



Kinder Morgan, EagleClaw Midstream and Apache Announce Joint Development of the Permian Highway Pipeline Project

*Pipeline solution provides attractive, broad U.S. Gulf Coast market optionality
for Permian Basin production*

HOUSTON, June 25, 2018 – Kinder Morgan Texas Pipeline LLC (KMTP), a subsidiary of Kinder Morgan, Inc. (NYSE: KMI), EagleClaw Midstream Ventures, LLC (EagleClaw), a portfolio company of Blackstone Energy Partners, and Apache Corporation (NYSE, NASDAQ: APA) today announced they have signed a letter of intent for the development of the proposed Permian Highway Pipeline Project (PHP Project), which will provide an outlet for increased natural gas production from the Permian Basin to growing market areas along the Texas Gulf Coast. The approximately \$2 billion PHP Project is designed to transport up to 2.0 billion cubic feet per day (Bcf/d) of natural gas through approximately 430 miles of 42-inch pipeline from the Waha, Texas, area to the U.S. Gulf Coast and Mexico markets. Given the level of producer inquiry, KMI is also evaluating the economic and hydraulic feasibility of a 48-inch pipeline with increased transportation capacity. The PHP Project is expected to be in service in late 2020, subject to the execution of definitive agreements and the receipt of construction permits.

Natural gas supply will be sourced into the PHP Project from multiple locations, including KMI's, EagleClaw's and Apache's existing systems in the Permian Basin, with additional interconnections to both intrastate and interstate pipeline systems in the Waha area. The PHP Project will hold capacity on KMI's intrastate pipeline systems in the market area, which will uniquely enable it to deliver natural gas to the Katy market hub, the Agua Dulce market hub, the Coastal Bend and Kinder Morgan Tejas headers connected to the Freeport LNG export facility, the Cheniere header connected to the Cheniere Corpus Christi LNG export facility, and numerous pipelines along the Texas Gulf Coast.

KMTP and EagleClaw will be the initial partners (50 percent ownership each), and Apache, who has been jointly developing the proposed project, will have an option to acquire up to 33 percent equity in the project from the initial partners. Apache and EagleClaw will be

significant shippers on the proposed pipeline, with Apache planning to commit up to 500,000 dekatherms per day. KMTP will build and operate the pipeline.

“The PHP Project is structured to provide unrivaled market optionality for Permian producers,” said Sital Mody, Chief Commercial Officer of Kinder Morgan Natural Gas Midstream. “By contracting for space on KMI’s extensive intrastate systems, the project will offer seamless nominations to the Katy and Agua Dulce market hubs; pipeline headers into LNG export facilities on the Texas Gulf Coast; multiple pipelines delivering gas into Mexico, including Valley Crossing, NET Mexico, and KMI’s Border and Monterrey pipelines; and numerous other intrastate and interstate pipelines. Additionally, shippers on the project will be able to contract for additional transportation, storage and gas sales options with KMI, whose existing intrastate systems are directly connected to most end users along the Texas Gulf Coast.”

“As investors throughout the energy value chain, with extensive holdings of both midstream and upstream assets in the Permian Basin, we have a firsthand understanding of the need for additional takeaway capacity to unlock the full growth potential of the Permian Basin,” said David Foley, CEO of Blackstone Energy Partners. “We look forward to continuing to proactively address the critical infrastructure needed to support producers, and we are excited to establish a partnership on this important project between EagleClaw, the largest privately-held natural gas gathering and processing business in the Delaware Basin, and Kinder Morgan, one of the nation’s most experienced pipeline developers and operators.”

Bob Milam, CEO of EagleClaw, added, “EagleClaw has been in extensive discussions with pipeline operators and customers on the need for further downstream connectivity out of the Waha area for the ever-increasing volumes of associated gas. We have evaluated many different pipeline options over the last 18 months, and we believe that this project has the best and broadest end-market options that will maximize overall net-back value and end-market flexibility for our customers.”

“Apache’s participation in this second greenfield gas pipeline project out of the Permian Basin gives us additional operational flexibility and market optionality, providing unparalleled access not only to growing legacy markets along the Gulf Coast, but also to expanding LNG and export markets. The estimated in-service date of the PHP Project also coincides with growth and

scale of our production forecast for Alpine High as well as other Permian production. Kinder Morgan is an industry leader with a proven track record of developing and building capital intensive pipeline infrastructure projects, and we are very pleased to be a part of it,” said Brian Freed, Apache’s senior vice president, Midstream and Marketing.

About Kinder Morgan, Inc.

Kinder Morgan, Inc. (NYSE: KMI) is one of the largest energy infrastructure companies in North America. It owns an interest in or operates approximately 85,000 miles of pipelines and 152 terminals. KMI’s pipelines transport natural gas, refined petroleum products, crude oil, condensate, CO₂ and other products, and its terminals transload and store petroleum products, ethanol and chemicals, and handle such products as petroleum coke, metals and ores. For more information, please visit www.kindermorgan.com.

About EagleClaw Midstream Ventures, LLC

EagleClaw Midstream Ventures, LLC is focused on rapid response to the midstream infrastructure requirements of Permian producers. The Company provides comprehensive gathering, transportation, compression, processing and treating services necessary to bring natural gas, natural gas liquids and crude oil to market. EagleClaw currently has long term dedications for over 300,000 acres from a broad number of successful and active producers in the Delaware basin. For more information, please visit www.eagleclawmidstream.com.

About Blackstone

Blackstone Energy Partners is Blackstone's energy-focused private equity business, with a successful record built on our industry expertise and partnerships with exceptional management teams. Blackstone has invested over \$15 billion of private equity globally across a broad range of sectors within the energy industry. Blackstone (NYSE: BX) is one of the world's leading investment firms. Our asset management businesses, with over \$450 billion in assets under management, include investment vehicles focused on private equity, real estate, public debt and equity, non-investment grade credit, real assets and secondary funds, all on a global basis. Further information is available at www.blackstone.com.

About Apache Corporation

Apache Corporation is an oil and gas exploration and production company with operations in the United States, Egypt and the United Kingdom. Apache posts announcements, operational updates, investor information and copies of all press releases on its website, www.apachecorp.com, and on its Media and Investor Center mobile application, which is available for free download from the Apple App Store and the Google Play store.

Important Information Relating to Kinder Morgan's Forward-Looking Statements

This news release includes forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities and Exchange Act of 1934. Generally the words "expects," "believes," "anticipates," "plans," "will," "shall," "estimates," and similar expressions identify forward-looking statements, which are generally not historical in nature. Forward-looking statements are subject to risks and uncertainties and are based on the beliefs and assumptions of management, based on information currently available to them. Although Kinder Morgan believes that these forward-looking statements are based on reasonable assumptions, it can give no assurance that any such forward-looking statements will materialize. Important factors that could cause actual results to differ materially from those expressed in or implied from these forward-looking statements include the risks and uncertainties described in Kinder Morgan's reports filed with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year-ended December 31, 2017 (under the headings "Risk Factors" and "Information Regarding Forward-Looking Statements" and elsewhere) and its subsequent reports, which are available through the SEC's EDGAR system at www.sec.gov and on our website at ir.kindermorgan.com. Forward-looking statements speak only as of the date they were made, and except to the extent required by law, Kinder Morgan undertakes no obligation to update any forward-looking statement because of new information, future events or other factors. Because of these risks and uncertainties, readers should not place undue reliance on these forward-looking statements.

Important Information Relating to Apache's Forward-Looking Statements

This press release includes forward-looking statements. Except for the historical information contained herein, the matters discussed in this press release are forward-looking statements that involve certain risks and uncertainties, such as Apache's expectations regarding future results, capital expenditures, project completions, liquidity and financial market conditions. These risks and uncertainties include, among other things, insufficient cash from operations, adverse market conditions, governmental regulations and other factors discussed in Apache's filings with the U.S. Securities and Exchange Commission. If any of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results or outcomes may vary materially from those expected. Apache disclaims any intention or obligation to update publicly or reverse such statements, whether as a result of new information, future events or otherwise.

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