ENTERPRISE AND ATWATER VALLEY PRODUCERS GROUP COMPLETE AGREEMENTS FOR DEEPWATER PLATFORM AND GAS PIPELINE

HOUSTON--(BUSINESS WIRE)--Nov. 10, 2004--

Deepwater Natural Gas Discoveries to Be Developed in Eastern Gulf of Mexico

In an industry first, five independent exploration and production companies and a midstream energy company have come together to facilitate the development of multiple ultra-deepwater, natural gas discoveries in the previously untapped Eastern Gulf of Mexico.

Independence Hub, LLC, an affiliate of Enterprise Products Partners L.P. (NYSE:EPD) and the Atwater Valley Producers Group, which includes Anadarko Petroleum Corp. (NYSE:APC); Dominion Exploration & Production, Inc., a subsidiary of Dominion (NYSE:D); Kerr-McGee Oil & Gas Corp., a wholly owned affiliate of Kerr-McGee Corp. (NYSE:KMG); Spinnaker Exploration Company (NYSE:SKE) and Devon Energy Corp. (NYSE:DVN) have executed agreements for the dedication, processing and gathering of natural gas and condensate production from six natural gas fields in the Atwater Valley, DeSoto Canyon and Lloyd Ridge areas of the deepwater Gulf of Mexico. As part of the transaction, the producers also have dedicated future production from a number of undeveloped blocks in the area for processing and gathering.

Enterprise will design, construct, install and own Independence Hub, a 105-foot deep-draft, semi-submersible platform with a two-level production deck, which will be capable of processing 850 million cubic feet of gas per day. The platform, which is estimated to cost approximately $385 million, will be operated by Anadarko, and is designed to process production from the six anchor fields and has excess payload capacity to tie-back up to 10 additional fields.

Independence Hub will be located on Mississippi Canyon block 920, in a water depth of 8,000 feet. This location was selected for the permanently anchored host facility based on favorable seafloor conditions and proximity to the identified anchor fields. First production is expected in 2007.

Under the terms of the agreement, the development will include dedicated anchor fields, Atlas and Atlas NW (Lloyd Ridge blocks 5/49/50), Jubilee (Atwater Valley blocks 305/349 and Lloyd Ridge blocks 265/309), Merganser (Atwater Valley blocks 36/37), San Jacinto (DeSoto Canyon blocks 618/619), Spiderman (DeSoto Canyon blocks 620/621) and Vortex (Atwater Valley blocks 217/261 and Lloyd Ridge blocks 177/221), in addition to future discoveries on surrounding undeveloped blocks. The fields will be tied-back to the platform through producer-owned subsea flowline systems. The fields' water depths range from 7,800 to 9,000 feet.

Enterprise has awarded key contracts to:

- Atlantia Offshore Limited for hull and mooring systems design, fabrication, construction and dry transportation to the staging site at Ingleside, Texas;
- Heerema Marine Contractors for hull and mooring systems transport and installation;
- Alliance Engineering for topsides engineering;
- Kiewit Offshore Services for topsides fabrication and installation onto the hull;
- Allseas USA, Inc. for installation of the gas pipeline.
Additionally, Enterprise will own, install and operate 140 miles of 24-inch pipeline, with a capacity of approximately 850 million cubic feet of gas per day, named Independence Trail. The pipeline, which is estimated to cost $280 million, will redeliver the production from Independence Hub into the Tennessee Gas Pipeline located in West Delta 68.

The dedication of reserves from these fields and the surrounding area allows for the development of additional energy resources to meet ever-increasing demands, while providing new infrastructure for economical development of future discoveries in the area.

Statements in this news release regarding the companies' or managements' intentions, beliefs or expectations, or that otherwise speak to future events, are "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements include those statements preceded by, followed by or that otherwise include the words "expected," "will" or similar words. In addition, any statements regarding possible commerciality, development plans, capacity expansions, drilling of new wells, future production rates, and changes in any of the foregoing are forward-looking statements. Future results and developments discussed in these statements may be affected by numerous factors and risks, such as the accuracy of the assumptions that underlie the statements, the success of the oil and gas exploration and production programs, the price of oil and gas, drilling risks, uncertainties in interpreting engineering data, demand for consumer products for which the companies' oil and gas businesses supply raw materials, the financial resources of competitors, changes in laws and regulations, the ability to respond to challenges in international markets (including changes in currency exchange rates), political or economic conditions in areas where the companies operate, trade and regulatory matters, general economic conditions, and other factors and risks identified in the Risk Factors section of the companies' Annual Reports on Form 10-K and other U.S. Securities and Exchange Commission filings. Actual results and developments may differ materially from those expressed or implied in this news release.

Atwater Valley Producers Group
Information on Members

Anadarko Petroleum Corp. (NYSE:APC) Anadarko Petroleum Corporation's mission is to deliver a competitive and sustainable rate of return to shareholders by developing, acquiring and exploring for oil and gas resources vital to the world's health and welfare. As of year-end 2003, the company had 2.5 billion barrels of oil equivalent of proved reserves, making it one of the world's largest independent exploration and production companies. Anadarko's operational focus extends from the deepwater Gulf of Mexico, up through Texas, Louisiana, the Mid-Continent, western U.S. and Canadian Rockies and onto the North Slope of Alaska. Anadarko also has significant production in Algeria, Venezuela and Qatar, and exploration or production positions in several other countries. For more information about how Anadarko is bringing excellence to the surface, please visit: www.anadarko.com.

Devon Energy Corp. (NYSE:DVN), is the largest U.S.-based independent oil and gas producer with worldwide assets of more than $27 billion. Devon's exploration, production and property acquisitions are concentrated primarily in North America with operations stretching from the Gulf of Mexico's deep water, through Texas and the Rocky Mountains of the United States to the Arctic Circle region of northwestern Canada. The Oklahoma City company also has operations in select international areas, such as West Africa, China, Azerbaijan and Brazil. Devon is a Fortune 500 company and is included in the S&P 500 Index. For more information visit our website at www.devonenergy.com.

Dominion (NYSE:D), is one of the nation's largest producers of energy, with an energy portfolio of about 25,500 megawatts of generation, 6.4 trillion cubic feet equivalent of proved natural gas reserves and 7,900 miles of natural gas transmission pipeline. Dominion also operates the nation's largest underground natural gas storage system with more than 960 billion cubic feet of storage capacity and serves retail energy customers in nine states. For more information about Dominion, visit the company's website at www.dom.com.

Kerr-McGee Oil & Gas Corp. is a wholly owned affiliate of Kerr-McGee Corp. (NYSE:KMG). Kerr-McGee Corp. is an Oklahoma City-based energy and inorganic chemical company with worldwide operations and assets of about $15 billion. Kerr-McGee is the largest U.S.-based independent producer in the deepwater Gulf of Mexico. The company also produces oil and natural gas in core areas in the United States onshore, United Kingdom sector of the North Sea and Bohai Bay, China. In addition, Kerr-McGee has exploration activities in high-potential trends offshore Australia, Bahamas, Benin, Brazil,
Canada, Morocco and Trinidad and Tobago. For more information on Kerr-McGee, visit www.kerr-mcgee.com.

Spinnaker Exploration Company (NYSE:SKE) is an independent energy company engaged in the exploration, development and production of oil and gas in the U.S. Gulf of Mexico. For more information, visit the company’s website at www.spinnakerexploration.com.

Enterprise Products Partners, L.P. (NYSE:EPD) is the second-largest publicly traded energy partnership with an enterprise value of approximately $14 billion, and is a leading provider of midstream energy services to producers and consumers of natural gas, NGLs and crude oil in North America. Enterprise transports natural gas, NGLs and crude oil through 31,000 miles of onshore and offshore pipelines and is an industry leader in the development of midstream infrastructure in the Deepwater Trend of the Gulf of Mexico. Services include natural gas transportation, gathering, processing and storage; NGL fractionation (or separation), transportation, storage and import and export terminaling; crude oil transportation and offshore production platform services. For more information, visit Enterprise on the web at www.epplp.com.

Details on Anchor Fields

Atlas and Atlas NW (Lloyd Ridge blocks 5/49/50)

Anadarko discovered the Atlas field in June 2003 when it encountered 180 feet of gross pay in nearly 9,000 feet of water. A satellite discovery, Atlas NW, followed in January 2004. Anadarko holds a 100% interest in the fields.

Jubilee (Atwater Valley blocks 305/349 and Lloyd Ridge blocks 265/309)

Anadarko discovered the Jubilee field in April 2003 in 8,800 feet of water. The discovery well encountered 83 feet of net pay and was drilled to the target depth of 18,310 feet. Anadarko holds a 100% interest in the field.

Merganser (Atwater Valley blocks 36/37)

Kerr-McGee discovered Merganser in 2001. It is located approximately 180 miles south of Mobile, Ala. in a water depth of 7,900 feet. Kerr-McGee is the operator with a 50% working interest. Devon Energy holds the remaining 50% working interest. Four high-quality Miocene reservoirs were penetrated and each has excellent flow characteristics.

San Jacinto (DeSoto Canyon blocks 618/619)

Dominion Exploration and Production announced the discovery of natural gas at the San Jacinto prospect in April 2004. The discovery is located approximately 140 miles south of Mobile Bay in the Eastern Gulf of Mexico. Dominion is the operator with a 53% working interest. Spinnaker Exploration Company has a 27% working interest and Kerr-McGee has a 20% working interest. The discovery well was drilled to a total measured depth of 15,829 feet and encountered approximately 100 feet of net pay in multiple reservoir sands. In November 2004, Dominion and its partners drilled a successful appraisal well on San Jacinto, encountering approximately 100 feet of net pay in the same multiple reservoir sands. The well was drilled to a measured depth of 18,075 feet, cased to total depth, and temporarily abandoned for future use as a producible well. The field will be developed jointly with the Spiderman discovery.

Spiderman (DeSoto Canyon blocks 620/621)

The Spiderman field was discovered in November 2003. It was drilled in 8,100 feet of water to a total depth of 18,065 feet and encountered more than 140 feet of net pay. Anadarko is the operator and holds a 45% working interest. Dominion holds a 36.67% interest and Spinnaker Exploration holds a 18.33% interest.

Vortex (Atwater Valley blocks 217/261 and Lloyd Ridge blocks 177/221)

As of November 2004, Anadarko and Kerr-McGee each holds a 50% working interest in the Vortex field. The field was discovered in December 2002, and is located in a water depth of 8,344 feet. The exploration well penetrated approximately 75 feet of high-quality pay in a Miocene-age reservoir.
Atwater Valley Project Map

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