



News

For Immediate Release

EP Energy Announces Progress on Natural Gas Asset Sales

HOUSTON, TEXAS, June 17, 2013 — EP Energy LLC today announced that it has entered into three separate purchase and sale agreements for the sale of natural gas properties as a result of a previously announced marketing effort. The company entered into an agreement with Atlas Resource Partners, L.P. relating to the company's coal bed methane (CBM) properties primarily located in the Raton, Black Warrior, and Arkoma basins and an agreement with WildHorse Resources II, LLC, relating to the company's Arklatex conventional gas assets located in East Texas and North Louisiana. EP Energy also entered into an agreement with another purchaser for its legacy South Texas conventional gas assets.

The aggregate sales price for the properties is approximately \$1.3 billion, subject to customary adjustments. As of December 31, 2012, the company had an estimated 909 billion cubic feet equivalent of proved reserves and average daily production through March 31, 2013 of approximately 215 million cubic feet equivalent per day associated with the properties. During the first quarter 2013, the properties generated approximately \$40 million of EBITDAX.

"We are pleased to be taking another important step in transforming and concentrating our portfolio in large, repeatable, high return asset areas. This series of transactions increases our focus on high margin oil plays, and also retains our highest return gas asset in the Haynesville Shale," said Brent Smolik, president and chief executive officer of EP Energy. "We are very pleased with the outcome of the asset sales process and the agreements we have entered into with high quality buyers. Going forward, our portfolio consists of more than 20 years of drilling inventory in some of the highest return plays in North America, including the Eagle Ford Shale, the Wolfcamp Shale, the Uinta Basin and the Haynesville Shale areas."

Closing of each of the transactions is expected to occur during the third quarter 2013. Proceeds will primarily be used for capital investments and to improve the company's balance sheet as well as other general corporate purposes.

Evercore Partners acted as the company's financial advisor for the CBM and Arklatex properties and RBC Capital Markets acted as financial advisor for the South Texas assets. EP Energy's legal advisor was Akin Gump Strauss Hauer & Feld LLP.

The EP Energy team has a passion for finding and producing the oil and natural gas that enriches people's lives. As a leading North American oil and natural gas producer, EP Energy has a proven strategy, a significant reserve base, multi-year drilling opportunities, and a strategic presence in fast-emerging unconventional resource areas. EP Energy is active in all phases of the E&P value chain—exploring for, acquiring, developing and producing oil and natural gas. For more information about EP Energy, visit epenergy.com.

Forward-looking Statements

This release includes certain forward-looking statements and projections of EP Energy LLC ("EP Energy"). EP Energy has made every reasonable effort to ensure that the information and assumptions on which these statements and projections are based are current, reasonable, and complete. However, a variety of factors could cause actual results to differ materially from the projections, anticipated results or other expectations expressed, including, without limitation, the supply and demand for oil, natural gas and NGLs; EP Energy's ability to meet production volume targets; the uncertainty of estimating proved reserves and unproved resources; the future level of service and capital costs; the availability and cost of financing to fund future exploration and production operations; the success of drilling programs with regard to proved undeveloped reserves and unproved resources; EP Energy's ability to comply with the covenants in various financing documents; EP Energy's ability to obtain necessary governmental approvals for proposed E&P projects and to successfully construct and operate such projects; actions by the credit rating agencies; credit and performance risk of EP Energy's lenders, trading counterparties, customers, vendors and suppliers; changes in commodity prices and basis differentials for oil and natural gas; general economic and weather conditions in geographic regions or markets served by EP Energy, or where operations of EP Energy are located, including the risk of a global recession and negative impact on natural gas demand; the uncertainties associated with governmental regulation, including any potential changes in federal and state tax laws and regulation; political and currency risks associated with international operations of EP Energy; competition; and other factors described in EP Energy's Securities and Exchange Commission filings. While EP Energy makes these statements and projections in good faith, neither EP Energy nor its management can guarantee that anticipated future results will be achieved. Reference must be made to those filings for additional important factors that may affect actual results. EP Energy assumes no obligation to publicly update or revise any forward-looking statements made herein or any other forward-looking statements made by EP Energy, whether as a result of new information, future events, or otherwise. This release presents certain production and reserves-related information on an "equivalency" basis. Equivalent volumes are computed with natural gas converted to barrels at a ratio of six Mcf to one Bbl. These conversions are based on energy equivalency conversion methods primarily applicable at the burner tip and do not represent value equivalencies at the wellhead. Although these conversion factors are industry accepted norms, they are not reflective of price or market value differentials between product types. This release refers to the non-GAAP term EBITDAX, which the company defines as net income plus interest and debt expense, income taxes and depreciation, depletion and amortization and exploration expenses. For the first quarter 2013, EBITDAX related to these properties was approximately \$40 million; comprised of \$18 million net income, \$20 million depreciation, depletion and amortization and \$2 million exploration expenses.

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