



## Williams Sells Its 50% Interest in Jackalope Gas Gathering Services, L.L.C. to an Affiliate of Crestwood Equity Partners LP for \$484.6 Million

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TULSA, Okla. & HOUSTON--([BUSINESS WIRE](#))--Williams (NYSE: WMB) and Crestwood Equity Partners LP (NYSE: CEQP) ("Crestwood") today announced that Williams has sold its 50 percent interest in Jackalope Gas Gathering Services, L.L.C. ("Jackalope") to an affiliate of Crestwood for \$484.6 million in cash.

Prior to the transaction, Crestwood was Williams' 50% joint venture partner in Jackalope where Williams acted as operator, responsible for managing construction and operations and Crestwood served as marketer, responsible for commercial services. Following the transaction, Crestwood has assumed operatorship of Jackalope.

Williams plans to use the cash proceeds from the transaction plus approximately \$90 million in avoided 2019 Jackalope capital spending to help fund its extensive portfolio of attractive growth capital and debt reduction.

"We continue to optimize our portfolio to improve our credit metrics while maintaining the growth embedded in our guidance," said Alan Armstrong, president and chief executive officer of Williams. "This win-win transaction frees up capital that we can re-deploy into high-return assets that are better linked to our strategy, while providing Crestwood with the entire ownership of an asset that is key to their Powder River Basin strategy. We've been pleased with our partnership with Crestwood and know that employees who move from Williams to Crestwood will continue operating these assets safely and reliably."

Robert G. Phillips, chairman, president and chief executive officer of Crestwood, commented, "This transaction positions Crestwood to be the leading gathering and processing company in the highly prolific Powder River Basin which has emerged as a core growth asset for our partnership. We would like to thank Williams for a very strong partnership, welcome all of the highly-talented employees that will join Crestwood as part of the transaction, and reaffirm our commitment to providing best-in-class customer service for the producers the assets provide midstream services for in the basin. Crestwood is committed to generating accretive growth while maintaining financial discipline and this transaction is perfectly aligned with this strategy of generating long-term value to our unitholders."

The Jackalope holdings are in Converse County, Wyoming, and provide gathering, compression and processing services and include the Jackalope Gas Gathering System and the Bucking Horse Processing Plant.

RBC Capital Markets acted as financial adviser to Williams and Davis Polk & Wardell served as legal counsel to Williams. Evercore acted as financial adviser to Crestwood and Vinson & Elkins served as legal counsel to Crestwood.

Williams plans to provide updated 2019 financial guidance with its first-quarter 2019 earnings release.

### About Williams

Williams (NYSE: WMB) is a premier provider of large-scale infrastructure connecting U.S. natural gas and natural gas products to growing demand for cleaner fuel and feedstocks. Headquartered in Tulsa, Oklahoma, Williams is an industry-leading, investment grade C-Corp with operations across the natural gas value chain including gathering, processing, interstate transportation and storage of natural gas and natural gas liquids. With major positions in top U.S. supply basins, Williams owns and operates more than 30,000 miles of pipeline system wide – including Transco, the nation's largest volume and fastest growing pipeline – providing natural gas for clean-power generation, heating and industrial use. Williams' operations handle approximately 30 percent of U.S. natural gas. [www.williams.com](http://www.williams.com)

### About Crestwood

Houston, Texas, based Crestwood Equity Partners LP (NYSE: CEQP) is a master limited partnership that owns and operates midstream businesses in multiple shale resource plays across the United States. Crestwood Equity is engaged in the gathering, processing, treating, compression, storage and transportation of natural gas; storage, transportation, terminalling, and marketing of NGLs; gathering, storage, terminalling and marketing of crude oil; and gathering and disposal of produced water. [www.crestwoodlp.com](http://www.crestwoodlp.com)

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