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EL PASO CORPORATION 2009 SUMMARY REPORT

INTERSTATE PIPELINES | EXPLORATION & PRODUCTION

EXECUTION

Financial and Operating Highlights

For the years ended December 31,

($ Millions, except per share)	*2009**	*2008**	*2007*
Financial Results			
Operating revenues	$ 4,631	$ 5,363	$ 4,648
Operating income (loss)	(51)	(230)	1,645
Income (loss) from continuing operations	(474)	(789)	442
Net income (loss) attributable to El Paso Corporation's (EPC) common stockholders	(576)	(860)	1,073
Basic earnings (loss) per common share	$ (0.83)	$ (1.24)	$ 1.54
Diluted earnings (loss) per common share	$ (0.83)	$ (1.24)	$ 1.53
Total assets	$ 22,505	$ 23,668	$ 24,579
Short-term financing obligations, including current maturities	477	1,090	331
Long-term financing obligations, less current maturities	13,391	12,818	12,483
Total equity	3,991	4,596	5,845
Cash flow from operations	2,115	2,370	1,805
Operating Results			
Pipeline throughput volumes (Bbtu/d)			
Company-owned pipeline systems	16,518	17,051	16,397
Equity investments (our proportionate share)	1,820	1,763	1,734
Total throughput	18,338	18,814	18,131
Exploration & Production (Bcfe)			
Consolidated production	252	272	289
Unconsolidated affiliate production	26	27	25
Total combined	278	299	314
Consolidated reserves	2,549	2,325	2,853
Unconsolidated affiliate reserves	201	222	256
Total combined	2,750	2,547	3,109

*In 2009 and 2008, El Paso reported a $2.1 billion and $2.7 billion non-cash, pre-tax ceiling test charge, respectively, in its Exploration & Production (E&P) segment.

Items Impacting 2009 and 2008 Results

($ Millions, except EPS)	*2009* Pre-tax	*2009* After-tax	*2009* Diluted EPS	*2008* Pre-tax	*2008* After-tax	*2008* Diluted EPS
Reported net income (loss) attributable to EPC common stockholders		$ (576)	$ (0.83)		$ (860)	$ (1.24)
Adjustments[1]						
Ceiling test charges and Four Star impairment[2]	$ 2,123	1,387	1.99	$ 2,794	2,024	2.90
Change in legacy derivative contracts and other legacy items[3]	(45)	(29)	(0.04)	53	22	0.04
Loss on sale of notes receivable relating to Porto Velho	22	22	0.03	—	—	—
Tax benefit from liquidation of foreign entities	—	(88)	(0.13)	—	(40)	(0.06)
Restructuring costs	22	14	0.02	—	—	—
Case Corporation indemnification	—	—	—	(65)	(27)	(0.04)
Gain on sale of portion of telecommunications business	—	—	—	(18)	(12)	(0.01)
Change in fair value of production-related derivatives in Marketing	—	—	—	50	32	0.04
Impact of E&P derivatives[4]	323	206	0.30	(287)	(183)	(0.26)
Effect of change in number of diluted shares	—	—	(0.05)	—	—	(0.06)
Adjusted EPS[5]			**$ 1.29**			**$ 1.31**

1 All adjustments assume a 36% tax rate, except the international portion of the ceiling test charges, the loss on sale of notes receivables relating to the Porto Velho sale, the Case Corporation indemnification, and other legacy litigation adjustments, and assumes 696 million diluted shares in 2009 and 2008, respectively.

2 Four Star impairment is only reflected in the 2008 adjustments.

3 Legacy items consist of power contracts, natural gas contracts, environmental remediation, an indemnification and other litigation adjustments.

4 Includes $687 million and $196 million of gains on financial derivatives, adjusted for $1,010 million of realized gains and $91 million of realized losses from cash settlements for 2009 and 2008, respectively.

5 Reflects fully diluted shares of 756 million and 766 million, and includes $37 million and $48 million income impact from dilutive securities in 2009 and 2008, respectively.

Letter to Shareholders

2009 began for El Paso with as many headwinds as I can remember facing in my career in the energy business. Our shares, which were at a five-year high in mid-2008, fell precipitously in the second half of that year, culminating in a five-year low in early March and then ending the year up more than 25 percent. Extreme volatility in energy stocks was driven by a combination of factors, including: the most severe recession in our nation since the Depression in the 1930s; the effective closing of capital markets for much of the second half of 2008 and into 2009; the free-fall in natural gas prices; fall-off in demand for electricity and natural gas; significant uncertainty regarding the shape and duration of any U.S. and/or global economic recovery; significant uncertainty with regard to future taxes for our industry; and significant uncertainty with regard to future regulation of our industry.

The volatility in our own stock was, of course, driven to some extent by each of these factors, but we were particularly hard-hit by the closure of the capital markets at a time when we possessed the largest backlog of growth projects in our pipeline business' history—some $8 billion in projects we were committed to build for our customers around the country. I am proud of the way our team responded to this unprecedented series of challenges and stayed nimble in response to ever-changing conditions, putting us in a position to weather the economic storm while, at the same time, preserving our ability to create longer-term value.

- *Natural gas—clean-burning, environmentally sensitive, and dependable fuel from a macro perspective*
- *Largest North American interstate pipeline network in the right supply basins and markets with the best growth backlog in the business and additional opportunities in the future*
- *Transformed Exploration & Production Company with a low-cost, repeatable program and a three-year record of substantially growing our inventory*
- *Talented team of nearly 5,000 employees focused on execution*

Reassessing Our Plan

As economic conditions deteriorated in the second half of 2008, we began to reassess our plan for 2009. Our planning process, which is normally an annual event, became almost a continuous exercise as we constantly reassessed our position in light of the onslaught of changes in both the macro economic environment and the energy environment. At a high level, we wanted to maintain more than adequate liquidity and protect our ability to execute the pipeline backlog in any event. And in an environment where natural gas prices fell more than 50 percent, and oilfield services costs lagged in their decline, we wanted to minimize capital spending in the Exploration & Production (E&P) business unit and maximize cash generation. That meant going from a peak of 30 active rigs in late 2008 to a nadir of five in 2009, a drastic reduction in activity for this segment of the business. We would adjust that level again later in 2009 as conditions improved and costs fell further, ending the year with 12 operated rigs running.

2009 Focus

Our number one objective in 2009 was to ensure that we maintained more than adequate liquidity to fund our two core businesses—Pipelines and E&P. Between the fourth quarter of 2008 and the fourth quarter of 2009, we completed $3.8 billion in financings. In addition, we instituted cost reduction efforts across the company and introduced Project Insight to our employees, which I will go over later in some detail. We cut capital early in the year in E&P. And finally, we reduced the dividend payable to our common shareholders later in 2009. The combination of these actions allowed us to fund both businesses and end 2009 with $1.8 billion in liquidity, putting us in great shape as we entered 2010.

Our view in early 2009 was that the changes taking place in the world were not transitory, but instead more like tectonic shifts. We chose to reassess everything about our two businesses and our company in light of this view, which led to an initiative called Project Insight. In 2008, when the economic sign posts were beginning to point toward a recession, our leadership team proactively developed plans to address a variety of potential economic scenarios. The result was a plan that would ensure continued strong liquidity, address our debt maturities, and manage our capital spending. We have a proven track record of doing the right things at the right times to lead our company through any type of environment. Project Insight was created to extend that track record.

We knew that we needed to take costs out of the business, but we wanted more than that from Project Insight. Our goal was to look for opportunities to lead our organization in real-time, to continually reassess the assumptions in our plan, and to maintain maximum flexibility to respond to near-term events. First, we assembled a team of our best and brightest from around the company and set some aggressive cost reduction targets. More importantly, though, we asked them to recommend changes that would achieve one-time cost reductions and a durable, efficient cost structure with a better, more effective organizational design. They were asked to do this work in addition to their regular responsibilities, and on a very compressed timetable. These 12 opportunity teams, as they were named, did yeoman's work and the results were impressive. In the end, they identified expense reductions that exceeded their $150 million target and capital cost reductions in excess of $100 million.

Following Project Insight, we committed to becoming the top execution-focused company in energy. What exactly does that mean for El Paso and for you, our shareholders? As an execution-focused company, discipline, sound execution, and managing our bottom line form the foundation of great performance. For us, it means continuously improving our existing processes and finding new ways to enhance our performance across the board. For example, execution means delivering on our Pipeline Group's expansion projects on-time and on-budget. It also means sharing knowledge from our E&P Company's Haynesville Shale program to enhance results at our new positions in the Eagle Ford Shale. Simply put, we do our best to create and deliver value by out-executing the competition.

The most difficult decisions made during this exercise were those impacting people. We decided to reduce our overall work force by 6 percent, including 3 percent in the field and 10 percent at the officer level. This was especially difficult given the work we have done over the last six years to create the culture we call Team El Paso, but in the end I felt that it was the right thing to do for the enterprise to ensure our longer-term success. I would like to thank the many members of Team El Paso who worked and continue to work on Project Insight, as well as the countless employees who took on additional responsibilities to support colleagues who served on the opportunity teams. Project Insight is truly a difference maker for our company.

Operating and Financial Performance

Operationally, in spite of all the distractions during the year, both the Pipeline Group and E&P had great years. On the Pipeline side, earnings before interest and taxes were up 12 percent over the prior year as outstanding results out of the existing pipeline network were augmented by new projects coming on stream. During the year, we put four new projects in service representing approximately $200 million in capital, on-time and on-budget. This extends a trend of execution in our pipeline business that is serving to differentiate us from our peers. We were successful in securing a 50 percent partner in our largest upcoming project, the $3 billion Ruby Pipeline, which will move gas from the Rockies to the West Coast. We continued to advance Ruby Pipeline and the remaining projects in our industry-leading growth backlog toward their in service dates and expect them to come in on-time and on-budget as well. And our footprint of more than 43,000 miles of interstate pipelines continues to yield new opportunities, which most recently include Tennessee Gas Pipeline's position in the heart of one of the most exciting unconventional shale-gas plays in North America—the Marcellus Shale. During 2009 and in early 2010, we were able to secure important new growth projects that will deploy $1 billion in new capital for customers under long-term contracts for in service dates through 2013, moving gas from the Marcellus Shale into key consuming markets in the Northeast.

In 2009, our E&P business had its best year ever operationally. This success continued a trend over the past few years of improving metrics across the board. We ended 2009 at the high end of our production guidance for the year, in spite of lower than forecasted capital spending. During the year, we lowered our cash operating costs on a per-unit basis by 8 percent. In addition, we lowered our domestic reserve replacement costs from $2.87 per thousand cubic feet equivalent (Mcfe) in 2008 to $1.57 per Mcfe in 2009, excluding price-related revisions—a 45 percent reduction. We increased our unproved resource base on a risk-adjusted basis by 44 percent, giving us the ability to sustain good performance for years to come. And we continued to migrate E&P toward a more onshore, more unconventional resource-based, more repeatable, and lower cost business.

From practically a standing start at the beginning of the year, we exited the year at more than 110 million cubic feet equivalent per day net production from the prolific Haynesville Shale, where we control approximately 40,000 net acres. We have assembled a position of approximately 138,000 net acres in the Eagle Ford Shale in south Texas, a legacy area for us both on the E&P and Pipeline side of our business. We drilled our first well in the Eagle Ford Shale, which was a success. We recently completed our second well, and we have now committed to a second rig as we work to move our Eagle Ford Shale acreage from "proof of concept" to "manufacturing" mode. And finally, we continued to benefit from our commodity risk management activities, generating more than $1 billion in cash during 2009 for the business.

In late 2009, we announced our decision to re-enter the Midstream business. The strategic rationale for this decision is as follows: the Midstream business, primarily the gathering and processing of natural gas, fits neatly into the "white space" between our Pipelines and E&P; it uses skillsets which we largely already possess; we have a prior track record of success in this business; we believe that we can compete effectively in areas where we already have a footprint in one or both of our existing businesses; and we believe that we can leverage our existing spend through the effective use of our supply chain management skills to gain a cost advantage. This was a long-term strategic decision. We intend to walk into this business, not run. And we will not degrade our balance sheet in the process. While we have yet to announce our first project, our team is working on several exciting initiatives.

2010 and Beyond

We move into 2010 feeling as though we have tailwinds as opposed to the headwinds we faced last year. We laid out our longer-term expectations for our businesses back in December 2009, and we are currently well on our way to achieving them. In early 2010, we put two more pipeline growth projects in service, representing $900 million in capital, and they were on-time and on-budget. The rest of our backlog is progressing nicely. Finally, we recently announced the receipt of more than $1.5 billion in bank financing commitments at favorable rates and terms for the Ruby project, a key part of our 2010 financing plan.

On the E&P side, on the basis of a strong year-end and early success in 2010, we recently increased our guidance on production volumes and reduced our guidance on cash costs. And we are very excited about our progress in the Haynesville Shale, the Eagle Ford Shale, and our Altamont program, which combined will consume 50 percent of our drilling capital for the year. While we continue to see pressure on prompt month natural gas prices, we take comfort in our price protection—80 percent of production in 2010 with a $6.41 per million British Thermal Units (MMBtu) floor, $6 per MMBtu floors for as much as 60 percent of our anticipated 2011 production—and our bullish longer-term view of natural gas as a clean, affordable, abundant, domestic resource to help provide the energy our customers want, as well as to contribute significantly to our nation's environmental objectives.

All of this means we are confident in our ability to deliver on our commitments in 2010 and to achieve 15 percent or better average growth in earnings per share for 2010-2012. This growth is driven by the significant increase in Pipeline profits that result from new projects being placed in service and double-digit production growth in our E&P business. We also expect our operating cash flow to exceed capital spending by approximately $500 million in 2012. We believe this will result in superior returns for our investors over this period. At the same time, we remain collectively committed to and united by our longer-term vision for El Paso to be the Place to Work, the Neighbor to Have, and the Company to Own.

I am heartened that investors have rewarded our early year performance, and we will work hard as a team to continue that positive momentum as we move through the year. As always, on behalf of the nearly 5,000 members of Team El Paso, let me thank you for entrusting us to be the stewards of your investment.

Douglas L. Foshee
Chairman, President and
Chief Executive Officer

Interstate Pipelines

El Paso's Pipeline Group is the nation's leading interstate natural gas pipeline franchise. We have the largest system as measured by mileage. More importantly, we access all the key supply regions and major consuming markets, as well as provide unparalleled connectivity to these markets.

On the supply side, we are well positioned to access the shale plays that will have a significant role in meeting the nation's long-term natural gas supply needs. These include the Marcellus, Haynesville, and Eagle Ford Shales. Our pipelines also reach deep into the traditional Gulf Coast and prolific Rockies supply basins, giving us valuable access to most of the significant domestic production regions.

Our customers also benefit from our leading position in liquefied natural gas (LNG). We own Elba Island, an LNG facility near Savannah, Georgia that serves the Southeastern and Eastern United States with current daily sendout capacity of more than 1.7 billion cubic feet. In March 2010, we completed another major expansion of Elba Island and its associated Elba Express Pipeline. And in 2011, we will begin operations at Gulf LNG, a joint venture LNG receiving terminal on the Gulf Coast at Pascagoula, Mississippi, with initial capacity of 1.3 billion cubic feet per day.

Our pipelines serve the major consuming markets of the Northeast, Southeast, Rockies, and Southwest. And our value goes beyond simply reaching the markets. Within the markets, our pipelines are highly integrated with the infrastructure of local distribution companies, storage operations, and industrial and power generation facilities. In the Northeast market, for example, we have more than 100 physical delivery points, including into the Boston and New York City metropolitan areas.

2009 was another very productive year for our Pipeline Group. We placed four growth projects, representing investments of approximately $200 million, in service on-time and on-budget. We secured a partner for Ruby Pipeline, a new $3 billion pipeline that will connect competitively priced natural gas reserves in the Rocky Mountain region with growing markets on the West Coast. The majority of construction on Ruby will occur during 2010, and it will go in service in the spring of 2011. And our Pipeline Group continued to stay focused on safe and reliable operations. By 2012, we will have completed our multi-year pipeline integrity program, which will allow us to perform in-line inspections of our onshore pipeline systems, six inches and larger.

Our strategy is straightforward. It focuses on outstanding execution in everything we do. First, we will continue to provide high-value service to our customers, 24-hours-a-day, seven-days-a-week. Second, we will continue to take advantage of the unique size and scope of our operations to increase efficiencies and share best practices across our pipelines. Third, we will place in service our large backlog of growth projects and expansions, on-time and on-budget. We will also continue to pursue growth opportunities beyond our current backlog, and we see numerous new development opportunities across the country.

A key component of our strategy is to look beyond our large inventory of new pipeline projects to find new opportunities. With future natural gas flows shaped by growing electric demand and unconventional production, we will continue to benefit from changing supply and demand patterns. Additionally, as a clean, reliable, domestic fuel, we believe natural gas will benefit from a favorable regulatory environment that will continue to encourage new infrastructure development.

26 Bcf/d

We transport nearly 30 percent of natural gas delivered to U.S. consumers daily.

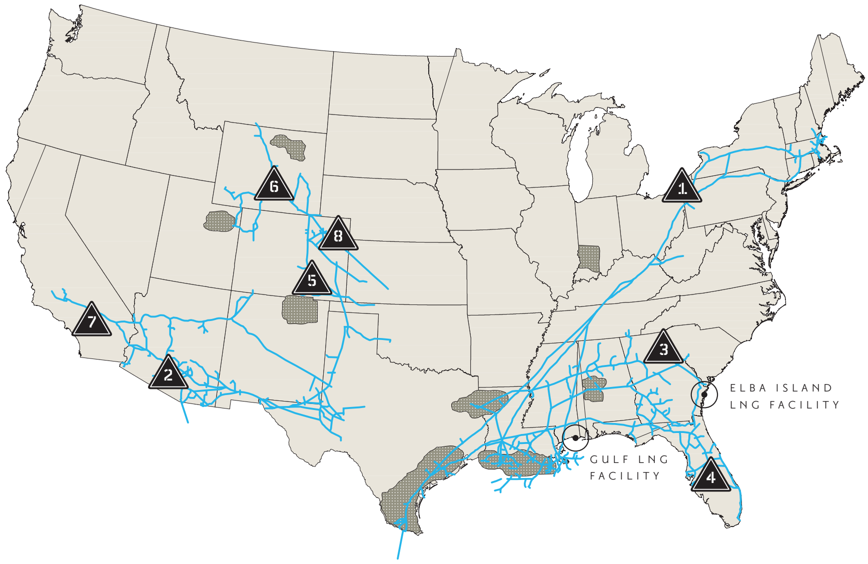
Successful project management is critical to our performance. Over the last five years, we have completed $2.2 billion of capital projects within 10 percent of their original budget in spite of a highly inflationary environment, significantly outperforming the industry.

We are in the midst of the largest build-out of pipeline expansions in El Paso's 82-year history—$8 billion of new investment. One of the largest projects is Ruby Pipeline, a new 680-mile, 42-inch pipeline stretching from the Rockies to the West Coast that will be the first carbon-neutral interstate natural gas pipeline in U.S. history.

Pipelines in Miles

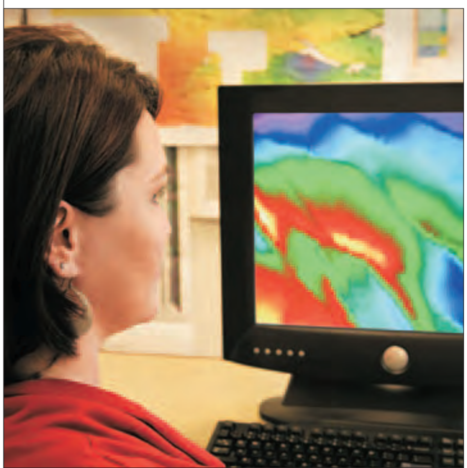
1.	*Tennessee Gas Pipeline*	*13,700*
2.	*El Paso Natural Gas*	*10,200*
3.	*Southern Natural Gas*	*7,600*
4.	*Florida Gas Transmission*	*5,000*
5.	*Colorado Interstate Gas*	*4,200*
6.	*Wyoming Interstate*	*800*
7.	*Mojave Pipeline*	*500*
8.	*Cheyenne Plains Gas*	*400*

Pipeline Operations



Exploration & Production

In 2009, El Paso Corporation and other leading North American independent natural gas exploration and production companies joined together to raise awareness of the environmental, economic, and national security benefits of American natural gas. America's Natural Gas Alliance (ANGA) became a platform to inform the public and policymakers about the contributions natural gas can make toward a more secure energy future, while helping achieve national goals for greenhouse gas reductions.



El Paso Exploration & Production Company is a top 10 independent domestic natural gas producer with international exploration and development projects in Brazil and Egypt. We are active in all phases of the E&P value chain: exploring for, acquiring, developing, and producing natural gas and oil.

Our strategy emphasizes repeatable programs with significant project inventory, skillful execution to improve cost efficiencies and maximize returns, and inventory growth in areas that fit our competencies. Our strategy is enhanced by an energetic, supportive, and high-performance culture.

We continued to deliver on that strategy in 2009. El Paso E&P operated on significantly lower capital, which when combined with a successful hedging program, allowed us to generate significant cash flow in excess of capital needs. We delivered on our production goals for the year with production averaging 763 million cubic feet equivalent per day, replaced more than 200 percent of our production, significantly improved our cost structure, and grew our unproved project inventory by 44 percent. Internationally, the E&P team started producing the Camarupim project offshore in Brazil and made two oil discoveries onshore in Egypt.

Unconventional resource plays increased in significance for E&P during 2009. Our shift toward unconventional resources resulted in increased drilling activity in our Haynesville Shale program where we hold approximately 40,000 net acres; increased leasing activity in the Eagle Ford Shale where we held an approximate 138,000 net acre position as of March 1, 2010; and inventory growth in our Altamont program, where we closed a strategic bolt-on acquisition in December 2009.

We have also consistently improved key metrics that drive value in our business. From 2006 to 2009, we lowered our reserve replacement costs, excluding price-related revisions, by approximately 50 percent and reduced our lease operating expenses by more than 20 percent. The company exceeded expectations in proved reserves and in the growth of our unproved resource base, adding 573 billion cubic feet equivalent of proved reserves and nearly doubling our unproved resource inventory available for capital projects going forward.

Our capital budget for 2010 is $1.1 billion, and we will maximize that budget through execution and a continuing focus on efficiency, standardization, and sharing best practices. We expect to produce 740 to 780 million cubic feet equivalent of natural gas, including our share of our unconsolidated affiliate, Four Star Oil & Gas Company (Four Star). We also expect to grow our proved reserves by 5 to 10 percent and focus capital on the highest return areas of our inventory, including the Haynesville and Eagle Ford Shales, and our oil program in the Altamont basin. Internationally, our exploration focus will be on the ES-5 block in Brazil and on our Western desert position in Egypt.

Most importantly, we expect to execute on our long-term strategy, deliver improved performance across our operations, and expand our capital projects inventory for future growth. El Paso E&P plans to continue to play a critical part in El Paso's drive to become the top execution-focused company in energy.

We increased our proved reserves 8 percent in 2009.

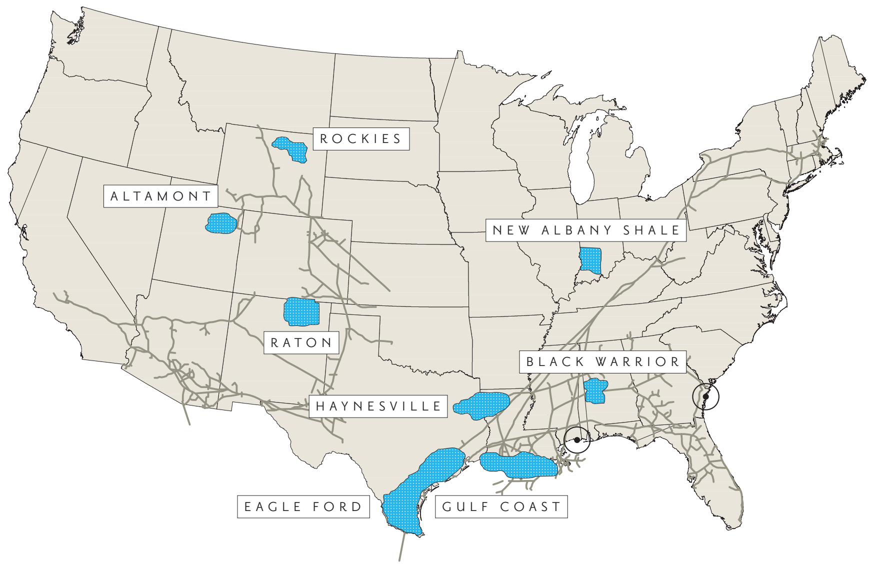
2.75 Tcfe*

- *Risked unproved resources: 5.1 Tcf**
- *Domestic reserve replacement costs, excluding price-related revisions: $1.57 per Mcfe*
- *Total reserve replacement ratio: 212 percent*
- *2009 reserve additions: 573 Bcfe/d**
- *Reserves to production ratio: 10 years*
- *2009 average production: 763 MMcfe/d**
- *Net leasehold acreage: 3.9 million*

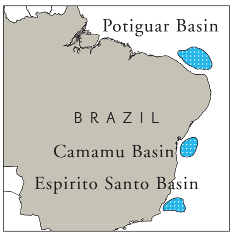
During 2009, we strengthened our E&P team by centralizing our domestic operations groups—production, drilling and completions, supply chain management, and health, safety and environmental—to improve our performance and to enhance our ability to share best practices. We also improved our asset management capabilities by creating 12 asset teams focused on inventory development, capital program management, and value creation.

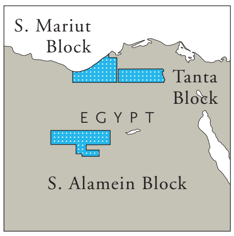
**including Four Star*

Domestic E&P Operating Regions



International E&P Operating Regions





Execution and efficient operational performance have always been the keys to success in the oil and gas business. Today, they have become even more important to unlocking the potential in the unconventional resource plays that are reshaping the supply of natural gas in North America. The industry-leading performance of our Haynesville Shale program is just one example of our ability to execute on our E&P strategy.

Leadership

Board of Directors

Back row, left to right: Steven J. Shapiro, Former Executive Vice President and Chief Financial Officer, Burlington Resources Inc.; Anthony W. Hall, Jr., Attorney, Former Chief Administrative Officer, City of Houston, Texas; Timothy J. Probert, President, Global Business Lines, Halliburton Company; Thomas R. Hix, Former Senior Vice President, Finance and Chief Financial Officer, Cooper Cameron Corporation; Juan Carlos Braniff, Chairman, Capital I Ltd. Partners; J. Michael Talbert, Lead Director, Former Executive Chairman of the Board, Transocean Inc.; James L. Dunlap*, Former Vice Chairman, President and Chief Operating Officer, Ocean Energy/United Meridian Corporation

Front row: Robert F. Vagt, President, The Heinz Endowments; Ferrell P. McClean, Former Managing Director and Senior Advisor, J.P. Morgan Chase & Co.'s Global Oil & Gas Group; Douglas L. Foshee, Chairman, President and Chief Executive Officer, El Paso Corporation; John L. Whitmire, Chairman of the Board, CONSOL Energy, Inc.; Robert W. Goldman, Financial Consultant, Former Senior Vice President, Finance and Chief Financial Officer, Conoco Inc.

Not pictured: David W. Crane, President and Chief Executive Officer, NRG Energy, Inc.

**Not standing for re-election and retiring from the Board at the close of the 2010 annual meeting.*

Management Team

Back row, left to right: John R. Sult, Executive Vice President and Chief Financial Officer; Dane E. Whitehead, Senior Vice President, Strategy & Enterprise Business Development; James C. Yardley, President, Pipeline Group; D. Mark Leland, President, Midstream

Front row: James J. Cleary, President, Western Pipelines; Brent J. Smolik, President, El Paso Exploration & Production Company; Robert W. Baker, Executive Vice President and General Counsel; Susan B. Ortenstone, Executive Vice President and Chief Administrative Officer; Douglas L. Foshee, Chairman, President and Chief Executive Officer

Cautionary Statement Regarding Forward-looking Statements
This report 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 report, including, without limitation, our ability to achieve the targeted costs savings from our reorganization; complete planned asset sales; change management risk associated with the 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 & Production 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 close the project financing for Ruby, including our ability to satisfy various conditions precedent such as execution of definitive loan agreements, receipt of regulatory approvals for the project, execution of transportation agreements and associated credit support arrangements and completion of due diligence by the lenders; 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, LNG 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; 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
Proved reserves, including proved undeveloped reserves, are estimated quantities that geological and engineering data demonstrate with reasonable certainty to be recoverable in the future from known reservoirs under assumed economic conditions. Although the SEC now allows companies to report unproved reserves in the form of probable and possible reserves in their SEC filings, we have elected not to report on such basis. In this report, we have provided estimates of our risked unproved resources, which is 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 risked unproved resources should not be construed as comparable to our disclosures of our proved reserves. Risked unproved resources is an estimate of potential reserves made using accepted geological and engineering analytical techniques. We present reserve to production ratio, which is a statistical measure we calculate to estimate the life of our proved reserves. It is calculated by dividing end-of-year proved reserves by total production for the year. Investors are urged to closely consider the disclosures and risk factors in our Form 10-K, available from our offices or from our website at http://www.elpaso.com, including the inherent uncertainties in estimating quantities of proved reserves.

Non-GAAP Information
El Paso uses the non-GAAP financial measure Adjusted EPS. Adjusted EPS is diluted earnings (loss) per common share adjusted for items that we consider to be significant to understanding our underlying performance for a given period and to allow investors to understand significant items impacting our results. Adjusted EPS is useful in analyzing our ongoing earnings potential and understanding significant items impacting our results. This non-GAAP financial measure may not be comparable to similarly titled measurements used by other companies and should not be used as a substitute for earnings per share. See the Financial and Operational Reporting Package, available at http://www.elpaso.com for the Company's non-GAAP reconciliations and definitions and other commonly used terms.

Principal Corporate Office

El Paso Corporation
1001 Louisiana Street
Houston, Texas 77002
713-420-2600

Stock Transfer Agent and Registrar

Computershare Trust Company is the transfer agent, registrar, dividend reinvestment agent, and the agent of our continuous odd-lot stock sales program. Inquiries with respect to stock accounts and dividends and requests to transfer certificates should be addressed to:

Computershare
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Stock Exchange Listing

El Paso Corporation common stock trades under the symbol "EP" and is proud to meet the listing requirements of the NYSE, the world's leading equities market.

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