



**7th Annual Wachovia Capital Market, LLC
Pipeline and MLP Symposium**

December 9, 2008

Management Representatives



Joseph A. Mills

Chairman & Chief Executive Officer

Alfredo Garcia

Senior Vice President, Corporate Development and Acting CFO

Elizabeth Wilkinson

Vice President, Investor Relations and Treasurer

Looking Forward Statements



The statements made by representatives of Eagle Rock during the course of this presentation that are not historical facts are forward-looking statements. Although Eagle Rock believes that the assumptions underlying these statements are reasonable, readers are cautioned that such forward-looking statements are inherently uncertain and necessarily involve risks that may affect Eagle Rock's business prospects and performance, causing actual results to differ from those discussed during this presentation. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements included in documents filed with the Securities and Exchange Commission.

Any forward-looking statements made are subject to all of the risks and uncertainties, many of which are beyond management's control, including risks related to the gathering, processing, and marketing of natural gas and natural gas liquids, or NGLs. These risks include the risks described in documents filed with the Securities and Exchange Commission. Should one or more of these risks or uncertainties occur, or should underlying assumptions prove incorrect, Eagle Rock's actual results and plans could differ materially from those expressed in any forward-looking statements.

The Partnership undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information or future events.

Our Business



- **Eagle Rock Energy Partners, L.P. (NASDAQ GS:ERO)** is a growth-oriented publicly traded Master Limited Partnership (MLP) with a market capitalization in excess of \$557 million.

- **Three businesses:**
 - **Midstream Business** – gathering, compressing, treating, processing, transporting and selling natural gas, fractionating and transporting natural gas liquids, or NGLs;
 - Grown through acquisition of midstream assets in high drilling growth areas with low decline rates
 - Expanded with organic growth opportunities in core areas
 - Texas Panhandle, East Texas/Louisiana, S. and W. Texas

 - **Upstream Business** - acquiring, exploiting, developing and producing oil and natural gas properties;
 - operate mature oil and gas properties with low decline rates
 - low-risk development and recompletion opportunities
 - Upstream all onshore, lower 48, preferring to operate the properties we own
 - Seeking balance of oil and gas (hydrocarbon mix)

 - **Minerals** – acquiring and managing fee minerals and royalty interests, either through direct ownership or through investment in other partnerships in properties located in multiple producing trends across the United States.
 - Acquire long life royalties and proved reserves
 - Minerals in active drilling areas to enable the regeneration effect
 - Proactively manage minerals to attract E&P investment

- **Objective: Grow unitholder value over time while generating stable, growing cash distributions for our unitholders**
- **Maximize value and efficiency of existing assets**
 - Achieving operational and financial excellence in our businesses
 - Optimization of current assets, throughputs and production volumes
- **Maintain Low Cost Structure**
 - Improved O&M and LOE cost structure in Midstream and Upstream businesses
 - Midstream = \$.35 / Mcfe
 - Upstream = \$2.15 / Mcfe
- **Strive to be Best in Class Safety Record**
 - RIR = 2.04 YTD
- **Pursue Organic Growth Opportunities**
 - Continuously identifying and ranking projects and opportunities
 - 2008 Organic Growth CAPEX = \$43.3 MM
 - 2009 Organic Growth CAPEX = \$30.0 MM
 - Target IRR of 18% in Midstream business and 25% IRR in Upstream business
 - Expected payout in 18 – 36 months

- **Pursue Opportunistic Acquisitions**
 - Executing accretive low-risk acquisitions
 - Target hurdle rate = 12% ROR
 - Strategic acquisitions in areas of interest (East Texas)

- **Maintain Diversified Business Profile**
 - By business (midstream, upstream and minerals)
 - By geography (TX Panhandle, E.TX / LA, S. TX and W. TX)
 - By contracting agreements (POP, POL, Fixed Recovery)
 - By service provided (gathering vs. processing)

- **Distinguishing Characteristics**
 - Spectrum of acquisition opportunities broader through diversification across energy value chain
 - Vertical integration synergies
 - Relationship to Natural Gas Partners – drop down opportunities

Eagle Rock Value Chain



MINERALS

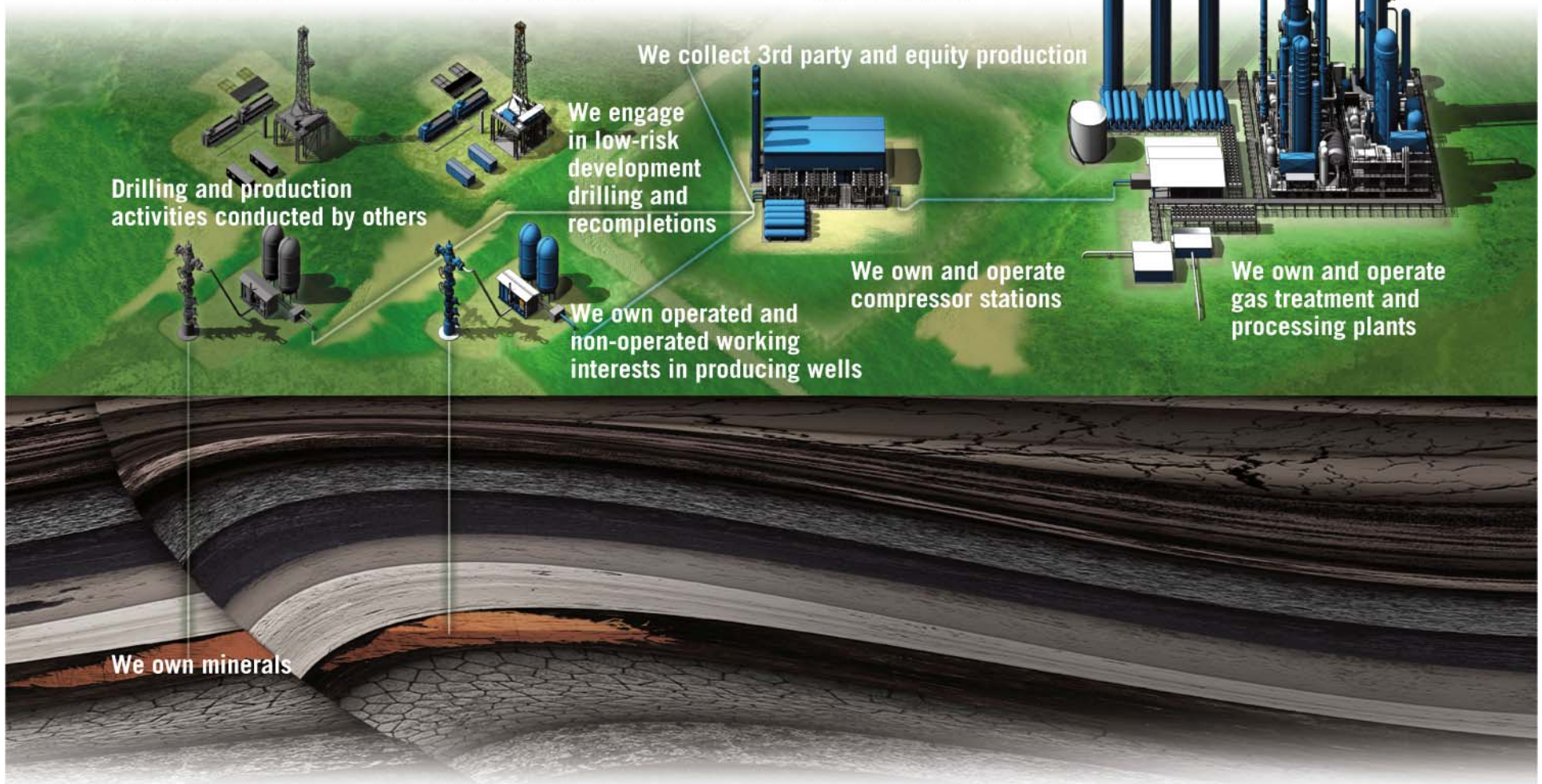
We collect revenue, but bear no operating costs

UPSTREAM

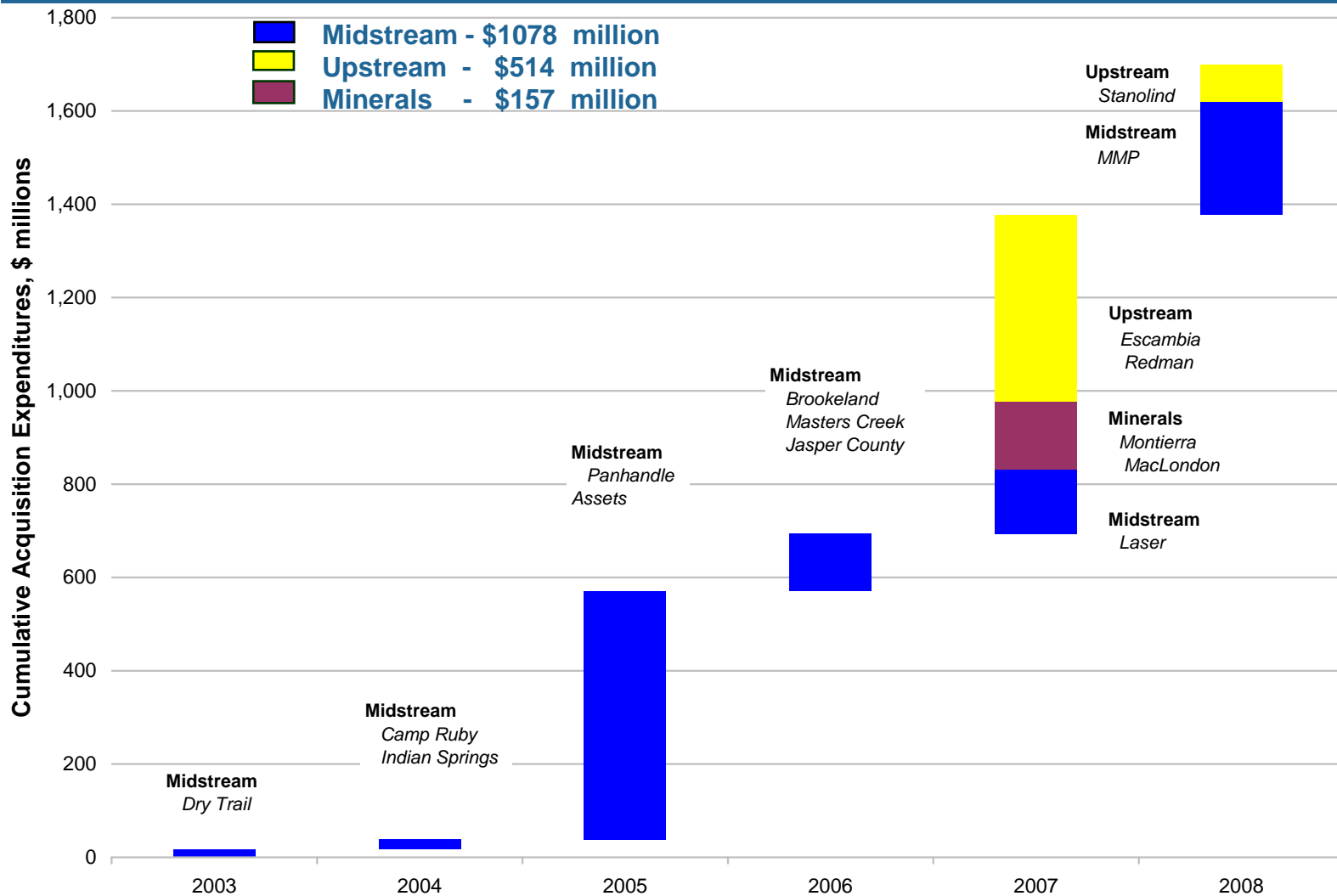
We share in both revenues and operating costs

MIDSTREAM

We share in revenues, collect fees and bear operating costs



Acquisition Track Record (2003-2008)



Current Statistics

As of December 2, 2008



- **Total Units Outstanding = 77.3 MM (post Millennium)**
 - **Current Unit Price = \$7.21**
 - **Market Capitalization = \$557 MM**
 - **Total Debt = \$799 MM**
 - **Enterprise Value = \$1,356 MM**
 - **TTM EBITDA = \$237.7 MM**
 - **Q3 2008 EBITDA = \$75.5 MM**
 - **Q3 2008 Distribution = \$.41 / unit**
 - Annualized \$1.64 / unit
 - DCF = \$60.0 MM
 - Coverage Ratio = 200%
 - **Current Yield = 22.7%**
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Third Quarter 2008 Achievements

Consolidated Financial Results



	Third Quarter 2008	Third Quarter 2007	Second Quarter 2008 (1)	Q3 2008 vs Q3 2007	Q3 2008 vs Q2 2008
Revenues (\$MM) (2)	684	277	186	147%	267%
Segment Operating Income, Excluding Corporate Segment and Impairment (\$MM)	80	27	67	197%	18%
Adjusted EBITDA (\$MM) (3)	75	45	58	67%	31%
Distributable Cash Flow (\$MM) (3)	60	32	37	89%	63%
Annualized Quarterly Distribution Rate (\$/unit)	1.64	1.47	1.64	12%	0%
Total Assets (\$MM)	1,873	1,609	1,765	16%	6%
Debt to Capitalization, percent	54	44	60	-10	6
Coverage Ratio	2.00 x	1.19 x	1.22 x	0.81 x	0.78 x

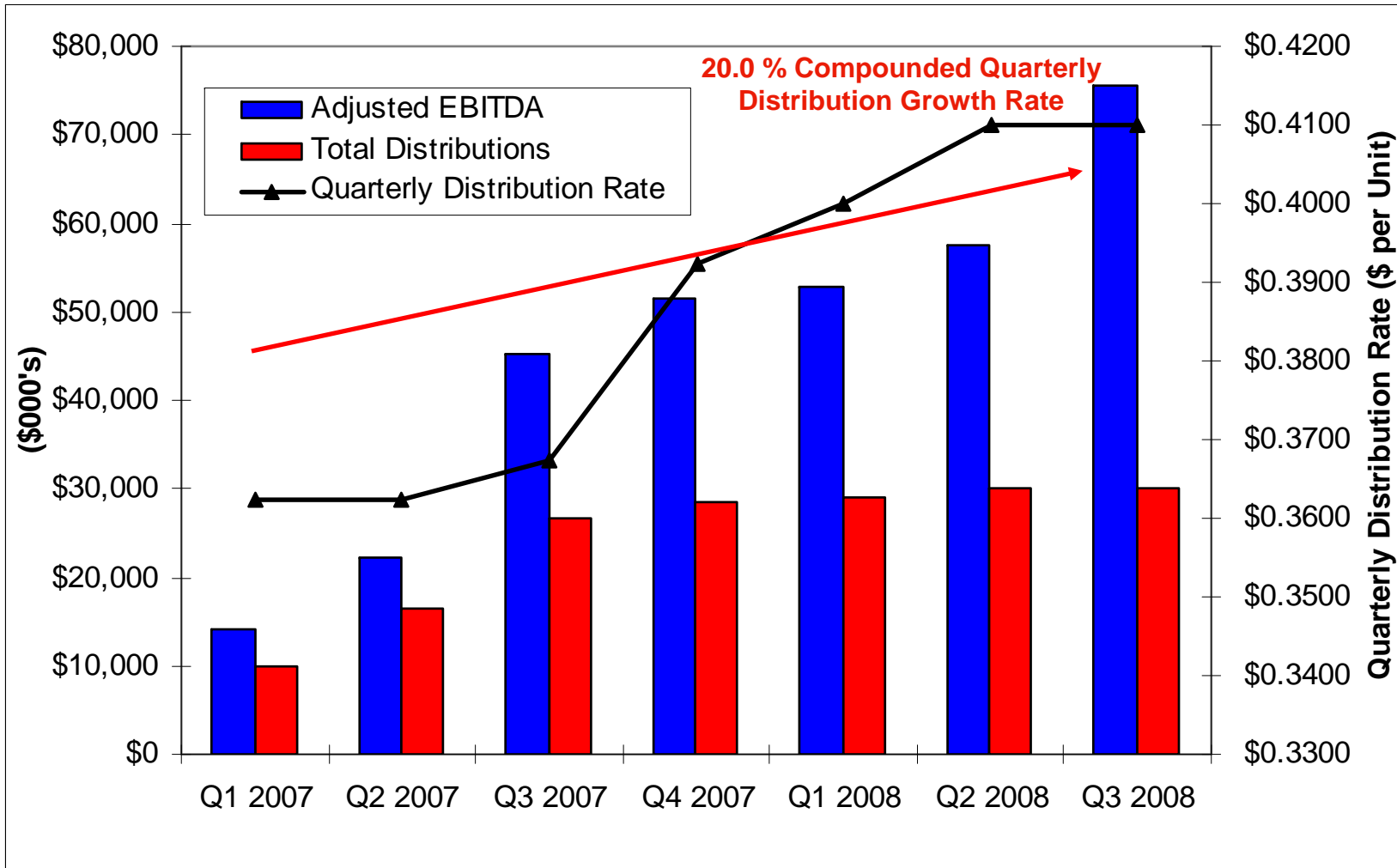
(1) Includes two months of Stanolind(Permian) operations and the effects of a lightning strike and our scheduled BEC turnaround.

(2) Includes unrealized, non-cash, mark-to-market commodity derivative gains/ (losses) of \$256 MM in Q3 2008, \$9 MM in Q3 2007, and (\$256) MM in Q2 2008.

(3) Tables presenting a reconciliation of the non-GAAP financial measures of (i) Adjusted EBITDA to the GAAP financial measure of net income (loss) and (ii) Distributable Cash Flow to the GAAP financial measure of net income (loss) for each of the periods indicated appear in the Eagle Rock's Third Quarter 2008 earnings press release filed on Form 8-K on November 5, 2008.

Consolidated 2007 and YTD 2008 Results

Adjusted EBITDA and Distribution Growth



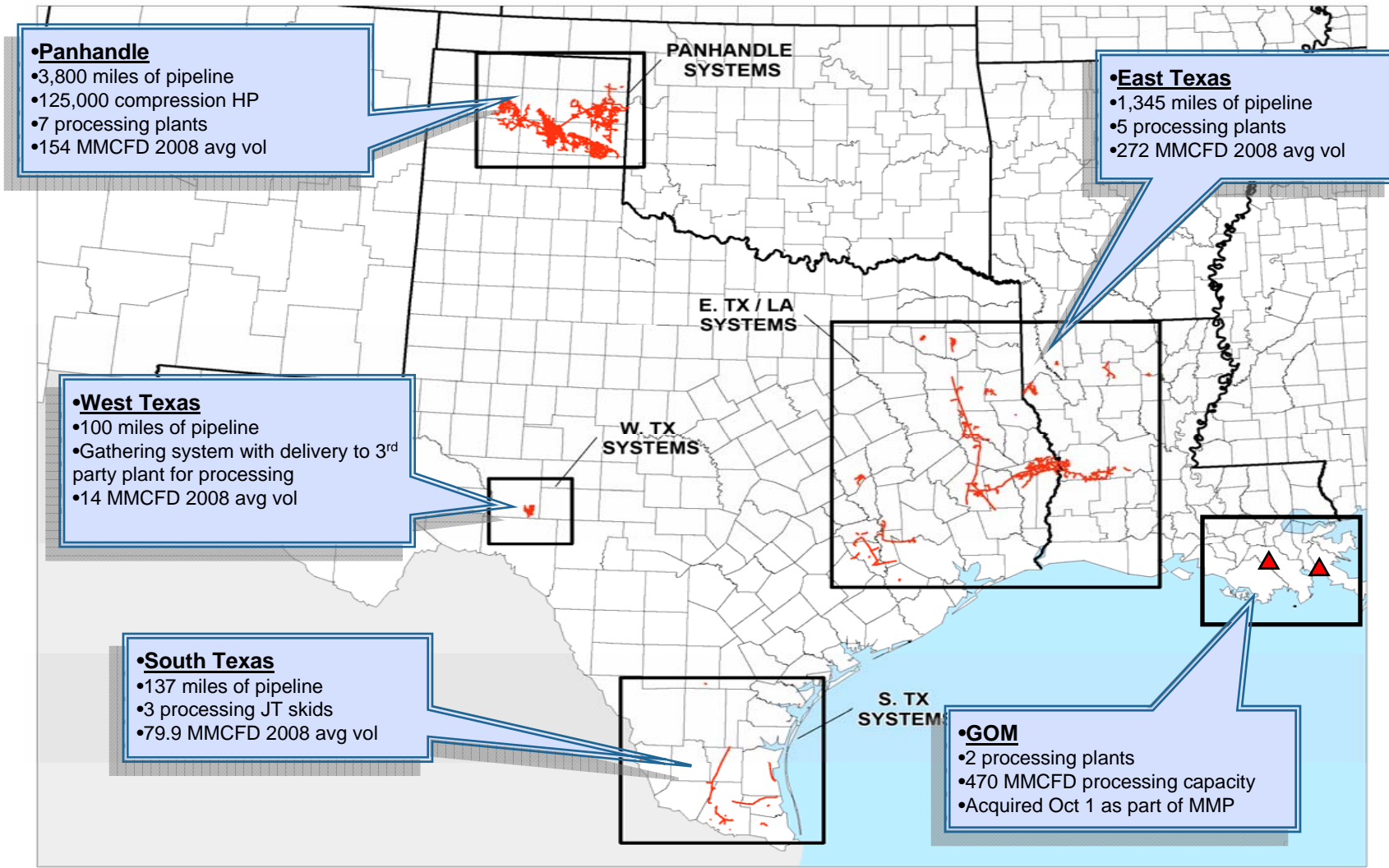


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Midstream Business

Midstream Operations



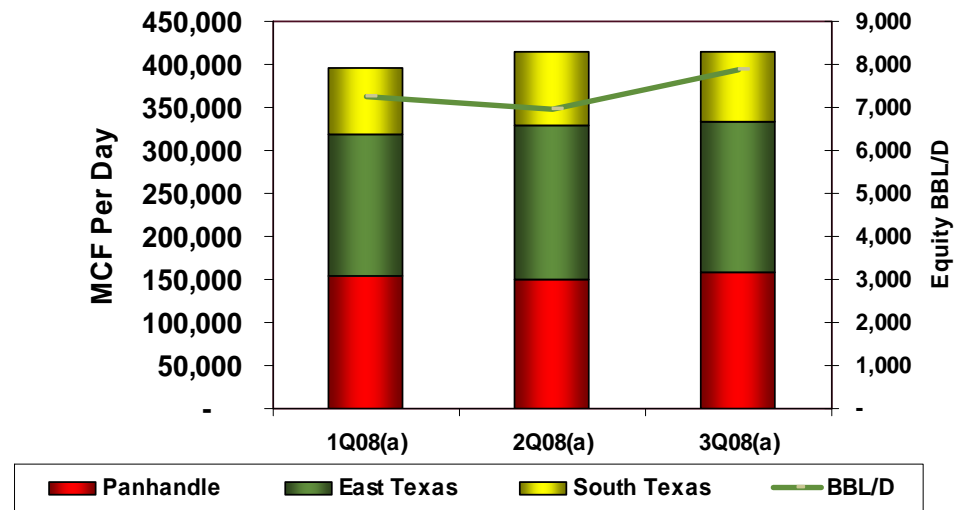
Midstream Production

Year-to-Date Results



- **Q3 gathered volumes flat with Q2**
 - Midstream operations impacted by 14 MMCF/d due to Ike & Gustav
 - E. Tx down 9 days.
 - South Texas volume curtailed 12 days
- **Q3 Equity NGL's up 12% vs. Q2**
 - Increase due to higher run-times in Tx Panhandle and increased volumes in E. Tx area

Midstream Production

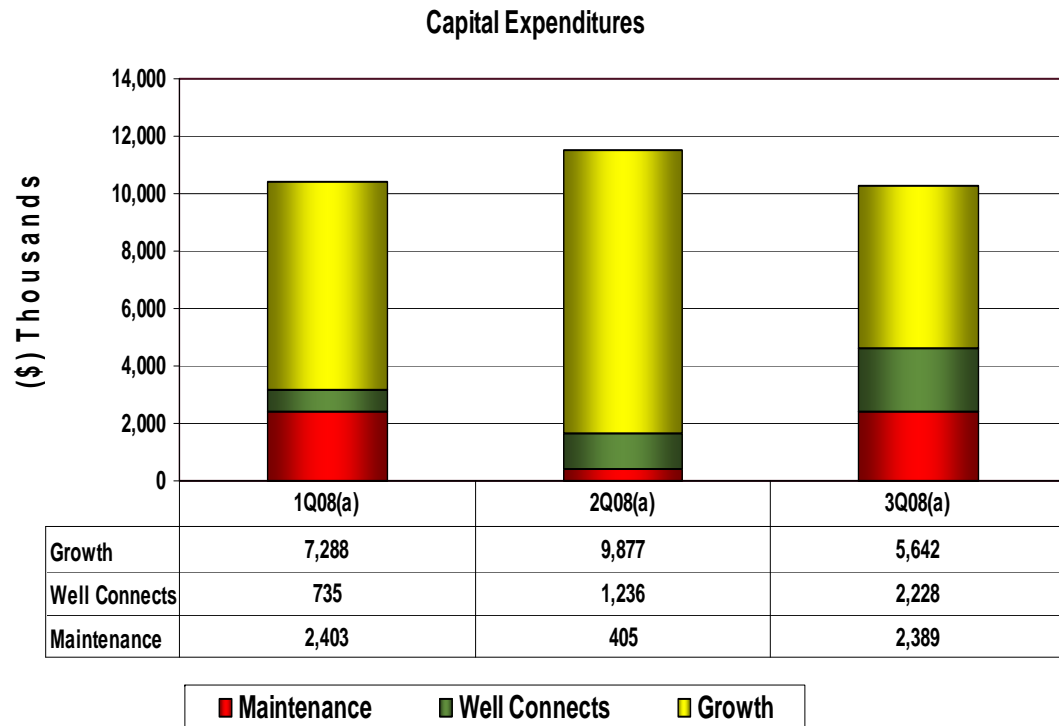


	1Q08(a)	2Q08(a)	3Q08(a)
Panhandle	154,570	149,881	159,254
East Texas	163,817	179,744	173,252
South Texas	78,075	84,514	82,046
Total	396,462	414,139	414,552

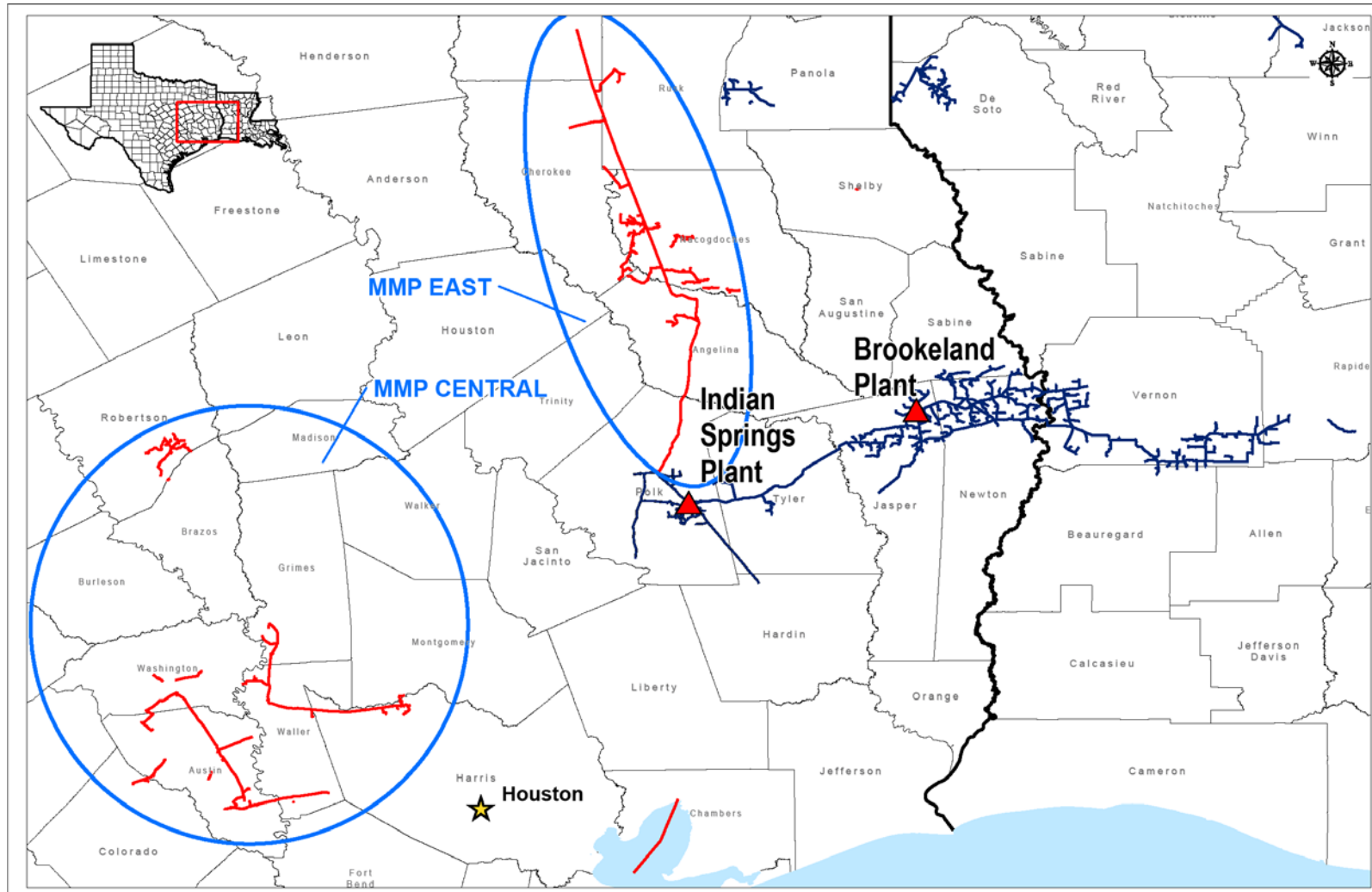
Midstream Capital



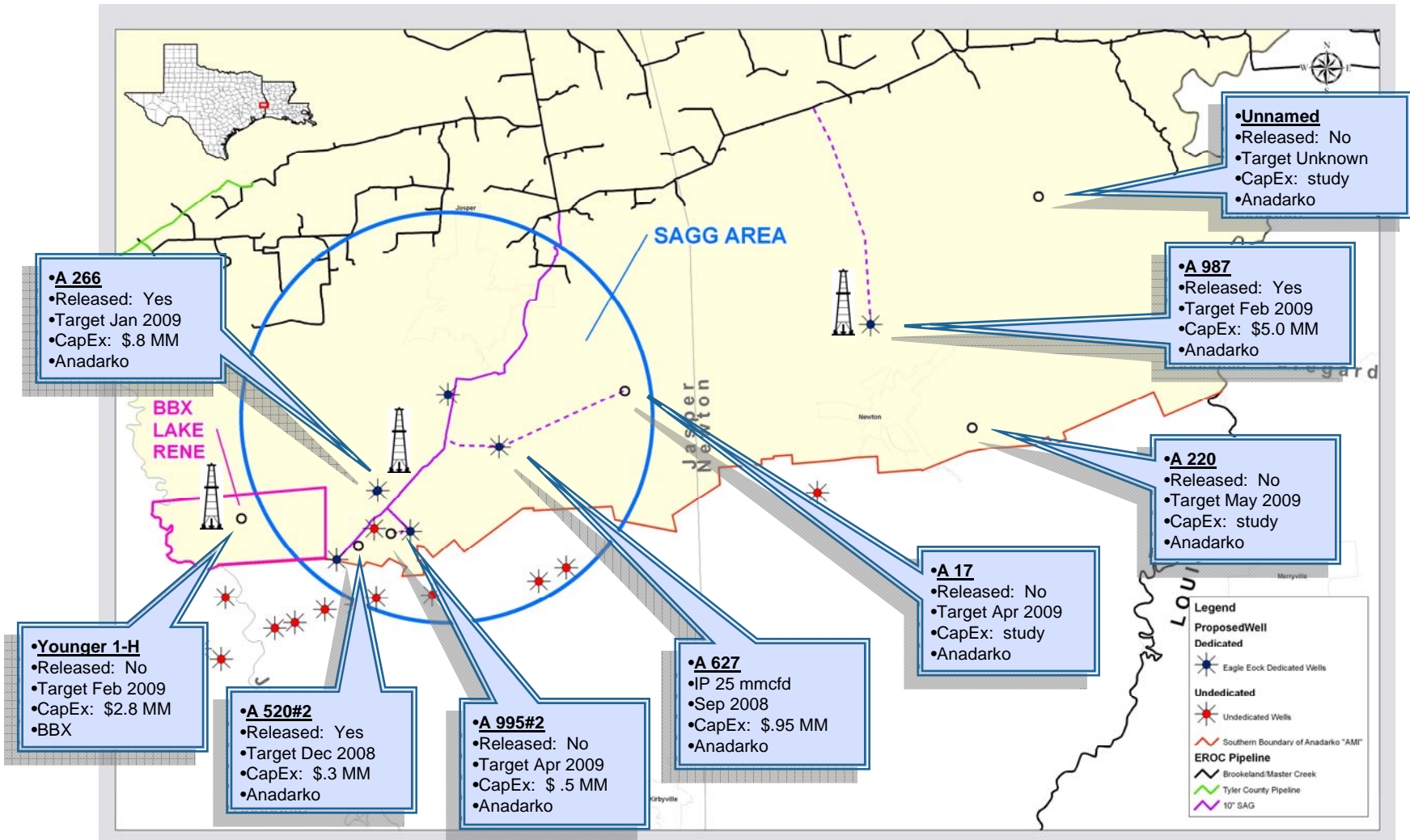
- Arrington plant expansion moving from design to construction.
- Completing Cargray residue compressor station
- A 987 lateral scheduled for 4th quarter.
- Cargray Plant condensate stabilization to be constructed in 4th quarter.
- Gas connect activity increased during Q3



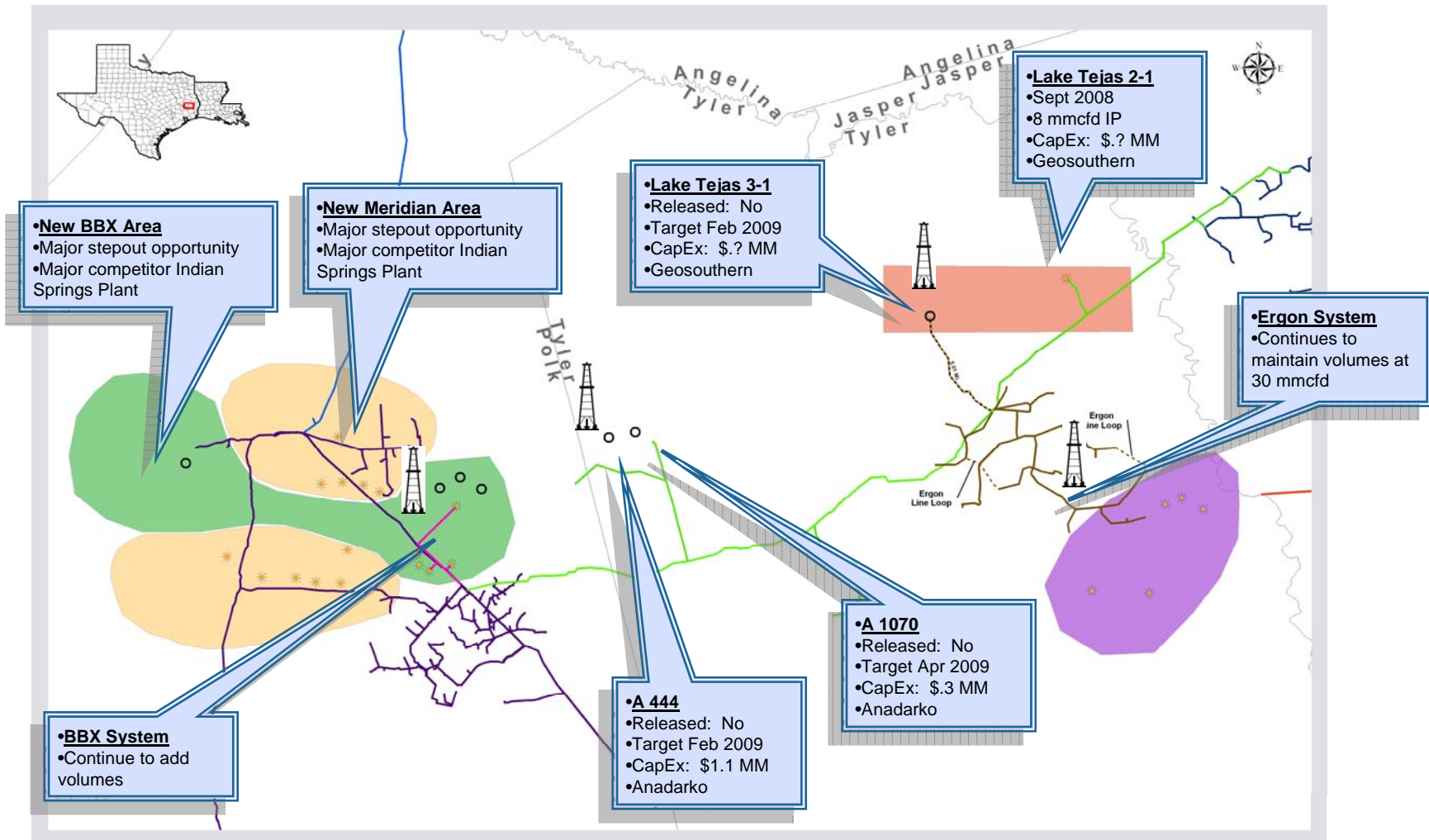
East Texas Footprint



Brookeland System Supply Expansion of Austin Chalk Play



Tyler County

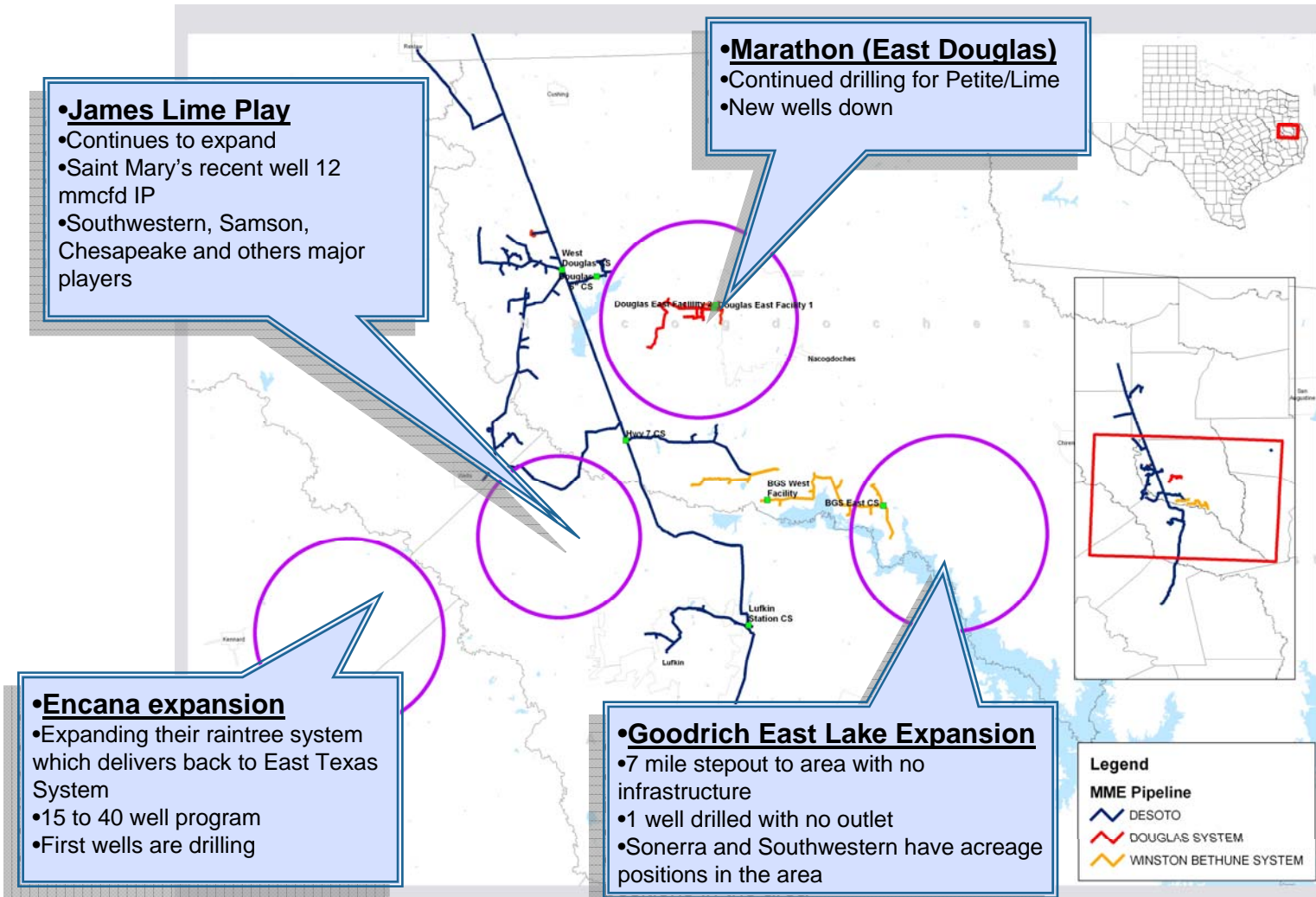


Millennium assets



- Closed the acquisition on October 1
 - 100% of the fulltime employees joined us
 - Senior management team integrated into existing leadership team
- Onshore volumes continue to grow
 - Current throughput of 110 MMCF/d
- Q4 GOM volumes impacted by Ike and Gustav
 - Mezzanine volumes are flowing
 - Yscloskey continuing repairs, expect Jan 2009 startup
 - North Terrebonne on line week of Nov 17, 2008

Millennium East Texas System Central Pipeline Area



Midstream Capital

2008 & 2009



Spending Plans:

Maintenance capital

2008: \$12 MM

2009: \$15 MM

Growth capital

2008: \$37 MM

2009: \$25 MM

Growth Activity Completed or Under Way:

- Consolidation of Stinnett volumes to Cargray (completed)
- Compressor Station Expansions at Red Deer, Arrington, and Lora (completed)
- New Cargray Plant Residue Compressor (early Q4)
- Relocation of Stinnett cryogenic plant to Arrington (est completion Q1/Q2 2009)

Growth Opportunities Under Consideration for 2009/2010:

- Brookland Plant Expansion
- Panhandle NRU Plant
- East Texas 7 mile Stepout
- S TX Phase 1 Interconnect

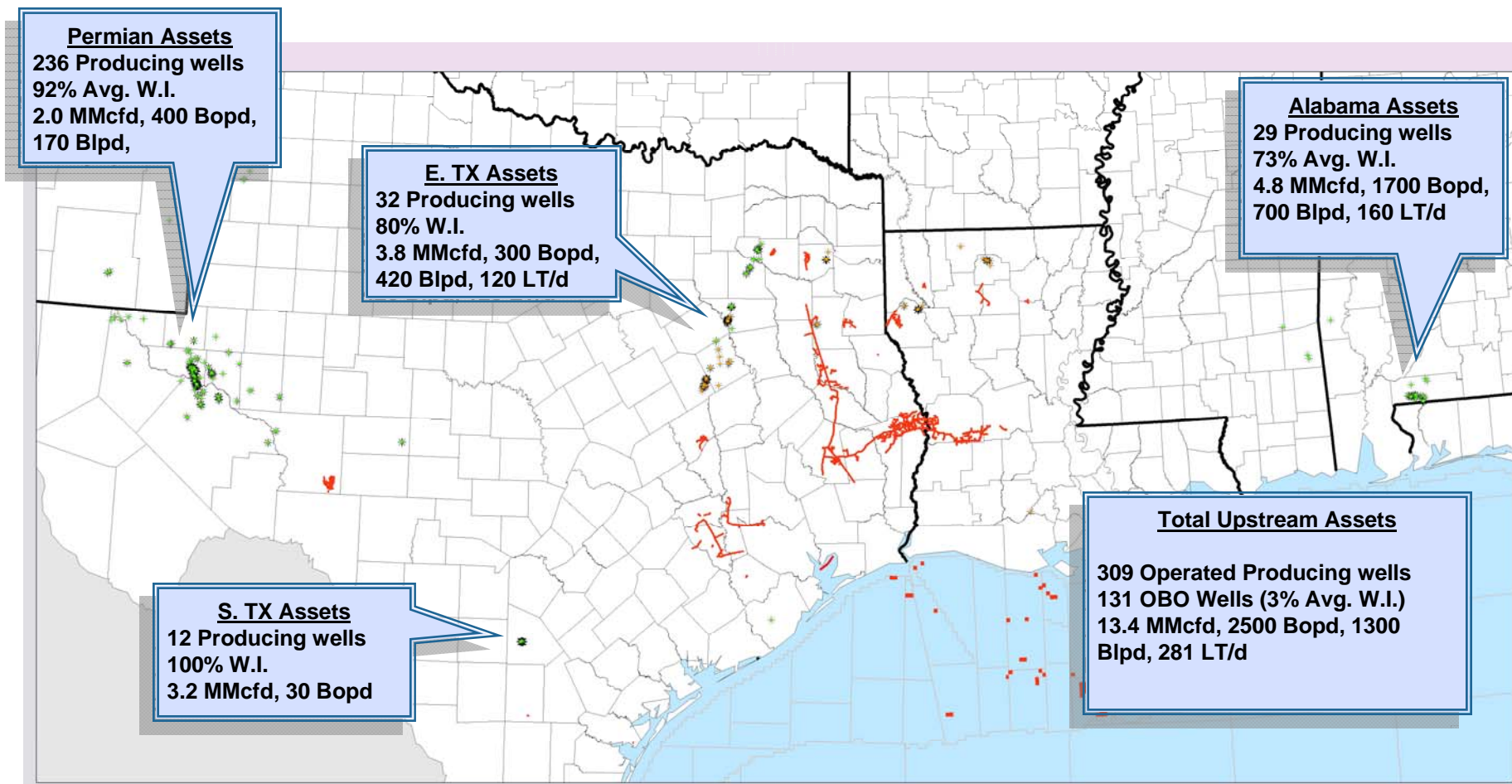


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Upstream Business

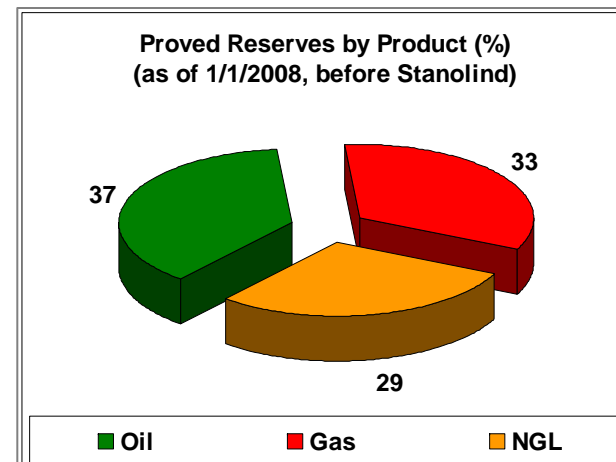
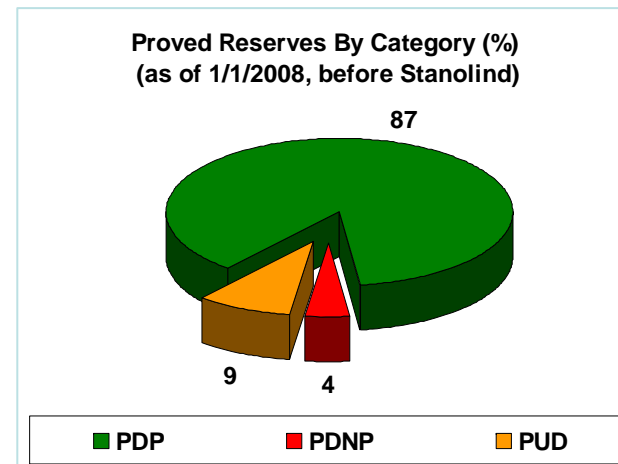
Upstream Segment Assets by Geographic Area



Upstream Segment YTD Highlights (through Sep 30, 2008)



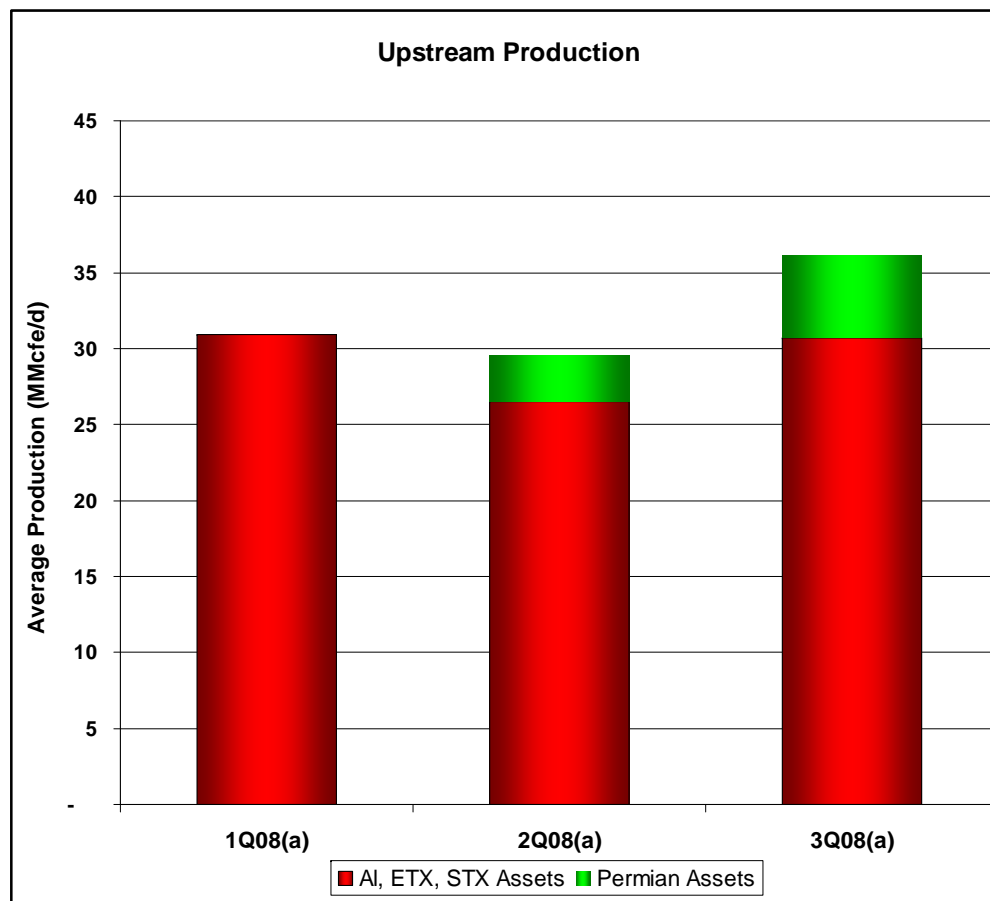
- Revenues: \$140 MM
- OPEX (including TOTI): \$29 MM
- DD&A: \$30 MM
- Operating Income \$81 MM
- Net Production: 32.3 MMcfe/d
- Total Proved Reserves at 1/1/08: 117.3 Bcfe (before Stanolind)



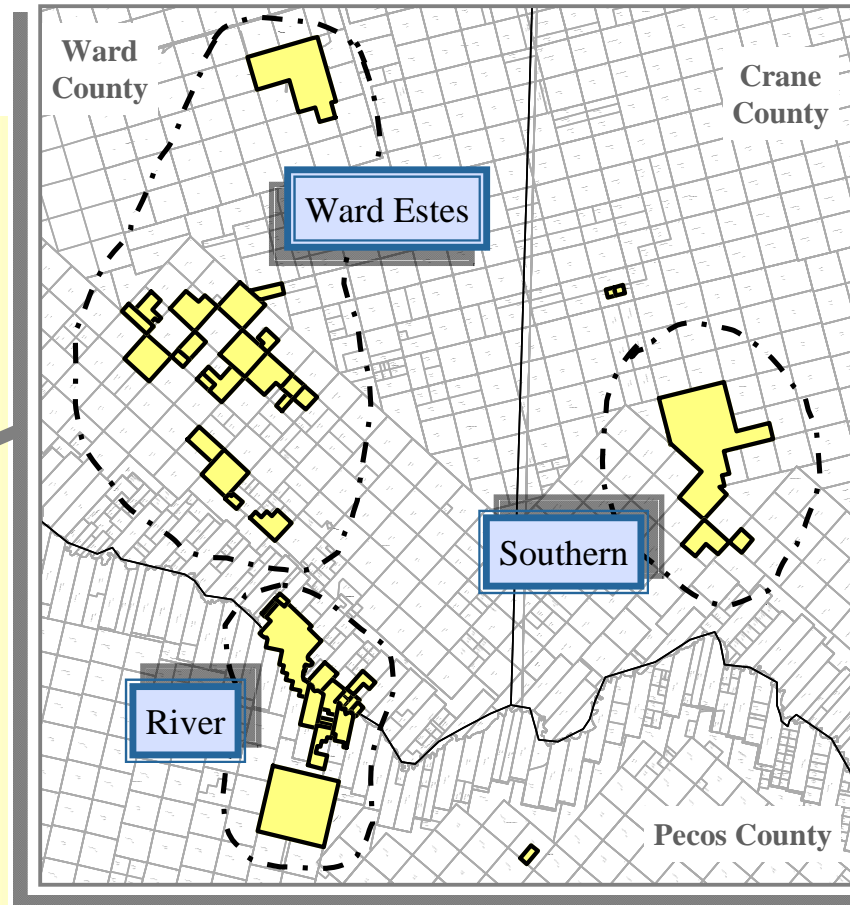
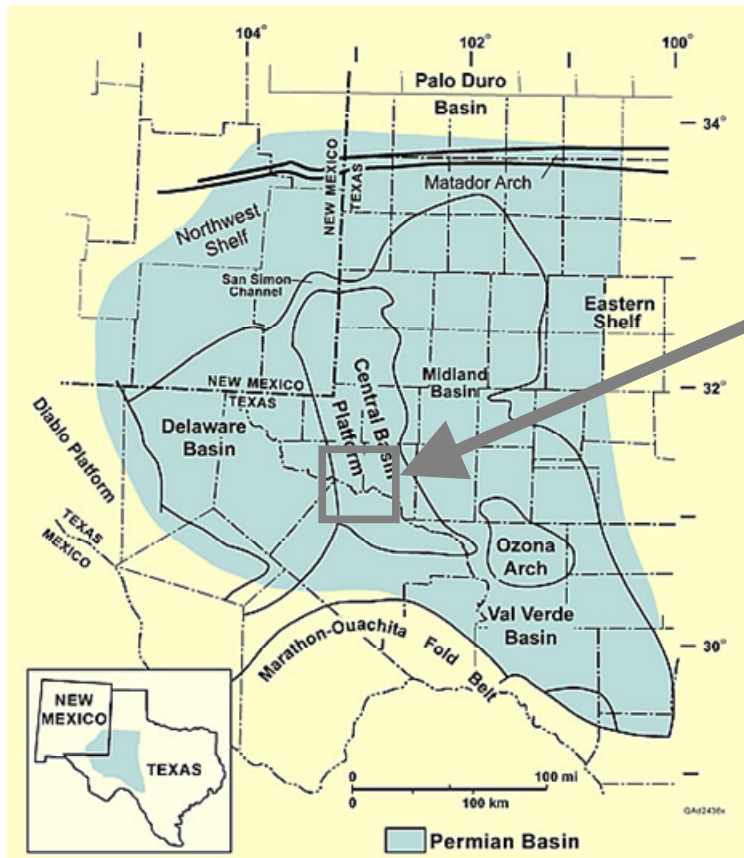
Upstream Production 3Q08 YTD Results



- 3Q production averaged 36.3 MMcfe/d
 - AL / E. TX / S. TX – 30.9 MMcfe/d
 - Permian – 900 Boepd
- Full Run-time in Alabama in 3Q
 - Net – 19.9 MMcfe/d
 - BEC averaged 42 MMcf/d FWS inlet
- Permian production rate gained 18% over 2Q08
 - Production added from new drills
 - Uplift from remedial program
- E. TX and Jourdanton showed production growth throughout 2008
 - E. TX treating and enhancements
 - Jourdanton recompletion program



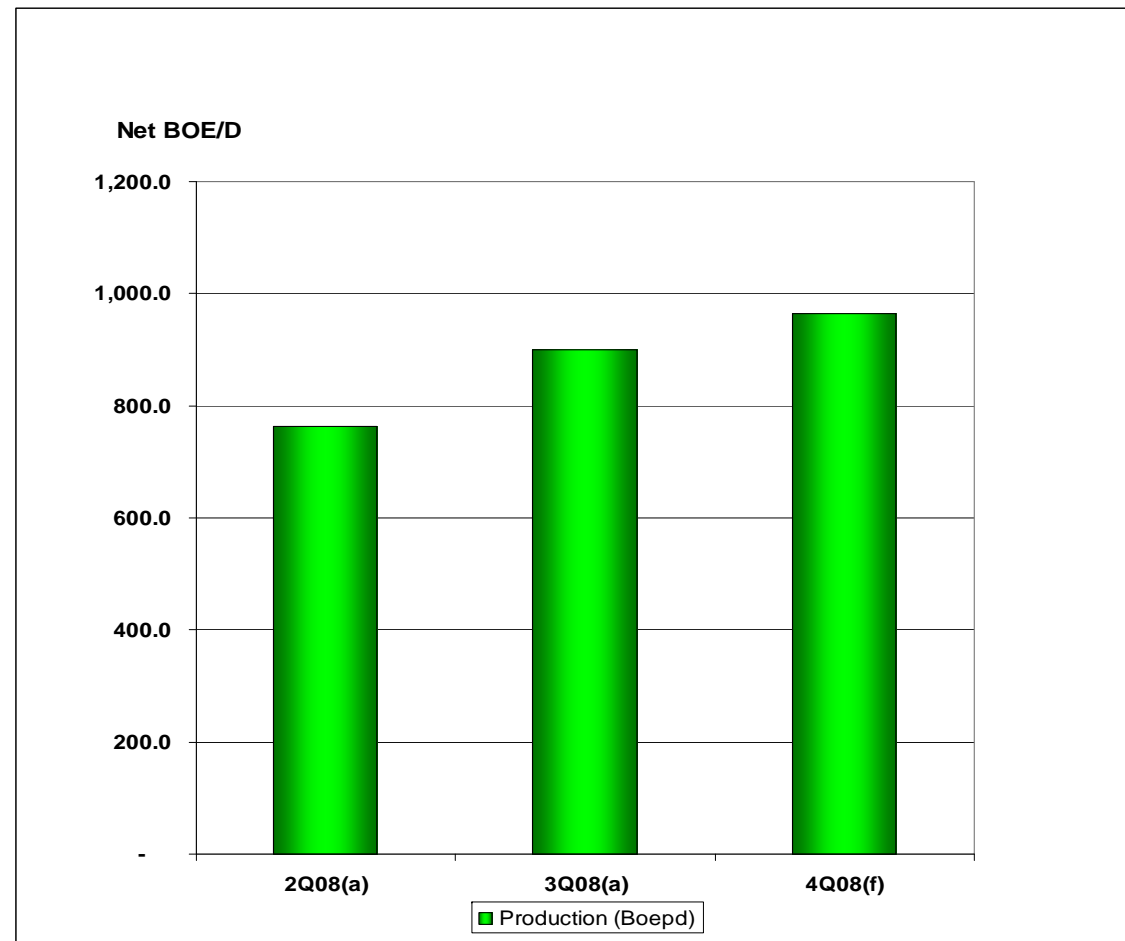
Permian Basin Operations



Permian Production 3Q08 YTD Results



- Production growth from 760 to 960+ Boe/d since acquisition
- Upside for current completions, workovers, stimulations compared to current production forecast
- Strong technical team is hitting stride
 - Extensive list of projects available for additional 2009 capital
 - Additional 2009 drilling inventory being prepared



2009 Upstream Capital Growth and Maintenance



Spending Plans:

Maintenance capital

2008: \$16 MM

2009: \$5 MM

Growth capital

2008: \$6 MM

2009: \$5 MM

Growth Activity Completed or Under Way:

- Low Risk Probable and Proved Undeveloped drilling in the Ward Estes Field, Ward County, Texas
- Ongoing Low Risk Recompletion activity at Jourdanton Field.



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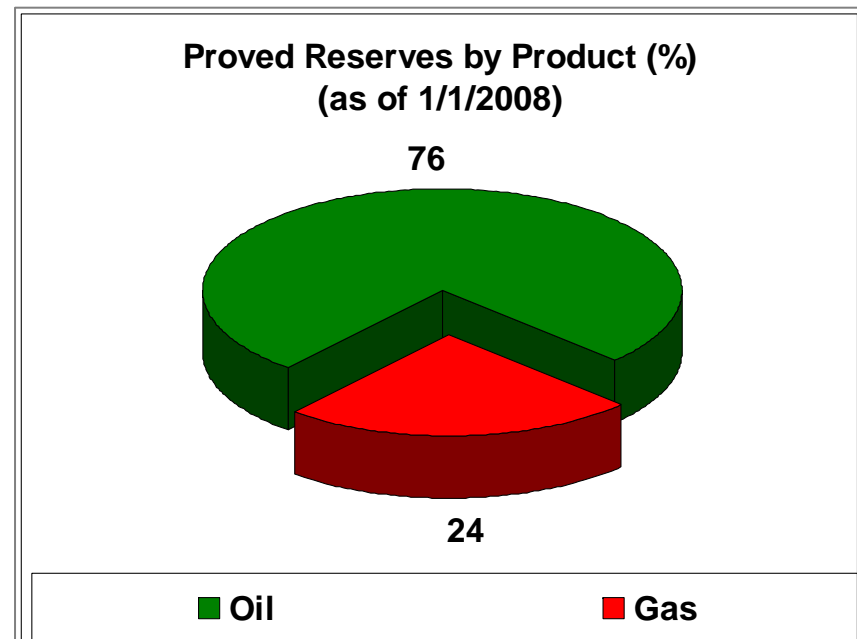
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Minerals

2008 YTD Highlights Minerals Segment



- Revenues: \$34.6 MM
- TOTI: \$1.4 MM
- DD&A: \$6.5 MM
- Operating Income \$26.8 MM
- Net Production: 6.6 MMcfe/d
- Total Proved Reserves at 1/1/08 – 22.3 Bcfe
- Regeneration Effect from operators drilling
- No Maintenance CapEx or LOE

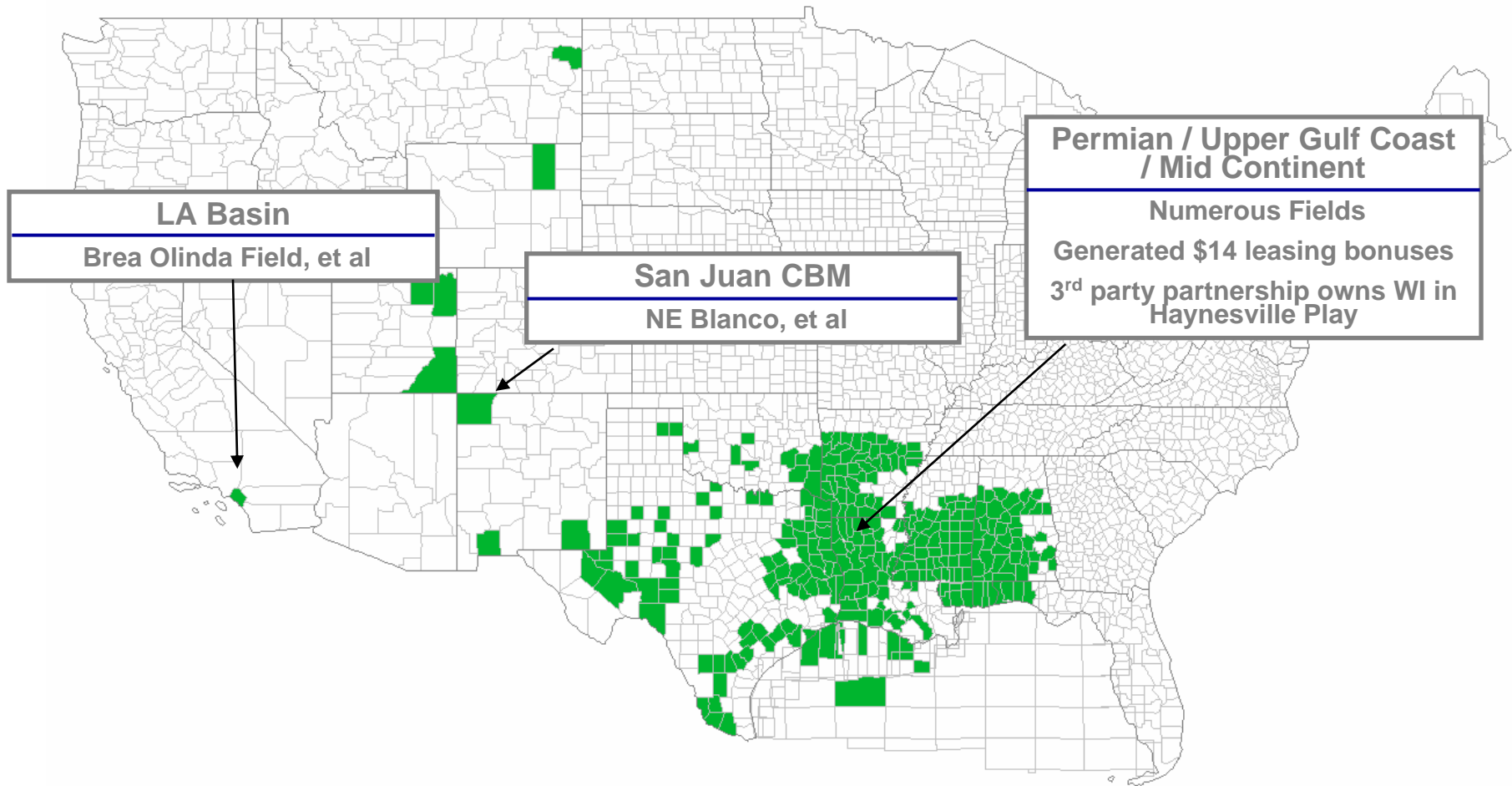


Eagle Rock Mineral Assets



- Highly diversified fee mineral assets
 - 5.6 MM Gross acres / 430,000 net mineral acres
 - 10 states (TX, LA, MS, AL, FL, MI, CA, OK, AR, NY)
- Royalties in approximately 3000 wells
 - Wells are located in 17 states
 - Large diversification of operators, geological plays and basins
- Active Leasing program in 2007 & 2008
 - Generated approx \$14 MM in leasing bonuses
 - \$8.5 MM in one transaction in Q3 2008 (Haynesville – E.Tx)
 - Large percentage of executive rights administered by “Minerals Manager”
 - Third Party Partnership holds WI in Haynesville Play

Eagle Rock Mineral Assets



Managing Through Turbulent Times



- **Expanded credit facility from \$800 MM to \$980 MM in commitments, with approx \$175 MM in availability**
- **Cutting operating and G&A costs**
 - **Aggressively negotiating cost reductions with suppliers**
 - **Reviewing overall Operating cost structure**
 - **Potential reductions in staffing levels in 2009**
- **Evaluating possible asset sales to generate liquidity, if necessary**
- **Aggressively monitoring our counterparty risk and collection of AR**
- **Reducing CAPEX plans for 2009**
 - **Deferring large midstream capital projects until 2010**
 - **Evaluating deferring completion of new Arrington plant installation until Q2 or Q3 of 2009 if possible**

Summary



- **Record financial results in each successive quarter of 2008 YTD.**
- **Third-quarter 2008 operating income contribution:**
 - **42% Midstream**
 - **40% Upstream**
 - **18% Minerals**
- **Delivering on organic and acquisition growth in 2008**
- **Continuing interest in growing all three lines of business, albeit at a more conservative pace in 2009**
- **Focused on managing through turbulent times to provide for stable distributions to unitholders**