

El Paso Exploration & Production Company Eagle Ford Field Trip

October 5, 2010



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This presentation includes certain forward-looking statements and projections. The company 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 in this presentation, including, without limitation, our ability to achieve the targeted costs savings from the reorganization announced in November 2009; change management risk associated with the previously announced reorganization; our ability to pay the dividends declared; changes in unaudited and/or unreviewed financial information; volatility in, and access to, the capital markets; our ability to implement and achieve objectives in our 2010 plan and updated guidance, including achieving our earnings and cash flow targets, as well as targets for future years; the effects of any changes in accounting rules and guidance; our ability to meet production volume targets in our Exploration and Production (E&P) segment; our ability to successfully identify and finance new Midstream opportunities; our ability to comply with the covenants in our various financing documents; our ability to obtain necessary governmental approvals for proposed pipeline and E&P projects and our ability to successfully construct and operate such projects on time and within budget; the risks associated with recontracting of transportation commitments by our pipelines; regulatory uncertainties associated with pipeline rate cases; actions by the credit rating agencies; the successful close of our financing transactions; credit and performance risk of our lenders, trading counterparties, customers, vendors and suppliers; changes in commodity prices and basis differentials for oil, natural gas, and power; general economic and weather conditions in geographic regions or markets served by the company and its affiliates, or where operations of the company and its affiliates are located, including the risk of a global recession and negative impact on natural gas demand; the uncertainties associated with governmental regulation, including future regulation resulting from the oil spill in the Gulf of Mexico or financial reform legislation; political and currency risks associated with international operations of the company and its affiliates; competition; and other factors described in the company's (and its affiliates') Securities and Exchange Commission (SEC) filings. While the company makes these statements and projections in good faith, neither the company 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. The company assumes no obligation to publicly update or revise any forward-looking statements made herein or any other forward-looking statements made by the company, whether as a result of new information, future events, or otherwise.

Cautionary Note to U.S. Investors—In this presentation, we have provided estimates of our “unrisked” unproved resources, which are different than probable and possible reserves as defined by the SEC. Note that we are not permitted to include or refer to our unproved resources on such a basis in any SEC filings, and these estimates of unrisked unproved resources should not be construed as comparable to our disclosures of our proved reserves. Unrisked unproved resources are estimates of potential reserves that are made using accepted geological and engineering analytical techniques. Unrisked resources are less certain than risked resources as they do not contemplate the likelihood of a successful outcome. Investors are urged to closely consider the disclosures and risk factors in our Forms 10-K and 10-Q, available from our offices or from our website at <http://www.elpaso.com>, including the inherent uncertainties in estimating quantities of proved reserves.

Our Purpose

El Paso Corporation provides natural gas and related energy products in a safe, efficient, and dependable manner

Our Vision & Values

the **place** to work
the **neighbor** to have
the **company** to own



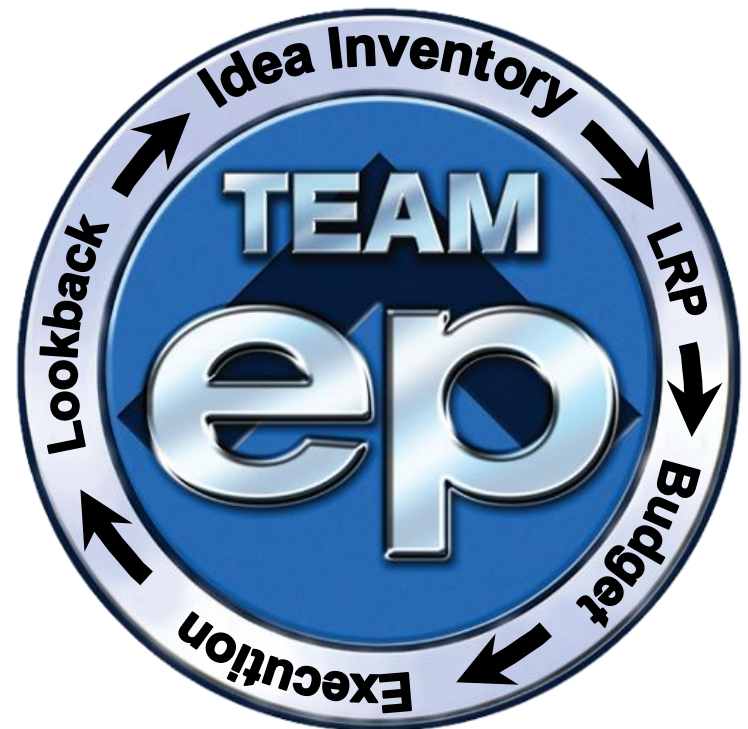
E&P Strategy

Build and apply **competencies**
in assets with **repeatable programs**
and **significant project inventory**

Sharpen **execution skills** to improve capital
and expense efficiency and maximize returns

Add assets with inventory that fit our
competencies and **divest assets** that do not

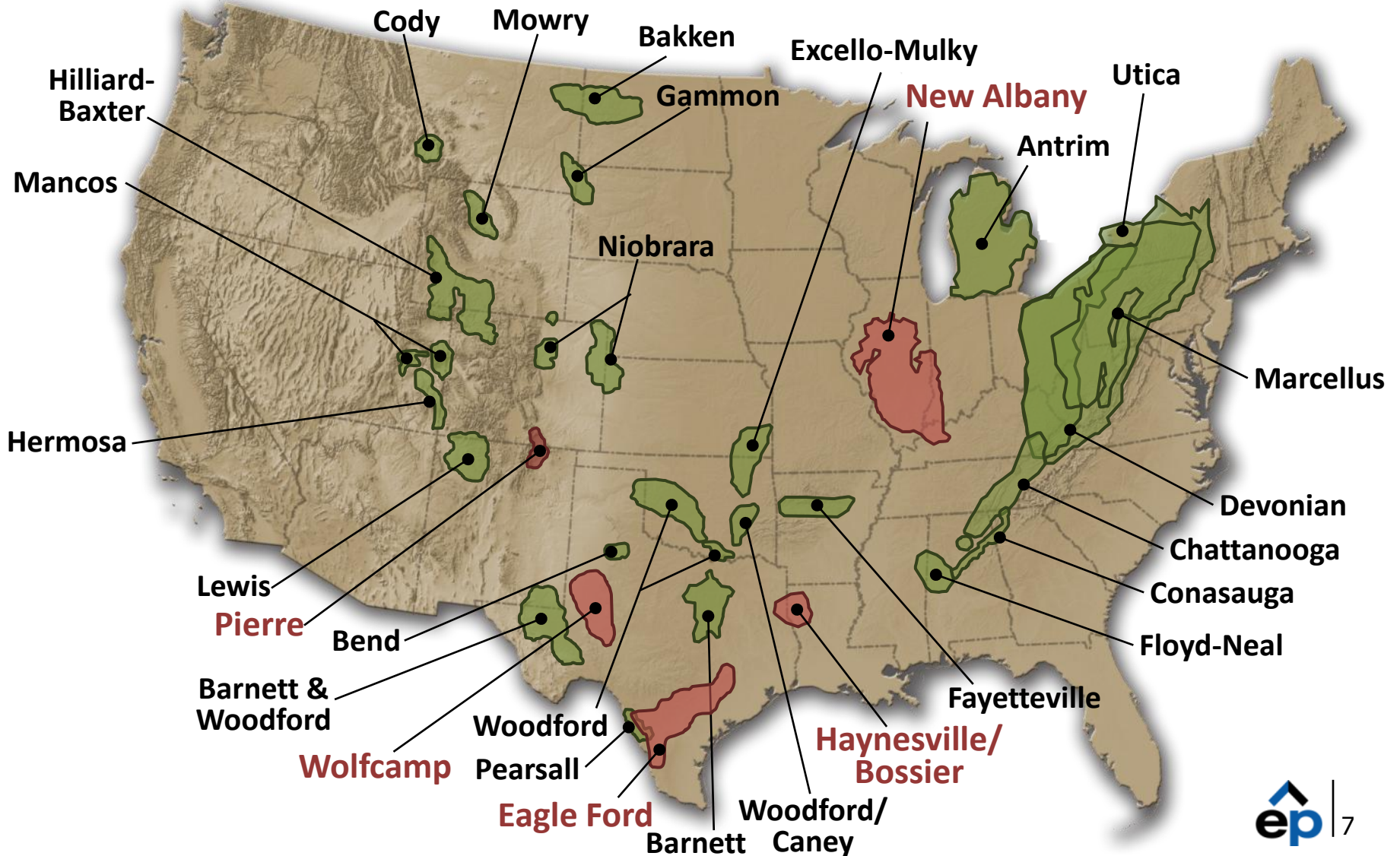
E&P Business Delivery Model



El Paso Exploration & Production Asset Overview & Core Programs



Lots of U.S. Shales...



What Makes a Shale Play Good?



- Thickness
- Porosity
- Organic Richness
- Thermal Maturity
- Mineralogy (brittleness)
- Pressure

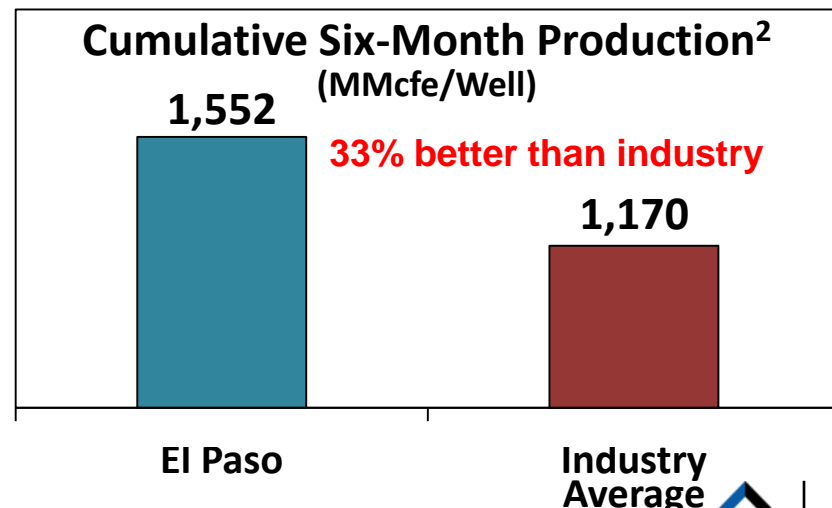
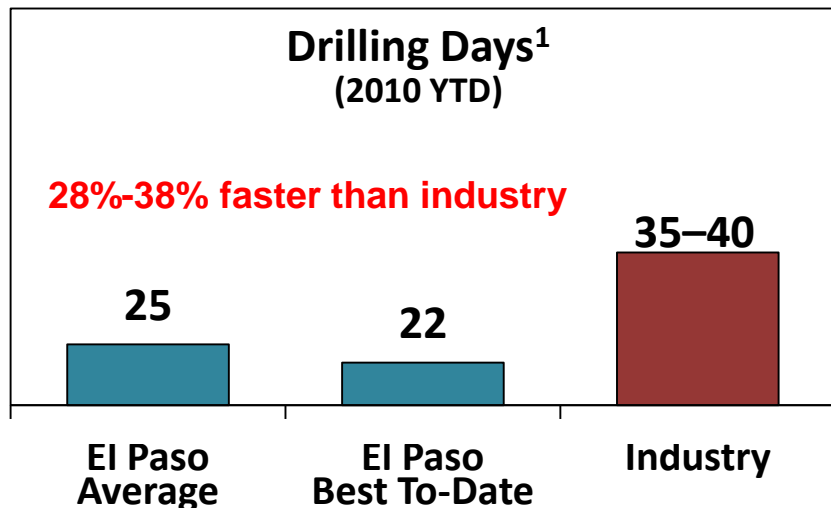
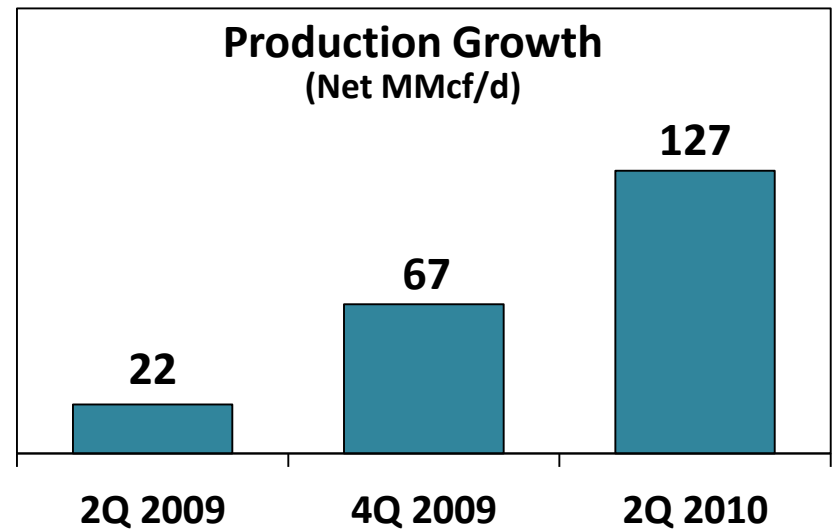
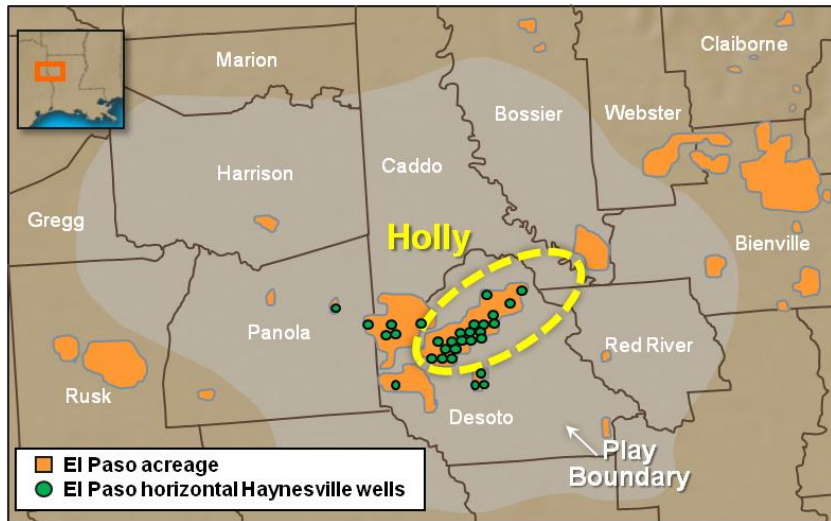
Key elements of El Paso shale plays

Drilling & Completion Execution Enhances Shale Performance & Economics



- Pick the right section
- Optimize lateral length
- Drilling efficiency
- Completion design
- Flow back practices

El Paso's Haynesville Program Demonstrates Industry-Leading Performance



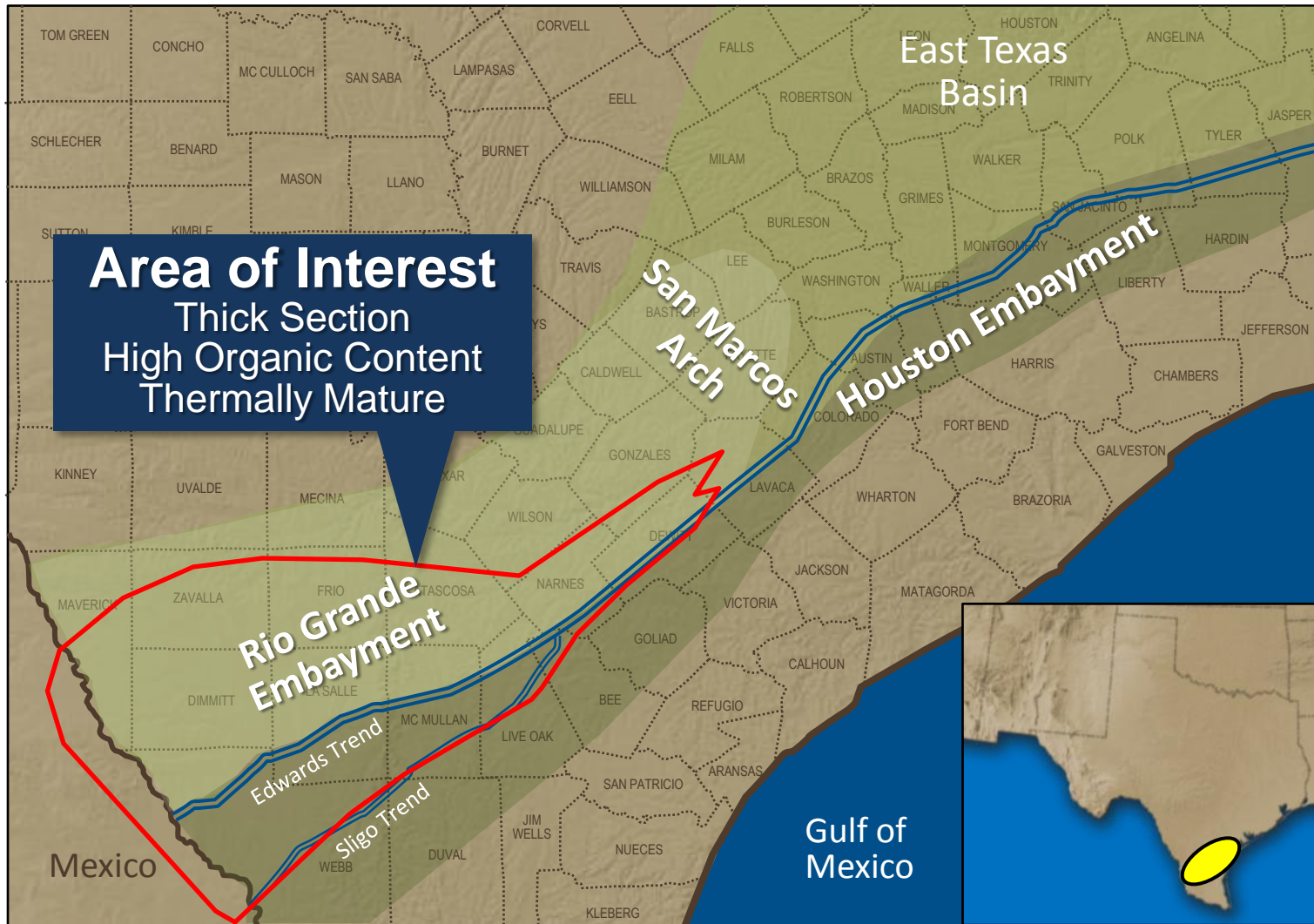
¹Spud to TD

²Average per well, based on state reported production data for all wells targeting the Haynesville shale (deeper than 11,450') as of March 2010

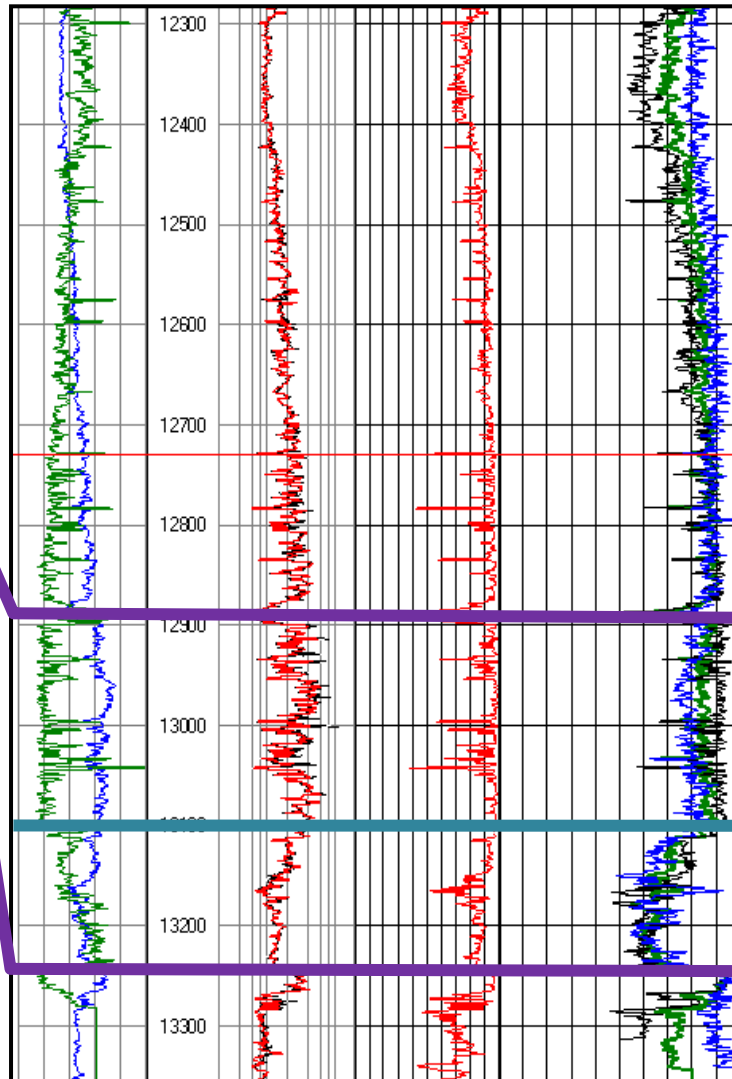
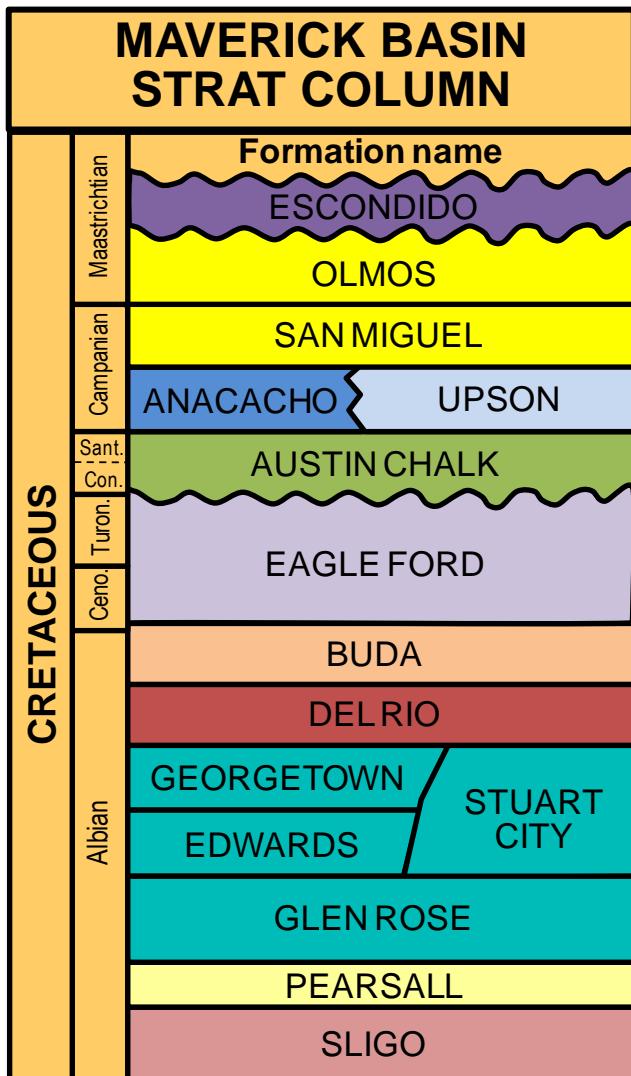
Eagle Ford Program



Eagle Ford Shale: Extent of Play



Eagle Ford Shale Underlies Traditional Producing Horizons



AUSTIN CHALK

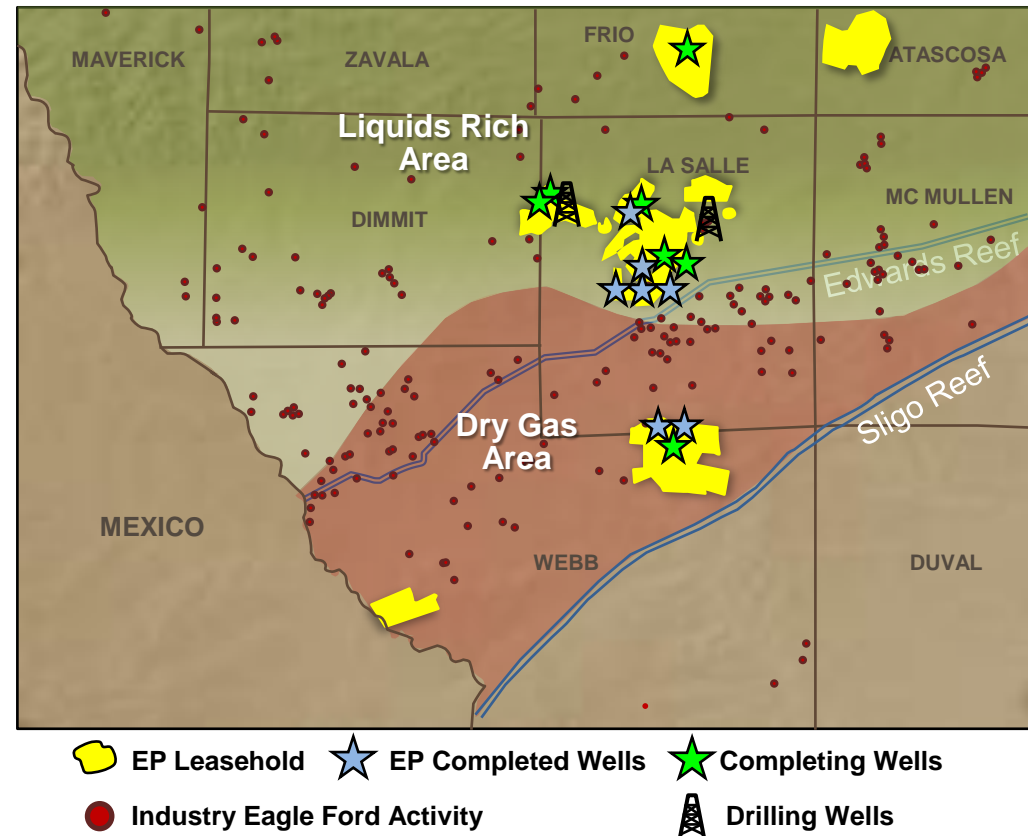
EAGLE FORD

EAGLE FORD ORGANIC

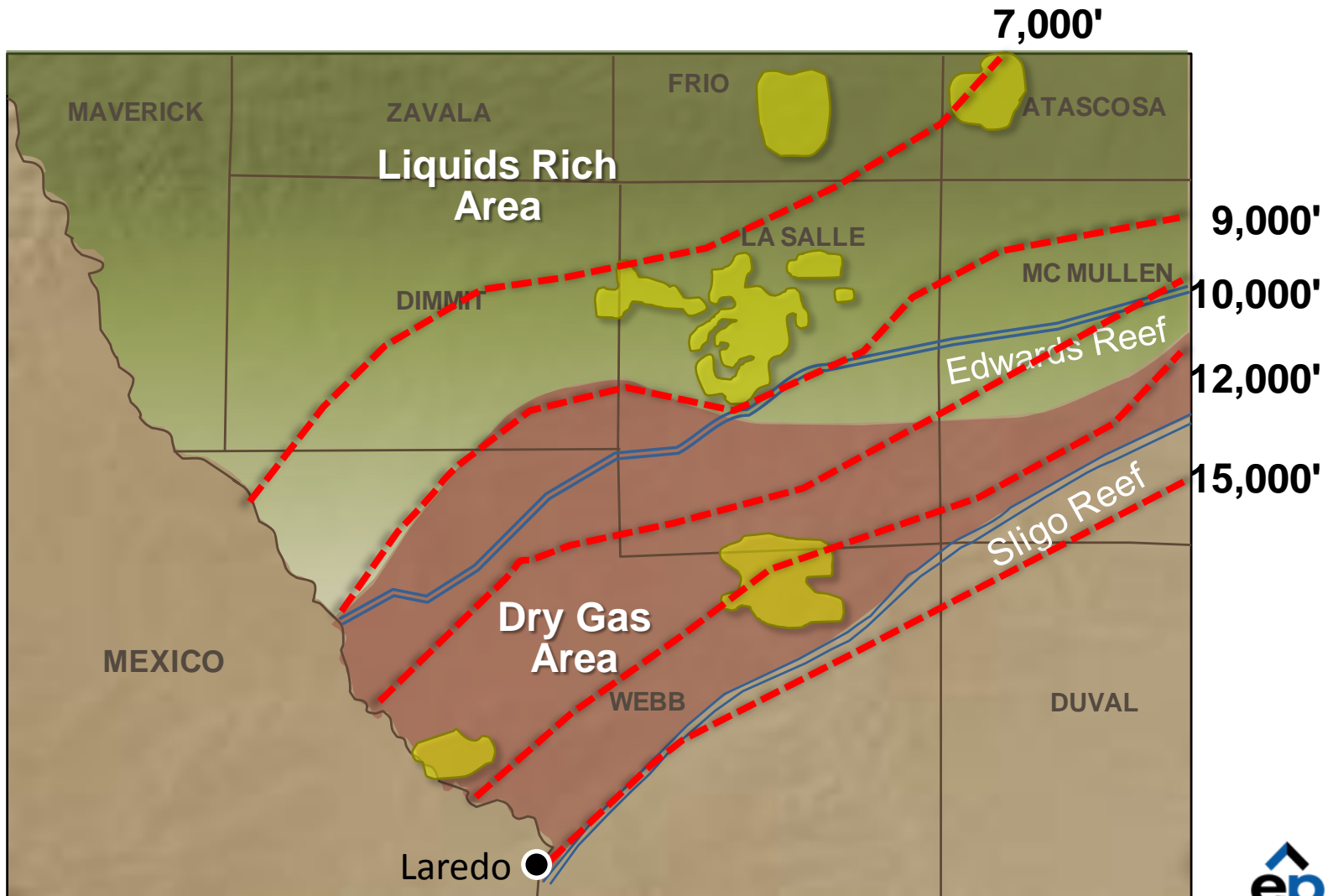
BUDA

Excellent Progress Developing Our Eagle Ford Opportunity

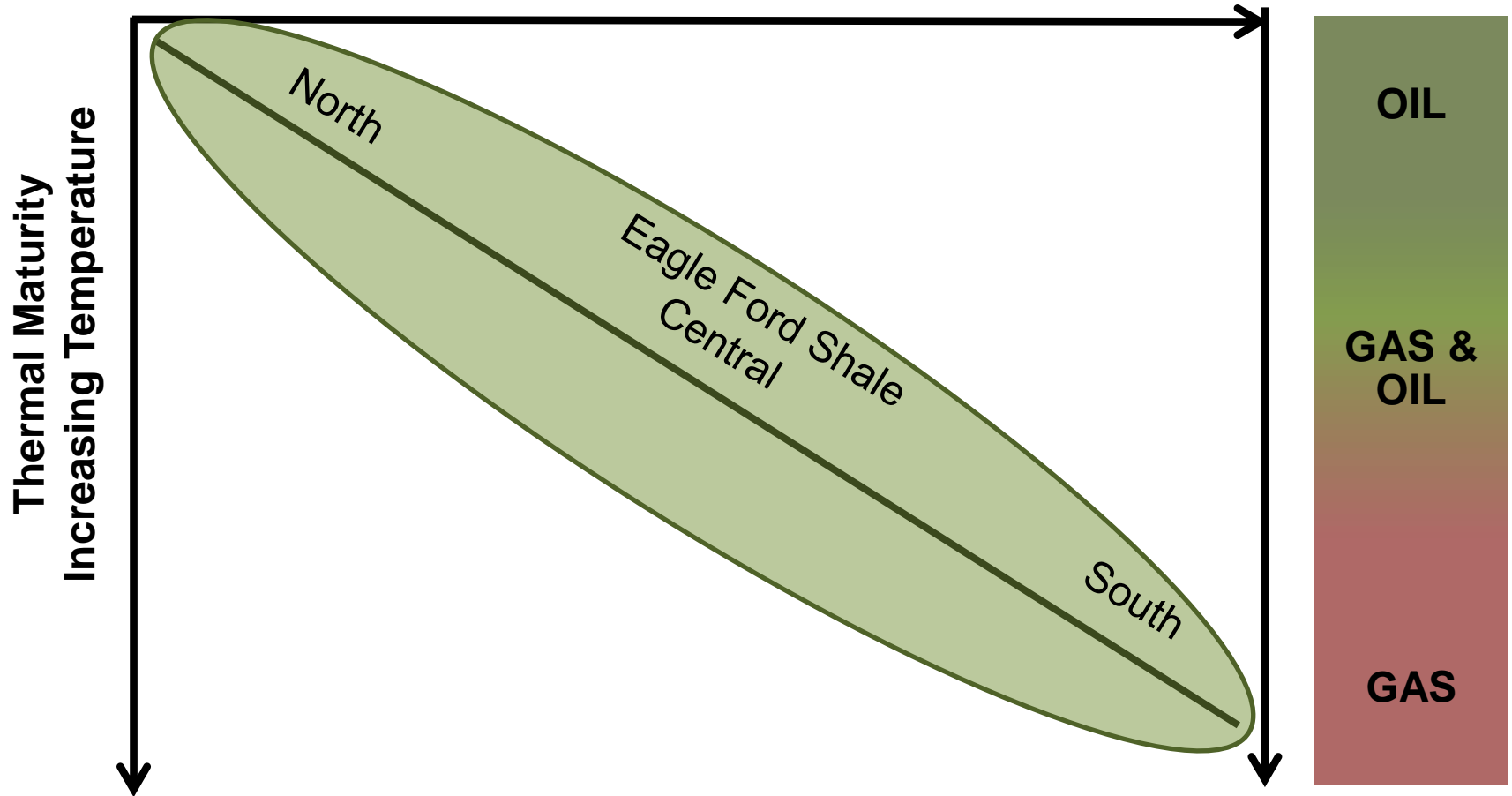
- Early entrant—growing our position
- ~170,000 net acres
 - ~60% in liquids rich area
- Drilled 14 wells with 2 rigs currently running
- 7 wells currently producing
- >1,000 future locations
- >3 Tcfe net unrisked resource potential (6:1)



Regional Product Trend

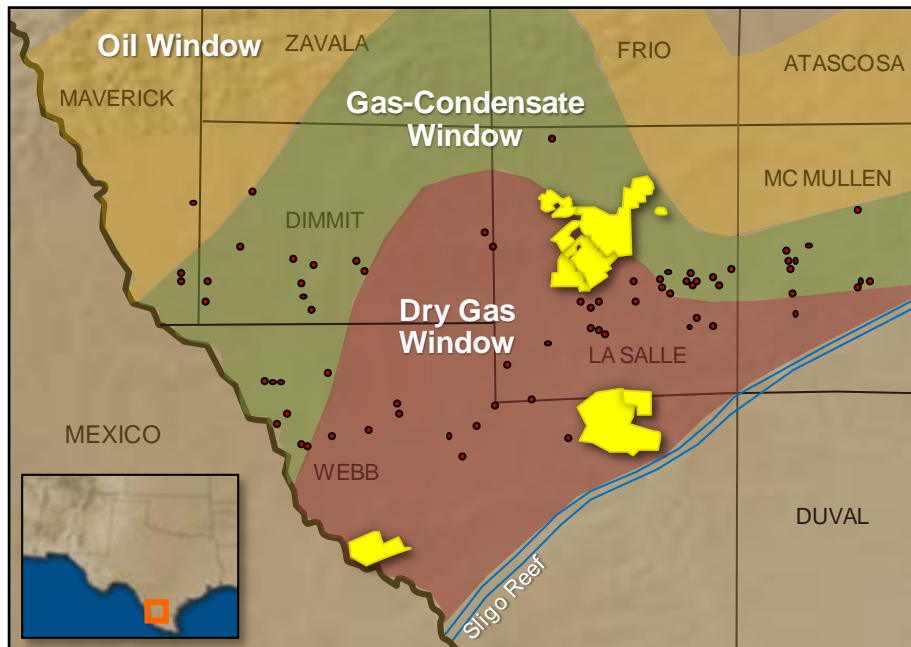


Eagle Ford Unique in Full Product Mix

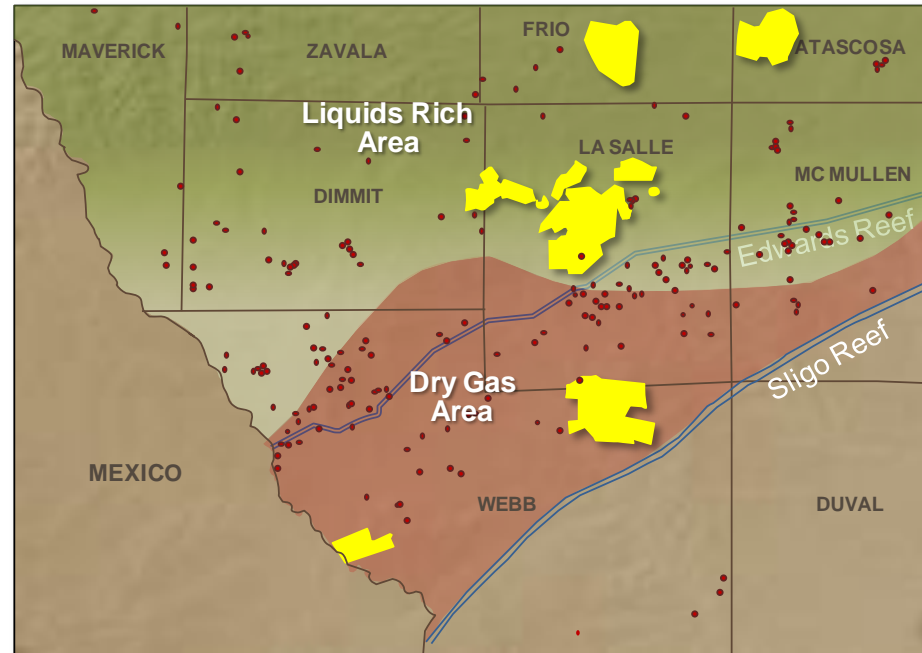


Play Evolution

December 2009



October 2010



Eagle Ford Type Wells

	Oil Area (North)	Liquids Rich Area (Central)	Dry Gas Area (South)
Depth	6,000'– 8,000'	7,000'–10,000'	9,000'–14,000'
Capital Cost	\$5.0–\$7.5 MM	\$6.0–\$8.5 MM	\$7.0–\$12.0 MM
IP 24-Hour (6:1)	400–800 Boe/d	500–1,150 Boe/d	5.0–15.0 MMcfe/d
EUR (6:1)	300–550 MBoe	400–900 MBoe	4.0–8.0 Bcfe
IRR	15%–35%	25%–>50%	10%–30%
F&D (6:1)	\$14–\$22 (\$/Boe)	\$10–\$18 (\$/Boe)	\$1.50–\$3.50 (\$/Mcf)

Economics assume \$4.50/MMBtu, \$45 Bbl NGL and \$70/Bbl Oil

Note: Capital Production and EUR are gross numbers and do not account for royalties

Eagle Ford Central vs. Haynesville Holly Comparisons

	Eagle Ford Central	Haynesville Holly
PVR	1.25–1.50	1.2–1.3
<u>1st Year Production</u>		
Oil (MBbl)	90	N/M
Gas (MMcf)	215	2,325
Bcfe 6:1	0.75	2.30
Bcfe 15:1	1.55	2.30
<u>EUR</u>		
Oil (MBbl)	285–640	N/M
Gas (Bcf)	0.7–1.6	6–7
Bcfe 6:1	2.4–5.4	6–7
Bcfe 15:1	6.0–13.5	6–7
Well Cost (\$MM)	\$6.0–\$8.5	\$9.0
F&D Mcfe 6:1	\$1.66–\$3.00	\$1.60–\$1.90
F&D Mcfe 15:1	\$0.67–\$1.20	\$1.60–\$1.90

Economics assume \$4.50/MMBtu, \$45/Bbl NGL and \$70/Bbl Oil

Note: Production and EUR are gross numbers and do not account for royalties

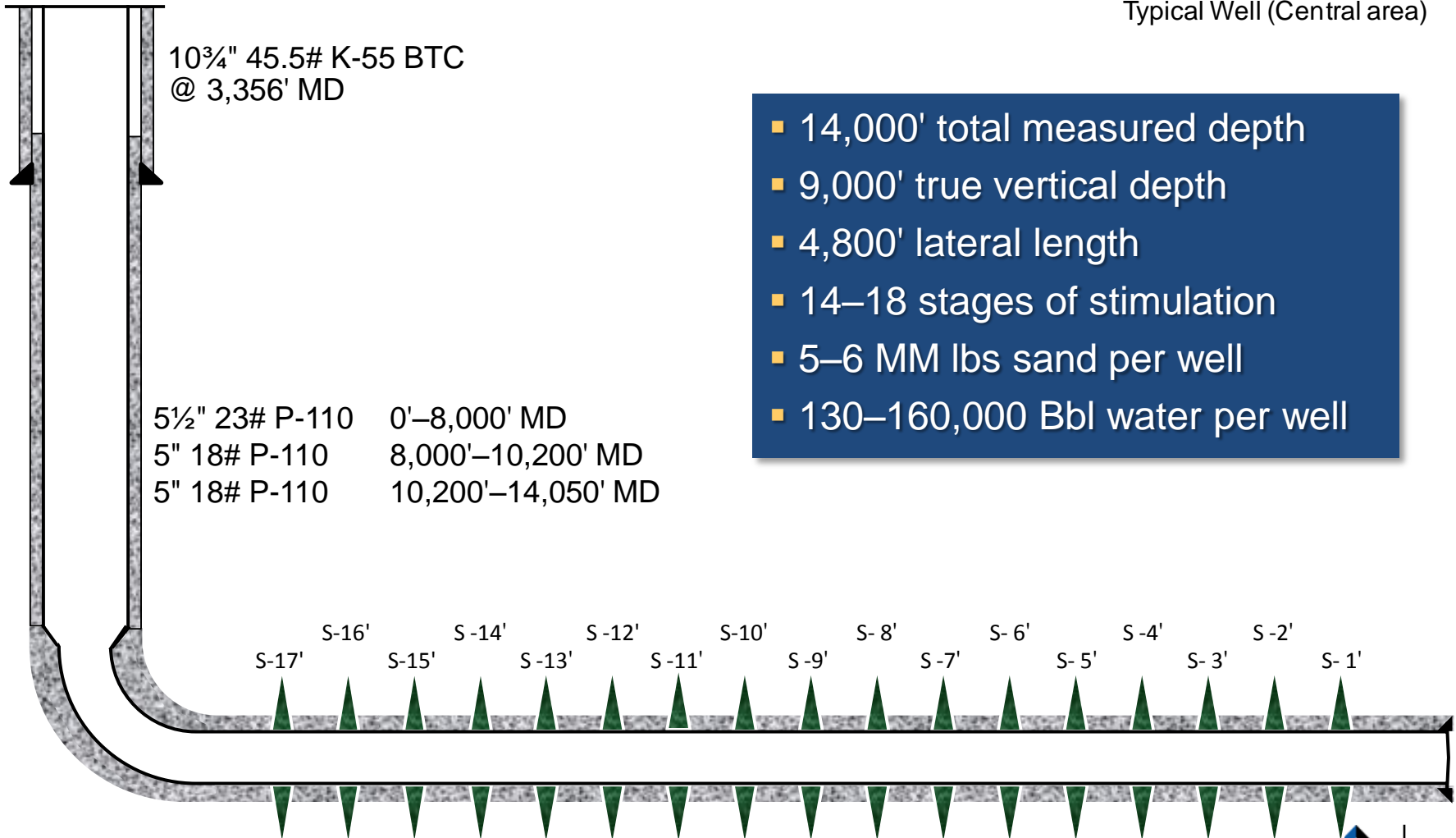


Operations Update



Eagle Ford Wellbore Schematic

Typical Well (Central area)

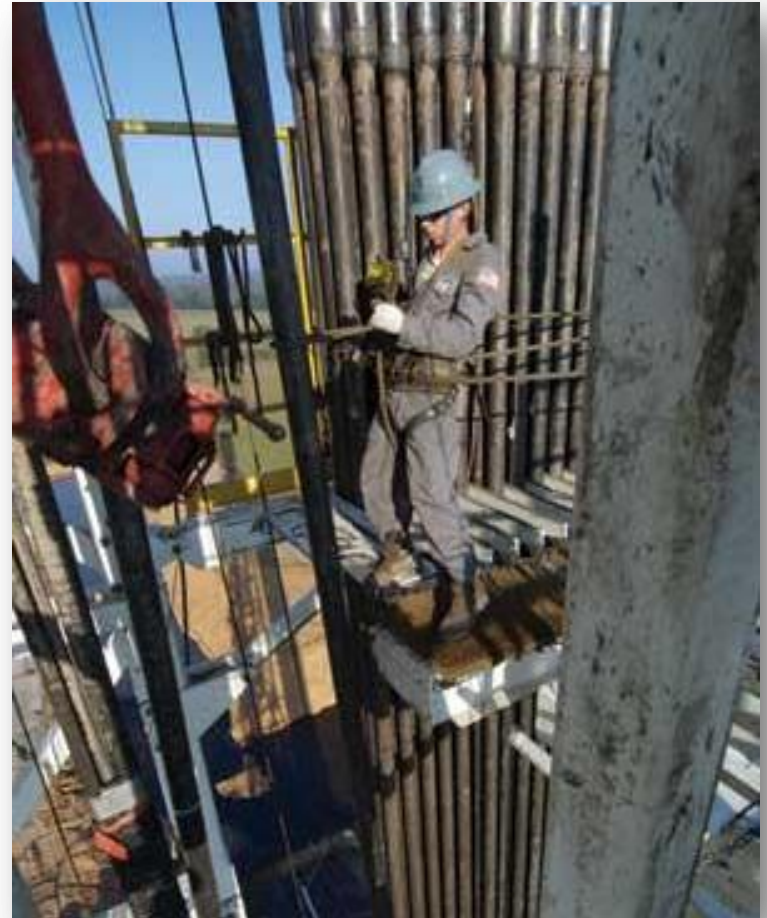


- 14,000' total measured depth
- 9,000' true vertical depth
- 4,800' lateral length
- 14–18 stages of stimulation
- 5–6 MM lbs sand per well
- 130–160,000 Bbl water per well

Eagle Ford Drilling Procedure

- Drill 14 $\frac{3}{4}$ " hole with water-based mud to 3,500'
- Set 10 $\frac{3}{4}$ " surface casing
- Drill 9 $\frac{7}{8}$ " hole with oil-based mud to kick off point
- Build curve with 8 $\frac{3}{4}$ " bit using MWD/GR* and directional tools.
- Drill lateral with 8 $\frac{3}{4}$ " bit and directional tools
- Steer wellbore with MWD/GR* tools
- Use oil-based mud from under surface casing to the total depth of the well to increase penetration rate, lubricity and shale stability
- Set 5 $\frac{1}{2}$ "–5" production casing

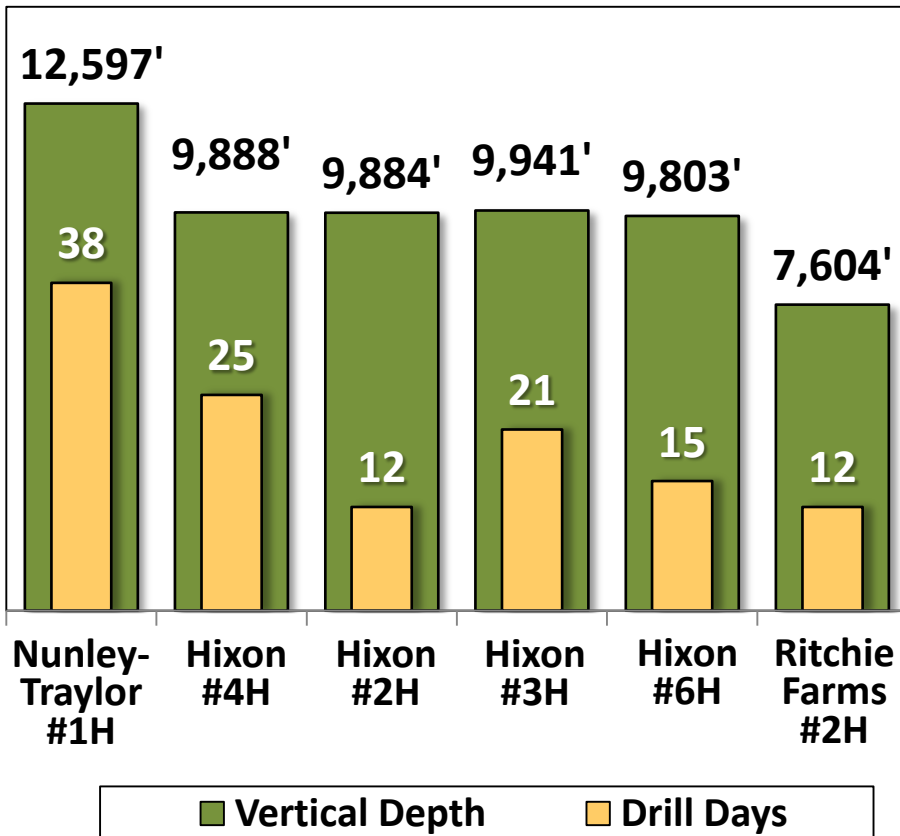
Typical Well (Central area)



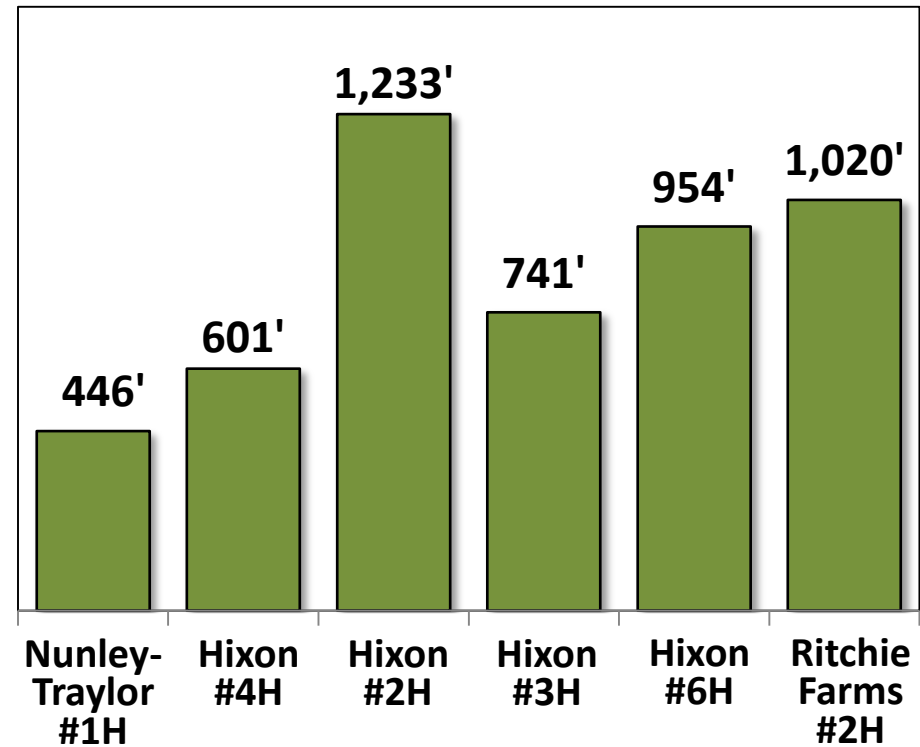
* MWD/GR—Measurement While Drilling / Gamma Ray

Experienced Drilling Team Delivering

Development Wells (Spud to Total Depth)

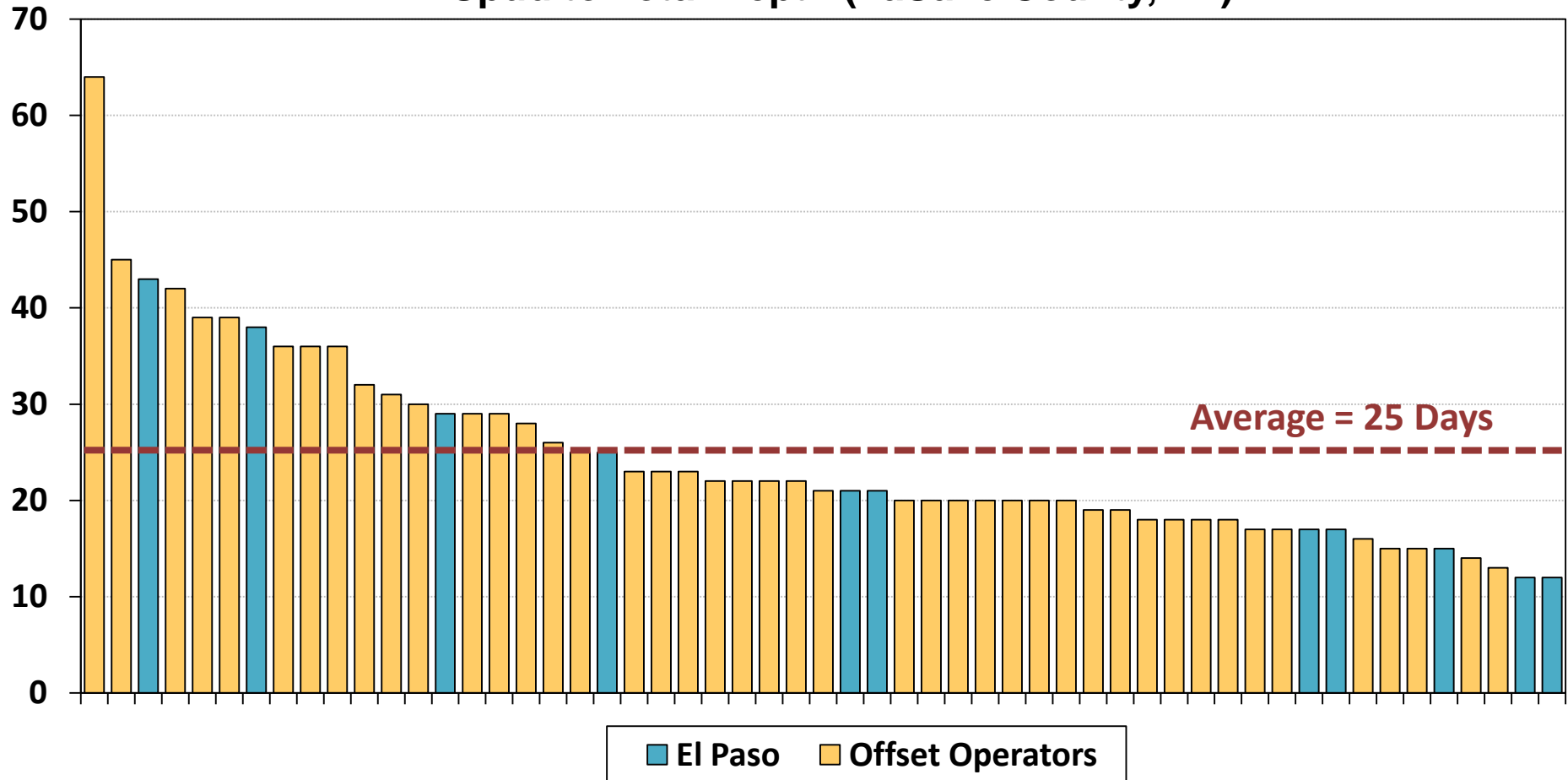


Development Wells (Ft/Day)



EP Drilling Days Among Best in Industry

Spud to Total Depth (LaSalle County, TX)



Note: Includes Pilot and Development Wells

Resource: PI Dwights Eagle Ford Shale Data, LaSalle County 7/8/2008-8/15/2010

Eagle Ford Fracture Stimulation

Typical Well (Central area)

Major Equipment and Personnel

- 20–2,000 hhp and 2–1,500 hhp pumps
- 12–500 Bbl frac tanks
- 1–40 ton, 110' crane
- ~40 people on location
- Up to 2 miles of water transfer lines

Typical Design

- 14–18 stages
- 80–85 bpm injection rate
- 8,000 - 9,000 psi pressure
- 350–380,000 lbs proppant per stage
- 9,000 Bbls fluid per stage

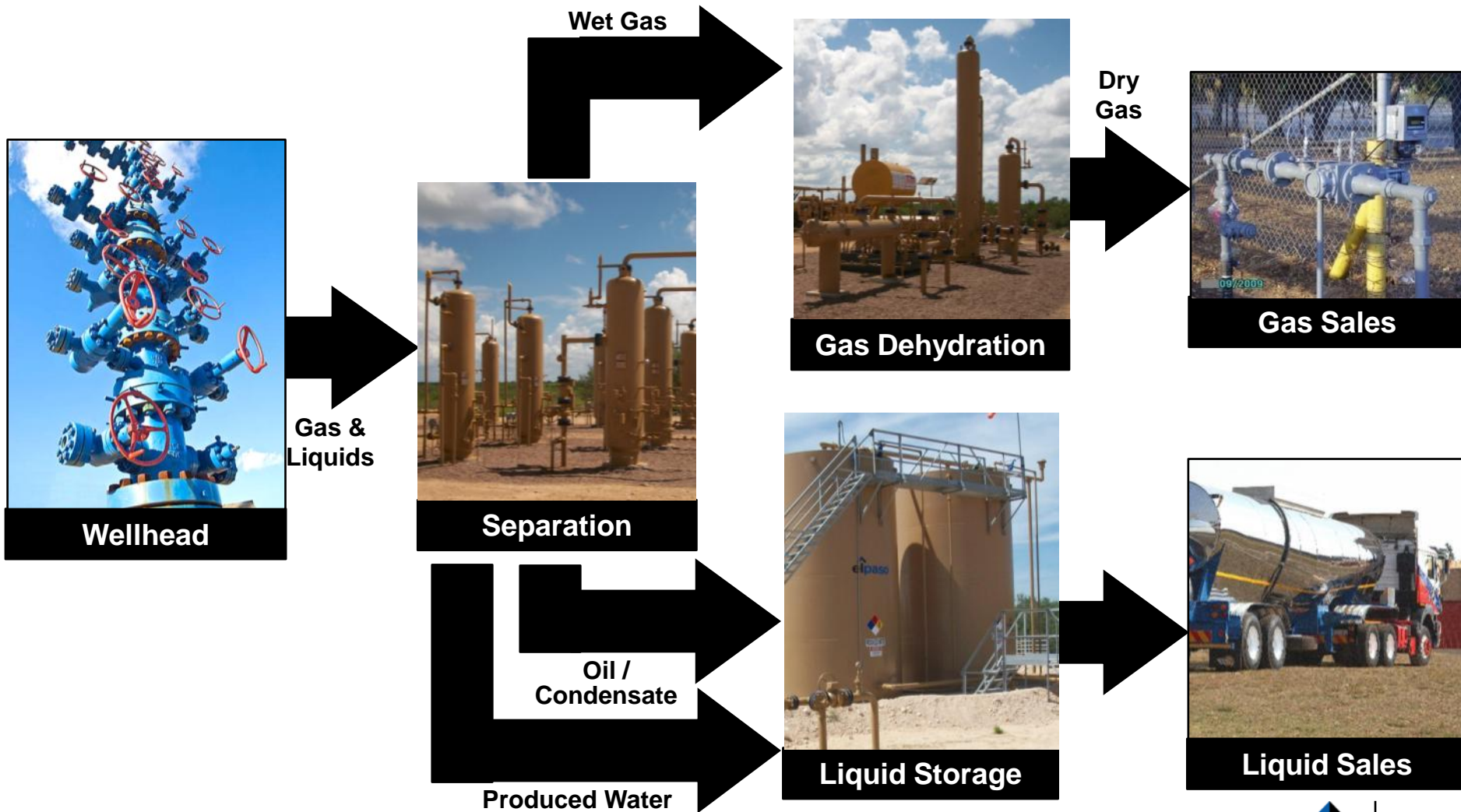


Eagle Ford Completion Procedure

- Clean out well with coil tubing unit and perforate for first stage
- Move in frac equipment and treat first stage
- Move in high pressure lubricator and pump down isolation plug with wire line and perforate for stage 2
- Treat stage 2 with frac equipment
- Repeat this process for all planned stages
- After final frac stage, move in coil tubing unit and drill out all plugs
- Flow back all stages and put well to sales through central facility



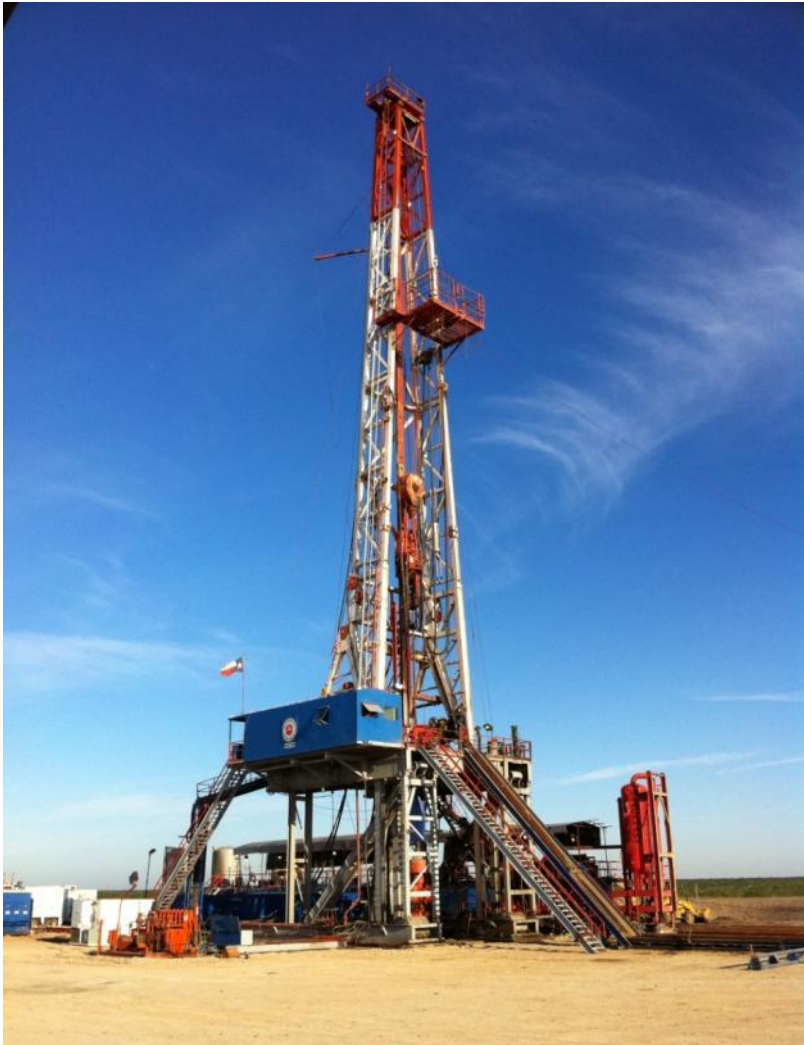
Typical Central Area Facility



Eagle Ford Operations Vary by Area

	North Area	Central Area	South Area
Drilling			
Vertical depth (ft)	6,000–8,000'	7,000–10,000	10,000–14,000
Lateral length (ft)	4,500–5,500'	4,500–5,500	4,500–5,500
Intermediate pipe	No	No	Yes, in deeper areas
Mud weight (ppg)	10.0–11.5	11.0–12.0	14.0–15.5
Completions			
Number of stages	14–18	14–18	12–14
Spacing (ft/stage)	250–300	280–320	300–325
Proppant size	30/50 or 20/40	40/70 or 30/50	40/70 or 30/50
Proppant type	White sand	Resin-coated sand	Resin-coated sand
Treating pressure (psi)	7,000–8,000	8,000–9,000	9,000–11,000
Proppant vol./stage (lbs)	280–320,000	320–360,000	360–390,000
Facilities			
Compression	Future	Future	Future
Dehydration	Yes	Yes	Yes
Treating	No	No	Yes
Liquid handling	Yes	Yes	No
Artificial lift	Yes	Future	No

Improving Operations Performance



- Reduced drilling days to under 20 days
 - Bit Selection (increase rate of progress)
 - Bottom hole assembly and drill-string optimization (decrease flat times)
 - Proactive geosteering (reduce sliding time)
 - Use offset logs to eliminate pilot holes.
 - Pursuing multi well drilling pad sites

- Improved completion design
 - Increased sand concentration and proppant size (shorter cycle time)
 - Increased perforation clusters (access more pay along wellbore)
 - Increased casing size (reduce wellbore friction and treating pressure)

- Leveraging concentrated development
 - Central water wells and storage
 - Central separation, dehydration, and treating facilities



Midstream Update



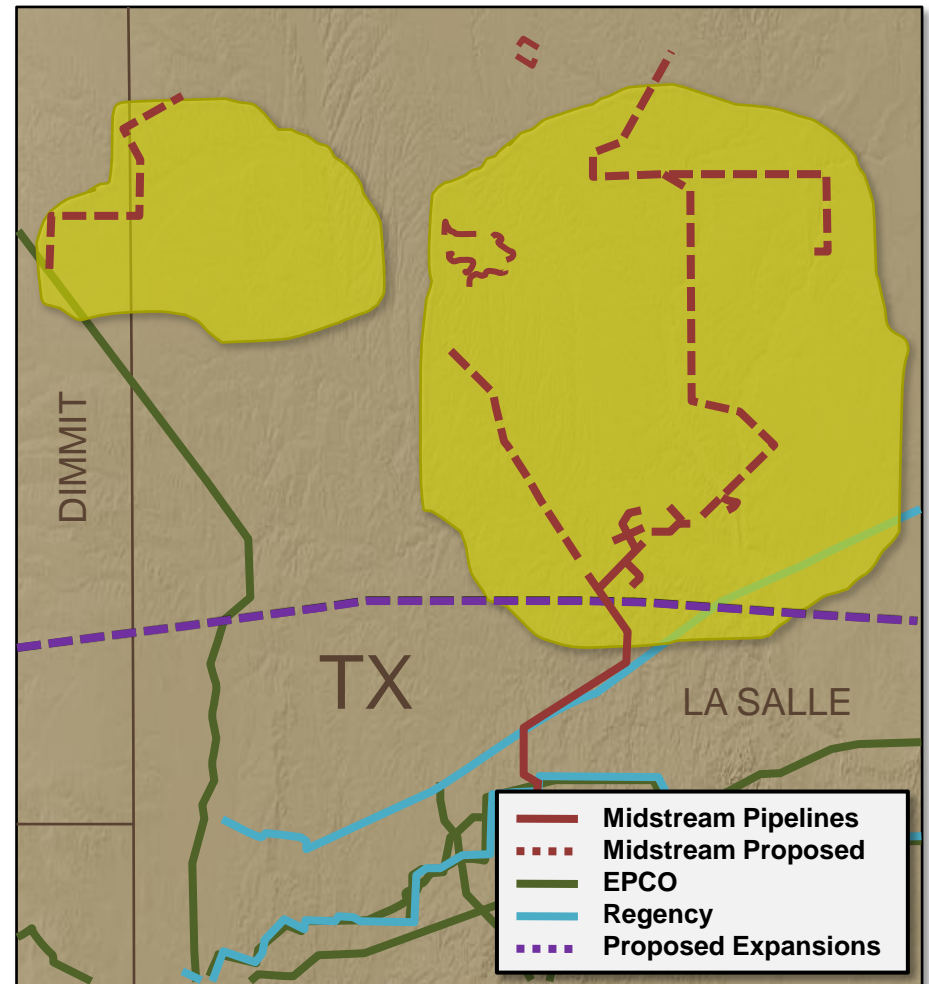
El Paso Central Area Take-Away

Current:

- 40+ miles gathering backbone with capacity for 100+ MMcf/d
- Expandable with compression and/or additional outlets
- Delivery Points into Regency Field Services and Enterprise

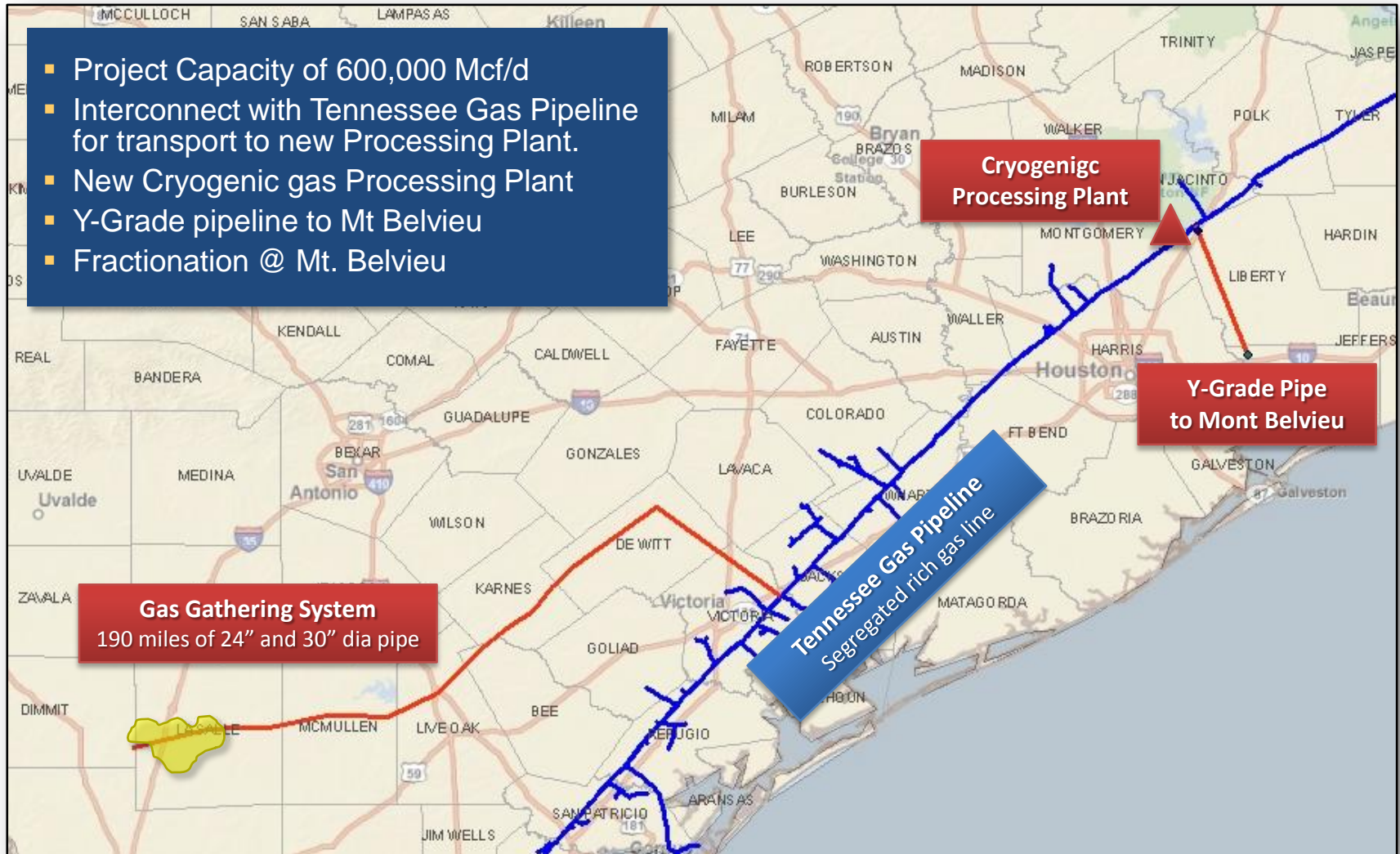
Future:

- Evaluating additional take-away
 - El Paso Midstream
 - Kinder Morgan/Copano
 - Enterprise
 - Oil—proximity to Harvest Pipeline



EP Midstream—Camino Real Pipeline

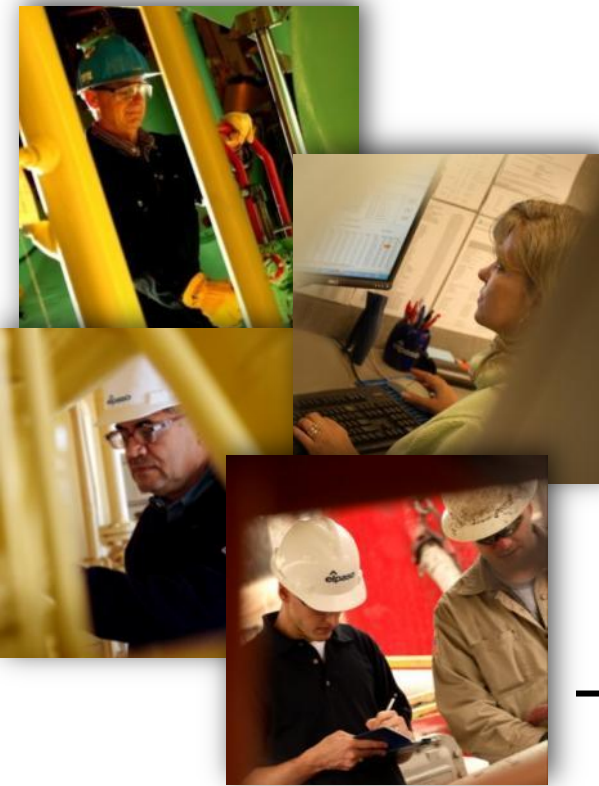
- Project Capacity of 600,000 Mcf/d
- Interconnect with Tennessee Gas Pipeline for transport to new Processing Plant.
- New Cryogenic gas Processing Plant
- Y-Grade pipeline to Mt Belvieu
- Fractionation @ Mt. Belvieu



Summary

- EP very well positioned in Eagle Ford
 - More than 100,000 net acres in liquids-rich area
- Successfully delineating acreage position
- Economics driven by oil prices, not NGLs
- Maintaining two-rig program through year end
- Increasing activity to 3-6 rigs in 2011

Eagle Ford expected to be a major source of future reserves and production growth



El Paso Exploration & Production Company Eagle Ford Field Trip

October 5, 2010



Appendix

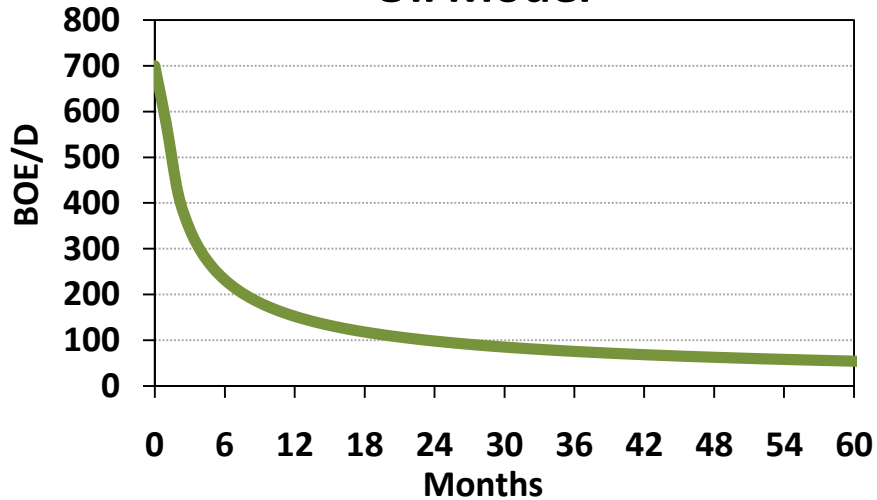


Operations by Area

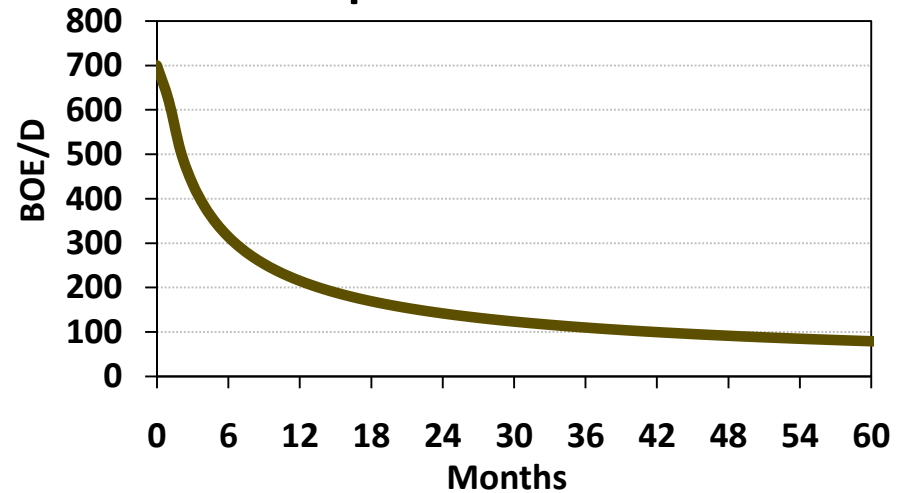
Description	North Area	Central Area	South Area	Haynesville
Drilling <ul style="list-style-type: none"> • Vertical Depth (ft) • Lateral Length (ft) • Intermediate Pipe • Mud Weight (ppg) 	6,000-8,000 4,500-5,500 No 10.0 – 11.5	7,000-10,000 4,500-5,500 No 11.0 – 12.0	10,000-14,000 4,500-5,500 Yes in deep areas 14.0 – 15.5	11,000 – 12,000 4,300 – 4,600 Yes 15.0 – 16.0
Completions <ul style="list-style-type: none"> • Number of Stages • Spacing (ft/stage) • Proppant size • Proppant type • Treating pressure (psi) • Proppant vol./stage (lbs) 	14 – 18 250 – 300 30/50 / 20/40 White sand 7,000-8,000 280 – 320,000	14 – 18 280 – 320 40/70 or 30/50 Resin coated sand 8,000-9,000 320 – 360,000	12-14 300-325 40/70 or 30/50 Resin coated sand 9,000-11,000 360 – 390,000	12 – 15 300 – 350 40/70 Resin coated sand 10,000-11,000 350 – 430,000
Facilities <ul style="list-style-type: none"> • Compression • Dehydration • Treating • Liquid Handling • Artificial Lift 	Future Yes No Yes Yes	Future Yes No Yes Future	Future Yes Yes No No	Future Yes Future No No

Typical Decline Profiles

Oil Model



Liquids Rich Model



Dry Gas Model

