranteed delivery procedures set forth under the caption "The Exchange Offer -- Procedures for Tendering Series A Notes -- Guaranteed Delivery" in the Prospectus. See Instruction 2.

The undersigned should complete, execute and deliver this Letter of Transmittal to indicate the action the undersigned desires to take with respect to the Exchange Offer.

TENDER OF SERIES A NOTES

[ ] CHECK HERE IF TENDERED SERIES A NOTES ARE ENCLOSED HEREWITH.

[ ] CHECK HERE IF TENDERED SERIES A NOTES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO THE ACCOUNT MAINTAINED BY THE EXCHANGE AGENT WITH DTC AND COMPLETE THE FOLLOWING:

Name of Tendering Institution: ----------

Account Number: ----------

Transaction Code Number: ----------

[ ] CHECK HERE IF TENDERED SERIES A NOTES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE EXCHANGE AGENT AND COMPLETE THE FOLLOWING:

Name(s) of Registered Holder(s): ----------

Window Ticker Number (if any): ----------

Date of Execution of Notice of Guaranteed Delivery: ----------

Name of Eligible Institution that Guaranteed Delivery: ----------

List below the Series A Notes to which this Letter of Transmittal relates. The name(s) and address(es) of the registered Holder(s) should be printed, if not already printed below, exactly as they appear on the Series A Notes tendered hereby. The Series A Notes and the principal amount of Series A Notes that the undersigned wishes to tender would be indicated in the appropriate boxes. If the space provided is inadequate, list the certificate number(s) and principal amount(s) on a separately executed schedule and affix the schedule to this Letter of Transmittal.

DESCRIPTION OF SERIES A NOTES

NAME(S) AND ADDRESS(ES) OF REGISTERED HOLDER(S) (PLEASE FILL IN IF BLANK) SEE INSTRUCTION 3.	CERTIFICATE NUMBER(S)*	AGGREGATE PRINCIPAL AMOUNT REPRESENTED**	PRINCIPAL AMOUNT TENDERED**	TOTAL PRINCIPAL AMOUNT OF SERIES A NOTES

* Need not be completed by Holders tendering by book-entry transfer.

** Unless otherwise specified, the entire aggregate principal amount represented by the Series A Notes described above will be deemed to be tendered. See Instruction 4.

NOTE: SIGNATURES MUST BE PROVIDED BELOW.
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY.

Ladies and Gentlemen:

The undersigned hereby tenders to El Paso Energy Partners, L.P. and El Paso Energy Partners Finance Corporation (together, the "Issuers"), upon the terms and subject to the conditions set forth in its Prospectus dated , 2002 (the "Prospectus"), receipt of which is hereby acknowledged, and in accordance with this Letter of Transmittal (which together constitute the "Exchange Offer"), the principal amount of Series A Notes indicated in the foregoing table entitled "Description of Series A Notes" under the column heading "Principal Amount Tendered." The undersigned represents that it is duly authorized to tender all of the Series A Notes tendered hereby which it holds for the account of beneficial owners of such Series A Notes ("Beneficial Owner(s)") and to make the representations and statements set forth herein on behalf of such Beneficial Owner(s).

Subject to, and effective upon, the acceptance for purchase of the principal amount of Series A Notes tendered herewith in accordance with the terms and subject to the conditions of the Exchange Offer, the undersigned hereby sells, assigns and transfers to, or upon the order of, the Issuers, all right, title and interest in and to all of the Series A Notes tendered hereby. The undersigned hereby irrevocably constitutes and appoints the Exchange Agent the true and lawful agent and attorney-in-fact of the undersigned (with full knowledge that the Exchange Agent also acts as the agent of the Issuers) with respect to such Series A Notes, with full powers of substitution and revocation (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (i) present such Series A Notes and all evidences of transfer and authenticity to, or transfer ownership of, such Series A Notes on the account books maintained by DTC to, or upon the order of, the Issuers, (ii) present such Series A Notes for transfer of ownership on the books of the Issuers, and (iii) receive all benefits and otherwise exercise all rights of beneficial ownership of such Series A Notes, all in accordance with the terms and conditions of the Exchange Offer as described in the Prospectus.

By accepting the Exchange Offer, the undersigned hereby represents and warrants that:

(1) the Series B Notes to be acquired by the undersigned and any Beneficial Owner(s) in connection with the Exchange Offer are being acquired by the undersigned and any Beneficial Owner(s) in the ordinary course of business of the undersigned and any Beneficial Owner(s),

(2) the undersigned and each Beneficial Owner are not participating, do not intend to participate, and have no arrangement or understanding with any person to participate, in the distribution of the Series B Notes,

(3) except as indicated below, neither the undersigned nor any Beneficial Owner is an "affiliate," as defined in Rule 405 under the Securities Act of 1933, as amended (together with the rules and regulations promulgated thereunder, the "Securities Act"), of the Issuers, and

(4) the undersigned and each Beneficial Owner acknowledge and agree that (x) any person participating in the Exchange Offer with the intention or for the purpose of distributing the Series B Notes must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale of the Series B Notes acquired by such person with a registration statement containing the selling securityholder information required by Item 507 of Regulation S-K of the Securities and Exchange Commission (the "SEC") and cannot rely on the interpretation of the Staff of the SEC set forth in the no-action letters that are noted in the section of the Prospectus entitled "The Exchange Offer -- Registration Rights" and (y) any broker-dealer that pursuant to the Exchange Offer receives Series B Notes for its own account in exchange for Series A Notes which it acquired for its own account as a result of market-making activities or other trading activities must deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such Series B Notes.

If the undersigned is a broker-dealer that will receive Series B Notes for its own account in exchange for Series A Notes that were acquired as the result of market-making activities or other trading activities, it acknowledges that it will deliver a prospectus in connection with any resale of such Series B Notes. By so acknowledging and by delivering a prospectus, a broker-dealer shall not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

The undersigned understands that tenders of Series A Notes may be withdrawn by written notice of withdrawal received by the Exchange Agent at any time prior to the Expiration Date in accordance with the Prospectus. In the event of a termination of the Exchange Offer, the Series A Notes tendered pursuant to the Exchange Offer will be returned to the tendering Holders promptly (or, in the case of Series A Notes tendered by book-entry transfer, such Series A Notes will be credited to the account maintained at DTC from which such Series A Notes were delivered). If the Issuers make a material change in the terms of the Exchange Offer or the information concerning the Exchange Offer or waives a material condition of such Exchange Offer, the Issuers will disseminate additional Exchange Offer materials and extend such Exchange Offer, if and to the extent required by law.

The undersigned understands that the tender of Series A Notes pursuant to any of the procedures set forth in the Prospectus and in the instructions hereto will constitute the undersigned's acceptance of the terms and conditions of the Exchange Offer. The Issuers' acceptance for exchange of Series A Notes tendered pursuant to any of the procedures described in the Prospectus will constitute a binding agreement between the undersigned and the Issuers in accordance with the terms and subject to the conditions of the Exchange Offer. For purposes of the Exchange Offer, the undersigned understands that validly tendered Series A Notes (or defectively tendered Series A Notes with respect to which the Issuers have, or have caused to be, waived such defect) will be deemed to have been accepted by the Issuers if, as and when the Issuers give oral or written notice thereof to the Exchange Agent.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign and transfer the Series A Notes tendered hereby, and that when such tendered Series A Notes are accepted for purchase by the Issuers, the Issuers will acquire good title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim or right. The

undersigned and each Beneficial Owner will, upon request, execute and deliver any additional documents deemed by the Exchange Agent or by the Issuers to be necessary or desirable to complete the sale, assignment and transfer of the Series A Notes tendered hereby.

All authority conferred or agreed to be conferred by this Letter of Transmittal shall not be affected by, and shall survive the death or incapacity of the undersigned and any Beneficial Owner(s), and any obligation of the undersigned or any Beneficial Owner(s) hereunder shall be binding upon the heirs, executors, administrators, trustees in bankruptcy, personal and legal representatives, successors and assigns of the undersigned and such Beneficial Owner(s).

The undersigned understands that the delivery and surrender of any Series A Notes is not effective, and the risk of loss of the Series A Notes does not pass to the Exchange Agent or the Issuers, until receipt by the Exchange Agent of this Letter of Transmittal, or a manually signed facsimile hereof, properly completed and duly executed, together with all accompanying evidences of authority and any other required documents in form satisfactory to the Issuers. All questions as to form of all documents and the validity (including time of receipt) and acceptance of tenders and withdrawals of Series A Notes will be determined by the Issuers, in their discretion, which determination shall be final and binding.

Unless otherwise indicated herein under "Special Issuance Instructions," the undersigned hereby requests that any Series A Notes representing principal amounts not tendered or not accepted for exchange be issued in the name(s) of the undersigned (and in the case of Series A Notes tendered by book-entry transfer, by credit to the account of DTC), and Series B Notes issued in exchange for Series A Notes pursuant to the Exchange Offer be issued to the undersigned. Similarly, unless otherwise indicated herein under "Special Delivery Instructions," the undersigned hereby requests that any Series A Notes representing principal amounts not tendered or not accepted for exchange and Series B Notes issued in exchange for Series A Notes pursuant to the Exchange Offer be delivered to the undersigned at the address shown below the undersigned's signature(s). In the event that the "Special Issuance Instructions" box or the "Special Delivery Instructions" box is, or both are, completed, the undersigned hereby requests that any Series A Notes representing principal amounts not tendered or not accepted for purchase be issued in the name(s) of, certificates for such Series A Notes be delivered to, and Series B Notes issued in exchange for Series A Notes pursuant to the Exchange Offer be issued in the name(s) of, and be delivered to, the person(s) at the address(es) so indicated, as applicable. The undersigned recognizes that the Issuers have no obligation pursuant to the "Special Issuance Instructions" box or "Special Delivery Instructions" box to transfer any Series A Notes from the name of the registered Holder(s) thereof if the Issuers do not accept for exchange any of the principal amount of such Series A Notes so tendered.

[ ] CHECK HERE IF YOU OR ANY BENEFICIAL OWNER FOR WHOM YOU HOLD SERIES A NOTES IS AN AFFILIATE OF THE ISSUERS.

[ ] CHECK HERE IF YOU OR ANY BENEFICIAL OWNER FOR WHOM YOU HOLD SERIES A NOTES TENDERED HEREBY IS A BROKER-DEALER WHO ACQUIRED SUCH NOTES DIRECTLY FROM THE ISSUERS OR AN AFFILIATE OF THE ISSUERS.

[ ] CHECK HERE AND COMPLETE THE LINES BELOW IF YOU OR ANY BENEFICIAL OWNER FOR WHOM YOU HOLD SERIES A NOTES TENDERED HEREBY IS A BROKER-DEALER WHO ACQUIRED SUCH NOTES IN MARKET-MAKING OR OTHER TRADING ACTIVITIES. IF THIS BOX IS CHECKED, THE ISSUERS WILL SEND 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO TO YOU OR SUCH BENEFICIAL OWNER AT THE ADDRESS SPECIFIED IN THE FOLLOWING LINES.

Name: ----------

Address: ----------

SPECIAL ISSUANCE INSTRUCTIONS
(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if Series A Notes in a principal amount not tendered or not accepted for exchange are to be issued in the name of, or Series B Notes are to be issued in the name of, someone other than the person(s) whose signature(s) appear(s) within this Letter of Transmittal or issued to an address different from that shown in the box entitled "Description of Series A Notes" within this Letter of Transmittal.

Issue: [ ] Series A Notes [ ] Series B Notes

(check as applicable)

Name

(PLEASE PRINT)

Address

(PLEASE PRINT)

(ZIP CODE)

(TAX IDENTIFICATION OR SOCIAL SECURITY NUMBER)
(SEE SUBSTITUTE FORM W-9 HEREIN)

SPECIAL DELIVERY INSTRUCTIONS
(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if Series A Notes in a principal amount not tendered or not accepted for exchange or Series B Notes are to be sent to someone other than the person(s) whose signature(s) appear(s) within this Letter of Transmittal or to an address different from that shown in the box entitled "Description of Series A Notes" within this Letter of Transmittal.

Issue: [ ] Series A Notes [ ] Series B Notes

(check as applicable)

Name

(PLEASE PRINT)

Address

(PLEASE PRINT)

ZIP CODE)

(TAX IDENTIFICATION OR SOCIAL SECURITY NUMBER)
(SEE SUBSTITUTE FORM W-9 HEREIN)

PLEASE SIGN HERE

(TO BE COMPLETED BY ALL TENDERING HOLDERS OF SERIES A NOTES
REGARDLESS OF WHETHER SERIES A NOTES ARE BEING PHYSICALLY DELIVERED HEREWITH)

This Letter of Transmittal must be signed by the registered Holder(s) exactly as name(s) appear(s) on certificate(s) for Series A Notes or, if tendered by a participant in DTC exactly as such participant's name appears on a security position listing as owner of Series A Notes, or by the person(s) authorized to become registered Holder(s) by endorsements and documents transmitted herewith. If signature is by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, please set forth full title and see Instruction 5.

- ---

- ---

Signature(s) of Registered Holder(s) or Authorized Signatory
(See guarantee requirement below)

Dated:
- ---

Name(s):
- ---
(Please Print)

Capacity (Full Title):
- ---

Address:
- ---

- ---
(Including Zip Code)

Area Code and Telephone No.:
- ---

Tax Identification or Social Security Number:
- ---

COMPLETE ACCOMPANYING SUBSTITUTE FORM W-9

SIGNATURE GUARANTEE
(IF REQUIRED -- SEE INSTRUCTIONS 1 AND 5)

- ---
(Authorized Signature)

- ---
(Name of Firm)

[PLACE SEAL HERE]

INSTRUCTIONS

FORMING PART OF THE TERMS AND CONDITIONS OF THE EXCHANGE OFFER

1. Signature Guarantees. Signatures of this Letter of Transmittal must be guaranteed by a recognized member of the Medallion Signature Guarantee Program or by any other "eligible guarantor institution," as such term is defined in Rule 17Ad-15 promulgated under the Exchange Act (each of the foregoing, an "Eligible Institution"), unless the Series A Notes tendered hereby are tendered (i) by a registered Holder of Series A Notes (or by a participant in DTC whose name appears on a security position listing as the owner of such Series A Notes) that has not completed either the box entitled "Special Issuance Instructions" or the box entitled "Special Delivery Instructions" on this Letter of Transmittal, or (ii) for the account of an Eligible Institution. If the Series A Notes are registered in the name of a person other than the signer of this Letter of Transmittal, if Series A Notes not accepted for exchange or not tendered are to be returned to a person other than the registered Holder or if Series B Notes are to be issued in the name of or sent to a person other than the registered Holder, then the signatures on this Letter of Transmittal accompanying the tendered Series A Notes must be guaranteed by an Eligible Institution as described above. See Instruction 5.

2. Delivery of Letter of Transmittal and Series A Notes. This Letter of Transmittal is to be completed by Holders if (i) certificates representing Series A Notes are to be physically delivered to the Exchange Agent herewith by such Holders; (ii) tender of Series A Notes is to be made by book-entry transfer to the Exchange Agent's account at DTC pursuant to the procedures set forth under the caption "The Exchange Offer -- Procedures for Tendering Series A Notes -- Book-Entry Delivery Procedures" in the Prospectus; or (iii) tender of Series A Notes is to be made according to the guaranteed delivery procedures set forth under the caption "The Exchange Offer -- Procedures for Tendering Series A Notes -- Guaranteed Delivery" in the Prospectus. All physically delivered Series A Notes, or a confirmation of a book-entry transfer into the Exchange Agent's account at DTC of all Series A Notes delivered electronically, as well as a properly completed and duly executed Letter of Transmittal (or manually signed facsimile thereof), any required signature guarantees and any other documents required by this Letter of Transmittal, must be received by the Exchange Agent at one of its addresses set forth on the cover page hereto on or prior to the Expiration Date, or the tendering Holder must comply with the guaranteed delivery procedures set forth below. DELIVERY OF DOCUMENTS TO DTC DOES NOT CONSTITUTE DELIVERY TO THE EXCHANGE AGENT.

If a Holder desires to tender Series A Notes pursuant to the Exchange Offer and time will not permit this Letter of Transmittal, certificates representing such Series A Notes and all other required documents to reach the Exchange Agent, or the procedures for book-entry transfer cannot be completed, on or prior to the Expiration Date, such Holder must tender such Series A Notes pursuant to the guaranteed delivery procedures set forth under the caption "The Exchange Offer -- Procedures for Tendering Series A Notes -- Guaranteed Delivery" in the Prospectus. Pursuant to such procedures, (i) such tender must be made by or through an Eligible Institution; (ii) a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form provided by the Issuers, or an Agent's Message with respect to guaranteed delivery that is accepted by the Issuers, must be received by the Exchange Agent, either by hand delivery, mail, telegram, or facsimile transmission, on or prior to the Expiration Date; and (iii) the certificates for all tendered Series A Notes, in proper form for transfer (or confirmation of a book-entry transfer or all Series A Notes delivered electronically into the Exchange Agent's account at DTC pursuant to the procedures for such transfer set forth in the Prospectus), together with a properly completed and duly executed Letter of Transmittal (or manually signed facsimile thereof) and any other documents required by this Letter of Transmittal, or in the case of a book-entry transfer, a properly transmitted Agent's Message, must be received by the Exchange Agent within two business days after the date of the execution of the Notice of Guaranteed Delivery.

THE METHOD OF DELIVERY OF THIS LETTER OF TRANSMITTAL, THE SERIES A NOTES AND ALL OTHER REQUIRED DOCUMENTS, INCLUDING DELIVERY THROUGH DTC AND ANY ACCEPTANCE OR AGENT'S MESSAGE DELIVERED THROUGH ATOP, IS AT THE ELECTION AND RISK OF THE TENDERING HOLDER AND, EXCEPT AS OTHERWISE PROVIDED IN THIS

INSTRUCTION 2, DELIVERY WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED BY THE EXCHANGE AGENT. IF DELIVERY IS BY MAIL, IT IS SUGGESTED THAT THE HOLDER USE PROPERLY INSURED, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, AND THAT THE MAILING BE MADE SUFFICIENTLY IN ADVANCE OF THE EXPIRATION DATE TO PERMIT DELIVERY TO THE EXCHANGE AGENT PRIOR TO SUCH DATE.

No alternative, conditional or contingent tenders will be accepted. All tendering Holders, by execution of this Letter of Transmittal (or a facsimile thereof), waive any right to receive any notice of the acceptance of their Series A Notes for exchange.

3. Inadequate Space. If the space provided herein is inadequate, the certificate numbers and/or the principal amount represented by Series A Notes should be listed on separate signed schedule attached hereto.

4. Partial Tenders. (Not applicable to Holders who tender by book-entry transfer). If Holders wish to tender less than the entire principal amount evidenced by a Series A Note submitted, such Holders must fill in the principal amount that is to be tendered in the column entitled "Principal Amount Tendered." The minimum permitted tender is $1,000 in principal amount of Series A Notes. All other tenders must be in integral multiples of $1,000 in principal amount. In the case of a partial tender of Series A Notes, as soon as practicable after the Expiration Date, new certificates for the remainder of the Series A Notes that were evidenced by such Holder's old certificates will be sent to such Holder, unless otherwise provided in the appropriate box on this Letter of Transmittal. The entire principal amount that is represented by Series A Notes delivered to the Exchange Agent will be deemed to have been tendered, unless otherwise indicated.

5. Signatures on Letter of Transmittal, Instruments of Transfer and Endorsements. If this Letter of Transmittal is signed by the registered Holder(s) of the Series A Notes tendered hereby, the signatures must correspond with the name(s) as written on the face of the certificate(s) without alteration, enlargement or any change whatsoever. If this Letter of Transmittal is signed by a participant in DTC whose name is shown as the owner of the Series A Notes tendered hereby, the signature must correspond with the name shown on the security position listing as the owner of the Series A Notes.

If any of the Series A Notes tendered hereby are registered in the name of two or more Holders, all such Holders must sign this Letter of Transmittal. If any of the Series A Notes tendered hereby are registered in different names on several certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of certificates.

If this Letter of Transmittal or any Series A Note or instrument of transfer is signed by a trustee, executor, administrator, guardian, attorney-in-fact, agent, officer of a corporation or other person acting in a fiduciary or representative capacity, such person should so indicate when signing, and proper evidence satisfactory to the Issuers of such person's authority to so act must be submitted.

When this Letter of Transmittal is signed by the registered Holder(s) of the Series A Notes listed herein and transmitted hereby, no endorsements of Series A Notes or separate instruments of transfer are required unless Series B Notes are to be issued, or Series A Notes not tendered or exchanged are to be issued, to a person other than the registered Holder(s), in which case signatures on such Series A Notes or instruments of transfer must be guaranteed by an Eligible Institution.

IF THIS LETTER OF TRANSMITTAL IS SIGNED OTHER THAN BY THE REGISTERED HOLDER(S) OF THE SERIES A NOTES LISTED HEREIN, THE SERIES A NOTES MUST BE ENDORSED OR ACCOMPANIED BY APPROPRIATE INSTRUMENTS OF TRANSFER, IN EITHER CASE SIGNED EXACTLY AS THE NAME(S) OF THE REGISTERED HOLDER(S) APPEAR ON THE SERIES A NOTES AND SIGNATURES ON SUCH SERIES A NOTES OR INSTRUMENTS OF TRANSFER ARE REQUIRED AND MUST BE GUARANTEED BY AN ELIGIBLE INSTITUTION, UNLESS THE SIGNATURE IS THAT OF AN ELIGIBLE INSTITUTION.

6. Special Issuance and Delivery Instructions. If certificates for Series B Notes or unexchanged or untendered Series A Notes are to be issued in the name of a person other than the signer of this Letter of Transmittal, or if Series B Notes or such Series A Notes are to be sent to someone other than the signer of this Letter of Transmittal or to an address other than that shown herein, the appropriate boxes on this

Letter of Transmittal should be completed. All Series A Notes tendered by book-entry transfer and not accepted for payment will be returned by crediting the account at DTC designated herein as the account for which such Series A Notes were delivered.

7. Transfer Taxes. Except as set forth in this Instruction 7, the Issuers will pay or cause to be paid any transfer taxes with respect to the transfer and sale of Series A Notes to it, or to its order, pursuant to the Exchange Offer. If Series B Notes, or Series A Notes not tendered or exchanged are to be registered in the name of any persons other than the registered owners, or if tendered Series A Notes are registered in the name of any persons other than the persons signing this Letter of Transmittal, the amount of any transfer taxes (whether imposed on the registered Holder or such other person) payable on account of the transfer to such other person must be paid to the Issuers or the Exchange Agent (unless satisfactory evidence of the payment of such taxes or exemption therefrom is submitted) before the Series B Notes will be issued.

8. Waiver of Conditions. The conditions of the Exchange Offer may be amended or waived by the Issuers, in whole or in part, at any time and from time to time in the Issuers' discretion, in the case of any Series A Notes tendered.

9. Substitute Form W-9. Each tendering owner of a Note (or other payee) is required to provide the Exchange Agent with a correct taxpayer identification number ("TIN"), generally the owner's social security or federal employer identification number, and with certain other information, on Substitute Form W-9, which is provided hereafter under "Important Tax Information," and to certify that the owner (or other payee) is not subject to backup withholding. Failure to provide the information on the Substitute Form W-9 may subject the tendering owner (or other payee) to a $50 penalty imposed by the Internal Revenue Service and 31% federal income tax withholding. The box in Part 3 of the Substitute Form W-9 may be checked if the tendering owner (or other payee) has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future. If the box in Part 3 is checked and the Exchange Agent is not provided with a TIN within 60 days of the date on the Substitute Form W-9, the Exchange Agent will withhold 31% until a TIN is provided to the Exchange Agent.

10. Broker-dealers Participating in the Exchange Offer. If no broker-dealer checks the last box on page 6 of this Letter of Transmittal, the Issuers have no obligation under the Registration Rights Agreement to allow the use of the Prospectus for resales of the Series B Notes by broker-dealers or to maintain the effectiveness of the Registration Statement of which the Prospectus is a part after the consummation of the Exchange Offer.

11. Requests for Assistance or Additional Copies. Any questions or requests for assistance or additional copies of the Prospectus, this Letter of Transmittal or the Notice of Guaranteed Delivery may be directed to the Exchange Agent at the telephone numbers and location listed above. A Holder or owner may also contact such Holder's or owner's broker, dealer, commercial bank or trust company or nominee for assistance concerning the Exchange Offer.

IMPORTANT: THIS LETTER OF TRANSMITTAL (OR A FACSIMILE HEREOF), TOGETHER WITH CERTIFICATES REPRESENTING THE SERIES A NOTES AND ALL OTHER REQUIRED DOCUMENTS OR THE NOTICE OF GUARANTEED DELIVERY, MUST BE RECEIVED BY THE EXCHANGE AGENT ON OR PRIOR TO THE EXPIRATION DATE.

IMPORTANT TAX INFORMATION

Under federal income tax law, an owner of Series A Notes whose tendered Series A Notes are accepted for exchange is required to provide the Exchange Agent with such owner's current TIN on Substitute Form W-9 below. If such owner is an individual, the TIN is his or her social security number. If the Exchange Agent is not provided with the correct TIN, the owner or other recipient of Series B Notes may be subject to a $50 penalty imposed by the Internal Revenue Service. In addition, any interest on Series B Notes paid to such owner or other recipient may be subject to 31% backup withholding tax.

Certain owners of Notes (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements. In order for a foreign individual to qualify as an exempt recipient, that owner must submit to the Exchange Agent a properly completed Internal Revenue Service Forms W-8ECI, W-8BEN, W-8EXP or W-8IMY (collectively, a "Form W-8"), signed under penalties of perjury, attesting to that individual's exempt status. A Form W-8 can be obtained from the Exchange Agent. See the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for additional instructions.

Backup withholding is not an additional tax. Rather, the federal income tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained from the Internal Revenue Service.

PURPOSE OF SUBSTITUTE FORM W-9

To prevent backup withholding the owner is required to notify the Exchange Agent of the owner's current TIN (or the TIN of any other payee) by completing the following form, certifying that the TIN provided on Substitute Form W-9 is correct (or that such owner is awaiting a TIN), and that (i) the owner is exempt from withholding, (ii) the owner has not been notified by the Internal Revenue Service that the owner is subject to backup withholding as a result of failure to report all interest or dividends or (iii) the Internal Revenue Service has notified the owner that the owner is no longer subject to backup withholding.

WHAT NUMBER TO GIVE THE EXCHANGE AGENT

The Holder is required to give the Exchange Agent the TIN (e.g., social security number or employer identification number) of the owner of the Series A Notes. If the Series A Notes are registered in more than one name or are not registered in the name of the actual owner, consult the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9," for additional guidance on which number to report.

SUBSTITUTE FORM W-9	PART 1 -- PLEASE PROVIDE YOUR TIN IN THE BOX AT RIGHT AND CERTIFY BY SIGNING AND DATING BELOW.	Social Security Number or Employer Identification Number
DEPARTMENT OF THE TREASURY INTERNAL REVENUE SERVICE PAYER'S REQUEST FOR TAXPAYER IDENTIFICATION NO. ("TIN")	PART 2 -- CERTIFICATION -- Under penalties of perjury, I certify that: (1) The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and (2) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service ("IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding. CERTIFICATION INSTRUCTIONS -- You must cross out item (2) above if you have been notified by the IRS that you are currently subject to backup withholding because of under-reporting interest or dividends on your tax return.	PART 3 -- Awaiting TIN [ ]
	Signature:	Date:

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN A $50 PENALTY IMPOSED BY THE INTERNAL REVENUE SERVICE AND BACKUP WITHHOLDING OF 31%. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 3 OF SUBSTITUTE FORM W-9.

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (1) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office, or (2) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number within 60 days of the date in this form, 31% of all reportable cash payments made to me will be withheld until I provide a taxpayer identification number.

Signature Date

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

GUIDELINES FOR DETERMINING THE PROPER IDENTIFICATION NUMBER TO GIVE THE PAYER -- Social Security numbers have nine digits separated by two hyphens: i.e. 000-00-0000. Employer identification numbers have nine digits separated by only one hyphen: i.e. 00-0000000. The table below will help determine the number to give the payer.

GIVE THE SOCIAL SECURITY FOR THIS TYPE OF ACCOUNT:	NUMBER OF --
1. An individual's account	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account(1)
3. Husband and wife (joint account)	The actual owner of the account or, if joint funds, either person(1)
4. Custodian account of a minor (Uniform Gift to Minors Act)	The minor(2)
5. Adult and minor (joint account)	The adult or, if the minor is the only contributor, the minor(1)
6. Account in the name of guardian or committee for a designated ward, minor, or incompetent person	The ward, minor, or incompetent person(3)
7. a. A revocable savings trust account (in which grantor is also trustee)	The grantor-trustee(1)
b. Any "trust" account that is not a	The actual

legal or valid trust under State owner(1) law		
8. Sole proprietorship account The owner(4) - --		
-		
----- GIVE THE EMPLOYER IDENTIFICATION FOR THIS TYPE OF ACCOUNT: NUMBER OF --		
----- 9. A valid trust, estate, or pension The legal entity (do not furnish the identifying number of the personal representative or trustee unless the legal entity itself is not designated in the account title)(5) 10.		
Corporate account The corporation	11.	
Religious, charitable or educational organization account organization	The	
Partnership account held in the name of the business partnership	12. The	
Association, club, or other tax-exempt organization	13. The organization	
14. A broker or registered nominee The broker or nominee 15. Account with the Department of Agriculture in the name of a public entity (such as a State or local government, school district, or prison) that receives agricultural	The public entity	

program payments - --

(1) List first and circle the name of the person whose number you furnish.
(2) Circle the minor's name and furnish the minor's Social Security number.
(3) Circle the ward's, minor's or incompetent person's name and furnish such person's social security number.
(4) Show the name of the owner. If the owner does not have an employer identification number, furnish the owner's social security number.
(5) List first and circle the name of the legal trust, estate, or pension trust.

NOTE: If no name is circled when there is more than one name, the number will be considered to be that of the first name listed.

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION
NUMBER ON SUBSTITUTE FORM W-9
PAGE 2

OBTAINING A NUMBER
If you do not have a taxpayer identification number or you do not know your number, obtain Form SS-5, Application for a Social Security Number Card (for resident individuals), Form SS-4, Application for Employer Identification Number (for businesses and all other entities), or Form W-7 for International Taxpayer Identification Number (for alien individuals required to file U.S. tax returns), at an office of the Social Security Administration or the Internal Revenue Service.

To complete Substitute Form W-9, if you do not have a taxpayer identification number, write "Applied For" in the space for the taxpayer identification number in Part 1, sign and date the Form, and give it to the requester. Generally, you will then have 60 days to obtain a taxpayer identification number and furnish it to the requester. If the requester does not receive your taxpayer identification number within 60 days, backup withholding, if applicable, will begin and will continue until you furnish your taxpayer identification number to the requester.

PAYEES EXEMPT FROM BACKUP WITHHOLDING
Payees specifically exempted from backup withholding on ALL payments include the following:
- - A corporation
- - A financial institution.
- - An organization exempt from tax under section 501(a), or an individual retirement plan, or a custodial account under section 403(b)(7).
- - The United States or any agency or instrumentality thereof.
- - A state, the District of Columbia, a possession of the United States, or any political subdivision or instrumentality thereof.
- - A foreign government or a political subdivision, agency or instrumentality thereof.
- - An international organization or any agency or instrumentality thereof.
- - A registered dealer in securities or commodities registered in the United States or a possession of the United States.
- - A real estate investment trust.
- - A common trust fund operated by a bank under section 584(a).
- - An exempt charitable remainder trust, or a non-exempt trust described in section 4947(a)(1).
- - An entity registered at all times during the tax year under the Investment Company Act of 1940.
- - A foreign central bank issue.
- - Unless otherwise noted herein, all reference below to section numbers or to regulations are references to the Internal Revenue Code and the regulations promulgated thereunder.

Payments of dividends and patronage dividends not generally subject to backup withholding include the following.
- - Payments to nonresident aliens subject to withholding under section 1441.
- - Payments to partnerships not engaged in a trade or business in the United States and which have at least one nonresident partner.
- - Payments of patronage dividends where the amount received is not paid in money.
- - Payments made by certain foreign organizations.
- - Payments made to a nominee

Payments of interest not generally subject to backup withholding include the following.
- - Payments of interest on obligations issued by individuals. NOTE: You may be subject to backup withholding if (i) this interest is $600 or more, and (ii) the interest is paid in the course of the payer's trade or business and (iii) you have not provided your correct taxpayer identification number to the payer.
- - Payments of tax-exempt interest (including exempt-interest dividends under section 852).
- - Payments described in section 6049(b)(5) to non-resident aliens.
- - Payments on tax-free covenant bonds under section 1451.
- - Payments made by certain foreign organizations.
- - Payments made to a nominee.

EXEMPT PAYEES DESCRIBED ABOVE SHOULD FILE SUBSTITUTE FORM W-9 TO AVOID POSSIBLE ERRONEOUS BACKUP WITHHOLDING. FILE THIS FORM WITH THE PAYER, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" ON THE FACE OF THE FORM, AND RETURN IT TO THE PAYER.

Certain payments other than interest, dividends, and patronage dividends that are not subject to information reporting are also not subject to backup withholding. For details, see the regulations under sections 6041, 6041(a), 6045 and 6050A.

PRIVACY ACT NOTICE. Section 6109 requires most recipients of dividends, interest, or other payments to give taxpayer identification numbers to payers who must report the payments to the IRS. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. Payers must be given the numbers whether or not recipient are required to file tax returns. Payers must generally withhold 31% of taxable interest, dividends, and certain other payments to a payee who does not furnish a taxpayer identification number to a payer. Certain penalties may also apply.

PENALTIES

(1) PENALTY FOR FAILURE TO FURNISH TAXPAYER IDENTIFICATION NUMBER. -- If you fail to furnish your taxpayer identification number to a payer, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

(2) FAILURE TO REPORT CERTAIN DIVIDEND AND INTEREST PAYMENTS. -- If you fail to include any portion of an includible payment for interest, dividends, or patronage dividends in gross income and such failure is due to negligence, a penalty of 20% is imposed on any portion of an underpayment attributable to the failure.

(3) CIVIL PENALTY FOR FALSE STATEMENTS WITH RESPECT TO WITHHOLDING. -- If you make a false statement with no reasonable basis which results in no imposition of backup withholding, you are subject to a penalty of $500.

(4) CRIMINAL PENALTY FOR FALSIFYING INFORMATION. -- If you falsify certifications or affirmations, you are subject to criminal penalties including fines and/or imprisonment.

FOR ADDITIONAL INFORMATION CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE.

ANNEX B

NOTICE OF GUARANTEED DELIVERY

EL PASO ENERGY PARTNERS, L.P.
EL PASO ENERGY PARTNERS FINANCE CORPORATION

OFFER TO EXCHANGE
8 1/2% SERIES B SENIOR SUBORDINATED NOTES DUE 2011 FOR ANY AND ALL
OUTSTANDING 8 1/2% SERIES A SENIOR SUBORDINATED NOTES DUE 2011

As set forth in the Prospectus, dated , 2002 (as the same may be amended from time to time, the "Prospectus"), of El Paso Energy Partners, L.P. and El Paso Energy Partners Finance Corporation (together, the "Issuers"), under the caption of "The Exchange Offer -- Procedures for Tendering Series A Notes -- Guaranteed Delivery," this form or one substantially equivalent hereto must be used to accept the Issuers' offer (the "Exchange Offer") to exchange their 8 1/2% Series B Senior Subordinated Notes due 2011 (the "Series B Notes"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for an equal principal amount of their 8 1/2% Series A Senior Subordinated Notes due 2011 (the "Series A Notes"), if (i) certificates representing the Series A Notes to be exchanged are not lost but are not immediately available, or (ii) time will not permit all required documents to reach the Exchange Agent prior to the Expiration Date. This form may be delivered by an eligible institution by mail or hand delivery or transmittal, via facsimile, to the Exchange Agent at its address set forth below not later than 5:00 p.m., New York City time, on , 2002. All capitalized terms used herein but not defined herein shall have the meanings ascribed to them in the Prospectus.

The Exchange Agent for the Exchange Offer is:

JPMORGAN CHASE BANK

By Mail:
JPMorgan Chase Bank
600 Travis, Suite 1150
Houston, Texas 77002
Attention: Rebecca Newman

By Facsimile:
(713) 577-5200
Attention: Rebecca Newman

Confirm by Telephone:
(713) 216-4931
Attention: Rebecca Newman

DELIVERY OR TRANSMISSION VIA FACSIMILE OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY.

Ladies and Gentlemen:

The undersigned hereby tender(s) for exchange to the Issuers, upon the terms and subject to the conditions set forth in the Prospectus and the Letter of Transmittal, receipt of which is hereby acknowledged, the principal amount of the Series A Notes as set forth below pursuant to the guaranteed delivery procedures set forth in the Prospectus under the caption of "The Exchange Offer -- Procedures for Tendering Series A Notes -- Guaranteed Delivery."

The undersigned understands and acknowledges that the Exchange Offer will expire at 5:00 p.m., New York City time, on , 2002, unless extended by the Issuers. With respect to the Exchange Offer, "Expiration Date" means such time and date, or if the Exchange Offer is extended, the latest time and date to which the Exchange Offer is so extended by the Issuers.

All authority herein conferred or agreed to be conferred by the Notice of Guaranteed Delivery shall survive the death or incapacity of the undersigned and every obligation of the undersigned under this Notice of Guaranteed Delivery shall be binding upon the heirs, personal representatives, executors, administrators, successors and assigns, trustees in bankruptcy and other legal representatives of the undersigned.

SIGNATURES

Principal Amount of Series A Notes Exchanged

Signature of Owner $

Signature of Owner (if more than one)

Certificate Nos. of Series A Notes (if available)

Dated: , 2002

Name(s):

(Please Print)

Address:

(Include Zip Code)

Area Code and Telephone No.:

Capacity (full title), if signing in a representative capacity:

Taxpayer Identification or Social Security No.:

GUARANTEE
(NOT TO BE USED FOR SIGNATURE GUARANTEE)

The undersigned, a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc. or a commercial bank or trust company having an office or a correspondent in the United States, or is otherwise an "eligible guaranteed institution" within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, hereby guarantees that, within three New York Stock Exchange trading days from the date of this Notice of Guaranteed Delivery, a properly completed and duly executed Letter of Transmittal (or a facsimile thereof), together with certificates representing the Series A Notes tendered hereby in proper form for transfer (or confirmation of the book-entry transfer of such Series A Notes into the account of JPMorgan Chase Bank (the "Trust Company") at a Book-Entry Transfer Facility, pursuant to the Trust Company's account at a Book-Entry Transfer Facility, pursuant to the procedure for book-entry transfer set forth in the Prospectus under the caption "The Exchange Offer -- Procedures for Tendering Series A Notes -- Book-entry delivery procedures"), and any other required documents will be deposited by the undersigned with the Trust Company.

Name of Firm:
- ----------

Address:
- ----------

- ----------

Area Code and
Telephone No.:
- ----------

Name:

Title:

Date:

DO NOT SEND SERIES A NOTES WITH THIS FORM. ACTUAL SURRENDER OF SERIES A NOTES MUST BE MADE PURSUANT TO, AND BE ACCOMPANIED BY, THE LETTER OF TRANSMITTAL.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 20. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Our partnership agreement provides that we:

- will indemnify (1) El Paso Energy Partners Company, (2) any departing general partner and (3) any person who is or was an officer, director or other representative of El Paso Energy Partners Company, any departing general partner or us, to the fullest extent permitted by law; and

- may indemnify, to the fullest extent permitted by law, (1) any person who is or was an affiliate of El Paso Energy Partners Company, any departing general partner or us, (2) any person who is or was an employee, partner, agent or trustee of El Paso Energy Partners Company, any departing general partner, us or any such affiliate, or (3) any person who is or was serving at our request as an officer, director, employee, partner, member, agent or other representative of another corporation, partnership, joint venture, trust, committee or other enterprise;

each, as well as any employee, partner, agent or other representative of El Paso Energy Partners Company, any departing general partner, us or any of their or our affiliates, which we refer to as an "Indemnitee," from and against any and all claims, damages, expenses and fines, whether civil, criminal, administrative or investigative, in which any Indemnitee may be involved, or is threatened to be involved, as a party or otherwise, by reason of its status as (1) El Paso Energy Partners Company, departing general partner, us or an affiliate of either, (2) an officer, director, employee, partner, agent, trustee or other representative of El Paso Energy Partners Company, any departing general partner, us or any of their or our affiliates or (3) a person serving at our request in any other entity in a similar capacity. Indemnification will be conditioned on the determination that, in each case, the Indemnitee acted in good faith, in a manner which such Indemnitee believed to be in, or not opposed to, our best interests and, with respect to any criminal proceeding, had no reasonable cause to believe its conduct was unlawful.

The above indemnification may result in indemnification of Indemnitees for negligent acts, and may include indemnification for liabilities under the Securities Act. We have been advised that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. Any indemnification under these provisions will be only out of our assets. We are authorized to purchase, or to reimburse El Paso Energy Partners Company or its affiliates for the cost of, insurance against liabilities asserted against and expenses incurred by such persons in connection with our activities, whether or not we would have the power to indemnify such person against such liabilities under the provisions described above.

Subject to any terms, conditions or restrictions set forth in our partnership agreement, Section 17-108 of the Delaware Revised Uniform Limited Partnership Act empowers a Delaware limited partnership to indemnify and hold harmless any partner or other person from and against all claims and demands whatsoever.

Section 145(a) of the General Corporation Law of the State of Delaware, or the "DGCL," provides that a Delaware corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no cause to believe his or her conduct was unlawful.

Section 145(b) of the DGCL provides that a Delaware corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that such person set forth against expenses (including attorney fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted above in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interest of the corporation, except that no indemnification may be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the court in which such action or suit was brought shall determine, that despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to be indemnified for such expenses which the court shall deem proper.

Section 145 of the DGCL further provides that to the extent a present or former director or officer of a corporation has been successful in the defense of any action, suit or proceeding referred to in the immediately preceding two paragraphs above or in the defense of any claim, issue or matter therein, he or she shall be indemnified against any expenses (including attorney fees) actually and reasonably incurred by him or her in connection therewith; that indemnification provided for by Section 145 shall not be deemed exclusive of any other rights to which the indemnified party may be entitled both to actions in his or her official capacity and in other capacities while holding such office; and that the corporation may purchase and maintain insurance on behalf of a director, officer, employee or agent of the corporation against any liability asserted against him or her or incurred by him or her in any such capacity or arising out of his or her status as such whether or not the corporation would have the power to indemnify him or her against such liabilities under Section 145.

Section 102(b)(7) of the DGCL provides that a corporation in its original certificate of incorporation or an amendment thereto validly approved by stockholders may eliminate or limit personal liability of members of its board of directors or governing body for breach of a director's fiduciary duty. However, no such provision may eliminate or limit the liability of a director for breaching his or her duty of loyalty, not acting in good faith, failing to act in good faith, engaging in intentional misconduct, knowingly violating a law, paying a dividend or approving a stock repurchase which was illegal or obtaining an improper personal benefit. A provision of this type has no effect on the availability of equitable remedies, such as injunction or rescission, for breach of fiduciary duty.

The certificate of incorporation of El Paso Energy Partners Company contains a provision which limits the liability of its directors to El Paso Energy Partners Company or its stockholders, in their capacity as directors but not in their capacity as officers, to the fullest extent permitted by the DGCL. In addition, the bylaws of El Paso Energy Partners Company, in substance, require El Paso Energy Partners Company to indemnify each person who is or was a director, officer, employee or agent of El Paso Energy Partners Company to the full extent permitted by the laws of the State of Delaware in the event such person is involved in legal proceedings by reason of the fact that he or she is or was a director, officer, employee or agent of El Paso Energy Partners Company, or is or was serving at El Paso Energy Partners Company's request as a director, officer, employee or agent of El Paso Energy Partners Company and its subsidiaries, another corporation, partnership or other enterprise. El Paso Energy Partners Company is also required to advance to these persons payments incurred in defending a proceeding to which indemnification might apply, provided the recipient provides an undertaking agreeing to repay all such advanced amounts if it is ultimately determined that he or she is not entitled to be indemnified. In addition, El Paso Energy Partners Company's bylaws specifically provide that the indemnification rights granted in it are non-exclusive.

El Paso Energy Partners Company has entered into indemnification agreements with certain of its current and past directors providing for indemnification to the full extent permitted by the laws of the State of Delaware. These agreements provide for specific procedures to assure the directors' rights to indemnification, including procedures for directors to submit claims, for determination of directors' entitlement to indemnification, including the allocation of the burden of proof and selection of a reviewing party, and for enforcement of directors' indemnification rights.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling us or El Paso Energy Partners Company as set forth above, we and El Paso Energy Partners Company have been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

El Paso Energy Partners Company has purchased liability insurance policies covering its directors and officers, including to provide protection where we cannot legally indemnify a director or officer and where a claim arises under the Employee Retirement Income Security Act of 1974 against a director or officer based on an alleged breach of fiduciary duty or other wrongful act.

ITEM 21. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Exhibits

EXHIBIT NUMBER DESCRIPTION - ------- ----------- 1.1* Purchase Agreement dated May 14, 2002 among El Paso Energy Partners, L.P., El Paso Energy Partners Finance Corporation, the Subsidiary Guarantors listed on Schedule A thereto, Credit Suisse First Boston Corporation, Goldman, Sachs & Co. and J.P. Morgan Securities Inc. 4.1 Indenture dated May 17, 2001 among El Paso Energy Partners, L.P., El Paso Energy Partners Finance Corporation, the Subsidiary Guarantors named therein and JPMorgan Chase Bank, as Trustee (filed as Exhibit 4.1 to our Form S-4 dated on June 25, 2001); First Supplemental Indenture dated as of April 18, 2002 (filed as Exhibit 4.D.1 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2002); and Second Supplemental Indenture dated as of April 18, 2002 (filed as Exhibit 4.D.2 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2002). 4.2 Form of 8 1/2% Note (contained in the Indenture filed as Exhibit 4.1). 4.3* A/B Exchange Registration Rights Agreement dated as of May 17, 2002 between El Paso Energy Partners, El Paso Energy Partners Finance Corporation, the Subsidiary Guarantors listed on Schedule A thereto, Credit Suisse First Boston Corporation, Goldman, Sachs & Co. and J.P. Morgan Securities Inc. 5.1* Opinion of Akin, Gump, Strauss, Hauer & Feld, L.L.P. as to the legality of the securities being offered. 12.1*

Calculation of Earnings to Fixed Charges. 23.1* Consent of Akin, Gump, Strauss, Hauer & Feld, L.L.P. (included in Exhibit 5.1). 23.2* Consent of PricewaterhouseCoopers LLP. 23.3* Consent of Netherland, Sewell & Associates, Inc. 24.1* Power of attorney (included on signature page). 25.1* Form T-1 Statement of Eligibility under the Trust Indenture Act of 1939 of JPMorgan Chase Bank.

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* Filed herewith.

Arthur Andersen LLP has not consented to the incorporation by reference of their report in this registration statement, and we have dispensed with the requirement to file their consent in reliance upon Rule 437(a) of the Securities Act of 1933.

(b) Financial Statement Schedules

No financial statement schedules are included herein. All other schedules for which provision is made in the applicable accounting regulation of the Commission are not required under the related instructions, are inapplicable, or the information is included in the consolidated financial statements, and have therefore been omitted.

(c) Reports, Opinions, and Appraisals

None.

ITEM 22. UNDERTAKINGS

(a) Regulation S-K, Item 512 Undertakings

(1) The undersigned registrant hereby undertakes:

(i) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(a) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(b) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.

(c) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

(ii) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(iii) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(2) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) Registration on Form S-4 of Securities Offered for Resale.

(i) The undersigned hereby undertakes as follows: that prior to any public reoffering of the securities registered hereunder through the use of a prospectus which is a part of this registration statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the issuer undertakes that such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other items of the applicable form.

(ii) The registrant undertakes that every prospectus: (a) that is filed pursuant to the paragraph immediately preceding, or (b) that purports to meet the requirements of sec-

tion 10(a)(3) of the Act and is used in connection with an offering of securities subject to Rule 415, will be filed as a part of an amendment to the registration statement and will not be used until such amendment is effective, and that, for purposes of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(4) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(b) The undersigned registrant hereby undertakes to respond to requests for information that is incorporated by reference into the prospectus pursuant to Item 4, 10(b), 11 or 13 of this form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(c) The undersigned hereby undertakes to supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrants have duly caused this registration statement or amendment thereto to be signed on their behalf by the undersigned, thereunto duly authorized, in the city of Houston, state of Texas, on August 12, 2002.

EL PASO ENERGY PARTNERS, L.P.
(REGISTRANT)

By: El Paso Energy Partners Company,
its General Partner

By: /s/ KEITH B. FORMAN

Keith B. Forman
Chief Financial Officer and
Vice President

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the persons whose signatures appear below, constitute and appoint H. Brent Austin and Peggy A. Heeg, and each of them as their true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for them and in their names, places and steads, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and any subsequent registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and to file the same, with all exhibits thereto, and the other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as they might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed below by the following persons in the capacities and on the dates as indicated:

SIGNATURE	TITLE	DATE
/s/ WILLIAM A. WISE	Chairman of the Board and Director(1)	August 12, 2000
William A. Wise /s/ ROBERT G. PHILLIPS	Chief Executive Officer and Director(2)	August 12, 2000
Robert G. Phillips /s/ KEITH B. FORMAN	Chief Financial Officer and Vice President(3)	August 12, 2000
Keith B.		

Forman /s/ JAMES H. LYTAL	President and Director(4)	August 12, 2000
James H. Lytal		

SIGNATURE	TITLE	DATE
/s/ D. MARK LELAND	Senior Vice President	August 12, 2000
--- and Controller D. Mark Leland	(Principal Accounting Officer)	(5)
/s/ H. BRENT AUSTIN	Executive Vice President	August 12, 2000
--- and Director(6) H. Brent Austin		
/s/ MICHAEL B. BRACY	Director(7)	August 12, 2000
--- Michael B. Bracy		
/s/ H. DOUGLAS CHURCH	Director(7)	August 12, 2000
--- H. Douglas Church		
/s/ MALCOLM WALLOP	Director(7)	August 12, 2000
--- Malcolm Wallop		
/s/ KENNETH L. SMALLEY	Director(7)	August 12, 2000
--- Kenneth L. Smalley		

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1. William A. Wise has signed this registration statement in his capacity as the Chairman of the Board and Director of El Paso Energy Partners Company and El Paso Energy Partners Finance Corporation

2. Robert G. Phillips has signed this registration statement in his capacity as Chief Executive Officer and Director of El Paso Energy Partners Company and El Paso Energy Partners Finance Corporation, and Chief Executive Officer of El Paso Energy Partners, L.P., Argo, L.L.C., Argo I, L.L.C., Argo II, L.L.C., El Paso Energy Partners Deepwater, L.L.C., Delos Offshore Company, L.L.C., El Paso Energy Partners Oil Transport, L.L.C., El Paso Energy Partners Operating Company, L.L.C. Flextrend Development Company, L.L.C., Green Canyon Pipeline Company, L.P., Manta Ray Gathering Company, L.L.C., Poseidon Pipeline Company, L.L.C., VK Deepwater Gathering Company, L.L.C. and VK-Main Pass Gathering Company, L.L.C.

3. Keith B. Forman has signed this registration statement in his capacity as Vice President and Chief Financial Officer of El Paso Energy Partners Company, El Paso Energy Partners, L.P., El Paso Energy Partners Finance Corporation, Argo, L.L.C., Argo I, L.L.C., Argo II, L.L.C., El Paso Energy Partners Deepwater, L.L.C., Delos Offshore Company, L.L.C., El Paso Energy Partners Oil Transport, L.L.C., El Paso Energy Partners Operating Company, L.L.C. Flextrend Development Company, L.L.C., Green Canyon Pipeline Company, L.P., Manta Ray Gathering Company, L.L.C., Poseidon Pipeline Company, L.L.C., VK Deepwater Gathering Company, L.L.C., VK-Main Pass Gathering Company, L.L.C., First Reserve Gas, L.L.C., Hattiesburg Industrial Gas Sales, L.L.C., Petal Gas Storage, L.L.C., Crystal Holding, L.L.C. and EPN NGL Storage, L.L.C.

4. James H. Lytal has signed this registration statement in his capacity as President and Director of El Paso Energy Partners Company, and El Paso Energy Partners Finance Corporation; President of El Paso Energy Partners, L.P., Argo, L.L.C., Argo I, L.L.C., Argo II, L.L.C., El Paso Energy Partners Deepwater, L.L.C., Delos Offshore Company, L.L.C., El Paso Energy Partners Oil Transport, L.L.C., El Paso Energy Partners Operating Company, L.L.C. Flextrend Development Company, L.L.C., Green Canyon Pipeline Company, L.P., Manta Ray Gathering Company, L.L.C., Poseidon Pipeline Company, L.L.C., VK Deepwater Gathering Company, L.L.C. and VK-Main Pass Gathering Company, L.L.C.

5. D. Mark Leland has signed this registration statement in his capacity as Senior Vice President and Controller of El Paso Energy Partners Company, El Paso Energy Partners, L.P., El Paso Energy Partners Finance Corporation, Argo, L.L.C., Argo I, L.L.C., Argo II, L.L.C., El Paso Energy Partners Deepwater, L.L.C., Delos Offshore Company, L.L.C., El Paso Energy Partners Oil Transport, L.L.C., El Paso Energy Partners Operating Company, L.L.C. Flextrend Development Company, L.L.C., Green

Canyon Pipeline Company, L.P., Manta Ray Gathering Company, L.L.C., Poseidon Pipeline Company, L.L.C., VK Deepwater Gathering Company, L.L.C., VK-Main Pass Gathering Company, L.L.C., First Reserve Gas, L.L.C., Hattiesburg Industrial Gas Sales, L.L.C., Petal Gas Storage, L.L.C., Crystal Holding, L.L.C. and EPN NGL Storage, L.L.C.

6. H. Brent Austin has signed this registration statement in his capacity as Executive Vice President and Director of El Paso Energy Partners Company and El Paso Energy Partners Finance Corporation, and Executive Vice President of El Paso Energy Partners, L.P., Argo, L.L.C., Argo I, L.L.C., Argo II, L.L.C., El Paso Energy Partners Deepwater, L.L.C., Delos Offshore Company, L.L.C., El Paso Energy Partners Oil Transport, L.L.C., El Paso Energy Partners Operating Company, L.L.C. Flextrend Development Company, L.L.C., Green Canyon Pipeline Company, L.P., Manta Ray Gathering Company, L.L.C., Poseidon Pipeline Company, L.L.C., VK Deepwater Gathering Company, L.L.C. and VK-Main Pass Gathering Company, L.L.C., First Reserve Gas, L.L.C., Hattiesburg Gas Storage Company, Hattiesburg Industrial Gas Sales, L.L.C., Petal Gas Storage, L.L.C., Crystal Holding, L.L.C. and EPN NGL Storage, L.L.C.

7. Michael B. Bracy, H. Douglas Church, Malcolm Wallop and Kenneth E. Smalley have signed this registration statement in their capacities as Directors of El Paso Energy Partners Company, general partner of El Paso Energy Partners, L.P.

EL PASO ENERGY PARTNERS FINANCE CORPORATION

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

ARGO, L.L.C.

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

ARGO I, L.L.C.

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

ARGO II, L.L.C.

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

DELOS OFFSHORE COMPANY, L.L.C.

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

EL PASO ENERGY PARTNERS DEEPWATER, L.L.C.

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

EL PASO ENERGY PARTNERS OIL TRANSPORT, L.L.C.

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

EL PASO ENERGY PARTNERS OPERATING COMPANY, L.L.C.

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

FLEXTREND DEVELOPMENT COMPANY, L.L.C.

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

GREEN CANYON PIPE LINE COMPANY, L.P.

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

MANTA RAY GATHERING COMPANY, L.L.C.

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

PETAL GAS STORAGE, L.L.C.

By:
/s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

POSEIDON PIPELINE COMPANY, L.L.C.

By:
/s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

VK DEEPWATER GATHERING COMPANY, L.L.C.

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

VK-MAIN PASS GATHERING COMPANY, L.L.C.

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

CRYSTAL HOLDING, L.L.C.

By: /s/ JOE N. AVERETT, JR.

Joe N. Averett, Jr.
President and
Chief Executive Officer

EPN NGL STORAGE, L.L.C.

By: /s/ JOE N. AVERETT, JR.

Joe N. Averett, Jr.
President and
Chief Executive Officer

FIRST RESERVE GAS, L.L.C.

By: /s/ JOE N. AVERETT, JR.

Joe N. Averett, Jr.
President and
Chief Executive Officer

HATTIESBURG INDUSTRIAL GAS SALES,
L.L.C.

By: /s/ JOE N. AVERETT, JR.

Joe N. Averett, Jr.
President and
Chief Executive Officer

HATTIESBURG GAS STORAGE COMPANY

By: HATTIESBURG INDUSTRIAL GAS SALES,
L.L.C.
Its Partner

By: /s/ JOE N. AVERETT, JR.

Joe N. Averett, Jr.
President and
Chief Executive Officer

By: FIRST RESERVE GAS, L.L.C.
Its Partner

By: /s/ JOE N. AVERETT, JR.

Joe N. Averett, Jr.
President and
Chief Executive Officer

EAST BREAKS GATHERING COMPANY, L.L.C.

By: EL PASO ENERGY PARTNERS
DEEPWATER, L.L.C.
Its Sole Member

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

HIGH ISLAND OFFSHORE SYSTEM, L.L.C.

By: EL PASO ENERGY PARTNERS
DEEPWATER, L.L.C.
Its Sole Member

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

CHACO LIQUIDS PLANT TRUST

By: EL PASO ENERGY PARTNERS OPERATING
COMPANY, TRUSTEE

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

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24.1*	Power of attorney (included on

signature page).
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Statement of
Eligibility under the
Trust Indenture Act
of 1939 of JPMorgan
Chase Bank.

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* Filed herewith.

Arthur Andersen LLP has not consented to the incorporation by reference of their report in this registration statement, and we have dispensed with the requirement to file their consent in reliance upon Rule 437(a) of the Securities Act of 1933.

EXHIBIT 1.1

EL PASO ENERGY PARTNERS, L.P.

EL PASO ENERGY PARTNERS FINANCE CORPORATION

as Issuers

and

THE SUBSIDIARIES LISTED ON SCHEDULE A

as Subsidiary Guarantors

$230,000,000

8 1/2% Series A Senior Subordinated Notes due 2011

Purchase Agreement

May 14,2002

CREDIT SUISSE FIRST BOSTON CORPORATION
GOLDMAN, SACHS & CO.
J.P. MORGAN SECURITIES INC.
BANC ONE CAPITAL MARKETS, INC.
FIRST UNION SECURITIES, INC.
FLEET SECURITIES, INC.
FORTIS INVESTMENT SERVICES LLC
BNP PARIBAS SECURITIES CORP.
THE ROYAL BANK OF SCOTLAND PLC

as Initial Purchasers

$230,000,000

8 1/2% Series A Senior Subordinated Notes due 2011

of

EL PASO ENERGY PARTNERS, L.P.
and
EL PASO ENERGY PARTNERS FINANCE CORPORATION

Purchase Agreement

May 14, 2002

CREDIT SUISSE FIRST BOSTON CORPORATION
GOLDMAN, SACHS & CO.
J.P. MORGAN SECURITIES INC.
BANC ONE CAPITAL MARKETS, INC.
FIRST UNION SECURITIES, INC.
FLEET SECURITIES, INC.
FORTIS INVESTMENT SERVICES LLC
BNP PARIBAS SECURITIES CORP.
THE ROYAL BANK OF SCOTLAND PLC

(TM)CREDIT SUISSE FIRST BOSTON CORPORATION
Eleven Madison Avenue,
New York, N.Y. 10010-3629

Ladies and Gentlemen:

El Paso Energy Partners, L.P., a Delaware limited partnership (the "Partnership"), and El Paso Energy Partners Finance Corporation, a Delaware corporation ("El Paso Finance" and together with the Partnership, the "Issuers"), propose to issue and sell to Credit Suisse First Boston Corporation, Goldman, Sachs & Co., J.P. Morgan Securities Inc. and First Union Securities, Inc. (each an "Initial Purchaser" and, collectively, the "Initial Purchasers") an aggregate of $230,000,000 in principal amount of its 8 1/2% Series A Senior Subordinated Notes due 2011 (the "Series A Notes"), subject to the terms and conditions set forth herein. The Series A Notes are to be issued pursuant to the provisions of an indenture, dated as of May 17, 2001, as supplemented by the First Supplemental Indenture and the Second Supplemental Indenture thereto, each dated as of April 18, 2002 (as so supplemented, the "Indenture"), among the Issuers, the Guarantors (as defined below) and JPMorgan Chase Bank, as trustee (the "Trustee"). The Series A Notes and the Series B Notes (as defined below) issuable in exchange therefor are collectively referred to herein as the "Notes." The Notes will be guaranteed pursuant to guarantees (the "Guarantees") by each of the entities listed on Schedule A hereto (each, a "Subsidiary Guarantor" and, collectively, the "Subsidiary Guarantors"). Capitalized terms used but not defined herein shall have the meanings given to such terms in the Indenture.

1. Offering Circular. The Series A Notes will be offered and sold to the Initial Purchasers pursuant to one or more exemptions from the registration requirements under the Securities Act of 1933, as amended (the "Act"). The Issuers and the Subsidiary Guarantors have prepared a final offering circular, dated May 14, 2002 relating to the Series A Notes and the Guarantees. Such final

offering circular, including the documents and other information incorporated by reference therein, is referred to herein as the "Offering Circular".

Upon original issuance thereof, and until such time as the same is no longer required pursuant to the Indenture, the Series A Notes (and all securities issued in exchange therefor, in substitution thereof or upon conversion thereof) shall bear the following legend:

> "THIS NOTE (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT"), AND THIS NOTE MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS NOTE IS HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.
>
> THE HOLDER OF THIS NOTE AGREES FOR THE BENEFIT OF THE ISSUERS OF THIS NOTE THAT: (A) THIS NOTE MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (I) TO EL PASO ENERGY PARTNERS, L.P., EL PASO ENERGY PARTNERS FINANCE CORPORATION, OR ANY SUBSIDIARY OF EL PASO ENERGY PARTNERS, L.P., (II) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (III) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 904 UNDER THE SECURITIES ACT, (IV) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) OR (V) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH OF CASES (I) THROUGH (V) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS NOTE FROM IT OF THE RESALE RESTRICTIONS REFERRED TO IN (A) ABOVE."

2. Agreements to Sell and Purchase. On the basis of the representations, warranties and covenants contained in this Agreement, and subject to the terms and conditions contained herein, the Issuers agree to issue and sell to the Initial Purchasers, and each Initial Purchaser agrees, severally and not jointly, to purchase from the Issuers, the principal amounts of Series A Notes set forth opposite the name of such Initial Purchaser on Schedule B hereto at a purchase price equal to 99.96% of the principal amount thereof (the "Purchase Price").

3. Terms of Offering. The Initial Purchasers have advised the Issuers that the Initial Purchasers will make offers (the "Exempt Resales") of the Series A Notes purchased hereunder on the terms set forth in the Offering Circular, as amended or supplemented, solely to (i) persons whom the Initial Purchasers reasonably believe to be "qualified institutional buyers" as defined in Rule 144A under the Act ("QIBs") and (ii) persons permitted to purchase the Series A Notes in offshore transactions in reliance upon Regulation S under the Act (each, a "Regulation S Purchaser") (such persons specified in clauses (i) and (ii) being referred to herein as the "Eligible Purchasers"). The

Initial Purchasers will offer the Series A Notes to Eligible Purchasers initially at a price equal to 102% of the principal amount thereof.

Holders (including subsequent transferees) of the Series A Notes will have the registration rights set forth in the registration rights agreement (the "Registration Rights Agreement"), to be dated as of the Closing Date, in substantially the form of Exhibit A hereto, for so long as such Series A Notes constitute "Transfer Restricted Securities" (as defined in the Registration Rights Agreement). Pursuant to the Registration Rights Agreement, the Issuers and the Subsidiary Guarantors will agree to file with the Securities and Exchange Commission (the "Commission") under the circumstances set forth therein, (i) a registration statement under the Act (the "Exchange Offer Registration Statement") relating to the Issuers' 8 1/2% Series B Senior Subordinated Notes due 2011 (the "Series B Notes"), to be offered in exchange for the Series A Notes (such offer to exchange being referred to as the "Exchange Offer") and the Guarantees thereof and (ii) a shelf registration statement pursuant to Rule 415 under the Act (the "Shelf Registration Statement" and, together with the Exchange Offer Registration Statement, the "Registration Statements") relating to the resale by certain holders of the Series A Notes and to use its best efforts to cause such Registration Statements to be declared and remain effective and usable for the periods specified in the Registration Rights Agreement and to consummate the Exchange Offer. This Agreement, the Indenture, the Notes, the Guarantees and the Registration Rights Agreement are hereinafter sometimes referred to collectively as the "Operative Documents."

4. Delivery and Payment.

(a) Delivery of, and payment of the Purchase Price for, the Series A Notes shall be made at the offices of Andrews & Kurth Mayor, Day, Caldwell & Keeton L.L.P., 600 Travis, Houston, Texas 77002, or such other location as may be mutually acceptable. Such delivery and payment shall be made at 9:00 a.m. New York City time, on May 17, 2002 or at such other time on the same date or such other date as shall be agreed upon by the Initial Purchasers and the Issuers in writing. The time and date of such delivery and the payment for the Series A Notes are herein called the "Closing Date."

(b) One or more of the Series A Notes in definitive global form, registered in the name of Cede & Co., as nominee of the Depository Trust Company ("DTC"), having an aggregate principal amount corresponding to the aggregate principal amount of the Series A Notes (collectively, the "Global Note"), shall be delivered by the Issuers to the Initial Purchasers (or as the Initial Purchasers direct) in each case with any transfer taxes thereon duly paid by the Issuers against payment by the Initial Purchasers of the Purchase Price thereof by wire transfer in same day funds to the order of the Partnership. The Global Note shall be made available to the Initial Purchasers for inspection not later than 9:30 a.m., New York City time, on the business day immediately preceding the Closing Date.

5. Agreements of the Issuers and the Subsidiary Guarantors. Each of the Partnership, El Paso Finance and the Subsidiary Guarantors hereby agrees with the Initial Purchasers as follows:

(a) To advise the Initial Purchasers promptly and, if requested by the Initial Purchasers, to confirm such advice in writing, (i) of the issuance by any state securities commission of any stop order suspending the qualification or exemption from qualification of any Series A Notes for offering or sale in any jurisdiction designated by the Initial Purchasers pursuant to Section 5(e) hereof, or the initiation of any proceeding by any state securities commission or any other federal or state regulatory authority for such purpose and (ii) of the happening of any event during the period referred to in Section 5(c) below that makes any statement of a material fact made in the Offering Circular untrue or that requires any additions to or changes in the Offering Circular in

order to make the statements therein not misleading. The Issuers and the Subsidiary Guarantors shall use their best efforts to prevent the issuance of any stop order or order suspending the qualification or exemption of any Series A Notes under any state securities or Blue Sky laws and, if at any time any state securities commission or other federal or state regulatory authority shall issue an order suspending the qualification or exemption of any Series A Notes under any state securities or Blue Sky laws, the Issuers and the Subsidiary Guarantors shall use their best efforts to obtain the withdrawal or lifting of such order at the earliest possible time;

(b) To furnish the Initial Purchasers and those persons identified by the Initial Purchasers to the Issuers as many copies of the Offering Circular, and any amendments or supplements thereto, as the Initial Purchasers may reasonably request for the time period specified in Section 5(c). Subject to the Initial Purchasers' compliance with its representations and warranties and agreements set forth in Section 7 hereof, the Issuers consent to the use of the Offering Circular, and any amendments and supplements thereto required pursuant hereto, by the Initial Purchasers in connection with Exempt Resales;

(c) During such period as in the opinion of counsel for the Initial Purchasers an Offering Circular is required by law to be delivered in connection with Exempt Resales by the Initial Purchasers and in connection with market-making activities of the Initial Purchasers for so long as any Series A Notes are outstanding, (i) not to make any amendment or supplement to the Offering Circular of which the Initial Purchasers shall not previously have been advised or to which the Initial Purchasers shall reasonably object after being so advised, provided, that this clause (i) shall not apply to any filing by the Partnership of an Annual Report on Form 10-K, Quarterly Report on Form 10-Q or Current Report on Form 8-K with respect to matters unrelated to the Series A Notes and the offering or exchange thereof, and (ii) to prepare promptly upon the Initial Purchasers' reasonable request, any amendment or supplement to the Offering Circular which may be necessary or advisable in connection with such Exempt Resales or such market-making activities;

(d) If, during the period referred to in Section 5(c) above, any event shall occur or condition shall exist as a result of which, in the opinion of counsel to the Initial Purchasers, it becomes necessary to amend or supplement the Offering Circular in order to make the statements therein, in the light of the circumstances when such Offering Circular is delivered to an Eligible Purchaser, not misleading, or if, in the opinion of counsel to the Initial Purchasers, it is necessary to amend or supplement the Offering Circular to comply with any applicable law, forthwith to prepare an appropriate amendment or supplement to such Offering Circular so that the statements therein, as so amended or supplemented, will not, in the light of the circumstances when it is so delivered, be misleading, or so that such Offering Circular will comply with applicable law, and to furnish to the Initial Purchasers and such other persons as the Initial Purchasers may designate such number of copies thereof as the Initial Purchasers may reasonably request;

(e) Prior to the sale of all Series A Notes pursuant to Exempt Resales as contemplated hereby, to cooperate with the Initial Purchasers and counsel to the Initial Purchasers in connection with the registration or qualification of the Series A Notes for offer and sale to the Initial Purchasers and pursuant to Exempt Resales under the securities or Blue Sky laws of such jurisdictions as the Initial Purchasers may request and to continue such registration or qualification in effect so long as required for Exempt Resales and to file such consents to service of process or other documents as may be necessary in order to effect such registration or qualification; provided, however, that neither the Issuers nor any Subsidiary Guarantor shall be required in connection therewith to qualify as a foreign partnership, limited liability company, trust or corporation in any jurisdiction in which it is not now so qualified or to take any action that would subject it to general consent to

service of process or taxation other than as to matters and transactions relating to the Preliminary Offering Circular, the Offering Circular or Exempt Resales, in any jurisdiction in which it is not now so subject;

(f) To provide to the Initial Purchasers and, upon request, to the record holders of the Notes, all the information required by Section 4.19 of the Indenture;

(g) Whether or not the transactions contemplated in this Agreement are consummated or this Agreement is terminated, to pay or cause to be paid all expenses incident to the performance of the obligations of the Issuers and the Subsidiary Guarantors under this Agreement, including:

(i) the fees, disbursements and expenses of counsel to the Issuers and the Subsidiary Guarantors and accountants of the Issuers and the Subsidiary Guarantors in connection with the sale and delivery of the Series A Notes to the Initial Purchasers and pursuant to Exempt Resales, and all other fees and expenses in connection with the preparation, printing, filing and distribution of the Offering Circular and all amendments and supplements to any of the foregoing (including financial statements), including the mailing and delivery of copies thereof to the Initial Purchasers and persons designated by them in the quantities specified herein,

(ii) all costs and expenses related to the transfer and delivery of the Series A Notes to the Initial Purchasers and pursuant to Exempt Resales, including any transfer or other taxes payable thereon,

(iii) all costs of printing or producing this Agreement, the other Operative Documents and any other agreements or documents in connection with the offering, purchase, sale or delivery of the Series A Notes,

(iv) all expenses in connection with the registration or qualification of the Series A Notes and the Guarantees for offer and sale under the securities or Blue Sky laws of the several states and all costs of printing or producing any preliminary and supplemental Blue Sky memoranda in connection therewith (including the filing fees and fees and disbursements of counsel for the Initial Purchasers in connection with such registration or qualification and memoranda relating thereto),

(v) the cost of printing certificates representing the Series A Notes and the Guarantees,

(vi) all expenses and listing fees in connection with the application for quotation of the Series A Notes in the National Association of Securities Dealers, Inc. ("NASD") Automated Quotation System - PORTAL ("PORTAL"),

(vii) the fees and expenses of the Trustee and the Trustee's counsel in connection with the Indenture, the Notes and the Guarantees,

(viii) the costs and charges of any transfer agent, registrar and/or depositary (including DTC),

(ix) any fees charged by rating agencies for the rating of the Notes,

(x) all costs and expenses of the Exchange offer and any Registration Statement, as set forth in the Registration Rights Agreement, and

(xi) all other costs and expenses incident to the performance of the obligations of the Issuers and the Subsidiary Guarantors hereunder for which provision is not otherwise made in this Section;

(h) To use its best efforts to effect the inclusion of the Series A Notes in PORTAL and to maintain the listing of the Series A Notes on PORTAL for so long as the Series A Notes are outstanding;

(i) To obtain the approval of DTC for "book-entry" transfer of the Notes, and to comply with all of its agreements set forth in the representation letters of the Issuers and the Subsidiary Guarantors to DTC relating to the approval of the Notes by DTC for "book-entry" transfer,

(j) During the period beginning on the date hereof and continuing to and including the Closing Date, not to offer, sell, contract to sell or otherwise transfer or dispose of any debt securities of each of the Issuers or any Subsidiary Guarantor or any warrants, rights or options to purchase or otherwise acquire debt securities of the Issuers or any Subsidiary Guarantor substantially similar to the Notes and the Guarantees (other than (i) the Notes and the Guarantees, (ii) commercial paper issued in the ordinary course of business and (iii) the incurrence of debt in connection with the Credit Facility) without the prior written consent of the Initial Purchasers. As used herein, the term "Credit Facility" means the Fifth Amended and Restated Credit Agreement among the Partnership, El Paso Finance, the several lenders from time to time parties thereto, Credit Lyonnais and First Union National Bank, as Co-Syndication Agents, Fleet National Bank and Fortis Capital Group, as Co-Documentation Agents, and The Chase Manhattan Bank, as Administrative Agent, dated as of March 23, 1995, as amended and restated through May 24, 2001 (including the First Amendment thereto dated as of October 10, 2001 and the Second Amendment thereto dated as of March 28,2002), and the collateral documents related thereto;

(k) Not to sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in the Act) that would be integrated with the sale of the Series A Notes to the Initial Purchasers or pursuant to Exempt Resales in a manner that would require the registration of any such sale of the Series A Notes under the Act;

(l) Not to voluntarily claim, and to actively resist any attempts to claim, the benefit of any usury laws against the holders of any Notes and the related Guarantees;

(m) To comply with all of its agreements set forth in the Registration Rights Agreement;

(n) To use its best efforts to do and perform all things required or necessary to be done and performed under this Agreement by it prior to the Closing Date and to satisfy all conditions precedent to the delivery of the Series A Notes and the Guarantees; and

(o) Promptly following the Closing Date, apply the proceeds from the issuance and sale of the Series A Notes as described in the Offering Circular under "Use of Proceeds."

6. Representations, Warranties and Agreements of the Partnership, El Paso Finance and the Subsidiary Guarantors. As of the date hereof, each of the Partnership, El Paso Finance and the Subsidiary Guarantors represents and warrants to, and agrees with, the Initial Purchasers as to the following:

(a) the Offering Circular does not, and any supplement or amendment to it will not, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein

or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that the representations and warranties contained in this paragraph (a) shall not apply to statements in or omissions from the Offering Circular (or any supplement or amendment thereto) based upon information relating to the Initial Purchasers furnished to the Issuers in writing by the Initial Purchasers expressly for use therein. The parties hereto acknowledge and agree that for purposes of this Agreement, including this Section 6(a) and Section 8(b) hereof, the only information furnished to the Issuers in writing by the Initial Purchasers expressly for use in the Offering Circular (or any amendment or supplement to it) is (i) the list of Initial Purchasers and the aggregate principal amount of Series A Notes to be purchased by each of them, set forth in the first table under the caption "Plan of Distribution" in the Offering Circular and (ii) the information set forth in the third, ninth, tenth and twelfth paragraphs under the caption "Plan of Distribution" in the Offering Circular, and the information set forth in the second sentence of the fourth paragraph, the first sentence of the fifth paragraph and in the second sentence of the eighth paragraph under such caption in the Offering Circular. Furthermore, the parties hereto acknowledge that for purposes of this Agreement, including this Section 6(a) and Section 8(b) hereof, the Initial Purchasers shall not be deemed to have provided any information (and therefore are not responsible for any statements or omissions) pertaining to any arrangement or agreement with respect to any party other than the Initial Purchasers. No stop order preventing the use of the Offering Circular, or any amendment or supplement thereto, or any order asserting that any of the transactions contemplated by this Agreement are subject to the registration requirements of the Act, has been issued.

(b) Each of the Partnership and its Restricted Subsidiaries and El Paso Finance, as applicable, has been duly formed or incorporated, is validly existing as a partnership, corporation, business trust or limited liability company in good standing under the laws of their respective jurisdictions of formation or incorporation and has the partnership, corporate, trust or limited liability company power and authority to carry on their respective businesses as described in the Offering Circular and to own, lease and operate their respective properties, and each (other than the general partnerships) is duly qualified and is in good standing as a foreign limited partnership, corporation, business trust or limited liability company authorized to do business in each jurisdiction in which the nature of each of their businesses or their ownership or leasing of property requires such qualification, except where the failure to be so qualified could reasonably be expected not to have a material adverse effect on the business, financial condition or results of operations of the Partnership, its subsidiaries and El Paso Finance, taken as a whole (a "Material Adverse Effect").

(c) El Paso Energy Partners Company, a Delaware corporation, (the "General Partner") has been duly incorporated and is validly existing in good standing under the laws of the State of Delaware with full corporate power and authority to carry on its businesses; to own, lease and operate its properties; and to act as the general partner of the Partnership in all material respects as described in the Offering Circular. The General Partner is duly qualified and is in good standing as a foreign corporation authorized to do business in each jurisdiction in which the nature of its businesses or its ownership or leasing of property requires such qualification, except where the failure to be so qualified could reasonably be expected not to (i) have a Material Adverse Effect, or (ii) subject the limited partners of the Partnership to any material liability or disability.

(d) All of the issued and outstanding shares of capital stock of the General Partner have been duly and validly authorized and issued and are fully paid and nonassessable, and are owned by DeepTech International Inc. ("DeepTech") free and clear of any lien, adverse claim, security interest equity or other encumbrance (each, a "Lien"), except for any Permitted Encumbrances. DeepTech is a wholly-owned subsidiary of El Paso Corporation. As used herein "Permitted

Encumbrances" means any lien, adverse claim, (i) the Credit Facility, (ii) the credit agreement to which Poseidon Oil Pipeline Company, L.L.C., a Delaware limited liability company in which a Subsidiary of the Partnership owns a 36% membership interest, is party, and the collateral documents related thereto, (iii) the financing arrangements to which Sabine I and Sabine II (each as defined below) are parties, and the collateral documents related thereto, (iv) the credit agreement to which EPN Holding Company, L.P., a Delaware limited partnership and a wholly owned indirect subsidiary of the Partnership, is party, and the collateral documents related thereto, (v) the indenture into which the Partnership entered on May 27, 1999, as amended and supplemented, and (vi) the Indenture, as amended and supplemented.

(e) All outstanding shares of capital stock or partnership interests of El Paso Finance or the Partnership, as applicable, have been duly authorized and validly issued and are fully paid, non-assessable (except, in the case of the partnership interests of the Partnership, to the extent set forth in Section 17-303 of the Delaware Revised Uniform Limited Partnership Act (the "DRULPA")) and not subject to any preemptive or similar rights except as otherwise set forth in the Partnership Agreement and disclosed in the Offering Circular.

(f) The entities listed on Schedule C hereto are the only subsidiaries, direct or indirect, of the Partnership. All of the outstanding shares of capital stock, limited partner interests, general partner interests or limited liability company interests or other equity interests of each of the Partnership's subsidiaries have been duly authorized and validly issued and are fully paid and (except (i) as required to the contrary by the Delaware Limited Liability Company Act and DRULPA and (ii) with respect to any general partner interests) non-assessable, and except as otherwise set forth in the Offering Circular (exclusive of any supplement or amendment) or on Schedule C are owned by the Partnership, directly or indirectly through one or more wholly-owned subsidiaries or the General Partner, free and clear of any Lien, other than Permitted Encumbrances.

(g) The General Partner is the sole general partner of the Partnership with a 1.0% general partner interest in the Partnership, and such general partner interest is duly authorized and validly issued to the General Partner in accordance with the Second Amended and Restated Agreement of Limited Partnership of El Paso Energy Partners, L.P. dated as of February 19, 1993 as amended and restated effective as of August 31, 2000 (as amended, the "Partnership Agreement"). The Partnership Agreement has been duly authorized, executed and delivered by the General Partner and is a valid and legally binding agreement of the General Partner, enforceable against the General Partner in accordance with its terms, except as (i) the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and (ii) rights of acceleration and the availability of equitable remedies may be limited by equitable principles of general applicability. The General Partner owns such general partner interest free and clear of any Lien, other than Permitted Encumbrances.

(h) The General Partner, El Paso Field Services Holding Company ("EPFS Holding"), Sabine River Investors I, L.L.C. ("Sabine I") and Sabine River Investors II, L.L.C. ("Sabine II") own limited partner interests in the Partnership represented by 11,674,245 common units ("Common Units"); all of such Common Units and the limited partner interests represented thereby have been duly authorized and validly issued and are fully paid (to the extent required by the Partnership Agreement) and nonassessable (except (i) as required to the contrary by DRULPA and (ii) as such nonassessability may be affected by matters described in the Offering Circular); and the General Partner and its affiliates own such limited partner interests free and clear of any Lien, other than Permitted Encumbrances.

(i) This Agreement has been duly authorized, executed and delivered by each of the Issuers and each of the Subsidiary Guarantors and constitutes a valid and binding obligation of each of the Issuers and each of the Subsidiary Guarantors, enforceable in accordance with its terms, except as (i) the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and (ii) rights of acceleration and the availability of equitable remedies may be limited by equitable principles of general applicability.

(j) The Indenture has been duly authorized by each of the Issuers and each of the Subsidiary Guarantors, and has been validly executed and delivered by each of the Issuers and each of the Subsidiary Guarantors, and is a valid and binding agreement of each of the Issuers and each of the Subsidiary Guarantors, enforceable against each of the Issuers and each of the Subsidiary Guarantors in accordance with its terms, except as (i) the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and (ii) rights of acceleration and the availability of equitable remedies may be limited by equitable principles of general applicability. The Indenture conforms in all material respects to the requirements of the Trust Indenture Act of 1939, as amended (the "TIA"), and the rules and regulations of the Commission applicable to an indenture which is qualified thereunder.

(k) The Series A Notes have been duly authorized and, on the Closing Date, will have been validly executed and delivered by each of the Issuers. When the Series A Notes have been issued, executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Initial Purchasers in accordance with the terms of this Agreement, the Series A Notes will be entitled to the benefits of the Indenture and will be valid and binding obligations of the Issuers, enforceable in accordance with their terms, except as (i) the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and (ii) rights of acceleration and the availability of equitable remedies may be limited by equitable principles of general applicability. On the Closing Date, the Series A Notes will conform as to legal matters to the description thereof contained in the Offering Circular.

(l) On the Closing Date, the Series B Notes will have been duly authorized by each of the Issuers. When the Series B Notes are issued, executed and authenticated in accordance with the terms of the Exchange Offer and the Indenture, the Series B Notes will be entitled to the benefits of the Indenture and will be the valid and binding obligations of the Issuers, enforceable against the Issuers in accordance with their terms, except as (i) the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and (ii) rights of acceleration and the availability of equitable remedies may be limited by equitable principles of general applicability.

(m) The Guarantee to be endorsed on the Series A Notes by each Subsidiary Guarantor has been duly authorized by such Subsidiary Guarantor and, on the Closing Date, will have been duly executed and delivered by each such Subsidiary Guarantor. When the Series A Notes have been issued, executed and authenticated in accordance with the Indenture and delivered to and paid for by the Initial Purchasers in accordance with the terms of this Agreement, the Guarantee of each Subsidiary Guarantor endorsed thereon will be entitled to the benefits of the Indenture and will be the valid and binding obligation of such Subsidiary Guarantor, enforceable against such Subsidiary Guarantor in accordance with its terms, except as (i) the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and (ii) rights of acceleration and the availability of equitable remedies may be limited by equitable principles of general applicability. On the Closing Date, the Guarantees to be endorsed on the

Series A Notes will conform as to legal matters to the description thereof contained in the Offering Circular.

(n) The Guarantee to be endorsed on the Series B Notes by each Subsidiary Guarantor has been duly authorized by such Subsidiary Guarantor and, when issued, will have been duly executed and delivered by each such Subsidiary Guarantor. When the Series B Notes have been issued, executed and authenticated in accordance with the terms of the Exchange Offer and the Indenture, the Guarantee of each Subsidiary Guarantor endorsed thereon will be entitled to the benefits of the Indenture and will be the valid and binding obligation of such Subsidiary Guarantor, enforceable against such Subsidiary Guarantor in accordance with its terms, except as (i) the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and (ii) rights of acceleration and the availability of equitable remedies may be limited by equitable principles of general applicability. When the Series B Notes are issued, authenticated and delivered, the Guarantees to be endorsed on the Series B Notes will conform as to legal matters to the description thereof in the Offering Circular.

(o) The Registration Rights Agreement has been duly authorized by each of the Issuers and each of the Subsidiary Guarantors and, on the Closing Date, will have been duly executed and delivered by each of the Issuers and each of the Subsidiary Guarantors. When the Registration Rights Agreement has been duly executed and delivered, the Registration Rights Agreement will be a valid and binding agreement of each of the Issuers and each of the Subsidiary Guarantors, enforceable against each of the Issuers and each of the Subsidiary Guarantors in accordance with its terms, except as (i) the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and (ii) rights of acceleration and the availability of equitable remedies may be limited by equitable principles of general applicability. On the Closing Date, the Registration Rights Agreement will conform as to legal matters to the description thereof in the Offering Circular.

(p) Neither the Issuers nor any of their subsidiaries is in violation of its respective limited partnership agreement, limited liability company agreement, charter, by-laws or similar organizational document or in default in the performance of any obligation, agreement, covenant or condition contained in any indenture, loan agreement, mortgage, lease or other agreement or instrument that is material to the Issuers and their subsidiaries, taken as a whole, to which the Issuers or any of their subsidiaries is a party or by which the Issuers or any of their subsidiaries or their respective property is bound, except with respect to any such indenture, loan agreement, mortgage, lease or other agreement or instrument, any default which could reasonably be expected not to have a Material Adverse Effect.

(q) The execution, delivery and performance of this Agreement and the other Operative Documents by each of the Issuers and each of the Subsidiary Guarantors, compliance by each of the Issuers and each of the Subsidiary Guarantors with all provisions hereof and thereof and the consummation of the transactions contemplated hereby and thereby did not and will not (i) require any consent, approval, authorization, filing with or other order of, or qualification with, any court or governmental body or agency (except such as may be required under the securities or Blue Sky laws of the various states or, with respect to the proposed offer to exchange the Exchange Notes for the Notes, the federal securities laws), (ii) conflict with or constitute a breach of any of the terms or provisions of, or a default under, the limited partnership agreement, limited liability company agreement, charter, by-laws or similar organizational document of the Partnership or any of its Restricted Subsidiaries or El Paso Finance or any existing indenture, loan agreement, mortgage, lease or other agreement or instrument that is material to the Partnership and its Restricted Subsidiaries and El Paso Finance, taken as a whole, to which the Partnership or

any of its Restricted Subsidiaries or El Paso Finance is a party or by which the Partnership or any of its Restricted Subsidiaries or El Paso Finance or their respective property is bound, (iii) violate or conflict with any applicable existing law or any rule, regulation, judgment, order or decree of any court or any governmental body or agency having jurisdiction over the Partnership or any of its Restricted Subsidiaries or El Paso Finance or their respective property, (iv) result in the imposition or creation of (or the obligation to create or impose) a Lien under, any existing agreement or instrument to which the Partnership or any of its Restricted Subsidiaries or El Paso Finance is a party or by which the Partnership or any of its Restricted Subsidiaries or El Paso Finance or their respective property is bound, or (v) result in the termination, suspension or revocation of any existing Authorization (as defined below) of the Partnership or any of its Restricted Subsidiaries or El Paso Finance or result in any other impairment of the rights of the holder of any such Authorization, except to the extent they could reasonably be expected not to have a Material Adverse Effect.

(r) No action, suit or governmental proceedings by or before any court or governmental agency, authority or body is pending or, to our knowledge, threatened to which the Partnership or any of its Restricted Subsidiaries or El Paso Finance is or could be a party or to which any of their respective property is or could be subject, except for such proceedings which, singly or in the aggregate, could reasonably be expected not to result in a Material Adverse Effect and except as set forth in the Offering Circular.

(s) The Partnership, its Restricted Subsidiaries and El Paso Finance are (i) in compliance with any and all foreign, federal, state or local law or regulation relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("Environmental Laws"), (ii) have received and are in compliance with all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses and (iii) have not received notice of any actual or potential liability under the Environmental Laws, in the case of (i) through (iii), except where such non-compliance or liability, singly or in the aggregate, could reasonably be expected not to result in a Material Adverse Effect. None of the Partnership, its Restricted Subsidiaries or El Paso Finance have been named as a "potentially responsible party" under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"). The Partnership, its Restricted Subsidiaries and El Paso Finance are not in violation of any provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or any provisions of the Foreign Corrupt Practices Act or the rules and regulations promulgated thereunder, except for such violations which, singly or in the aggregate, could reasonably be expected not to result in a Material Adverse Effect.

(t) There are no costs or liabilities associated with Environmental Laws (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws or any Authorization, any related constraints on operating activities and any potential liabilities to third parties) which, singly or in the aggregate, could reasonably be expected to result in a Material Adverse Effect.

(u) Each of the Partnership and its Restricted Subsidiaries and El Paso Finance has such permits, licenses, consents, exemptions, franchises, authorizations and other approvals (each, an "Authorization") of, and has made all filings with and notices to, all governmental or regulatory authorities and self-regulatory organizations and all courts and other tribunals, including without limitation, under any applicable Environmental Laws, as are necessary to own, lease, license and operate its respective properties and to conduct its business, except where the failure to have any such Authorization or to make any such filing or notice could, singly or in the aggregate,

reasonably be expected not to have a Material Adverse Effect. Each such Authorization is valid and in full force and effect and each of the Partnership and its Restricted Subsidiaries and El Paso Finance is in compliance with all the terms and conditions thereof and with the rules and regulations of the authorities and governing bodies having jurisdiction with respect thereto; and no event has occurred (including, without limitation, the receipt of any notice from any authority or governing body) which allows or, after notice or lapse of time or both, would allow, revocation, suspension or termination of any such Authorization or results or, after notice or lapse of time or both, would result in any other impairment of the rights of the holder of any such Authorization; and such Authorizations contain no restrictions that are burdensome to the Partnership or any of its Restricted Subsidiaries or El Paso Finance; except where such failure to be valid and in full force and effect or to be in compliance, the occurrence of any such event or the presence of any such restriction could, singly or in the aggregate, reasonably be expected not to have a Material Adverse Effect.

(v) Each of the Partnership and its Restricted Subsidiaries and El Paso Finance owns or leases all such properties as are necessary to the conduct of its operations as presently conducted, except where the lack of ownership or leasing would not, individually or in the aggregate, have a Material Adverse Effect.

(w) Each of the Partnership and its Restricted Subsidiaries and El Paso Finance has, or at the Closing Date will have, such consents, easements, right-of-way or licenses from any person ("rights-of-way") as are necessary to conduct its business in the manner described in the Offering Circular, subject to such qualifications as may be set forth in the Offering Circular and except for such rights-of-way which, if not obtained, could, singly or in the aggregate, reasonably be expected not to have a Material Adverse Effect; each of the Partnership and its subsidiaries and El Paso Finance has, or at the Closing Date will have, fulfilled and performed all its material obligations with respect to such rights-of-way and no event has occurred which allows, or after notice or lapse of time would allow, revocation or termination thereof or would result in any impairment of the rights of the holder of any such rights-of-way, except for such revocations, terminations and impairments that could reasonably be expected not to have a Material Adverse Effect, subject in each case to such qualifications as may be set forth in the Offering Circular; and except as described in the Offering Circular, none of such rights-of-way contains any restriction that is materially burdensome to the Partnership and its subsidiaries and El Paso Finance considered as a whole.

(x) The accountants, PricewaterhouseCoopers LLP, that have certified financial statements and supporting schedules included in the Offering Circular are independent public accountants with respect to the Issuers, the Subsidiary Guarantors and Poseidon Oil Pipeline Company, L.L.C., as required by the Act and the Exchange Act; and the accountants Arthur Andersen L.L.P., that have certified financial statements and supporting schedules included in the Offering Circular are independent public accountants with respect to Poseidon Oil Pipeline Company, L.L.C. as required by the Act and the Exchange Act. The historical financial statements, together with related schedules and notes, set forth in the Offering Circular comply as to form in all material respects with the requirements applicable to registration statements on Form S-3 under the Act.

(y) The historical financial statements, together with related schedules and notes forming part of the Offering Circular (and any amendment or supplement thereto), present fairly the consolidated financial position, results of operations and changes in financial position of the Partnership and its subsidiaries and El Paso Finance on the basis stated in the Offering Circular at the respective dates or for the respective periods to which they apply; such statements and related schedules and notes have been prepared in accordance with generally accepted accounting principles

consistently applied throughout the periods involved, except as disclosed therein; and the other financial and statistical information and data set forth in the Offering Circular (and any amendment or supplement thereto) are, in all material respects, accurately presented and prepared on a basis consistent with such financial statements and the books and records of the Partnership and El Paso Finance.

(z) The pro forma financial statements included in the Offering Circular have been prepared on a basis consistent with the historical financial statements of the Partnership and its subsidiaries and El Paso Finance and give effect to assumptions used in the preparation thereof on a reasonable basis and in good faith and present fairly the historical and proposed transactions contemplated by the Offering Circular, and such pro forma financial statements comply as to form in all material respects with the requirements applicable to pro forma financial statements included in registration statements on Form S-3 under the Act. The other pro forma financial and statistical information and data included in the Offering Circular are, in all material respects, accurately presented and prepared on a basis consistent with the pro forma financial statements.

(aa) Neither of the Issuers is and, after giving effect to the offering and sale of the Series A Notes and the application of the net proceeds thereof as described in the Offering Circular, neither of the Issuers will be, an "investment company," as such term is defined in the Investment Company Act of 1940, as amended or a "holding company" within the meaning of, or subject to regulation under, the Public Utility Holding company Act of 1935, as amended, and the rules and regulations promulgated by the Commission thereunder.

(bb) There are no contracts, agreements or understandings between the Issuers or any Subsidiary Guarantor and any person granting such person the right to require the Issuers or such Subsidiary Guarantor to file a registration statement under the Act with respect to any securities of the Issuers or such Subsidiary Guarantor other than the rights (i) of the General Partner and its affiliates in Section 6.14 of the Partnership Agreement; (ii) of EPEC Deepwater Gathering Company ("EPEC") and its successors pursuant to a registration rights agreement between EPEC and the Partnership executed in connection with the acquisition by the Partnership of an additional interest in Viosca Knoll Gathering Company; (iii) of Crystal Gas Storage, Inc. pursuant to the registration rights agreement between Crystal Gas Storage, Inc. and the Partnership which was executed in connection with the acquisition by the Partnership of the Crystal storage facilities; provided, however, that with respect to (i) and (ii) above, the General Partner, EPEC, Sabine I and Sabine II have agreed not to exercise their rights with respect to such securities in connection with the offering of the Notes for 90 days hereafter pursuant to letter agreements of even date herewith; and (iv) granted under the Credit Facility and related agreements. There are no contracts, agreements or understandings between the Issuers or any Subsidiary Guarantor and any person granting such person the right to require the Issuers or such Subsidiary Guarantor to include such securities with the Notes and Guarantees registered pursuant to any Registration Statement, other than the rights of the General Partner and its affiliates in Section 6.14 of the Partnership Agreement (which rights have been waived in connection with any Registration Statement filed pursuant to the Registration Rights Agreement).

(cc) Neither the Partnership nor any of its subsidiaries nor El Paso Finance nor any agent thereof acting on the behalf of them has taken, and none of them will take, any action that might cause this Agreement or the issuance or sale of the Series A Notes to violate Regulation T (12 C.F.R. Part 220), Regulation U (12 C.F.R. Part 221) or Regulation X (12 C.F.R. Part 224) of the Board of Governors of the Federal Reserve System.

(dd) No "nationally recognized statistical rating organization" as such term is defined for purposes of Rule 436(g)(2) under the Act (i) has imposed (or has informed the Issuers or any Subsidiary Guarantor that it is considering imposing) any condition (financial or otherwise) on the Issuers' or any Subsidiary Guarantor's retaining any rating assigned to the Issuers or any Subsidiary Guarantor, any securities of the Issuer or any Subsidiary Guarantor or (ii) has indicated to the Issuers or any Subsidiary Guarantor that it is considering (a) the downgrading, suspension, or withdrawal of, or any review for a possible change that does not indicate the direction of the possible change in, any rating so assigned or (b) any change in the outlook for any rating of the Issuers, any Subsidiary Guarantor or any securities of the Issuers or any Subsidiary Guarantor.

(ee) Since the respective dates as of which information is given in the Offering Circular other than as set forth in the Offering Circular (exclusive of any amendments or supplements thereto subsequent to the date of this Agreement), (i) there has not occurred any material adverse change or any development involving a prospective material adverse change in the condition, financial or otherwise, or the earnings, business, management or operations of the Partnership and its subsidiaries and El Paso Finance, taken as a whole, (ii) there has not been any material adverse change or any development involving a prospective material adverse change in the capital stock, limited liability company interests or partnership units, as applicable, or in the long-term debt of the Partnership or any of its subsidiaries or El Paso Finance and (iii) neither the Partnership nor any of its subsidiaries nor El Paso Finance has incurred any material liability or obligation, direct or contingent.

(ff) The Offering Circular, as of its date, contains all the information specified in, and meets all of the requirements of, Rule 144A(d)(4) under the Act.

(gg) The Offering Circular, as of its date, contains all of the information specified in, and complies in all material respects with, the applicable requirements of the Act as if such document were filed using a registration statement on Form S-3.

(hh) The statements under the captions "Description of Notes," "Description of Other Indebtedness," "United States Federal Income and Estate Tax Considerations" and "Plan of Distribution" in the Offering Circular, insofar as such statements purport to constitute a summary of the legal matters, documents or proceedings referred to therein, fairly present in all material respects such legal matters, documents and proceedings.

(ii) When the Series A Notes and the Guarantees are issued and delivered pursuant to this Agreement, neither the Series A Notes nor the Guarantees will be of the same class (within the meaning of Rule 144A under the Act) as any security of the Issuers or the Subsidiary Guarantors that is listed on a national securities exchange registered under Section 6 of the Exchange Act or that is quoted in a United States automated inter-dealer quotation system.

(jj) No form of general solicitation or general advertising (as defined in Regulation D under the Act) was used by the Issuers, the Subsidiary Guarantors or any of their respective representatives (other than the Initial Purchasers, as to whom the Issuers and the Subsidiary Guarantors make no representation) in connection with the offer and sale of the Series A Notes contemplated hereby, including, but not limited to, articles, notices or other communications published in any newspaper, magazine, or similar medium or broadcast over television or radio, or any seminar or meeting whose attendees have been invited by any general solicitation or general advertising. No securities of the same class as the Series A Notes have been issued and sold by the Issuers within the six-month period immediately prior to the date hereof.

(kk) It is not necessary to qualify the Indenture under the TIA in connection with the offering of the Series A Notes.

(ll) None of the Issuers, the Subsidiary Guarantors nor any of their respective affiliates or any person acting on its or their behalf (other than the Initial Purchasers, as to whom the Issuers and the Subsidiary Guarantors make no representation) has engaged or will engage in any directed selling efforts within the meaning of Regulation S under the Act ("Regulation S") with respect to the Series A Notes or the Guarantees.

(mm) The Issuers, the Subsidiary Guarantors and their respective affiliates and all persons acting on their behalf (other than the Initial Purchasers, as to whom the Issuers and the Subsidiary Guarantors make no representation) have complied with and will comply with the offering restrictions requirements of Regulation S in connection with the offering of the Series A Notes outside the United States and, in connection therewith, the Offering Circular will contain the disclosure required by Regulation S.

(nn) The Partnership is a "reporting issuer," as defined in Rule 902 under the Act.

(oo) The Series A Notes offered and sold in reliance on Regulation S have been and will be offered and sold only in offshore transactions.

(pp) The sale of the Series A Notes pursuant to Regulation S is not part of a plan or scheme to evade the registration provisions of the Act.

(qq) No registration under the Act of the Series A Notes or the Guarantees is required for the sale of the Series A Notes and the Guarantees to the Initial Purchasers as contemplated hereby or for the Exempt Resales assuming the accuracy of the Initial Purchasers' representations and warranties and agreements set forth in Section 7 hereof.

(rr) Each certificate signed by any officer of the Issuers or any Subsidiary Guarantor and delivered to the Initial Purchasers or counsel for the Initial Purchasers shall be deemed to be a representation and warranty by the Issuers or such Subsidiary Guarantor to the Initial Purchasers as to the matters covered thereby.

(ss) Except as otherwise set forth in the Offering Circular or such as are not material to the business, prospects, financial condition or results of operations of the Partnership and its subsidiaries (taken as a whole), and except for liens created by operation and maintenance agreements, space lease agreements and other similar types of agreements ordinary and customary to the operations of the General Partner, the Partnership and its subsidiaries, the Partnership and the Subsidiary Guarantors have good and defensible title to their interests in their oil and gas properties.

(tt) The information which was supplied by the Partnership to Netherland, Sewell & Associates, Inc. ("Netherland & Sewell"), independent petroleum engineers, for purposes of evaluating the oil and gas reserves of the Partnership and the Subsidiary Guarantors as of December 31, 2001, including, without limitation, production, costs of operation and development, current prices for production, agreements relating to current and future operations and sales of production, was true and correct in all material respects on the dates such estimates were made and such information was supplied and was prepared in accordance with customary industry practices, as indicated in the letter of Netherland & Sewell dated January 28, 2002 (the "Netherland & Sewell Letter"); Netherland & Sewell was, as of the date of the Netherland & Sewell Letter, and is, as of the date

hereof, independent with respect to the Partnership and the Subsidiary Guarantors; other than normal production of the reserves and intervening spot market product price fluctuations, the Partnership is not aware of any facts or circumstances that would result in a materially adverse change in the reserves, or the present value of future net cash flows therefrom, as described in the Offering Circular and as reflected in the Netherland & Sewell Letter and the reserve report referenced therein; estimates of such reserves and present values as described in the Offering Circular and reflected in the Netherland & Sewell Letter and the reserve report referenced therein comply in all material respects to the applicable requirements of Regulation S-X and Industry Guide 2 under the Securities Act.

(uu) The Partnership and each of its subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which they are engaged; and neither the Partnership nor any of its subsidiaries (i) has received notice from any insurer or agent of such insurer that substantial capital improvements or other material expenditures will have to be made in order to continue such insurance or (ii) has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers at a cost that could reasonably be expected not to have a Material Adverse Effect;

(vv) Except as disclosed in the Offering Circular, no relationship, direct or indirect, exists between or among the Partnership or any of its subsidiaries on the one hand, and the directors, officers, stockholders, customers or suppliers of the Partnership or any of its subsidiaries on the other hand, which would be required by the Act to be described in the Offering Circular if the Offering Circular were a prospectus included in a registration statement on Form 5-1 filed with the Commission.

(ww) There is no (i) significant unfair labor practice complaint, grievance or arbitration proceeding pending or threatened against the Partnership or any of its subsidiaries before the National Labor Relations Board or any state or local labor relations board, (ii) strike, labor dispute, slowdown or stoppage pending or threatened against the Partnership or any of its subsidiaries or (iii) union representation question existing with respect to the employees of the Partnership or any of its subsidiaries, except in the case of clauses (i), (ii) and (iii) for such actions which, singly or in the aggregate, could reasonably be expected not to have a Material Adverse Effect To the best knowledge of the Partnership, no collective bargaining organizing activities are taking place with respect to the Partnership or any of its subsidiaries.

(xx) The Issuers and each of their subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(yy) All material tax returns required to be filed by the Issuers and each of their subsidiaries in any jurisdiction have been filed, other than those filings being contested in good faith, and all material taxes, including withholding taxes, penalties and interest, assessments, fees and other charges due pursuant to such returns or pursuant to any assessment received by the Issuers or any of their subsidiaries have been paid, other than those being contested in good faith and for which adequate reserves have been provided. There are no transfer taxes or other similar fees or charges

under Federal law or the laws of any state, or any political subdivision thereof, required to paid in connection with the execution and delivery of this Agreement or the issuance and sale of the Notes.

(zz) All indebtedness of the Partnership that will be repaid with the proceeds of the issuance and sale of the Series A Notes was incurred, and the indebtedness represented by the Series A Notes is being incurred, for proper purposes and in good faith and each of the Issuers and the Subsidiary Guarantors was, at the time of the incurrence of such indebtedness that will be repaid with the proceeds of the issuance and sale of the Series A Notes, and will be on the Closing Date (after giving effect to the application of the proceeds from the issuance of the Series A Notes) solvent, and had at the time of the incurrence of such indebtedness that will be repaid with the proceeds of the issuance and sale of the Series A Notes and will have on the Closing Date (after giving effect to the application of the proceeds from the issuance of the Series A Notes) sufficient capital for carrying on their respective business and were, at the time of the incurrence of such indebtedness that will be repaid with the proceeds of the issuance and sale of the Series A Notes, and will be on the Closing Date (after giving effect to the application of the proceeds from the issuance of the Series A Notes) able to pay their respective debts as they mature.

(aaa) No action has been taken and no law, statute, rule or regulation or order has been enacted, adopted or issued by any governmental agency or body which prevents (or, with respect to the execution and delivery of the Indenture, prevented) the execution, delivery and performance of any of the Operative Documents, or the issuance of the Series A Notes or the Guarantees, or suspends the sale of the Series A Notes or the Guarantees in any jurisdiction referred to in Section 5(e); and no injunction, restraining order or other order or relief of any nature by a federal or state court or other tribunal of competent jurisdiction has been issued with respect to the Issuers or any of their subsidiaries which would prevent or suspend the issuance or sale of the Series A Notes or the Guarantees in any jurisdiction referred to in Section 5(e).

The Issuers acknowledge that the Initial Purchasers and, for purposes of the opinions to be delivered to the Initial Purchasers pursuant to Section 9 hereof, counsel to the Issuers and the Subsidiary Guarantors and counsel to the Initial Purchasers will rely upon the accuracy and truth of the foregoing representations and hereby consents to such reliance.

7. Initial Purchasers' Representations and Warranties. Each of the Initial Purchasers, severally and not jointly, represents and warrants to each of the Issuers and the Subsidiary Guarantors, and agrees that:

(a) Such Initial Purchaser is a QIB with such knowledge and experience in financial and business matters as is necessary in order to evaluate the merits and risks of an investment in the Series A Notes;

(b) Such Initial Purchaser (A) is not acquiring the Series A Notes with a view to any distribution thereof or with any present intention of offering or selling any of the Series A Notes in a transaction that would violate the Act or the securities laws of any state of the United States or any other applicable jurisdiction and (B) will be reoffering and reselling the Series A Notes only to (x) QIBs in reliance on the exemption from the registration requirements of the Act provided by Rule 144A, and (y) in offshore transactions in reliance upon Regulation S under the Act;

(c) Such Initial Purchaser agrees that no form of general solicitation or general advertising (within the meaning of Regulation D under the Act) has been or will be used by such Initial Purchaser or any of its representatives in connection with the offer and sale of the Series A Notes pursuant

hereto, including, but not limited to, articles, notices or other communications published in any newspaper, magazine or similar medium or broadcast over television or radio, or any seminar or meeting whose attendees have been invited by any general solicitation or general advertising;

(d) Such Initial Purchaser agrees that, in connection with Exempt Resales, such Initial Purchaser will solicit offers to buy the Series A Notes only from, and will offer to sell the Series A Notes only to, Eligible Purchasers. Each Initial Purchaser further agrees that it will offer to sell the Series A Notes only to, and will solicit offers to buy the Series A Notes only from (A) Eligible Purchasers that the Initial Purchaser reasonably believes are QIBs, and (B) Regulation S Purchasers, in each case, that agree that (x) the Series A Notes purchased by them may be offered, resold, pledged or otherwise transferred, only (i) to the Partnership, El Paso Finance, or any subsidiary of the Partnership, (ii) in the United States to a person whom the seller reasonably believes is a Qualified Institutional Buyer (as defined in Rule 144A under the Securities Act) in a transaction meeting the requirements of Rule 144A, (iii) outside the United States in an offshore transaction in accordance with Rule 904 under the Securities Act, (iv) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available) or (v) pursuant to an effective registration statement under the Securities Act, in each of cases (i) through (v) in accordance with any applicable securities laws of any state of the United States, and (y) they will deliver to each person to whom such Series A Notes or an interest therein is transferred a notice substantially to the effect of the foregoing;

(e) Such Initial Purchaser and its affiliates or any person acting on its or their behalf have not engaged or will not engage in any directed selling efforts within the meaning of Regulation S with respect to the Series A Notes or the Guarantees;

(f) The Series A Notes offered and sold by such Initial Purchaser pursuant hereto in reliance on Regulation S have been and will be offered and sold only in offshore transactions;

(g) The sale of the Series A Notes offered and sold by such Initial Purchaser pursuant hereto in reliance on Regulation S is not part of a plan or scheme to evade the registration provisions of the Act;

(h) Such Initial Purchaser agrees that it has not offered or sold and will not offer or sell the Series A Notes in the United States or to, or for the benefit or account of, a U.S. Person (other than a distributor), in each case, as defined in Rule 902 under the Act (i) as part of its distribution at any time and (ii) otherwise until 40 days after the later of the commencement of the offering of the Series A Notes pursuant hereto and the Closing Date, other than in accordance with Regulation S of the Act or another exemption from the registration requirements of the Act. Such Initial Purchaser agrees that, during such 40-day restricted period, it will not cause any advertisement with respect to the Series A Notes (including any "tombstone" advertisement) to be published in any newspaper or periodical or posted in any public place and will not issue any circular relating to the Series A Notes, except such advertisements as are permitted by and include the statements required by Regulation S; and

(i) Such Initial Purchaser agrees that, at or prior to confirmation of a sale of Series A Notes by it to any distributor, dealer or person receiving a selling concession, fee or other remuneration during the 40-day restricted period referred to in Rule 903(b) under the Act, it will send to such distributor, dealer or person receiving a selling concession, fee or other remuneration a confirmation or notice to substantially the following effect:

"The Series A Notes covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered and sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of your distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the Offering and the Closing Date, except in either case in accordance with Regulation S under the Securities Act (or Rule 144A or to institutional accredited investors as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act, in transactions that are exempt from the registration requirements of the Securities Act), and in connection with any subsequent sale by you of the Series A Notes covered hereby in reliance on Regulation S during the period referred to above to any distributor, dealer or person receiving a selling concession, fee or other remuneration, you must deliver a notice to substantially the foregoing effect. Terms used above have the meanings assigned to them in Regulation S."

Each Initial Purchaser acknowledges that the Issuers and the Subsidiary Guarantors and, for purposes of the opinions to be delivered to each Initial Purchaser pursuant to Section 9 hereof, counsel to the Issuers and the Subsidiary Guarantors and counsel to the Initial Purchasers will rely upon the accuracy and truth of the foregoing representations and the Initial Purchasers hereby consent to such reliance.

8. Indemnification.

(a) Each of the Issuers and each Subsidiary Guarantor agree, jointly and severally, to indemnify and hold harmless the Initial Purchasers, their directors, their officers and each person, if any, who controls such Initial Purchasers within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages, liabilities and judgments (including, without limitation, any legal or other expenses incurred in connection with investigating or defending any matter, including any action, that could give rise to any such losses, claims, damages, liabilities or judgments) caused by any untrue statement or alleged untrue statement of a material fact contained in the Offering Circular (or any amendment or supplement thereto), any Rule 144A Information provided by the Issuers or any Subsidiary Guarantor to any holder or prospective purchaser of Series A Notes pursuant to Section 5(h) or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such losses, claims, damages, liabilities or judgments are caused by any such untrue statement or omission or alleged untrue statement or omission based upon information relating to the Initial Purchasers furnished in writing to the Issuers by such Initial Purchaser (and not with respect to the information provided by any other Initial Purchaser).

(b) The Initial Purchasers agree, severally and not jointly, to indemnify and hold harmless the Issuers and the Subsidiary Guarantors, and their respective directors and officers and each person, if any, who controls (within the meaning of Section 15 of the Act or Section 20 of the Exchange Act) the Issuers or the Subsidiary Guarantors, to the same extent as the foregoing indemnity from the Issuers and the Subsidiary Guarantors to the Initial Purchasers but only with reference to information relating to the Initial Purchaser furnished in writing to the Issuers by such Initial Purchaser expressly for use in the Offering Circular and not with respect to the information provided by any other Initial Purchaser.

(c) In case any action shall be commenced involving any person in respect of which indemnity may be sought pursuant to Section 8(a) or 8(b) (the "indemnified party"), the indemnified party shall promptly notify the person against whom such indemnity may be sought (the "indemnifying party") in writing and the indemnifying party shall assume the defense of such action, including the employment of counsel reasonably satisfactory to the indemnified party and the payment of all fees and expenses of such counsel, as incurred (except that in the case of any action in respect of which indemnity may be sought pursuant to both Sections 8(a) and 8(b), the Initial Purchasers shall not be required to assume the defense of such action pursuant to this Section 8(c), but may employ separate counsel and participate in the defense thereof, but the fees and expenses of such counsel, except as provided below, shall be at the expense of the Initial Purchasers). Any indemnified party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the indemnified party unless (i) the employment of such counsel shall have been specifically authorized in writing by the indemnifying party, (ii) the indemnifying party shall have failed to assume the defense of such action or employ counsel reasonably satisfactory to the indemnified party or (iii) the named parties to any such action (including any impleaded parties) include both the indemnified party and the indemnifying party, and the indemnified party shall have been advised by such counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the indemnifying party (in which case the indemnifying party shall not have the right to assume the defense of such action on behalf of the indemnified party). In any such case, the indemnifying party shall not, in connection with any one action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the fees and expenses of more than one separate firm of attorneys (in addition to any local counsel) for all indemnified parties and all such fees and expenses shall be reimbursed as they are incurred. Such firm shall be designated in writing by Credit Suisse First Boston Corporation, in the case of the parties indemnified pursuant to Section 8(a), and by the Issuers, in the case of parties indemnified pursuant to Section 8(b). The indemnifying party shall indemnify and hold harmless the indemnified party from and against any and all losses, claims, damages, liabilities and judgments by reason of any settlement of any action (i) effected with its written consent or (ii) effected without its written consent if the settlement is entered into more than twenty business days after the indemnifying party shall have received a request from the indemnified party for reimbursement for the fees and expenses of counsel (in any case where such fees and expenses are at the expense of the indemnifying party) and, prior to the date of such settlement, the indemnifying party shall have failed to comply with such reimbursement request. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement or compromise of, or consent to the entry of judgment with respect to, any pending or threatened action in respect of which the indemnified party is or could have been a party and indemnity or contribution may be or could have been sought hereunder by the indemnified party, unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability on claims that are or could have been the subject matter of such action and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of the indemnified party.

(d) To the extent the indemnification provided for in this Section 8 is unavailable to an indemnified party or insufficient in respect of any losses, claims, damages, liabilities or judgments referred to therein, then each indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages, liabilities and judgments (i) in such proportion as is appropriate to reflect the relative benefits received by the Issuers and the Subsidiary Guarantors, on the one hand, and the Initial Purchasers on the other hand from the offering of the Series A

Notes or (ii) if the allocation provided by clause 8(d)(i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause 8(d)(i) above but also the relative fault of the Issuers and the Subsidiary Guarantors, on the one hand, and the Initial Purchasers, on the other hand, in connection with the statements or omissions which resulted in such losses, claims, damages, liabilities or judgments, as well as any other relevant equitable considerations. The relative benefits received by the Issuers and the Subsidiary Guarantors, on the one hand and the Initial Purchasers, on the other hand, shall be deemed to be in the same proportion as the total net proceeds from the offering of the Series A Notes (after underwriting discounts and commissions, but before deducting expenses) received by the Issuers, and the total discounts and commissions received by the Initial Purchasers bear to the total price to investors of the Series A Notes, in each case as set forth in the table on the cover page of the Offering Circular. The relative fault of the Issuers and the Subsidiary Guarantors, on the one hand, and the Initial Purchasers, on the other hand, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Issuers or the Subsidiary Guarantors, on the one hand, or the Initial Purchasers, on the other hand, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Issuers and the Subsidiary Guarantors, and the Initial Purchasers agree that it would not be just and equitable if contribution pursuant to this Section 8(d) were determined by pro rata allocation, even if the Initial Purchasers were treated as one entity for such purpose, or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable by an indemnified party as a result of the losses, claims, damages, liabilities or judgments referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses incurred by such indemnified party in connection with investigating or defending any matter, including any action, that could have given rise to such losses, claims, damages, liabilities or judgments. Notwithstanding the provisions of this Section 8, the Initial Purchasers shall not be required to contribute any amount in excess of the amount by which the total discounts and commissions received by such Initial Purchasers exceeds the amount of any damages which each Initial Purchaser has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Initial Purchasers' obligations to contribute pursuant to this Section 8(d) are several in proportion to the respective principal amount of Series A Notes purchased by each of the Initial Purchasers hereunder and not joint.

(e) The remedies provided for in this Section 8 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

9. Conditions of Initial Purchasers' Obligations. The obligations of each of the Initial Purchasers to purchase the Series A Notes under this Agreement are subject to the satisfaction of each of the following conditions:

(a) All the representations and warranties of the Issuers and the Subsidiary Guarantors contained in this Agreement shall be true and correct in all material respects on the Closing Date with the same force and effect as if made on and as of the Closing Date, provided that the representations and warranties qualified by "materiality" shall be true and correct on the Closing Date;

(b) On or after the date hereof, there shall not have occurred (i) any downgrading, suspension or withdrawal of, nor shall any notice have been given of any potential or intended downgrading, suspension or withdrawal of, or of any review (or of any potential or intended review) for a possible change that does not indicate the direction of the possible change in, any rating of the Issuers or any Subsidiary Guarantor or any securities of the Issuers or any Subsidiary Guarantor (including, without limitation, the placing of any of the foregoing ratings on credit watch with negative or developing implications or under review with an uncertain direction) by any "nationally recognized statistical rating organization" as such term is defined for purposes of Rule 436(g)(2) under the Act, (ii) any change, nor shall any notice have been given of any potential or intended change, in the outlook for any rating of the Issuers or any Subsidiary Guarantor or any securities of the Issuers or any Subsidiary Guarantor by any such rating organization and (iii) no such rating organization shall have given notice that it has assigned (or is considering assigning) a lower rating to the Notes than that on which the Notes were marketed; (iii) any change in U.S. or international financial, political or economic conditions or currency exchange rates or exchange controls as would, in the judgment of a majority in interest of the Initial Purchasers including Credit Suisse First Boston Corporation ("CSFBC"), be likely to prejudice materially the success of the proposed issue, sale or distribution of the Notes, whether in the primary market or in respect of dealings in the secondary market; (iv) any material suspension or material limitation of trading in securities generally on the New York Stock Exchange or any setting of minimum prices for trading on such exchange, or any suspension of trading of any securities of the Issuers on any exchange or in the over-the-counter market; (v) any banking moratorium declared by U.S. Federal or New York authorities; (vi) any major disruption of settlements of securities or clearance services in the United States or (vii) any attack on, outbreak or escalation of hostilities or act of terrorism involving the United States, any declaration of war by Congress or any other national or international calamity or emergency if, in the judgment of a majority in interest of the Initial Purchasers including CSFBC, the effect of any such attack, outbreak, escalation, act, declaration, calamity or emergency makes it impractical or inadvisable to proceed with completion of the offering or sale of and payment for the Notes.

(c) Since the respective dates as of which information is given in the Offering Circular other than as set forth in the Offering Circular (exclusive of any amendments or supplements thereto subsequent to the date of this Agreement), (i) there shall not have occurred any change or any development involving a prospective change in the condition, financial or otherwise, or the earnings, business, management or operations of the Partnership and its subsidiaries and El Paso Finance, taken as a whole, (ii) there shall not have been any change or any development involving a prospective change in the capital stock, limited liability company interests or partnership units, as applicable, or in the long-term debt of the Issuers or any of their subsidiaries and (iii) neither the Issuers nor any of their subsidiaries shall have incurred any liability or obligation, direct or contingent, the effect of which, in any such case described in clause 9(c)(i), 9(c)(ii) or 9(c)(iii), in your judgment, is material and adverse and, in your judgment, makes it impracticable to market the Series A Notes on the terms and in the manner contemplated in the Offering Circular;

(d) You shall have received on the Closing Date a certificate dated the Closing Date, signed by the President or a Senior Vice President and the Chief Financial Officer of the Partnership and El Paso Finance and each of the Subsidiary Guarantors, confirming the matters set forth in Sections 6(ee), 9(a) and 9(b)(i), (ii) and (iii) and stating that each of the Issuers and the Subsidiary Guarantors has complied with all the agreements and satisfied all of the conditions herein contained and required to be complied with or satisfied on or prior to the Closing Date;

(e) You shall have received on the Closing Date an opinion (satisfactory to you and counsel for the Initial Purchasers), dated the Closing Date, of Akin, Gump, Strauss, Hauer & Feld, L.L.P., counsel for the Issuers and the Subsidiary Guarantors, to the effect that:

(i) Each of the Partnership and its Restricted Subsidiaries (other than any business trust) and El Paso Finance, as applicable, has been duly formed or incorporated and is validly existing as a partnership, corporation or limited liability company and in good standing (other than any general partnership) under the laws of its jurisdiction of formation or incorporation and has the partnership, corporate or limited liability company power and authority to carry on its business as described in the Offering Circular and to own, lease and operate its properties;

(ii) Each of the Partnership and its Restricted Subsidiaries (other than general partnerships) and El Paso Finance, as applicable, is duly qualified or registered to do business as a foreign limited partnership, corporation, limited liability company or business trust, as the case may be, and, based solely on the various certificates from public officials of Texas, Louisiana, Mississippi, New Mexico and Alabama (the "Good Standing Certificates"), is in good standing as a foreign limited partnership, corporation, limited liability company or business trust authorized to do business in the respective jurisdictions listed on Schedule D hereto;

(iii) The General Partner has been duly incorporated and is validly existing in good standing under the laws of the State of Delaware with full corporate power and authority to carry on its businesses; to own, lease and operate its properties; and to act as the general partner of the Partnership in all material respects as described in the Offering Circular. The General Partner is duly qualified and, based solely on the Good Standing Certificates, is in good standing as a foreign corporation authorized to do business in the jurisdictions listed on Schedule D hereto;

(iv) The General Partner is the sole general partner of the Partnership and owns (of record) a 1.0% general partner interest in the Partnership;

(v) the Series A Notes have been duly authorized by each of the Issuers and, when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Initial Purchasers in accordance with the terms of this Agreement, will be entitled to the benefits of the Indenture and will be valid and binding obligations of the Issuers, enforceable in accordance with their terms except as may be limited by (i) applicable bankruptcy, insolvency, fraudulent transfer and conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally; (ii) general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity); (iii) commercial reasonableness and unconscionability and an implied covenant of good faith and fair dealing; (iv) the power of the courts to award damages in lieu of equitable remedies; and (v) securities laws and public policy underlying such laws with respect to rights to indemnification and contribution (the "General Exceptions");

(vi) The Guarantees have been duly authorized and, when the Series A Notes (including the notations of the Guarantees thereon) are executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Initial Purchasers in accordance with the terms of this Agreement, the Guarantees endorsed by

the notations on the Series A Notes will be entitled to the benefits of the Indenture and will be valid and binding obligations of the Subsidiary Guarantors, enforceable in accordance with their terms except as may be limited by the General Exceptions;

(vii) The Indenture, as supplemented by the First and Second Supplemental Indentures dated as of April 18, 2002, has been duly authorized, executed and delivered by each of the Issuers and each Subsidiary Guarantor and is a valid and binding agreement of each of the Issuers and each Subsidiary Guarantor, enforceable against each of the Issuers and each Subsidiary Guarantor in accordance with its terms except as may be limited by the General Exceptions;

(viii) This Agreement has been duly authorized, executed and delivered by each of the Issuers and the Subsidiary Guarantors;

(ix) The Registration Rights Agreement has been duly authorized, executed and delivered by each of the Issuers and the Subsidiary Guarantors and is a valid and binding agreement of each of the Issuers and each Subsidiary Guarantor, enforceable against each of the Issuers and each Subsidiary Guarantor in accordance with its terms, except as may be limited by the General Exceptions;

(x) The Series B Senior Notes have been duly authorized by each of the Issuers;

(xi) The statements under the captions "Description of Notes," "Description of Other Indebtedness," "United States Federal Income and Estate Tax Considerations" and "Plan of Distribution" in the Offering Circular, insofar as such statements purport to constitute a summary of the legal matters, documents or proceedings referred to therein, fairly present in all material respects such legal matters, documents and proceedings;

(xii) To the knowledge of such counsel, neither the Partnership nor any of its Restricted Subsidiaries nor El Paso Finance is in violation of its respective partnership agreement, limited liability company agreement, charter or by-laws or other organizational documents, as applicable and, neither the Partnership nor any of its subsidiaries nor El Paso Finance is in default in the performance of any obligation, agreement, covenant or condition contained in any of the material agreements attached as exhibits to the Partnership's 2001 Annual Report on Form 10-K or any Current Report on Form 8-K or Quarterly Report on Form 10-Q filed since January 1, 2002 (the "Material Agreements");

(xiii) The execution, delivery and performance of this Agreement and the other Operative Documents by each of the Issuers and each of the Subsidiary Guarantors, the compliance by each of the Issuers and each of the Subsidiary Guarantors with all provisions hereof and thereby and the consummation by the Issuers and the Subsidiary Guarantors, of the transactions contemplated by this Agreement and the other Operative Documents will not (and, with respect to execution and delivery of the Indenture, did not), to the knowledge of such counsel, (i) require any consent, approval, authorization, filing with or other order of, or qualification with, any court or governmental body or agency (except (x) such as may be required under the securities or Blue Sky laws of the various states or the TIA or, with respect to the proposed offer to exchange the Exchange Notes for the Notes, the federal securities laws (y) routine corporate, partnership and limited liability company filings required after the date thereof, and (z) routine filings under the Exchange Act), (ii) conflict with or constitute a breach of any of the terms or provisions of, or a default under, the partnership agreement, limited liability company agreement, charter or by-laws

or other organizational documents, as applicable, of the Partnership or any of its Restricted Subsidiaries or El Paso Finance or any Material Agreement, (iii) violate or conflict with any applicable law or any rule, regulation, judgment, order or decree of any court or any governmental body or agency having jurisdiction over the Partnership, any of its Restricted Subsidiaries or El Paso Finance or their respective property, (iv) result in the imposition or creation of (or the obligation to create or impose) a Lien under any Material Agreement, or (v) result in the termination, suspension or revocation of any Authorization of the Partnership or any of its Restricted Subsidiaries or El Paso Finance or result in any other impairment of the rights of the holder of any such Authorization, except for those which, singly or in the aggregate, could reasonably be expected not to result in a Material Adverse Effect; and except that such counsel need express no opinion regarding antifraud provisions of federal or state securities or blue sky laws with respect to clauses (i) and (iii) of this paragraph (xiii);

(xiv) To the knowledge of such counsel, (A) each of the Partnership and its Restricted Subsidiaries and El Paso Finance has such Authorizations of, and has made all filings with and notices to, all governmental or regulatory authorities and self-regulatory organizations and all courts and other tribunals, including without limitation, under any applicable Environmental Laws, as are necessary to own, lease, license and operate its respective properties and to conduct its business, except where the failure to have any such Authorization or to make any such filing or notice could, singly or in the aggregate, reasonably be expected not to have a Material Adverse Effect; (B) each such Authorization known to us is valid and in full force and effect and, to the knowledge of such counsel, each of the Partnership and its Restricted Subsidiaries and El Paso Finance is in compliance with all the terms and conditions thereof and with the rules and regulations of the authorities and governing bodies having jurisdiction with respect thereto; (C) no event has occurred (including the receipt of any notice from any authority or governing body) which allows or, after notice or lapse of time or both, would allow, revocation, suspension or termination of any such Authorization or results or, after notice or lapse of time or both, would result in any other material impairment of the rights of the holder of any such Authorization; and (D) such Authorizations contain no restrictions that are materially burdensome to the Partnership or any of its Restricted Subsidiaries or El Paso Finance; except in the case of (A) through (D) above those which could reasonably be expected not to, singly or in the aggregate, have a Material Adverse Effect;

(xv) Neither of the Issuers is and, after giving effect to the offering and sale of the Series A Notes and the application of the net proceeds thereof as described in the Offering Circular, neither of the Issuers will be, an "investment company" as such term is defined in the Investment Company Act of 1940, as amended;

(xvi) To the knowledge of such counsel, there are no contracts, agreements or understandings between the Partnership, El Paso Finance or any Subsidiary Guarantor and any person granting such person the right to require the Partnership, El Paso Finance or such Subsidiary Guarantor to file a registration statement under the Act with respect to any securities of the Partnership, El Paso Finance or such Subsidiary Guarantor (other than the rights (i) of the General Partner and its affiliates in Section 6.14 of the Partnership Agreement; (ii) of EPEC and its successors pursuant to a registration rights agreement between EPEC and the Partnership executed in connection with the acquisition by the Partnership of an additional interest in Viosca Knoll Gathering Company; (iii) of Crystal Gas Storage, Inc. pursuant to the registration rights agreement between Crystal Gas Storage, Inc. and the Partnership which was executed in connection

with the acquisition by the Partnership of the Crystal storage facilities; provided, however, that with respect to (i) and (ii) above, the General Partner, EPEC, Sabine I and Sabine II have agreed not to exercise their rights with respect to such securities in connection with the offering of the Notes for 90 days hereafter pursuant to letter agreements of even date herewith; and (iv) granted under the Credit Facility and related agreements); and to the knowledge of such counsel there are no contracts, agreements or understandings between the Partnership, El Paso Finance or any Subsidiary Guarantor and any person granting such person the right to require the Partnership, El Paso Finance or such Subsidiary Guarantor to include such securities with the Notes and Guarantees registered pursuant to any Registration Statement other than the rights of the General Partner and its affiliates in Section 6.14 of the Partnership Agreement (which rights have been waived in connection with any Registration Statement filed pursuant to the Registration Rights Agreement).

(xvii) The Indenture complies as to form in all material respects with the requirements of the TIA, and the rules and regulations of the Commission applicable to an indenture which is qualified thereunder. It is not necessary in connection with the offer, sale and delivery of the Series A Notes to the Initial Purchasers in the manner contemplated by this Agreement or in connection with the initial placement of the Series A Notes by the Initial Purchasers in the manner contemplated by the Offering Circular pursuant to Exempt Resales to qualify the Indenture under the TIA (it being understood that such counsel need express no opinion as to any other offer or sale);

(xviii) No registration under the Act of the Series A Notes is required for the sale of the Series A Notes to the Initial Purchasers as contemplated by this Agreement or for the Exempt Resales assuming that (i) each Initial Purchaser is a QIB, or a Regulation S Purchaser, (ii) the accuracy of, and compliance with, the Initial Purchasers' representations and agreements contained in Section 7 of this Agreement and (iii) the accuracy of the representations and agreements of each of the Issuers and the Subsidiary Guarantors set forth in Sections 5(f) and (k) and 6(ff), (ii), (jj), (ll), (mm), (oo) and (pp) of this Agreement;

(xix) The Offering Circular, as of its date, and each amendment or supplement thereto, as of its date, complied as to form in all material respects with the applicable requirements of Rule 144A(d)(4) of the Act (it being understood that such counsel need express no opinion with respect to this paragraph (xix) regarding the financial statements and the notes thereto, oil and gas reserve information and the schedules and other financial data included in the Offering Circular);

(xx) A court applying Texas conflict of laws rules in a properly presented and argued case should give effect to the express choice of law provisions contained in the Operative Documents (other than the Purchase Agreement, as to which such counsel need express no such opinion) to the extent that such provisions provide that the laws of the State of New York are to govern issues under the Operative Documents.

In addition, such counsel shall include a statement in such opinion letter to the effect that although such counsel has not undertaken, except as otherwise indicated in their opinion, to determine independently, and does not assume any responsibility for, the accuracy or completeness of the statements in the Offering Circular, such counsel has participated in the preparation of the Offering Circular and any amendments or supplements thereto, including review and discussion of the contents thereof, and nothing has come to the attention of such

counsel that has caused them to believe that, as of the date of the Offering Circular or as of the Closing Date, the Offering Circular, as amended or supplemented, if applicable, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (it being understood that such counsel need express no opinion with respect to the financial statements and notes thereto, oil and gas reserve information and the schedules and other financial data included in the Offering Circular).

The opinion of Akin, Gump, Strauss, Hauer & Feld, L.L.P. described in Section 9(e) above (i) may be subject to customary qualifications, assumptions and limitations and (ii) shall be rendered to you at the request of the Issuers and the Subsidiary Guarantors and shall so state therein.

(f) The Initial Purchasers shall have received on the Closing Date an opinion, dated the Closing Date, of Robert W. Baker, counsel for the Partnership, that except as set forth in the Offering Circular, such counsel does not know of any legal or governmental proceedings pending or threatened to which the Partnership or any of its Restricted Subsidiaries or El Paso Finance is a party or to which any of their respective property is subject, except for those which, singly or in the aggregate, could reasonably be expected not to result in a Material Adverse Effect;

(g) The Initial Purchasers shall have received on the Closing Date an opinion, dated the Closing Date, of Andrews & Kurth L.L.P., counsel for the Initial Purchasers, in form and substance reasonably satisfactory to the Initial Purchasers.

(h) The Initial Purchasers shall have received, at the time this Agreement is executed and at the Closing Date, letters dated the date hereof or the Closing Date, as the case may be, in form and substance satisfactory to the Initial Purchasers containing the information and statements of the type ordinarily included in accountants' "comfort letters" to the Initial Purchasers from:

(i) PricewaterhouseCoopers LLP, independent public accountants, with respect to the financial statements of the Issuers and their subsidiaries, and certain financial information contained in the Offering Circular, and

(ii) Arthur Andersen L.L.P., independent public accountants, with respect to the financial statements of the Poseidon Pipeline Company, L.L.C. and its subsidiaries,

(i) The Initial Purchasers shall have received, at the time of this Agreement is executed and at the Closing Date, letters dated the date hereof or the Closing Date, as the case may be, in form and substance satisfactory to the Initial Purchasers from Netherland & Sewell.

(j) The Series A Notes shall have been approved by the NASD for trading and duly listed in PORTAL.

(k) The Initial Purchasers shall have received a counterpart, conformed as executed, of the Indenture which shall have been entered into by the Issuers, the Subsidiary Guarantors and the Trustee.

(l) The Issuers and the Subsidiary Guarantors shall have executed the Registration Rights Agreement and the Initial Purchasers shall have received an original copy thereof, duly executed by the Issuers and the Subsidiary Guarantors.

(m) Neither the Issuers nor the Subsidiary Guarantors shall have failed at or prior to the Closing Date to perform or comply with any of the agreements herein contained and required to be performed or complied with by each of the Issuers or the Subsidiary Guarantors, as the case may be, at or prior to the Closing Date.

10. Effectiveness of Agreement and Termination. This Agreement shall become effective upon the execution and delivery of this Agreement by the parties hereto.

This Agreement may be terminated at any time on or prior to the Closing Date by the Initial Purchasers by written notice to the Issuers if any of the following has occurred: (i) any outbreak or escalation of hostilities or other national or international calamity or crisis or change in economic conditions or in the financial markets of the United States or elsewhere that, in the Initial Purchasers' judgment, is material and adverse and, in the Initial Purchasers' judgment, makes it impracticable to market the Series A Notes on the terms and in the manner contemplated in the Offering Circular, (ii) the suspension or material limitation of trading in securities or other instruments on the New York Stock Exchange, the American Stock Exchange, the Chicago Board of Options Exchange, the Chicago Mercantile Exchange, the Chicago Board of Trade or the Nasdaq National Market or limitation on prices for securities or other instruments on any such exchange or the Nasdaq National Market, (iii) the suspension of trading of any securities of the Issuers or any Subsidiary Guarantor on any exchange or in the over-the-counter market, (iv) the enactment, publication, decree or other promulgation of any federal or state statute, regulation, rule or order of any court or other governmental authority which in your opinion materially and adversely affects, or will materially and adversely affect, the business, prospects, financial condition or results of operations of the Issuers and their subsidiaries, taken as a whole, (v) the declaration of a banking moratorium by either federal or New York State authorities or (vi) the taking of any action by any federal, state or local government or agency in respect of its monetary or fiscal affairs which in your opinion has a material adverse effect on the financial markets in the United States.

If on the Closing Date any one or more of the Initial Purchasers shall fail or refuse to purchase the Series A Notes which it or they have agreed to purchase hereunder on such date and the aggregate principal amount of the Series A Notes which such defaulting Initial Purchaser or Initial Purchasers, as the case may be, agreed but failed or refused to purchase is not more than one-tenth of the aggregate principal amount of the Series A Notes to be purchased on such date by all Initial Purchasers, each non-defaulting Initial Purchaser shall be obligated severally, in the proportion which the principal amount of the Series A Notes set forth opposite its name in Schedule B bears to the aggregate principal amount of the Series A Notes which all the non-defaulting Initial Purchasers, as the case may be, have agreed to purchase, or in such other proportion as you may specify, to purchase the Series A Notes which such defaulting Initial Purchaser or Initial Purchasers, as the case may be, agreed but failed or refused to purchase on such date; provided that in no event shall the aggregate principal amount of the Series A Notes which any Initial Purchaser has agreed to purchase pursuant to Section 2 hereof be increased pursuant to this Section 10 by an amount in excess of one-ninth of such principal amount of the Series A Notes without the consent of such Initial Purchaser. If on the Closing Date any Initial Purchaser or Initial Purchasers shall fail or refuse to purchase the Series A Notes and the aggregate principal amount of the Series A Notes with respect to which such default occurs is more than one-tenth of the aggregate principal amount of the Series A Notes to be purchased by all Initial Purchasers and arrangements satisfactory to the Initial Purchasers and the Issuers for purchase of such the Series A Notes are not made within 48 hours after such default, this Agreement will terminate without liability on the part of any non-defaulting Initial Purchaser and the Issuers. In any such case which does not result in termination of this Agreement, either you or the Issuers shall have the right to postpone the Closing Date, but in no event for longer than seven days, in order that the required changes, if any, in the Offering Circular or any other documents or arrangements may be effected. Any action taken under this paragraph shall not relieve any defaulting

Initial Purchaser from liability in respect of any default of any such Initial Purchaser under this Agreement.

This Agreement may be terminated at any time on or prior to the Closing Date by the Issuers by written notice to the Initial Purchasers if, there is a failure to obtain any consent or waiver under, or amendment of, the Credit Facility, that is required in order for the issuance of the Notes to not constitute a default thereunder.

11. Miscellaneous.

(a) Notices given pursuant to any provision of this Agreement shall be addressed as follows:

(i) if to the Issuers or any Subsidiary Guarantor, to:

El Paso Energy Partners, L.P.
4 Greenway Plaza
Houston, Texas 77046
Attention: Chief Financial Officer;

With a copy to (which shall not constitute notice):

Akin, Gump, Strauss, Hauer & Feld, L.L.P.
1900 Pennzoil Place, South Tower
711 Louisiana Street
Houston, Texas 77002
Attention: J. Vincent Kendrick; and

(ii) if to the Initial Purchasers, to:

Credit Suisse First Boston Corporation
Eleven Madison Avenue,
New York, New York 10010-3629
Attention: Syndicate Department

or in any case to such other address as the person to be notified may have requested in writing.

(b) The respective indemnities, contribution agreements, representations, warranties and other statements of the Issuers, the Subsidiary Guarantors and the Initial Purchasers, set forth in or made pursuant to this Agreement shall remain operative and in full force and effect, and will survive delivery of and payment for the Series A Notes, regardless of (i) any investigation, or statement as to the results thereof, made by or on behalf of the Initial Purchasers, the officers or directors of the Initial Purchasers, any person controlling the Initial Purchasers, the Issuers, any Subsidiary Guarantor, the officers or directors of the Issuers or any Subsidiary Guarantor, or any person controlling the Issuers or any Subsidiary Guarantor, (ii) acceptance of the Series A Notes and payment for them hereunder and (iii) termination of this Agreement.

(c) If for any reason the Series A Notes are not delivered by or on behalf of the Issuers as provided herein (other than as a result of any termination of this Agreement pursuant to Section 10), the Issuers and each Subsidiary Guarantor, jointly and severally, agree to reimburse the Initial Purchasers for all out-of-pocket expenses (including the fees and disbursements of counsel) incurred by them. Notwithstanding any termination of this Agreement, the Issuers shall be liable

for all expenses which they have agreed to pay pursuant to Section 5(i) hereof. Each of the Issuers and each Subsidiary Guarantor also agrees, jointly and severally, to reimburse each of the Initial Purchasers and its officers, directors and each person, if any, who controls such Initial Purchasers within the meaning of Section 15 of the Act or Section 20 of the Exchange Act for any and all fees and expenses (including without limitation the fees and expenses of counsel) incurred by them in connection with enforcing their rights under this Agreement (including without limitation its rights under Section 8).

(d) Except as otherwise provided, this Agreement has been and is made solely for the benefit of and shall be binding upon the Partnership, El Paso Finance, the Subsidiary Guarantors, the Initial Purchasers, each of these Initial Purchasers' directors and officers, any controlling persons referred to herein, the directors of the Issuers and the Subsidiary Guarantors and their respective successors and assigns, all as and to the extent provided in this Agreement, and no other person shall acquire or have any right under or by virtue of this Agreement. The term "successors and assigns" shall not include a purchaser of any of the Series A Notes from the Initial Purchasers merely because of such purchase.

(e) This Agreement shall be governed and construed in accordance with the laws of the State of New York.

(f) This Agreement may be signed in various counterparts which together shall constitute one and the same instrument.

(Signatures Page Follows)

Please confirm that the foregoing correctly sets forth the agreement among the Partnership, El Paso Finance, the Subsidiary Guarantors and the Initial Purchasers.

Very truly yours,

Issuers:

EL PASO ENERGY PARTNERS, L.P.

By: /s/ KEITH FORMAN

Name: Keith Forman
Title: Vice President and Chief Financial Officer

EL PASO PARTNERS FINANCE CORPORATION

By: /s/ KEITH FORMAN

Name: Keith Forman
Title: Vice President and Chief Financial Officer

Subsidiary Guarantors:

ARGO, L.L.C.*
ARGO I, L.L.C.*
ARGO II, L.L.C.*
CRYSTAL HOLDING, L.L.C.*
CHACO LIQUIDS PLANT TRUST
    By: EL PASO ENERGY PARTNERS OPERATING
        COMPANY, L.L.C., in its capacity as
        trustee of the Chaco Liquids Plant Trust*
DELOS OFFSHORE COMPANY, L.L.C.*
EAST BREAKS GATHERING COMPANY, L.L.C.*
    By: EL PASO ENERGY PARTNERS DEEPWATER,
        L.L.C., its sole member*
EL PASO ENERGY PARTNERS DEEPWATER, L.L.C.*
EL PASO ENERGY PARTNERS OIL TRANSPORT, L.L.C.*
EL PASO ENERGY PARTNERS OPERATING COMPANY, L.L.C.*
EPN NGL STORAGE, L.L.C.*
FIRST RESERVE GAS, L.L.C.*
FLEXTREND DEVELOPMENT COMPANY, L.L.C.*
GREEN CANYON PIPE LINE COMPANY, L.P.*
HATTIESBURG GAS STORAGE COMPANY*
HATTIESBURG INDUSTRIAL GAS SALES, L.L.C.
HIGH ISLAND OFFSHORE SYSTEM, L.L.C.
    By: EL PASO ENERGY PARTNERS DEEPWATER,
        L.L.C., its sole member*
MANTA RAY GATHERING COMPANY, L.L.C.*
PETAL GAS STORAGE, L.L.C.*
POSEIDON PIPELINE COMPANY, L.L.C.*
VK DEEPWATER GATHERING COMPANY, L.L.C.*
VK-MAIN PASS GATHERING COMPANY, L.L.C.*

*By: /s/ KEITH FORMAN

Name: Keith Forman
Title: Vice President and Chief Financial Officer

Initial Purchasers:

CREDIT SUISSE FIRST BOSTON CORPORATION
GOLDMAN, SACHS & CO.
J.P. MORGAN SECURITIES INC.
BANC ONE CAPITAL MARKETS, INC.
FLEET SECURITIES, INC.
FORTIS INVESTMENT SERVICES LLC
THE ROYAL BANK OF SCOTLAND PLC
BNP PARIBAS SECURITIES CORP
FIRST UNION SECURITIES, INC.

By: CREDIT SUISSE FIRST BOSTON CORPORATION

By: /s/ Townes G. Pressler, Jr.

Name: Townes G. Pressler, Jr.
Title: Managing Director

SCHEDULE A

Subsidiary Guarantors

Argo, L.L.C.
Argo I, L.L.C.
Argo II, L.L.C.
Crystal Holding, L.L.C.
Chaco Liquids Plant Trust
Delos Offshore Company, L.L.C.
East Breaks Gathering Company, L.L.C.
El Paso Energy Partners Deepwater, L.L.C.
El Paso Energy Partners Oil Transport, L.L.C.
El Paso Partners Operating Company, L.L.C.
EPN NGL Storage, L.L.C.
First Reserve Gas, L.L.C.
Flextrend Development Company, L.L.C.
Green Canyon Pipe Line Company, L.P.
Hattiesburg Gas Storage Company
Hattiesburg Industrial Gas Sales, L.L.C.
High Island Offshore System, L.L.C.
Manta Ray Gathering Company, L.L.C.
Petal Gas Storage, L.L.C.
Poseidon Pipeline Company, L.L.C.
VK Deepwater Gathering Company, L.L.C.
VK-Main Pass Gathering Company, L.L.C.

SCHEDULE B

Principal Amount Initial Purchaser of Notes - -
---------- ---------- Credit Suisse
First Boston Corporation ..... $
57,500,000 Goldman, Sachs & Co
..... 57,500,000
J.P. Morgan Securities Inc
..... 57,500,000 Banc One
Capital Markets, Inc .....
11,500,000 First Union Securities, Inc
..... 11,500,000 Fleet
Securities, Inc
..... 11,500,000
Fortis Investment Services LLC
..... 11,500,000 BNP Paribas
Securities Corp .....
5,750,000 The Royal Bank of Scotland plc
5,750,000 ---------- Total
.....
$230,000,000 ==========

SCHEDULE C

NAME	JURISDICTION OF FORMATION	OWNERSHIP
-- Argo, L.L.C.	Delaware	100% Argo I, L.L.C.
Delaware	100% Argo II, L.L.C.	Delaware
100% Atlantis Offshore, L.L.C.	Delaware	50% Chaco Liquids Plant Trust
Massachusetts	100% Crystal Holding, L.L.C.	Delaware
100% Delos Offshore Company, L.L.C.	Delaware	100% East Breaks Gathering Company, L.L.C.
Delaware	100% El Paso Energy Intrastate, L.P.	Delaware
100% El Paso Energy Partners Deepwater, L.L.C.	Delaware	100% El Paso Energy Partners Finance Corporation
Delaware	100% El Paso Energy Partners Oil Transport, L.L.C.	Delaware
100% El Paso Energy Partners Operating Company, L.L.C.	Delaware	100% El Paso Energy Warwink I Company, L.P.
Delaware	100% El Paso Energy Warwink II Company, L.P.	Delaware
100% El Paso Hub Services Company, L.L.C.		

Delaware
100% El Paso
Indian
Basin, L.P.
Delaware
100% El Paso
Offshore
Gathering
and
Transmission,
L.P.
Delaware
100% EPGT
Texas
Pipeline,
L.P.
Delaware
100% EPN
Gathering
and Treating
Company,
L.P.
Delaware
100% EPN
Gathering
and Treating
GP Holding,
L.L.C.
Delaware
100% EPN GP
Holding,
L.L.C.
Delaware
100% EPN GP
Holding I,
L.L.C.
Delaware
100% EPN
Holding
Company,
L.P.
Delaware
100% EPN
Holding
Company I,
L.P.
Delaware
100% EPN NGL
Storage,
L.L.C.
Delaware
100% EPN
Pipeline GP
Holding,
L.L.C.
Delaware
100% First
Reserve Gas,
L.L.C.
Delaware
100%
Flextrend
Development
Company,
L.L.C.
Delaware
100% Green
Canyon Pipe
Line
Company,
L.P.
Delaware
100%
Hattiesburg
Gas Storage
Company
Delaware
100%
Hattiesburg
Industrial
Gas Sales,
L.L.C.
Delaware
100% High
Island
Offshore
System,
L.L.C.
Delaware
100% Manta
Ray
Gathering

Company, L.L.C. Delaware 100% Matagorda Island Area Gathering System Texas 83% Petal Gas Storage, L.C.C. Delaware 100% Poseidon Oil Pipeline Company, L.L.C. Delaware 36% Poseidon Pipeline Company, L.L.C. Delaware 100% VK Deepwater Gathering Company, L.L.C. Delaware 100% VK-Main Pass Gathering Company, L.L.C. Delaware 100% Warwink Gathering and Treating Company Texas 100%

SCHEDULE D

ENTITY NAME	JURISDICTION OF FORMATION	JURISDICTIONS OF FOREIGN QUALIFICATION
El Paso Energy Partners, L.P.	Delaware	Texas, Louisiana
El Paso Energy Partners Company	Delaware	Texas, Louisiana
Argo, L.L.C.	Delaware	Texas, Louisiana
Argo I, L.L.C.	Delaware	
Texas Argo II, L.L.C.	Delaware	
Texas Chaco Liquids Plant Trust	Massachusetts	New Mexico
Crystal Holding, L.L.C.	Delaware --	
Delos Offshore Company, L.L.C.	Delaware	Texas, Louisiana, New Mexico
East Breaks Gathering Company, L.L.C.	Delaware	Texas, Louisiana
El Paso Energy Partners Deepwater, L.L.C.	Delaware --	
El Paso Energy Partners Finance Corporation	Delaware	Texas
El Paso Energy Partners Oil Transport, L.L.C.	Delaware	Texas, Louisiana, Alabama
El Paso Energy Partners Operating Company, L.L.C.	Delaware	Texas, Louisiana, Massachusetts, New Mexico
EPN NGL Storage,		

L.L.C.
Delaware
Mississippi,
Delaware
First Reserve
Gas, L.L.C.
Delaware
Mississippi
Flextrend
Development
Company,
L.L.C.
Delaware
Texas,
Louisiana,
Alabama Green
Canyon Pipe
Line Company,
L.P. Delaware
Texas,
Louisiana,
Alabama, New
Mexico
Hattiesburg
Gas Storage
Company
Delaware --
Hattiesburg
Industrial
Gas Sales,
L.L.C.
Delaware
Mississippi
High Island
Offshore
System,
L.L.C.
Delaware
Texas,
Louisiana
Manta Ray
Gathering
Company,
L.L.C.
Delaware
Texas,
Louisiana
Petal Gas
Storage,
L.L.C.
Delaware
Mississippi
Poseidon
Pipeline
Company,
L.L.C.
Delaware
Texas VK
Deepwater
Gathering
Company,
L.L.C.
Delaware
Texas VK-Main
Pass
Gathering
Company,
L.L.C.
Delaware
Texas,
Louisiana,
Alabama

EXHIBIT 4.3

A/B EXCHANGE
REGISTRATION RIGHTS AGREEMENT

Dated as of May 17, 2002

by and among

El Paso Energy Partners, L.P.

El Paso Energy Partners Finance Corporation

The Subsidiary Guarantors listed on Schedule A

and

Credit Suisse First Boston Corporation

Goldman, Sachs & Co.

J.P. Morgan Securities Inc.

Banc One Capital Markets, Inc.

Fleet Securities, Inc.

Fortis Investment Services LLC

The Royal Bank of Scotland plc

BNP Paribas Securities Corp.

First Union Securities, Inc.

This Registration Rights Agreement (this "Agreement") is made and entered into as of May 17, 2002 by and among El Paso Energy Partners, L.P., a Delaware limited partnership (the "Partnership"), El Paso Energy Partners Finance Corporation, a Delaware corporation ("El Paso Finance" and, together with the Partnership, the "Issuers"), each of the entities listed on Schedule A attached hereto (each, a "Subsidiary Guarantor" and collectively, the "Subsidiary Guarantors"), and Credit Suisse First Boston Corporation, Goldman, Sachs & Co., J.P. Morgan Securities Inc., Banc One Capital Markets, Inc., Fleet Securities, Inc., Fortis Investment Services LLC, The Royal Bank of Scotland plc, BNP Paribas Securities Corp. and First Union Securities, Inc. (each an "Initial Purchaser" and, collectively, the "Initial Purchasers"), each of whom has agreed to purchase the Issuers' 8 1/2% Series A Senior Subordinated Notes due 2011 (such notes being purchased on the date hereof being referred to as the "Series A Notes") pursuant to the Purchase Agreement (as defined below).

This Agreement is made pursuant to the Purchase Agreement, dated May 14, 2002 (the "Purchase Agreement"), by and among the Issuers, the Subsidiary Guarantors and the Initial Purchasers. In order to induce the Initial Purchasers to purchase the Series A Notes, the Issuers have agreed to provide the registration rights set forth in this Agreement. The execution and delivery of this Agreement is a condition to the obligations of the Initial Purchasers set forth in Section 2 of the Purchase Agreement. Capitalized terms used herein and not otherwise defined shall have the meaning assigned to them in the Indenture, dated May 17, 2001, as supplemented by the First Supplemental Indenture and the Second Supplemental Indenture each dated as of April 18, 2002 (collectively, the "Indenture"), among the Issuers, the Subsidiary Guarantors and JPMorgan Chase Bank, as successor trustee (the "Trustee") to The Chase Manhattan Bank, relating to the Series A Notes and the Series B Notes.

The parties hereby agree as follows:

Section 1. Definitions. As used in this Agreement, the following capitalized terms shall have the following meanings:

Act: The Securities Act of 1933, as amended.

Affiliate: As defined in Rule 144 of the Act.

Broker-Dealer: Any broker or dealer registered under the Exchange Act.

Certificated Securities: Definitive Notes, as defined in the Indenture.

Closing Date: The date hereof.

Commission: The Securities and Exchange Commission.

Consummate: An Exchange Offer shall be deemed "Consummated" for purposes of this Agreement upon the occurrence of (a) the filing and effectiveness under the Act of the Exchange Offer Registration Statement relating to the Series B Notes to be issued in the Exchange Offer, (b) the maintenance of such Exchange Offer Registration Statement continuously effective and the keeping of the Exchange Offer open for a period not less than the period required pursuant to Section 3(b) hereof and (c) the delivery by the Issuers to the Registrar under the Indenture of Series B Notes in the same aggregate principal amount as the aggregate principal amount of Series A Notes tendered by Holders thereof pursuant to the Exchange Offer.

Consummation Deadline: As defined in Section 3(b) hereof.

Effectiveness Deadline: As defined in Sections 3(a) and 4(a) hereof.

Exchange Act: The Securities Exchange Act of 1934, as amended.

Exchange Offer: The exchange and issuance by the Issuers of a principal amount of Series B Notes (which shall be registered pursuant to the Exchange Offer Registration Statement) equal to the outstanding principal amount of Series A Notes that are tendered by such Holders in connection with such exchange and issuance.

Exchange Offer Registration Statement: The Registration Statement relating to the Exchange Offer, including the related Prospectus.

Exempt Resales: The transactions in which the Initial Purchasers propose to sell the Series A Notes to certain "qualified institutional buyers,"as such term is defined in Rule 144A under the Act and pursuant to Regulation S under the Act.

Filing Deadline: As defined in Sections 3(a) and 4(a) hereof.

Holders: As defined in Section 2 hereof.

Partnership Agreement: The Second Amended and Restated Agreement of Limited Partnership of El Paso Energy Partners, L.P., dated as of February 13, 1993, amended and restated effective as of August 31, 2000, as such may be amended, modified or supplemented from time to time.

Prospectus: The prospectus included in a Registration Statement at the time such Registration Statement is declared effective, as amended or supplemented by any prospectus supplement and by all other amendments thereto, including post-effective amendments, and all material incorporated by reference into such Prospectus.

Recommencement Date: As defined in Section 6(d) hereof.

Registration Default: As defined in Section 5 hereof.

Registration Statement: Any registration statement of the Issuers and the Subsidiary Guarantors relating to (a) an offering of Series B Notes pursuant to an Exchange Offer or (b) the registration for resale of Transfer Restricted Securities pursuant to the Shelf Registration Statement, in each case, (i) that is filed pursuant to the provisions of this Agreement and (ii) including the Prospectus included therein, all amendments and supplements thereto (including post-effective amendments) and all exhibits and material incorporated by reference therein.

Regulation S: Regulation S promulgated under the Act.

Rule 144: Rule 144 promulgated under the Act.

Series B Notes: The Issuers' 8 1/2% Series B Senior Subordinated Notes due 2011 to be issued pursuant to the Indenture: (i) in the Exchange Offer or (ii) as contemplated by Section 4 hereof.

Shelf Registration Statement: As defined in Section 4 hereof.

Suspension Notice: As defined in Section 6(d) hereof.

TIA: The Trust Indenture Act of 1939 (15 U.S.C. Section 77aaa-77bbbb) as in effect on the date of the Indenture.

Transfer Restricted Securities: Each Series A Note, until the earliest to occur of (a) the date on which such Series A Note is exchanged in the Exchange Offer for a Series B Note which is entitled to be resold to the public by the Holder thereof without complying with the prospectus delivery requirements of the Act, (b) the date on which such Series A Note has been disposed of in accordance with a Shelf Registration Statement (and the purchasers thereof have been issued Series B Notes), or (c) the date on which such Series A Note is distributed to the public pursuant to Rule 144 under the Act (and purchasers thereof have been issued Series B Notes) and each Series B Note until the date on which such Series B Note is disposed of by a Broker-Dealer pursuant to the "Plan of Distribution" contemplated by the Exchange Offer Registration Statement (including the delivery of the Prospectus contained therein).

Section 2. Holders. A Person is deemed to be a holder of Transfer Restricted Securities (each, a "Holder") whenever such Person owns Transfer Restricted Securities.

Section 3. Registered Exchange Offer.

(a) Unless the Exchange Offer shall not be permitted by applicable federal law (after the procedures set forth in Section 6(a)(i) below have been complied with), the Issuers and the Subsidiary Guarantors shall (i) cause the Exchange Offer Registration Statement to be filed with the Commission as soon as practicable after the Closing Date, but in no event later than 95 days after the Closing Date (such 95th day being the "Filing Deadline"), (ii) use its best efforts to cause such Exchange Offer Registration Statement to become effective at the earliest possible time, but in no event later than 150 days after the Closing Date (such 150th day being the "Effectiveness Deadline"), (iii) in connection with the foregoing, (A) file all pre-effective amendments to such Exchange Offer Registration Statement as may be necessary in order to cause it to become effective, (B) file, if applicable, a post-effective amendment to such Exchange Offer Registration Statement pursuant to Rule 430A under the Act and (C) cause all necessary filings, if any, in connection with the registration and qualification of the Series B Notes to be made under the Blue Sky laws of such jurisdictions as are necessary to permit Consummation of the Exchange Offer, and (iv) upon the effectiveness of such Exchange Offer Registration Statement, commence and Consummate the Exchange Offer. The Exchange Offer shall be on the appropriate form permitting (i) registration of the Series B Notes to be offered in exchange for the Series A Notes that are Transfer Restricted Securities and (ii) resales of Series B Notes by Broker-Dealers that tendered into the Exchange Offer Series A Notes that such Broker-Dealer acquired for its own account as a result of market making activities or other trading activities (other than Series A Notes acquired directly from the Issuers or any of their Affiliates) as contemplated by Section 3(c) below.

(b) The Issuers and the Subsidiary Guarantors shall use their respective best efforts to cause the Exchange Offer Registration Statement to be effective continuously, and shall keep the Exchange Offer open for a period of not less than the minimum period required under applicable federal and state securities laws to Consummate the Exchange Offer; provided, however, that in no event shall such period be less than 20 Business Days. The Issuers and the Subsidiary Guarantors shall cause the Exchange Offer to comply with all applicable federal and state securities laws. No securities other than the

Series B Notes shall be included in the Exchange Offer Registration Statement. The Issuers and the Subsidiary Guarantors shall use their respective best efforts to cause the Exchange Offer to be Consummated on the earliest practicable date after the Exchange Offer Registration Statement has become effective, but in no event later than 180 days after the Closing Date (such 180th day being the "Consummation Deadline").

(c) The Issuers shall include a "Plan of Distribution" section in the Prospectus contained in the Exchange Offer Registration Statement and indicate therein that any Broker-Dealer who holds Transfer Restricted Securities that were acquired for the account of such Broker-Dealer as a result of market-making activities or other trading activities (other than Series A Notes acquired directly from the Issuers or any Affiliate of the Issuers) may exchange such Transfer Restricted Securities pursuant to the Exchange Offer. Such "Plan of Distribution" section shall also contain all other information with respect to such sales by such Broker-Dealers that the Commission may require in order to permit such sales pursuant thereto, but such "Plan of Distribution" shall not name any such Broker-Dealer or disclose the amount of Transfer Restricted Securities held by any such Broker-Dealer, except to the extent required by the Commission as a result of a change in policy, rules or regulations after the date of this Agreement.

Because such Broker-Dealer may be deemed to be an "underwriter" within the meaning of the Act and must, therefore, deliver a prospectus meeting the requirements of the Act in connection with its initial sale of any Series B Notes received by such Broker-Dealer in the Exchange Offer, the Issuers and Subsidiary Guarantors shall permit the use of the Prospectus contained in the Exchange Offer Registration Statement by such Broker-Dealer to satisfy such prospectus delivery requirement. To the extent necessary to ensure that the prospectus contained in the Exchange Offer Registration Statement is available for sales of Series B Notes by Broker-Dealers, the Issuers and the Subsidiary Guarantors agree to use their respective best efforts to keep the Exchange Offer Registration Statement continuously effective, supplemented, amended and current as required by and subject to the provisions of Sections 6(a) and (c) hereof and in conformity with the requirements of this Agreement, the Act and the policies, rules and regulations of the Commission as announced from time to time, for a period of one year from the Consummation Deadline or such shorter period as will terminate when all Transfer Restricted Securities covered by such Registration Statement have been sold pursuant thereto. The Issuers and the Subsidiary Guarantors shall provide sufficient copies of the latest version of such Prospectus to such Broker-Dealers, promptly upon request, and in no event later than one day after such request, at any time during such period.

Section 4. Shelf Registration.

(a) Shelf Registration. If (i) the Exchange Offer is not permitted by applicable law (after the Issuers and the Subsidiary Guarantors have complied with the procedures set forth in Section 6(a)(i) below) or (ii) if any Holder of Transfer Restricted Securities shall notify the Issuers within 20 Business Days following the Consummation Deadline that (A) such Holder was prohibited by law or Commission policy from participating in the Exchange Offer or (B) such Holder may not resell the Series B Notes

acquired by it in the Exchange Offer to the public without delivering a prospectus and if the Prospectus contained in the Exchange Offer Registration Statement is not appropriate or available for such resales by such Holder or (C) such Holder is a Broker-Dealer and holds Series A Notes acquired directly from the Issuers or any of their Affiliates, then the Issuers and the Subsidiary Guarantors shall:

(x) cause to be filed, on or prior to 30 days after the earlier of (i) the date on which the Issuers determine that the Exchange Offer Registration Statement cannot be filed as a result of clause (a)(i) above and (ii) the date on which the Issuers receive the notice specified in clause (a)(ii) above, (such earlier date, the "Filing Deadline"), a shelf registration statement pursuant to Rule 415 under the Act (which may be an amendment to the Exchange Offer Registration Statement (the "Shelf Registration Statement")), relating to all Transfer Restricted Securities, and

(y) shall use their respective best efforts to cause such Shelf Registration Statement to become effective on or prior to 60 days after the Filing Deadline for the Shelf Registration Statement (such 60th day the "Effectiveness Deadline").

If, after the Issuers have filed an Exchange Offer Registration Statement that satisfies the requirements of Section 3(a) above, the Issuers are required to file and make effective a Shelf Registration Statement solely because the Exchange Offer is not permitted under applicable federal law (i.e., clause (a)(i) above), then the filing of the Exchange Offer Registration Statement shall be deemed to satisfy the requirements of clause (x) above; provided that, in such event, the Issuers shall remain obligated to meet the Effectiveness Deadline set forth in clause (y).

To the extent necessary to ensure that the Shelf Registration Statement is available for sales of Transfer Restricted Securities by the Holders thereof entitled to the benefit of this Section 4(a) and the other securities required to be registered therein pursuant to Section 6(b)(ii) hereof, the Issuers and the Subsidiary Guarantors shall use their respective best efforts to keep any Shelf Registration Statement required by this Section 4(a) continuously effective, supplemented, amended and current as required by and subject to the provisions of Sections 6(b) and (c) hereof and in conformity with the requirements of this Agreement, the Act and the policies, rules and regulations of the Commission as announced from time to time, for a period of at least two years (as extended pursuant to Section 6(d)) following the Closing Date, or such shorter period as will terminate when all Transfer Restricted Securities covered by such Shelf Registration Statement have been sold pursuant thereto.

(b) Provision by Holders of Certain Information in Connection with the Shelf Registration Statement. No Holder of Transfer Restricted Securities may include any of its Transfer Restricted Securities in any Shelf Registration Statement pursuant to this Agreement unless and until such Holder furnishes to the Issuers in writing, within 20 days after receipt of a request therefor, the information specified in Item 507 or 508 of Regulation S-K, as applicable, of the Act for use in connection with any Shelf

Registration Statement or Prospectus or preliminary Prospectus included therein. No Holder of Transfer Restricted Securities shall be entitled to liquidated damages pursuant to Section 5 hereof unless and until such Holder shall have provided all such information. Each selling Holder agrees to promptly furnish additional information required to be disclosed in order to make the information previously furnished to the Issuers by such Holder not materially misleading.

Section 5. Liquidated Damages. If (i) any Registration Statement required by this Agreement is not filed with the Commission on or prior to the applicable Filing Deadline, (ii) any such Registration Statement has not been declared effective by the Commission on or prior to the applicable Effectiveness Deadline, (iii) the Exchange Offer has not been Consummated on or prior to the Consummation Deadline or (iv) any Registration Statement required by this Agreement is filed and declared effective but shall thereafter cease to be effective or fail to be usable for its intended purpose without being succeeded within 2 days by a post-effective amendment to such Registration Statement that cures such failure and that is itself declared effective within 2 days of filing such post-effective amendment to such Registration Statement (each such event referred to in clauses (i) through (iv), a "Registration Default"), then the Issuers and the Subsidiary Guarantors hereby jointly and severally agree to pay to each Holder of Transfer Restricted Securities affected thereby liquidated damages in an amount equal to $.05 per week per $1,000 in principal amount of Transfer Restricted Securities held by such Holder for each week or portion thereof that the Registration Default continues for the first 90-day period immediately following the occurrence of such Registration Default. The amount of the liquidated damages shall increase by an additional $.05 per week per $1,000 in principal amount of Transfer Restricted Securities with respect to each subsequent 90-day period until all Registration Defaults have been cured, up to a maximum amount of liquidated damages of $.50 per week per $1,000 in principal amount of Transfer Restricted Securities; provided that the Issuers and the Subsidiary Guarantors shall in no event be required to pay liquidated damages for more than one Registration Default at any given time. Notwithstanding anything to the contrary set forth herein, (1) upon filing of the Exchange Offer Registration Statement (and/or, if applicable, the Shelf Registration Statement), in the case of (i) above, (2) upon the effectiveness of the Exchange Offer Registration Statement (and/or, if applicable, the Shelf Registration Statement), in the case of (ii) above, (3) upon Consummation of the Exchange Offer, in the case of (iii) above, or (4) upon the filing of a post-effective amendment to the Registration Statement or an additional Registration Statement that causes the Exchange Offer Registration Statement (and/or, if applicable, the Shelf Registration Statement) to again be declared effective or made usable in the case of (iv) above, the liquidated damages payable with respect to the Transfer Restricted Securities as a result of such clause (i), (ii), (iii) or (iv), as applicable, shall cease.

All accrued liquidated damages shall be paid to the Holders entitled thereto, in the manner providing for the payment of interest in the Indenture, on each Interest Payment Date, as more fully set forth in the Indenture and the Notes. Notwithstanding the fact that any securities for which liquidated damages are due cease to be Transfer Restricted Securities, all obligations of the Issuers and the Subsidiary Guarantors to pay liquidated damages with respect to securities shall survive until such time as such obligations with respect to such securities shall have been satisfied in full.

Section 6. Registration Procedures.

(a) Exchange Offer Registration Statement. In connection with the Exchange Offer, the Issuers and the Subsidiary Guarantors shall (x) comply with all applicable provisions of Section 6(c) below, (y) use their respective best efforts to effect such exchange and to permit the resale of Series B Notes by Broker-Dealers that tendered in the Exchange Offer Series A Notes that such Broker-Dealer acquired for its own account as a result of its market making activities or other trading activities (other than Series A Notes acquired directly from the Issuers or any of their Affiliates) being sold in accordance with the intended method or methods of distribution thereof, and (z) comply with all of the following provisions:

(i) If, following the date hereof there has been announced a change in Commission policy with respect to exchange offers such as the Exchange Offer, that in the reasonable opinion of counsel to the Issuers raises a substantial question as to whether the Exchange Offer is permitted by applicable federal law, the Issuers and the Subsidiary Guarantors hereby agree to seek a no-action letter or other favorable decision from the Commission allowing the Issuers and the Subsidiary Guarantors to Consummate an Exchange Offer for such Transfer Restricted Securities. The Issuers and the Subsidiary Guarantors hereby agree to pursue the issuance of such a decision to the Commission staff level. In connection with the foregoing, the Issuers and the Subsidiary Guarantors hereby agree to take all such other actions as may be requested by the Commission or otherwise required in connection with the issuance of such decision, including without limitation (A) participating in telephonic conferences with the Commission, (B) delivering to the Commission staff an analysis prepared by counsel to the Issuers setting forth the legal bases, if any, upon which such counsel has concluded that such an Exchange Offer should be permitted and (C) diligently pursuing a resolution (which need not be favorable) by the Commission staff.

(ii) As a condition to its participation in the Exchange Offer, each Holder of Transfer Restricted Securities (including, without limitation, any Holder who is a Broker Dealer) shall furnish, upon the request of the Issuers, prior to the Consummation of the Exchange Offer, a written representation to the Issuers and the Subsidiary Guarantors (which may be contained in the letter of transmittal contemplated by the Exchange Offer Registration Statement) to the effect that (A) it is not an Affiliate of the Issuers, (B) it is not engaged in, and does not intend to engage in, and has no arrangement or understanding with any Person to participate in, a distribution of the Series B Notes to be issued in the Exchange Offer and (C) it is acquiring the Series B Notes in its ordinary course of business. As a condition to its participation in the Exchange Offer, each Holder using the Exchange Offer to participate in a distribution of the Series B Notes shall acknowledge and agree that, if the resales are of Series B Notes obtained by such Holder in exchange for Series A Notes acquired directly from the Issuers or an Affiliate thereof, it (1) could not, under Commission policy as in effect on the date of this Agreement, rely on the position of the Commission enunciated in Morgan Stanley and Co., Inc. (available June 5, 1991) and Exxon Capital Holdings Corporation (available May 13, 1988), as interpreted in the

Commission's letter to Shearman & Sterling dated July 2, 1993, and similar no-action letters (including, if applicable, any no-action letter obtained pursuant to clause (i) above), and (2) must comply with the registration and prospectus delivery requirements of the Act in connection with a secondary resale transaction and that such a secondary resale transaction must be covered by an effective registration statement containing the selling security holder information required by Item 507 or 508, as applicable, of Regulation S-K.

(iii) Prior to effectiveness of the Exchange Offer Registration Statement, the Issuers and the Subsidiary Guarantors shall provide a supplemental letter to the Commission (A) stating that the Issuers and the Subsidiary Guarantors are registering the Exchange Offer in reliance on the position of the Commission enunciated in Exxon Capital Holdings Corporation (available May 13, 1988), Morgan Stanley and Co., Inc. (available June 5, 1991) as interpreted in the Commission's letter to Shearman & Sterling dated July 2, 1993, and, if applicable, any no-action letter obtained pursuant to clause (i) above, (B) including a representation that neither the Issuers nor any Subsidiary Guarantor has entered into any arrangement or understanding with any Person to distribute the Series B Notes to be received in the Exchange Offer and that, to the best of the Issuers' and each Subsidiary Guarantor's information and belief, each Holder participating in the Exchange Offer is acquiring the Series B Notes in its ordinary course of business and has no arrangement or understanding with any Person to participate in the distribution of the Series B Notes received in the Exchange Offer and (C) any other undertaking or representation required by the Commission as set forth in any no-action letter obtained pursuant to clause (i) above, if applicable.

(b) Shelf Registration Statement. In connection with the Shelf Registration Statement, the Issuers and the Subsidiary Guarantors shall:

(i) comply with all the provisions of Section 6(c) below and use their respective best efforts to effect such registration to permit the sale of the Transfer Restricted Securities being sold in accordance with the intended method or methods of distribution thereof (as indicated in the information furnished to the Issuers pursuant to Section 4(b) hereof), and pursuant thereto the Issuers and the Subsidiary Guarantors will prepare and file with the Commission a Registration Statement relating to the registration on any appropriate form under the Act, which form shall be available for the sale of the Transfer Restricted Securities in accordance with the intended method or methods of distribution thereof within the time periods and otherwise in accordance with the provisions hereof.

(ii) issue, upon the request of any Holder or purchaser of Series A Notes covered by any Shelf Registration Statement contemplated by this Agreement, Series B Notes having an aggregate principal amount equal to the aggregate principal amount of Series A Notes sold pursuant to the Shelf Registration Statement and surrendered to the Issuers for cancellation; the Issuers shall register Series B Notes on the Shelf Registration Statement for this purpose

and issue the Series B Notes to the purchaser(s) of securities subject to the Shelf Registration Statement in the names as such purchaser(s) shall designate.

(c) General Provisions. In connection with any Registration Statement and any related Prospectus required by this Agreement, the Issuers and the Subsidiary Guarantors shall:

(i) use their respective best efforts to keep such Registration Statement continuously effective and provide all requisite financial statements for the period specified in Section 3 or 4 of this Agreement, as applicable. Upon the occurrence of any event that would cause any such Registration Statement or the Prospectus contained therein (A) to contain an untrue statement of material fact or omit to state any material fact necessary to make the statements therein not misleading or (B) not to be effective and usable for resale of Transfer Restricted Securities during the period required by this Agreement, the Issuers and the Subsidiary Guarantors shall file promptly an appropriate amendment to such Registration Statement curing such defect, and, if Commission review is required, use their respective best efforts to cause such amendment to be declared effective as soon as practicable;

(ii) prepare and file with the Commission such amendments and post-effective amendments to the applicable Registration Statement as may be necessary to keep such Registration Statement effective for the applicable period set forth in Section 3 or 4 hereof, as the case may be; cause the Prospectus to be supplemented by any required Prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 under the Act, and to comply fully with Rules 424, 430A and 462, as applicable, under the Act in a timely manner; and comply with the provisions of the Act with respect to the disposition of all securities covered by such Registration Statement during the applicable period in accordance with the intended method or methods of distribution by the sellers thereof set forth in such Registration Statement or supplement to the Prospectus;

(iii) advise each Holder promptly and, if requested by such Holder, confirm such advice in writing, (A) when the Prospectus or any Prospectus supplement or post-effective amendment has been filed, and, with respect to any applicable Registration Statement or any post-effective amendment thereto, when the same has become effective, (B) of any request by the Commission for amendments to the Registration Statement or amendments or supplements to the Prospectus or for additional information relating thereto, (C) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement under the Act or of the suspension by any state securities commission of the qualification of the Transfer Restricted Securities for offering or sale in any jurisdiction, or the initiation of any proceeding for any of the preceding purposes, and (D) of the existence of any fact or the happening of any event that makes any statement of a material fact made in the Registration Statement, the Prospectus, any amendment or supplement thereto or any document incorporated by reference therein untrue, or that requires the making of any additions to or changes in the

Registration Statement in order to make the statements therein not misleading, or that requires the making of any additions to or changes in the Prospectus in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. If at any time the Commission shall issue any stop order suspending the effectiveness of the Registration Statement, or any state securities commission or other regulatory authority shall issue an order suspending the qualification or exemption from qualification of the Transfer Restricted Securities under state securities or Blue Sky laws, the Issuers and the Subsidiary Guarantors shall use their respective best efforts to obtain the withdrawal or lifting of such order at the earliest possible time;

(iv) subject to Section 6(c)(i), if any fact or event contemplated by Section 6(c)(iii)(D) above shall exist or have occurred, prepare a supplement or post-effective amendment to the Registration Statement or related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of Transfer Restricted Securities, the Prospectus will not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(v) furnish to each Holder in connection with such exchange or sale, if any, before filing with the Commission, copies of any Registration Statement or any Prospectus included therein or any amendments or supplements to any such Registration Statement or Prospectus (including all documents incorporated by reference after the initial filing of such Registration Statement), which documents will be subject to the review and comment of such Holders in connection with such sale, if any, for a period of at least five Business Days, and the Issuers will not file any such Registration Statement or Prospectus or any amendment or supplement to any such Registration Statement or Prospectus (including all such documents incorporated by reference) to which such Holders shall reasonably object within five Business Days after the receipt thereof. A Holder shall be deemed to have reasonably objected to such filing if such Registration Statement, amendment, Prospectus or supplement, as applicable, as proposed to be filed, contains an untrue statement of a material fact or omits to state any material fact necessary to make the statements therein not misleading or fails to comply with the applicable requirements of the Act;

(vi) promptly provide, prior to the filing of any document that is to be incorporated by reference into a Registration Statement or Prospectus, copies of such document to each Holder in connection with such exchange or sale, if any, make the Issuers' and the Subsidiary Guarantors' representatives available for discussion of such document and other customary due diligence matters, and include such information in such document prior to the filing thereof as such Holders may reasonably request;

(vii) make available, at reasonable times, for inspection by each Holder and any attorney or accountant retained by such Holders, all financial and other

records, and pertinent corporate documents of the Issuers and the Subsidiary Guarantors and cause the Issuers' and the Subsidiary Guarantors' officers, directors and employees to supply all information reasonably requested by any such Holder, attorney or accountant in connection with such Registration Statement or any post-effective amendment thereto subsequent to the filing thereof and prior to its effectiveness;

(viii) if requested by any Holders in connection with such exchange or sale, promptly include in any Registration Statement or Prospectus, pursuant to a supplement or post-effective amendment if necessary, such information as such Holders may reasonably request to have included therein, including, without limitation, information relating to the "Plan of Distribution" of the Transfer Restricted Securities; and make all required filings of such Prospectus supplement or post-effective amendment as soon as practicable after the Issuers are notified of the matters to be included in such Prospectus supplement or post-effective amendment;

(ix) furnish to each Holder in connection with such exchange or sale, without charge, at least one copy of the Registration Statement, as first filed with the Commission, and of each amendment thereto, including all documents incorporated by reference therein and all exhibits (including exhibits incorporated therein by reference);

(x) deliver to each Holder without charge, as many copies of the Prospectus (including each preliminary prospectus) and any amendment or supplement thereto as such Persons reasonably may request; the Issuers and the Subsidiary Guarantors hereby consent to the use (in accordance with law) of the Prospectus and any amendment or supplement thereto by each selling Holder in connection with the offering and the sale of the Transfer Restricted Securities covered by the Prospectus or any amendment or supplement thereto;

(xi) upon the request of any Holder, enter into such agreements (including underwriting agreements) and make such representations and warranties and take all such other actions in connection therewith in order to expedite or facilitate the disposition of the Transfer Restricted Securities pursuant to any applicable Registration Statement contemplated by this Agreement as may be reasonably requested by any Holder in connection with any sale or resale pursuant to any applicable Registration Statement. In such connection, the Issuers and the Subsidiary Guarantors shall:

(A) upon request of any Holder, furnish (or in the case of paragraphs (2) and (3), use their best efforts to cause to be furnished) to each Holder, upon Consummation of the Exchange Offer or upon the effectiveness of the Shelf Registration Statement, as the case may be:

(1) a certificate, dated such date, signed on behalf of the Issuers and each Subsidiary Guarantor by (x) the President or

any Vice President and (y) a principal financial or accounting officer of each of the Issuers and each Subsidiary Guarantor, confirming, as of the date thereof, the matters set forth in Sections 6(cc), 9(a) and 9(b) of the Purchase Agreement and such other similar matters as such Holders may reasonably request;

(2) an opinion, dated the date of Consummation of the Exchange Offer or the date of effectiveness of the Shelf Registration Statement, as the case may be, of counsel for the Issuers and the Subsidiary Guarantors covering matters similar to those set forth in paragraph (e) of Section 9 of the Purchase Agreement and such other matters as such Holder may reasonably request, and in any event including a statement to the effect that such counsel has participated in conferences with officers and other representatives of the Issuers and the Subsidiary Guarantors, and representatives of the independent public accountants for the Issuers and the Subsidiary Guarantors and have considered the matters required to be stated therein and the statements contained therein, although such counsel has not independently verified the accuracy, completeness or fairness of such statements; and that such counsel advises that, on the basis of the foregoing, no facts came to such counsel's attention that caused such counsel to believe that the applicable Registration Statement, at the time such Registration Statement or any post-effective amendment thereto became effective and, in the case of the Exchange Offer Registration Statement, as of the date of Consummation of the Exchange Offer, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or that the Prospectus contained in such Registration Statement as of its date and, in the case of the opinion dated the date of Consummation of the Exchange Offer, as of the date of Consummation, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. Without limiting the foregoing, such counsel may state further that such counsel assumes no responsibility for, and has not independently verified, the accuracy, completeness or fairness of the financial statements, notes and schedules and other financial data included in any Registration Statement contemplated by this Agreement or the related Prospectus; and

(3) a customary comfort letter, dated the date of Consummation of the Exchange Offer, or as of the date of effectiveness of the Shelf Registration Statement, as the case may be, from the Issuers' independent accountants, in the customary

form and covering matters of the type customarily covered in comfort letters to underwriters in connection with underwritten offerings, and affirming the matters set forth in the comfort letters delivered pursuant to Section 9(g) of the Purchase Agreement; and

(B) deliver such other documents and certificates as may be reasonably requested by the selling Holders to evidence compliance with the matters covered in clause (A) above and with any customary conditions contained in any agreement entered into by the Issuers and the Subsidiary Guarantors pursuant to this clause (xi);

(xii) prior to any public offering of Transfer Restricted Securities, cooperate with the selling Holders and their counsel in connection with the registration and qualification of the Transfer Restricted Securities under the securities or Blue Sky laws of such jurisdictions as the selling Holders may request and do any and all other acts or things necessary or advisable to enable the disposition in such jurisdictions of the Transfer Restricted Securities covered by the applicable Registration Statement; provided, however, that neither the Issuers nor any Subsidiary Guarantor shall be required to register or qualify as a foreign corporation where it is not now so qualified or to take any action that would subject it to the service of process in suits or to taxation, other than as to matters and transactions relating to the Registration Statement, in any jurisdiction where it is not now so subject;

(xiii) in connection with any sale of Transfer Restricted Securities that will result in such securities no longer being Transfer Restricted Securities, cooperate with the Holders to facilitate the timely preparation and delivery of certificates representing Transfer Restricted Securities to be sold and not bearing any restrictive legends; and to register such Transfer Restricted Securities in such denominations and such names as the selling Holders may request at least two Business Days prior to such sale of Transfer Restricted Securities;

(xiv) use their respective best efforts to cause the disposition of the Transfer Restricted Securities covered by the Registration Statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the seller or sellers thereof to consummate the disposition of such Transfer Restricted Securities, subject to the proviso contained in clause (xii) above;

(xv) provide a CUSIP number for all Transfer Restricted Securities not later than the effective date of a Registration Statement covering such Transfer Restricted Securities and provide the Trustee under the Indenture with printed certificates for the Transfer Restricted Securities which are in a form eligible for deposit with The Depository Trust Company;

(xvi) otherwise use their respective best efforts to comply with all applicable rules and regulations of the Commission, and make generally available

to their security holders with regard to any applicable Registration Statement, as soon as practicable, a consolidated earnings statement meeting the requirements of Rule 158 (which need not be audited) covering a twelve-month period beginning after the effective date of the Registration Statement (as such term is defined in paragraph (c) of Rule 158 under the Act);

(xvii) cause the Indenture to be qualified under the TIA not later than the effective date of the first Registration Statement required by this Agreement and, in connection therewith, cooperate with the Trustee and the Holders to effect such changes to the Indenture as may be required for such Indenture to be so qualified in accordance with the terms of the TIA; and execute and use its best efforts to cause the Trustee to execute, all documents that may be required to effect such changes and all other forms and documents required to be filed with the Commission to enable such Indenture to be so qualified in a timely manner; and

(xviii) provide promptly to each Holder, upon request, each document filed with the Commission pursuant to the requirements of Section 13 or Section 15(d) of the Exchange Act.

(d) Restrictions on Holders. Each Holder agrees by acquisition of a Transfer Restricted Security that, upon receipt of the notice referred to in Section 6(c)(iii)(C) or any notice from the Issuers of the existence of any fact of the kind described in Section 6(c)(iii)(D) hereof (in each case, a "Suspension Notice"), such Holder will forthwith discontinue disposition of Transfer Restricted Securities pursuant to the applicable Registration Statement until (i) such Holder has received copies of the supplemented or amended Prospectus contemplated by Section 6(c)(iv) hereof, or (ii) such Holder is advised in writing by the Issuers that the use of the Prospectus may be resumed, and has received copies of any additional or supplemental filings that are incorporated by reference in the Prospectus (in each case, the "Recommencement Date"). Each Holder receiving a Suspension Notice hereby agrees that it will either (i) destroy any Prospectuses, other than permanent file copies, then in such Holder's possession which have been replaced by the Issuers with more recently dated Prospectuses or (ii) deliver to the Issuers (at the Issuers' expense) all copies, other than permanent file copies, then in such Holder's possession of the Prospectus covering such Transfer Restricted Securities that was current at the time of receipt of the Suspension Notice. The time period regarding the effectiveness of such Registration Statement set forth in Section 3 or 4 hereof, as applicable, shall be extended by a number of days equal to the number of days in the period from and including the date of delivery of the Suspension Notice to the date of delivery of the Recommencement Date.

(e) Effectiveness of Registration Statement. Notwithstanding anything to the contrary contained in this Agreement, the obligation of the Issuers and the Subsidiary Guarantors hereunder to maintain the effectiveness of any Registration Statement and any related Prospectus may be suspended, without default or penalty to the Issuers or the Subsidiary Guarantors, for one or more periods of time as may be required with respect to such Registration Statement if (A) the Board of Directors of the General Partner shall have determined that the offering and sales under the Registration Statement, the filing of

such Registration Statement or the maintenance of its effectiveness would require disclosure of or would interfere in any material respect with any material financing, acquisition, merger, offering or other transaction involving the Issuers or the Subsidiary Guarantors or would otherwise require disclosure of nonpublic information that could materially and adversely affect the Issuers or the Subsidiary Guarantors or (B) the Issuers are required by any state or federal securities laws to file an amendment or supplement to such Registration Statement for the purpose of incorporating quarterly or annual information, which is not automatically effective. Further, the Issuers and the Subsidiary Guarantors shall be deemed to have used their respective best efforts to keep any Registration Statement continuously effective if either (A) or (B) above has occurred.

Section 7. Registration Expenses.

(a) All expenses incident to the Issuers' and the Subsidiary Guarantors' performance of or compliance with this Agreement will be borne by the Issuers, regardless of whether a Registration Statement becomes effective, including without limitation: (i) all registration and filing fees and expenses; (ii) all fees and expenses of compliance with federal securities and state Blue Sky or securities laws; (iii) all expenses of printing (including printing certificates for the Series B Notes to be issued in the Exchange Offer and printing of Prospectuses), messenger and delivery services and telephone; (iv) all fees and disbursements of counsel for the Issuers, the Subsidiary Guarantors and the Holders of Transfer Restricted Securities; (v) all application and filing fees in connection with listing the Series B Notes on a national securities exchange or automated quotation system pursuant to the requirements hereof; and (vi) all fees and disbursements of independent certified public accountants of the Issuers and the Subsidiary Guarantors (including the expenses of any special audit and comfort letters required by or incident to such performance).

The Issuers will, in any event, bear their and the Subsidiary Guarantors' internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expenses of any annual audit and the fees and expenses of any Person, including special experts, retained by the Issuers or the Subsidiary Guarantors.

(b) In connection with any Registration Statement required by this Agreement (including, without limitation, the Exchange Offer Registration Statement and the Shelf Registration Statement), the Issuers and the Subsidiary Guarantors will reimburse the Initial Purchasers and the Holders of Transfer Restricted Securities who are tendering Series A Notes in the Exchange Offer and/or selling or reselling Series A Notes or Series B Notes pursuant to the "Plan of Distribution" contained in the Exchange Offer Registration Statement or the Shelf Registration Statement, as applicable, for the reasonable fees and disbursements of not more than one counsel, who shall be Andrews & Kurth Mayor, Day, Caldwell & Keeton L.L.P., unless another firm shall be chosen by the Holders of a majority in principal amount of the Transfer Restricted Securities for whose benefit such Registration Statement is being prepared.

Section 8. Indemnification.

(a) The Issuers and the Subsidiary Guarantors agree, jointly and severally, to indemnify and hold harmless each Holder, its directors, officers and each Person, if any, who controls such Holder (within the meaning of Section 15 of the Act or Section 20 of the Exchange Act), from and against any and all losses, claims, damages, liabilities or judgments (including without limitation, any legal or other expenses incurred in connection with investigating or defending any matter, including any action that could give rise to any such losses, claims, damages, liabilities or judgments) caused by any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement, preliminary prospectus or Prospectus (or any amendment or supplement thereto) provided by the Issuers to any Holder or any prospective purchaser of Series B Notes or registered Series A Notes, or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such losses, claims, damages, liabilities or judgments are caused by an untrue statement or omission or alleged untrue statement or omission that is based upon information relating to any of the Holders furnished in writing to the Issuers by any of the Holders.

(b) Each Holder of Transfer Restricted Securities agrees, severally and not jointly, to indemnify and hold harmless the Issuers and the Subsidiary Guarantors, and their respective directors and officers, and each Person, if any, who controls (within the meaning of Section 15 of the Act or Section 20 of the Exchange Act) the Issuers, or the Subsidiary Guarantors to the same extent as the foregoing indemnity from the Issuers and the Subsidiary Guarantors set forth in Section 8(a) above, but only with reference to information relating to such Holder furnished in writing to the Issuers by such Holder expressly for use in any Registration Statement. In no event shall any Holder, its directors, officers or any Person who controls such Holder be liable or responsible for any amount in excess of the amount by which the total amount received by such Holder with respect to its sale of Transfer Restricted Securities pursuant to a Registration Statement exceeds (i) the amount paid by such Holder for such Transfer Restricted Securities and (ii) the amount of any damages that such Holder, its directors, officers or any Person who controls such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission.

(c) In case any action shall be commenced involving any Person in respect of which indemnity may be sought pursuant to Section 8(a) or 8(b) (the "indemnified party"), the indemnified party shall promptly notify the Person against whom such indemnity may be sought (the "indemnifying person") in writing and the indemnifying party shall assume the defense of such action, including the employment of counsel reasonably satisfactory to the indemnified party and the payment of all fees and expenses of such counsel, as incurred (except that in the case of any action in respect of which indemnity may be sought pursuant to both Sections 8(a) and 8(b), a Holder shall not be required to assume the defense of such action pursuant to this Section 8(c), but may employ separate counsel and participate in the defense thereof, but the fees and expenses of such counsel, except as provided below, shall be at the expense of the Holder). Any indemnified party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the indemnified party unless (i) the employment of such counsel shall

have been specifically authorized in writing by the indemnifying party, (ii) the indemnifying party shall have failed to assume the defense of such action or employ counsel reasonably satisfactory to the indemnified party or (iii) the named parties to any such action (including any impleaded parties) include both the indemnified party and the indemnifying party, and the indemnified party shall have been advised by such counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the indemnifying party (in which case the indemnifying party shall not have the right to assume the defense of such action on behalf of the indemnified party). In any such case, the indemnifying party shall not, in connection with any one action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the fees and expenses of more than one separate firm of attorneys (in addition to any local counsel) for all indemnified parties and all such fees and expenses shall be reimbursed as they are incurred. Such firm shall be designated in writing by a majority of the Holders, in the case of the parties indemnified pursuant to Section 8(a), and by the Issuers and Subsidiary Guarantors, in the case of parties indemnified pursuant to Section 8(b). The indemnifying party shall indemnify and hold harmless the indemnified party from and against any and all losses, claims, damages, liabilities and judgments by reason of any settlement of any action (i) effected with its written consent or (ii) effected without its written consent if the settlement is entered into more than twenty Business Days after the indemnifying party shall have received a request from the indemnified party for reimbursement for the fees and expenses of counsel (in any case where such fees and expenses are at the expense of the indemnifying party) and, prior to the date of such settlement, the indemnifying party shall have failed to comply with such reimbursement request. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement or compromise of, or consent to the entry of judgment with respect to, any pending or threatened action in respect of which the indemnified party is or could have been a party and indemnity or contribution may be or could have been sought hereunder by the indemnified party, unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability on claims that are or could have been the subject matter of such action and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of the indemnified party.

(d) To the extent that the indemnification provided for in this Section 8 is unavailable to an indemnified party in respect of any losses, claims, damages, liabilities or judgments referred to therein, then each indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages, liabilities or judgments (i) in such proportion as is appropriate to reflect the relative benefits received by the Issuers and the Subsidiary Guarantors, on the one hand, and the Holders, on the other hand, from their sale of Transfer Restricted Securities or (ii) if the allocation provided by clause 8(d)(i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause 8(d)(i) above but also the relative fault of the Issuers and the Subsidiary Guarantors, on the one hand, and of the Holder, on the other hand, in connection with the statements or omissions which resulted in such losses, claims, damages, liabilities or judgments, as well as any other relevant equitable

considerations. The relative fault of the Issuers and the Subsidiary Guarantors, on the one hand, and of the Holder, on the other hand, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Issuers or such Subsidiary Guarantor, on the one hand, or by the Holder, on the other hand, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Issuers, the Subsidiary Guarantors and each Holder agree that it would not be just and equitable if contribution pursuant to this Section 8(d) were determined by pro rata allocation (even if the Holders were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable by an indemnified party as a result of the losses, claims, damages, liabilities or judgments referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses incurred by such indemnified party in connection with investigating or defending any matter, including any action that could have given rise to such losses, claims, damages, liabilities or judgments. Notwithstanding the provisions of this Section 8, no Holder, its directors, its officers or any Person, if any, who controls such Holder shall be required to contribute, in the aggregate, any amount in excess of the amount by which the total received by such Holder with respect to the sale of Transfer Restricted Securities pursuant to a Registration Statement exceeds (i) the amount paid by such Holder for such Transfer Restricted Securities and (ii) the amount of any damages which such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The Holders' obligations to contribute pursuant to this Section 8(d) are several in proportion to the respective principal amount of Transfer Restricted Securities held by each Holder hereunder and not joint.

Section 9. Rule 144A and Rule 144. The Issuers and each Subsidiary Guarantor agree with each Holder, for so long as any Transfer Restricted Securities remain outstanding and during any period in which the Issuers or such Subsidiary Guarantor (i) is not subject to Section 13 or 15(d) of the Exchange Act, to make available, upon request of any Holder, to such Holder or beneficial owner of Transfer Restricted Securities in connection with any sale thereof and any prospective purchaser of such Transfer Restricted Securities designated by such Holder or beneficial owner, the information required by Rule 144A(d)(4) under the Act in order to permit resales of such Transfer Restricted Securities pursuant to Rule 144A, and (ii) is subject to Section 13 or 15 (d) of the Exchange Act, to make all filings required thereby in a timely manner in order to permit resales of such Transfer Restricted Securities pursuant to Rule 144.

Section 10. Miscellaneous.

(a) Remedies. The Issuers and the Subsidiary Guarantors acknowledge and agree that any failure by the Issuers and/or the Subsidiary Guarantors to comply with their respective obligations under Sections 3 and 4 hereof may result in material

irreparable injury to the Initial Purchasers or the Holders for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of any such failure, the Initial Purchasers or any Holder may obtain such relief as may be required to specifically enforce the Issuers' and the Subsidiary Guarantors' obligations under Sections 3 and 4 hereof. The Issuers and the Subsidiary Guarantors further agree to waive the defense in any action for specific performance that a remedy at law would be adequate.

(b) No Inconsistent Agreements. Neither the Issuers nor any Subsidiary Guarantor will, on or after the date of this Agreement, enter into any agreement with respect to its securities that is inconsistent with the rights granted to the Holders in this Agreement or otherwise conflicts with the provisions hereof. Neither the Issuers nor any Subsidiary Guarantor have previously entered into any agreement granting any registration rights with respect to its securities to any Person other than the registration rights (i) of El Paso Energy Partners Company and its affiliates in Section 6.14 of the Partnership Agreement, (ii) of EPEC Deepwater Gathering Company ("EPEC") and its successors pursuant to a registration rights agreement between EPEC and the Partnership which was executed in connection with the acquisition by the Partnership of an additional interest in Viosca Knoll Gathering Company, (iii) of Crystal Gas Storage, Inc. ("Crystal") pursuant to the registration rights agreement dated as of August 28, 2000 between Crystal and the Partnership which was executed in connection with the acquisition by the Partnership of the Crystal storage facilities and (iv) granted under the Partnership Credit Facility (as amended, restated and otherwise supplemented through the date hereof) and related agreements and (v) granted pursuant to this Agreement. The rights granted to the Holders hereunder do not in any way conflict with and are not inconsistent with the rights granted to the holders of the Issuers' and the Subsidiary Guarantors' securities under any agreement in effect on the date hereof.

(c) Amendments and Waivers. The provisions of this Agreement may not be amended, modified or supplemented, and waivers or consents to or departures from the provisions hereof may not be given unless (i) in the case of Section 5 hereof and this Section 10(c)(i), the Issuers have obtained the written consent of Holders of all outstanding Transfer Restricted Securities and (ii) in the case of all other provisions hereof, the Issuers have obtained the written consent of Holders of a majority of the outstanding principal amount of Transfer Restricted Securities (excluding Transfer Restricted Securities held by the Issuers or their Affiliates). Notwithstanding the foregoing, a waiver or consent to departure from the provisions hereof that relates exclusively to the rights of Holders whose Transfer Restricted Securities are being tendered pursuant to the Exchange Offer, and that does not affect directly or indirectly the rights of other Holders whose Transfer Restricted Securities are not being tendered pursuant to such Exchange Offer, may be given by the Holders of a majority of the outstanding principal amount of Transfer Restricted Securities subject to such Exchange Offer.

(d) Third Party Beneficiary. The Holders shall be third party beneficiaries to the agreements made hereunder between the Issuers and the Subsidiary Guarantors, on the one hand, and the Initial Purchasers, on the other hand, and shall have the right to

enforce such agreements directly to the extent they may deem such enforcement necessary or advisable to protect its rights or the rights of Holders hereunder.

(e) Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, first-class mail (registered or certified, return receipt requested), telex, telecopier, or air courier guaranteeing overnight delivery:

(i) if to a Holder, at the address set forth on the records of the Registrar under the Indenture, with a copy to the Registrar under the Indenture; and

(ii) if to the Issuers or the Subsidiary Guarantors:

El Paso Energy Partners, L.P.
4 Greenway Plaza
Houston, Texas 77046
Telecopier No.: (713) 420-5477
Attention: Chief Financial Officer

With a copy to:
Akin, Gump, Strauss, Hauer & Feld, L.L.P.
711 Louisiana Street, Suite 1900
Houston, Texas 77002
Telecopier No.: (713) 236-0822
Attention: J. Vincent Kendrick

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if telecopied; and on the next Business Day, if timely delivered to an air courier guaranteeing overnight delivery.

Copies of all such notices, demands or other communications shall be concurrently delivered by the Person giving the same to the Trustee at the address specified in the Indenture.

(f) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties, including without limitation and without the need for an express assignment, subsequent Holders; provided, that nothing herein shall be deemed to permit any assignment, transfer or other disposition of Transfer Restricted Securities in violation of the terms hereof or of the Purchase Agreement or the Indenture. If any transferee of any Holder shall acquire Transfer Restricted Securities in any manner, whether by operation of law or otherwise, such Transfer Restricted Securities shall be held subject to all of the terms of this Agreement, and by taking and holding such Transfer Restricted Securities such Person shall be conclusively deemed to have agreed to be bound by and to perform all of the

terms and provisions of this Agreement, including the restrictions on resale set forth in this Agreement and, if applicable, the Purchase Agreement, and such Person shall be entitled to receive the benefits hereof.

(g) Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(h) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(i) Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF.

(j) Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

(k) Entire Agreement. This Agreement is intended by the parties as a final expression of their agreement and intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein with respect to the registration rights granted with respect to the Transfer Restricted Securities. This Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

* * * *

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Issuers:

EL PASO ENERGY PARTNERS, L.P.

By: /s/ KEITH FORMAN

Name: Keith Forman
Title: Vice President and Chief Financial Officer

EL PASO ENERGY PARTNERS FINANCE CORPORATION

By: /s/ KEITH FORMAN

Name: Keith Forman
Title: Vice President and Chief Financial Officer

Subsidiary Guarantors:

ARGO, L.L.C.*
ARGO I, L.L.C.*
ARGO II, L.L.C.*
THE CHACO LIQUIDS PLANT TRUST,
By EL PASO ENERGY PARTNERS OPERATING COMPANY, L.L.C., solely in its capacity as trustee of the Chaco Liquids Plant Trust*
CRYSTAL HOLDING, L.L.C.*
DELOS OFFSHORE COMPANY, L.L.C.*
EAST BREAKS GATHERING COMPANY, L.L.C.*
By EL PASO ENERGY PARTNERS DEEPWATER, L.L.C., as sole member*
EL PASO ENERGY PARTNERS DEEPWATER, L.L.C.*
EL PASO ENERGY PARTNERS OIL TRANSPORT, L.L.C.*
EL PASO ENERGY PARTNERS OPERATING COMPANY, L.L.C.*
EPN NGL STORAGE, L.L.C.*
FIRST RESERVE GAS, L.L.C.*
FLEXTREND DEVELOPMENT COMPANY, L.L.C.*
GREEN CANYON PIPE LINE COMPANY, L.P.*
HATTIESBURG GAS STORAGE COMPANY*
HATTIESBURG INDUSTRIAL GAS SALES, L.L.C.*
HIGH ISLAND OFFSHORE SYSTEM, L.L.C.*
By EL PASO ENERGY PARTNERS DEEPWATER, L.L.C., as sole member*
MANTA RAY GATHERING COMPANY, L.L.C.*
PETAL GAS STORAGE, L.L.C.*
POSEIDON PIPELINE COMPANY, L.L.C.*
VK DEEPWATER GATHERING COMPANY, L.L.C.*
VK-MAIN PASS GATHERING COMPANY, L.L.C.*

*By: /s/ KEITH FORMAN

Name: Keith Forman
Title: Vice President and Chief Financial Officer

Initial Purchasers:

CREDIT SUISSE FIRST BOSTON CORPORATION
GOLDMAN, SACHS & CO.
J.P. MORGAN SECURITIES INC.
BANC ONE CAPITAL MARKETS, INC.
FLEET SECURITIES, INC.
FORTIS INVESTMENT SERVICES LLC
THE ROYAL BANK OF SCOTLAND PLC
BNP PARIBAS SECURITIES CORP.
FIRST UNION SECURITIES, INC.

By: CREDIT SUISSE FIRST BOSTON

By: /s/ TOWNES G. PRESSLER, JR.

Name: Townes G. Pressler, Jr.
Title: Managing Director

SCHEDULE A

NAME OF SUBSIDIARY GUARANTOR	STATE OF ORGANIZATION
-- Argo, L.L.C.	Delaware
Argo I, L.L.C.	Delaware
Argo II, L.L.C.	Delaware
The Chaco Liquids Plant Trust	Massachusetts
Crystal Holding, L.L.C.	Delaware
Delos Offshore Company, L.L.C.	Delaware
East Breaks Gathering Company, L.L.C.	Delaware
El Paso Energy Partners Deepwater, L.L.C.	Delaware
El Paso Energy Partners Oil Transport, L.L.C.	Delaware
El Paso Partners Operating Company, L.L.C.	Delaware
EPN NGL Storage, L.L.C.	Delaware
First Reserve Gas, L.L.C.	Delaware
Flextrend Development Company, L.L.C.	Delaware
Green Canyon Pipe Line Company, L.P.	Delaware
Hattiesburg Gas Storage Company	Delaware
Hattiesburg Industrial Gas Sales, L.L.C.	Delaware
High Island Offshore System, L.L.C.	Delaware
Manta Ray	

Gathering Company, L.L.C.	Delaware
Petal Gas Storage, L.L.C.	Delaware
Poseidon Pipeline Company, L.L.C.	Delaware
VK Deepwater Gathering Company, L.L.C.	Delaware
VK-Main Pass Gathering Company, L.L.C.	Delaware

EXHIBIT 5.1

[AKIN GUMP STRAUSS HAUER & FELD LLP LETTERHEAD]

August 12, 2002

El Paso Energy Partners, L.P.
El Paso Energy Partners Finance Corporation
1001 Louisiana Street, 30th Floor
Houston, Texas 77002

Re: El Paso Energy Partners, L.P.
El Paso Energy Partners Finance Corporation
Registration Statement on Form S-4

Ladies and Gentlemen:

We have acted as counsel to El Paso Energy Partners, L.P., a Delaware limited partnership, and El Paso Energy Partners Finance Corporation, a Delaware corporation (together, the "COMPANIES"), in connection with the registration, pursuant to a registration statement on Form S-4, as amended (the "REGISTRATION STATEMENT"), filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "ACT"), of (i) the proposed offer by the Companies to exchange (the "EXCHANGE OFFER") all outstanding 8 1/2% Series A Senior Subordinated Notes due 2011 ($230 million aggregate principal amount outstanding) (the "OUTSTANDING NOTES") of the Companies for 8 1/2% Series B Senior Subordinated Notes due 2011 ($230 million aggregate principal amount) (the "REGISTERED NOTES") of the Companies and (ii) the guarantees (the "GUARANTEES") of the Subsidiary Guarantors listed in the Registration Statement (the "GUARANTORS"). The Outstanding Notes have been, and the Registered Notes will be, issued pursuant to an Indenture (the "INDENTURE") dated as of May 17, 2001 among the Companies, the Subsidiary Guarantors named therein, and JPMorgan Chase Bank, formerly The Chase Manhattan Bank, as trustee (the "TRUSTEE"). We have examined originals or certified copies of such corporate records of the Companies and the Guarantors and other certificates and documents of officials of the Companies and the Guarantors, public officials and others as we have deemed appropriate for purposes of this letter. We have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, and the conformity to authentic original documents of all copies submitted to us as conformed and certified or reproduced copies. We have also assumed the legal capacity of natural persons, the corporate or other power of all persons signing on behalf of the parties thereto other than the Companies, the due authorization, execution and delivery of all documents by the parties thereto other than the Companies, that the Registered Notes will conform to the specimens examined by us and that the Trustee's certificate of authentication of Registered Notes will be manually signed by one of the Trustee's authorized officers.

Based upon the foregoing and subject to the assumptions, exceptions, qualifications and limitations set forth hereinafter, we are of the opinion that when (a) the Registration Statement has become effective under the Act, (b) the Outstanding Notes have been exchanged in the manner described in the prospectus forming a part of the Registration Statement, (c) the Registered Notes have been duly executed, authenticated, issued and delivered in accordance with the terms of the Indenture, against receipt of the Outstanding Notes surrendered in exchange therefor, (d) the Indenture has been duly qualified under the Trust Indenture Act of 1939, as amended, and (e) applicable provisions of "blue sky" laws have been complied with,

1. the Registered Notes proposed to be issued pursuant to the Exchange Offer, when duly executed, authenticated and delivered by or on behalf of the Companies, will be valid and binding obligations of the Companies and will be entitled to the benefits of the Indenture; and

2. the Guarantees proposed to be issued pursuant to the Exchange Offer will be valid and binding obligations of each Guarantor.

The opinions and other matters in this letter are qualified in their entirety and subject to the following:

A. We express no opinion as to the laws of any jurisdiction other than any published constitutions, treaties, laws, rules or regulations or judicial or administrative decisions ("LAWS") of the state of New York and the General Corporation Law and Revised Uniform Limited Partnership Act of the state of Delaware.

B. This law firm is a registered limited liability partnership organized under the laws of the state of Texas.

C. The matters expressed in this letter are subject to and qualified and limited by: (i) applicable bankruptcy, insolvency, fraudulent transfer and conveyance, reorganization, moratorium and similar Laws affecting creditors' rights and remedies generally; (ii) general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity); (iii) commercial reasonableness and unconscionability and an implied covenant of good faith and fair dealing; (iv) the power of the courts to award damages in lieu of equitable

remedies; (v) securities Laws and public policy underlying such Laws with respect to rights to indemnification and contribution; and (vi) limitations on the waiver of rights under usury Laws.

We hereby consent to the filing of copies of this opinion as an exhibit to the Registration Statement and to the use of our name in the prospectus forming a part of the Registration Statement under the caption "Validity of the Series B Notes." In giving this consent, we do not thereby admit that we are within the category of persons whose consent is required under Section 7 of the Act and the rules and regulations thereunder. This opinion speaks as of its date, and we undertake no (and hereby disclaim any) obligation to update this opinion.

Very truly yours,

/s/ Akin, Gump, Strauss, Hauer & Feld, L.L.P.

EXHIBIT 12.1

EL PASO ENERGY PARTNERS, L.P.
COMPUTATION OF EARNINGS TO FIXED CHARGES AND
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND
PREFERRED AND PREFERENCE STOCK DIVIDEND REQUIREMENTS
(DOLLARS IN THOUSANDS)

	FOR THE THREE MONTHS ENDED MARCH 31, 2002	FOR THE YEAR ENDED DECEMBER 31, 2001	2000	1999	1998	1997
Earnings						
Pre-tax income (loss) from continuing operations	$14,741	$ 54,052	$ 20,749	$18,382	$ 275	$ (1,449)
Minority interest in consolidated subsidiaries	0	100	95	197	15	(7)
Income from equity investees	(3,361)	(8,449)	(22,931)	(32,814)	(26,724)	(29,327)
Pre-tax income (loss) from continuing operations before minority interest in consolidated subsidiaries and income from equity investees	11,380	45,703	(2,087)	(14,235)	(26,434)	(30,783)
Fixed charges	14,317	54,924	51,077	37,336	21,330	15,883
Distributed income of equity						

investees	4,500	35,062	33,960	46,180	31,171	27,135
Capitalized interest	(1,614)	(11,755)	(4,005)	(1,799)	(1,066)	(1,721)
Minority interest in consolidated subsidiaries	0	(100)	(95)	(197)	(15)	7
---	---	---	---	---	---	---
Total earnings available for fixed charges	$28,583	$123,834	$ 78,850	$67,285	$ 24,986	$ 10,521
Fixed charges						
Interest and debt expense	$14,262	$ 54,885	$ 51,077	$37,122	$ 21,308	$ 15,890
Interest component of rent	55	39	0	17	7	-
Total fixed charges	$14,317	$ 54,924	$ 51,077	$37,139	$ 21,315	$ 15,890
Ratio of earnings to fixed charges(1)	2.00	2.25	1.54	1.81	1.17	--(2)

(1) The ratio of earnings to combined fixed charges and preferred and preference stock dividend requirements for the periods presented is the same as the ratio of earnings to fixed charges since El Paso has no outstanding preferred stock or preference stock and, therefore, no dividend requirements.

(2) Earnings were inadequate to cover fixed charges by $5,362 for 1997.

For purposes of calculating these ratios: (i) "fixed charges" represent interest cost (exclusive of interest on rate refunds), amortization of debt costs, the estimated portion of rental expense representing the interest factor and pretax preferred stock dividend requirements of consolidated subsidiaries; and (ii) "earnings" represent the aggregate of pre-tax income (loss) from continuing operations before adjustment for minority interest in consolidated subsidiaries and income from equity investees, fixed charges, and distributed income of equity investees, less capitalized interest, minority interest in consolidated subsidiaries, and preferred stock dividend requirement of consolidated subsidiaries.

EXHIBIT 23.2

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in this Registration Statement on Form S-4 of El Paso Energy Partners, L.P. (the "Partnership"), El Paso Energy Partners Finance Corporation, and the Subsidiary Guarantors listed therein of: (A) our report dated February 28, 2002 (except for Note 18, as to which the date is June 28, 2002) relating to the consolidated financial statements of the Partnership and subsidiaries which appears in the Partnership's Current Report on Form 8-K/A dated July 19, 2002; (B) our report dated February 28, 2002 relating to the financial statements of Poseidon Oil Pipeline Company, L.L.C., which appears in the Partnership's Annual Report on Form 10-K for the year ended December 31, 2001; (C)(i) our report dated April 18, 2002 relating to the consolidated balance sheet of El Paso Energy Partners Company, (ii) our report dated April 15, 2002 relating to the balance sheets of El Paso Energy Partners Finance Corporation, (iii) our report dated April 18, 2002 relating to the combined financial statements of EPGT Texas Pipeline, L.P., El Paso Gas Storage Company and El Paso Hub Services Company, (iv) our report dated April 18, 2002 relating to the combined financial statements of EPGT Texas Pipeline, L.P., El Paso Gas Storage Company, El Paso Hub Services Company and the El Paso Field Services Gathering and Processing Businesses, each of which appears in the Partnership's Current Report on Form 8-K dated on April 22, 2002; and (D) our report dated August 10, 2002 relating to the combined financial statements of El Paso Field Services San Juan Gathering and Processing Businesses, Typhoon Gas Pipeline, Typhoon Oil Pipeline and Coastal Liquids Partners NGL Business, which appears in the Partnership's Current Report on Form 8-K dated August 12, 2002. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

Houston, Texas
August 12, 2002

EXHIBIT 23.3

[NETHERLAND, SEWELL & ASSOCIATES, INC. LOGO]

CONSENT OF INDEPENDENT PETROLEUM ENGINEERS AND GEOLOGISTS

We hereby consent to the incorporation by reference into this Registration Statement on Form S-4 of El Paso Energy Partners, L.P., El Paso Energy Partners Finance Corporation, and the Subsidiary Guarantors listed therein of our reserve reports dated as of December 31, 1999, 2000, and 2001, each of which is included in the Annual Report on Form 10-K of El Paso Energy Partners, L.P. for the year ended December 31, 2001. We also consent to the reference to us under the heading of "Experts" in such Registration Statement.

NETHERLAND, SEWELL & ASSOCIATES, INC.

By: /s/ C.H. (Scott) Rees III

C.H. (Scott) Rees III
President and Chief Operating Officer

Dallas, Texas
August 12, 2002

EXHIBIT 25.1

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF
A CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF
A TRUSTEE PURSUANT TO SECTION 305(b)(2) _____

JPMORGAN CHASE BANK
(Exact name of trustee as specified in its charter)

NEW YORK (State of incorporation if not a national bank)	13-4994650 (I.R.S. employer identification No.)
270 PARK AVENUE NEW YORK, NEW YORK (Address of principal executive offices)	10017 (Zip Code)

WILLIAM H. MCDAVID
GENERAL COUNSEL
270 PARK AVENUE
NEW YORK, NEW YORK 10017
TELEPHONE: (212) 270-2611
(Name, address and telephone number of agent for service)

(1) EL PASO ENERGY PARTNERS, L.P.
(2) EL PASO ENERGY PARTNERS FINANCE CORPORATION
(Exact name of obligor as specified in its charter)
SEE TABLE OF ADDITIONAL OBLIGORS BELOW

(1) DELAWARE (2) DELAWARE (State or other jurisdiction of incorporation or organization)	(1) 76-0396023 (2) 76-0605880 (I.R.S. employer identification No.)
1001 LOUISIANA STREET HOUSTON, TEXAS (Address of principal executive offices)	77002 (Zip Code)

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8 1/2% SERIES B SUBORDINATED NOTES DUE 2011

TABLE OF ADDITIONAL OBLIGORS

	ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA STATE OR OTHER CODE, OF REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES	JURISDICTION OF INCORPORATION	IRS EMPLOYER ID NO.
Argo, L.L.C.	*	Delaware	76-0396023
Argo I, L.L.C.	*	Delaware	76-0396023
Argo II, L.L.C.	*	Delaware	76-0396023
Chaco Liquids Plant Trust	*	Massachusetts	76-0396023
Crystal Holding, L.L.C.	*	Delaware	76-0396023
Delos Offshore Company, L.L.C.	*	Delaware	76-0396023
East Breaks Gathering Company, L.L.C.	*	Delaware	76-0396023
El Paso Energy Partners Deepwater, L.L.C.	*	Delaware	76-0396023
El Paso Energy Partners Oil Transport, L.L.C.	*	Delaware	76-0396023
El Paso Energy Partners Operating Company, L.L.C.	*	Delaware	76-0396023
EPN NGL Storage, L.L.C.	*	Delaware	76-0396023
First Reserve Gas. L.L.C.	*	Delaware	76-0396023
Flextrend	*		

Development Company, L.L.C.	Delaware	76-0396023	*
Green Canyon Pipeline Company, L.P.	Delaware	N/A	*
Hattiesburg Gas Storage Company	Delaware	N/A	*
Hattiesburg Industrial Gas Sales, L.L.C.	Delaware	76-0396023	*
High Island Offshore System, L.L.C.	Delaware	76-0396023	*
Manta Ray Gathering Company, L.L.C.	Delaware	76-0396023	*
Petal Gas Storage, L.L.C.	Delaware	76-0396023	*
Poseidon Pipeline Company, L.L.C.	Delaware	76-0396023	*
VK Deepwater Gathering Company, L.L.C.	Delaware	76-0396023	*
VK-Main Pass Gathering Company, L.L.C.	Delaware	76-0396023	*

* 4 East Greenway Plaza, Houston, Texas 77046, Telephone (713) 420-2600.

GENERAL

ITEM 1. GENERAL INFORMATION.

FURNISH THE FOLLOWING INFORMATION AS TO THE TRUSTEE:

(a) NAME AND ADDRESS OF EACH EXAMINING OR SUPERVISING AUTHORITY TO WHICH IT IS SUBJECT.

New York State Banking Department, State House, Albany, New York 12110.

Board of Governors of the Federal Reserve System, Washington, D.C., 20551.

Federal Reserve Bank of New York, District No. 2, 33 Liberty Street, New York, N.Y.

Federal Deposit Insurance Corporation, Washington, D.C., 20429.

(b) WHETHER IT IS AUTHORIZED TO EXERCISE CORPORATE TRUST POWERS.

Yes.

ITEM 2. AFFILIATIONS WITH THE OBLIGOR AND GUARANTORS.

IF THE OBLIGOR OR ANY GUARANTOR IS AN AFFILIATE OF THE TRUSTEE, DESCRIBE EACH SUCH AFFILIATION.

None.

ITEMS 3 THROUGH 15, INCLUSIVE, ARE NOT APPLICABLE BY VIRTUE OF T-1 GENERAL INSTRUCTION B.

ITEM 16. LIST OF EXHIBITS

LIST BELOW ALL EXHIBITS FILED AS A PART OF THIS STATEMENT OF ELIGIBILITY.

1. A copy of the Restated Organization Certificate of the Trustee dated March 25, 1997 and the Certificate of Amendment dated October 22, 2001 (see Exhibit 1 to Form T-1 filed in connection with Registration Statement No. 333-76894, which is incorporated by reference).

2. A copy of the Certificate of Authority of the Trustee to Commence Business (see Exhibit 2 to Form T-1 filed in connection with Registration Statement No. 33-50010, which is incorporated by reference). On November 11, 2001, in connection with the merger of The Chase Manhattan Bank and Morgan Guaranty Trust Company of New York, the surviving corporation was renamed JPMorgan Chase Bank.

3. None, authorization to exercise corporate trust powers being contained in the documents identified above as Exhibits 1 and 2.

4. A copy of the existing By-Laws of the Trustee (see Exhibit 4 to Form T-1 filed in connection with Registration Statement No. 333-76894, which is incorporated by reference).

5. Not applicable.

6. The consent of the Trustee required by Section 321(b) of the Act (see Exhibit 6 to Form T-1 filed in connection with Registration Statement No. 33-50010, which is incorporated by reference). On November 11, 2001, in connection with the merger of The Chase Manhattan Bank and Morgan Guaranty Trust Company of New York, the surviving corporation was renamed JPMorgan Chase Bank.

7. A copy of the latest report of condition of the Trustee, published pursuant to law or the requirements of its supervising or examining authority.

8. Not applicable.

9. Not applicable.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939 the Trustee, JPMorgan Chase Bank, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Houston and State of Texas, on the 12th day of August, 2002.

JPMORGAN CHASE BANK

By: /s/ Rebecca A. Newman

Rebecca A. Newman
Vice President and Trust Officer

Exhibit 7 to Form T-1

Bank Call Notice

RESERVE DISTRICT NO. 2
CONSOLIDATED REPORT OF CONDITION OF

JPMorgan Chase Bank
of 270 Park Avenue, New York, New York 10017
and Foreign and Domestic Subsidiaries,
a member of the Federal Reserve System,
at the close of business March 31, 2002, in
accordance with a call made by the Federal Reserve Bank of this
District pursuant to the provisions of the Federal Reserve Act.

DOLLAR AMOUNTS ASSETS IN MILLIONS Cash and balances due from depository institutions: Noninterest-bearing balances and currency and coin ..... $ 22,028
Interest-bearing balances 9,189
Securities: Held to maturity securities ..... 428 Available for sale securities ..... 56,159 Federal funds sold and securities purchased under agreements to resell Federal funds sold in domestic offices ..... 1,901 Securities purchased under agreements to resell ..... 69,260 Loans and lease financing receivables: Loans and leases held for sale ..... 13,042 Loans and leases, net of unearned income ..... $ 165,950
Less: Allowance for loan and lease losses ..... 3,284 Loans and leases, net of unearned income and allowance .....
162,666 Trading Assets .....
152,633 Premises and fixed assets (including capitalized leases) ..... 5,737 Other real estate owned .....
43
Investments in unconsolidated subsidiaries and associated companies .....
366
Customers' liability to this bank on acceptances outstanding .....
306 Intangible assets Goodwill .....
1,908 Other Intangible assets ..... 7,218 Other assets .....
38,458 ---------- TOTAL ASSETS .....
$ 541,342 ==========

LIABILITIES		
Deposits		
In domestic offices		$ 151,985
Noninterest-bearing	$ 66,567	
Interest-bearing	85,418	
In foreign offices, Edge and Agreement subsidiaries and IBF's		119,955
Noninterest-bearing	$ 6,741	
Interest-bearing	113,214	
Federal funds purchased and securities sold under agreements to repurchase:		
Federal funds purchased in domestic offices		12,983
Securities sold under agreements to repurchase		82,618
Trading liabilities		94,099
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)		10,234
Bank's liability on acceptances executed and outstanding		311
Subordinated notes and debentures		9,679
Other liabilities		25,609
TOTAL LIABILITIES		507,473
Minority Interest in consolidated subsidiaries		109
EQUITY CAPITAL		
Perpetual preferred stock and related surplus		0
Common stock		1,785
Surplus (exclude all surplus related to preferred stock)		16,304
Retained earnings		16,548
Accumulated other comprehensive income		(877)
Other equity capital components		0
TOTAL EQUITY CAPITAL		33,760
TOTAL LIABILITIES, MINORITY INTEREST, AND EQUITY CAPITAL		$ 541,342

I, Joseph L. Sclafani, E.V.P. & Controller of the above-named bank, do hereby declare that this Report of Condition has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true to the best of my knowledge and belief.

JOSEPH L. SCLAFANI

We, the undersigned directors, attest to the correctness of this Report of Condition and declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true and correct.

WILLIAM B. HARRISON, JR.)
ELLEN V. FUTTER)
LAWRENCE A. BOSSIDY)