



# INVESTOR BOOK

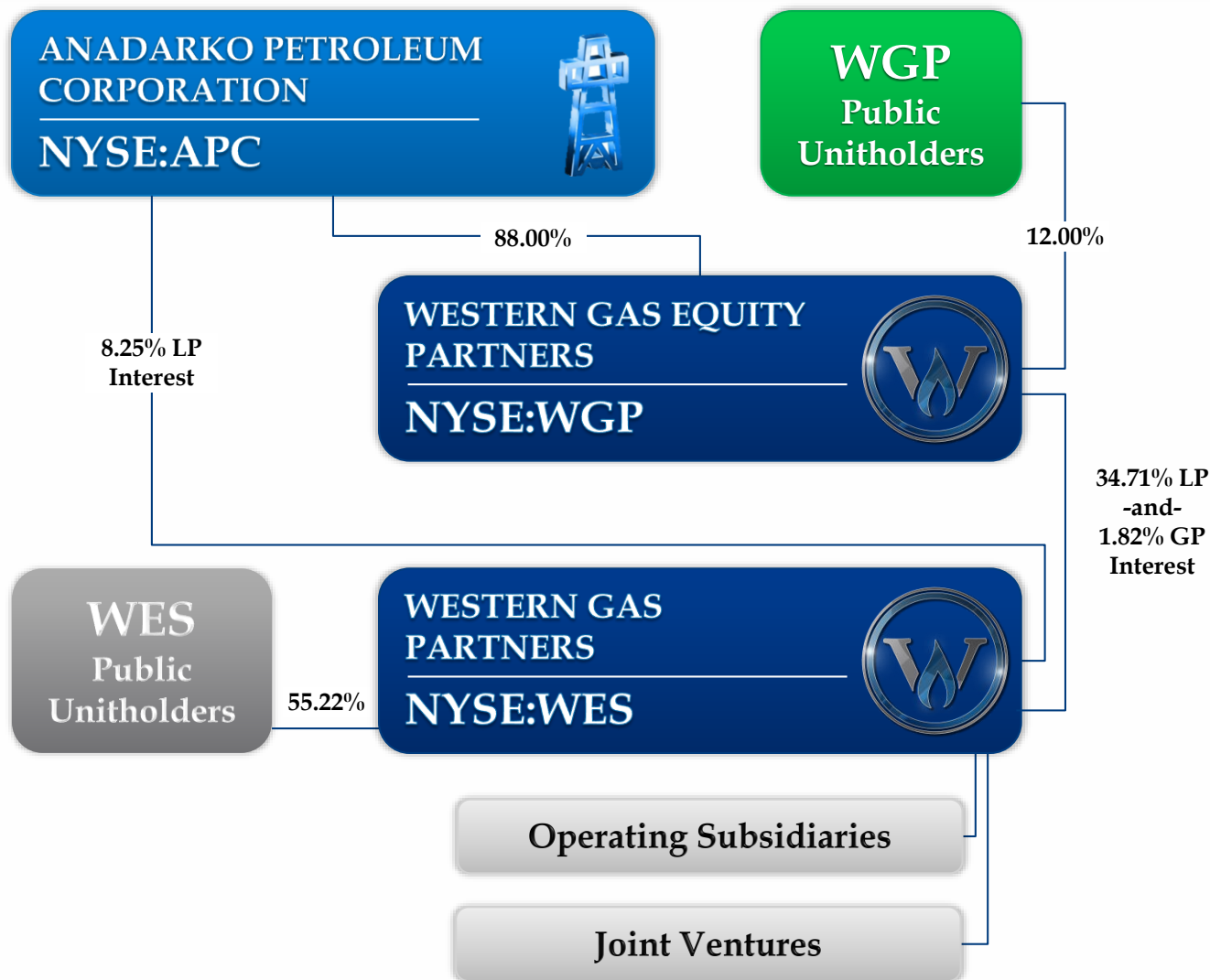
*May 2015*



## *Cautionary Language Re: Forward-Looking Statements*

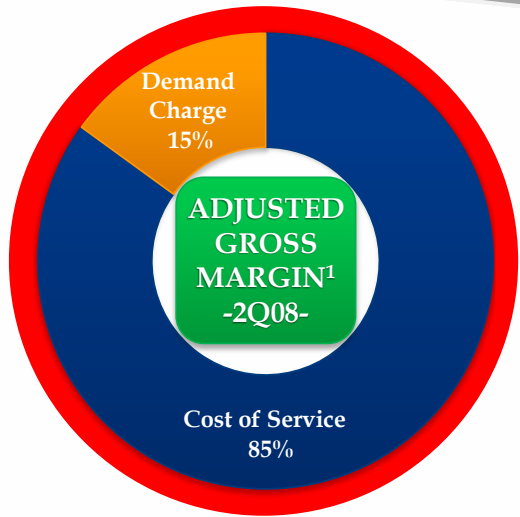
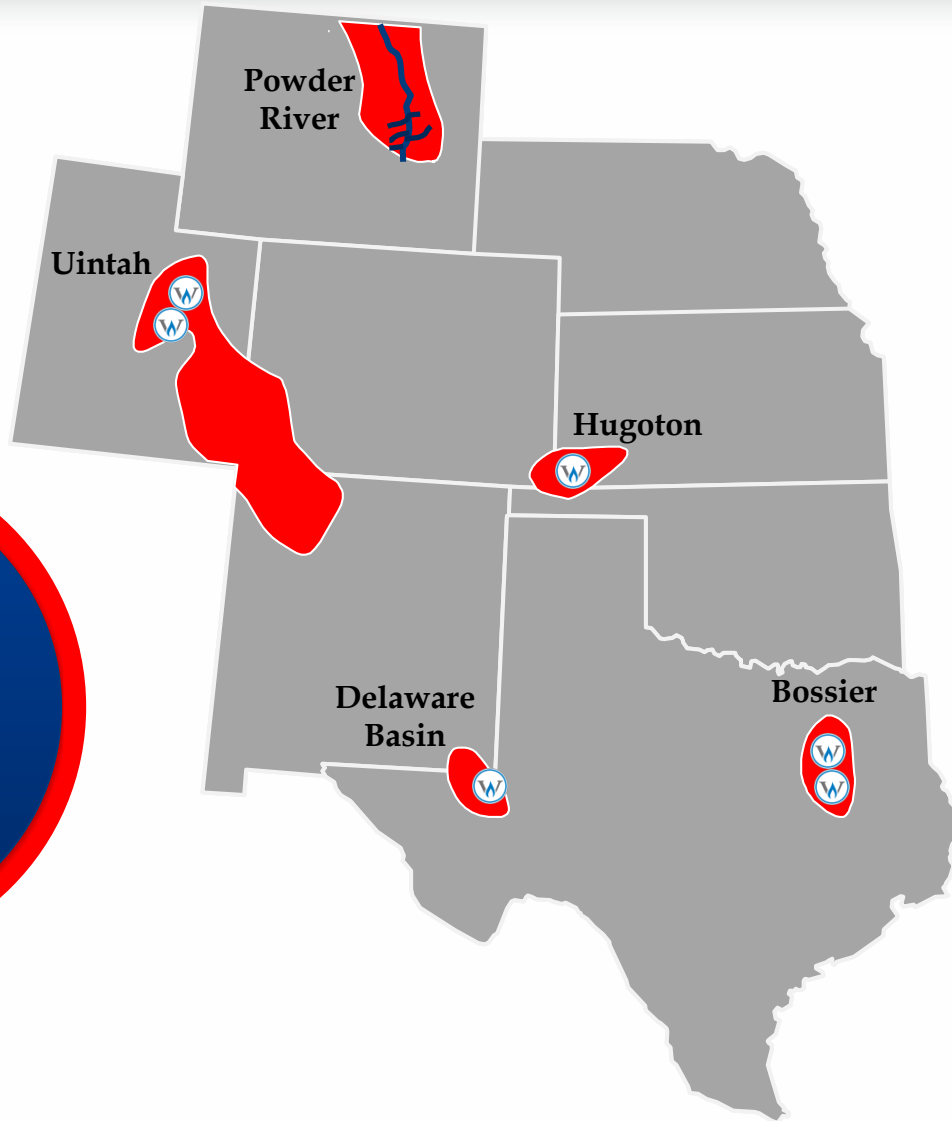
This presentation contains forward-looking statements. Western Gas Partners, LP and Western Gas Equity Partners, LP believe that their expectations are based on reasonable assumptions. No assurance, however, can be given that such expectations will prove to have been correct. A number of factors could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this presentation. These factors include the ability to meet financial guidance or distribution-growth expectations; the ability to safely and efficiently operate WES's assets; the ability to obtain new sources of natural gas supplies; the effect of fluctuations in commodity prices and the demand for natural gas and related products; the ability to meet projected in-service dates for capital growth projects; construction costs or capital expenditures exceeding estimated or budgeted costs or expenditures; the ability to realize the expected benefits from the DBJV and Nuevo acquisitions; and the other factors described in the "Risk Factors" section of WES's and WGP's most recent Forms 10-K filed with the Securities and Exchange Commission and in their other public filings and press releases. Western Gas Partners, LP and Western Gas Equity Partners, LP undertake no obligation to publicly update or revise any forward-looking statements. Please also see our earnings release, posted on our website at [www.westerngas.com](http://www.westerngas.com), and the information provided at the end of this presentation for reconciliations of the differences between any non-GAAP financial measures used in this presentation and the most directly comparable GAAP financial measures.

# APC - WES - WGP Relationships<sup>1</sup>



Note:

1. As of April 30, 2015



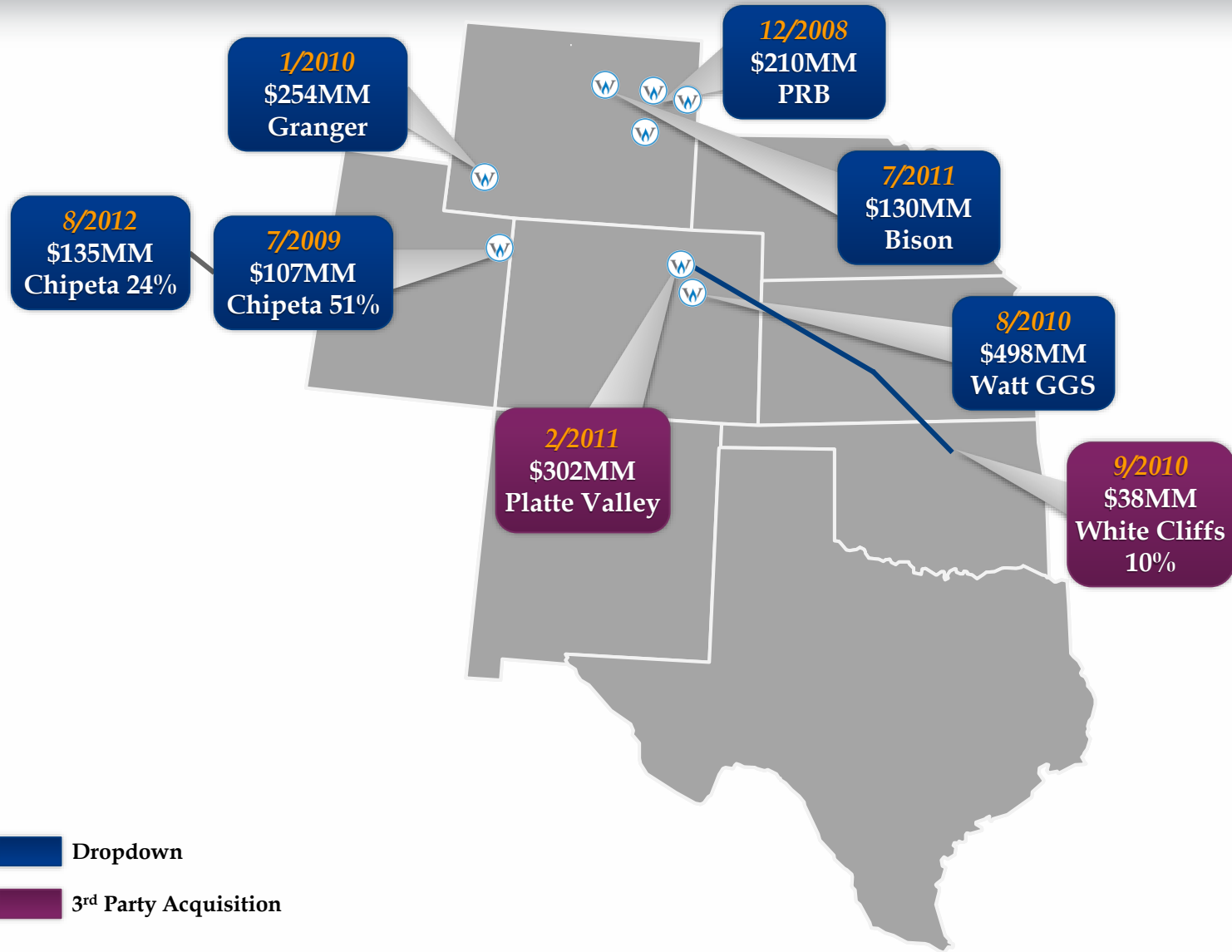
■ Dry Gas

■ Dry Gas Basin  
— Pipelines

Note:

1. Adjusted gross margin as defined in the latest Western Gas earnings release

# 2008 – 2011: Growth Through Acquisitions

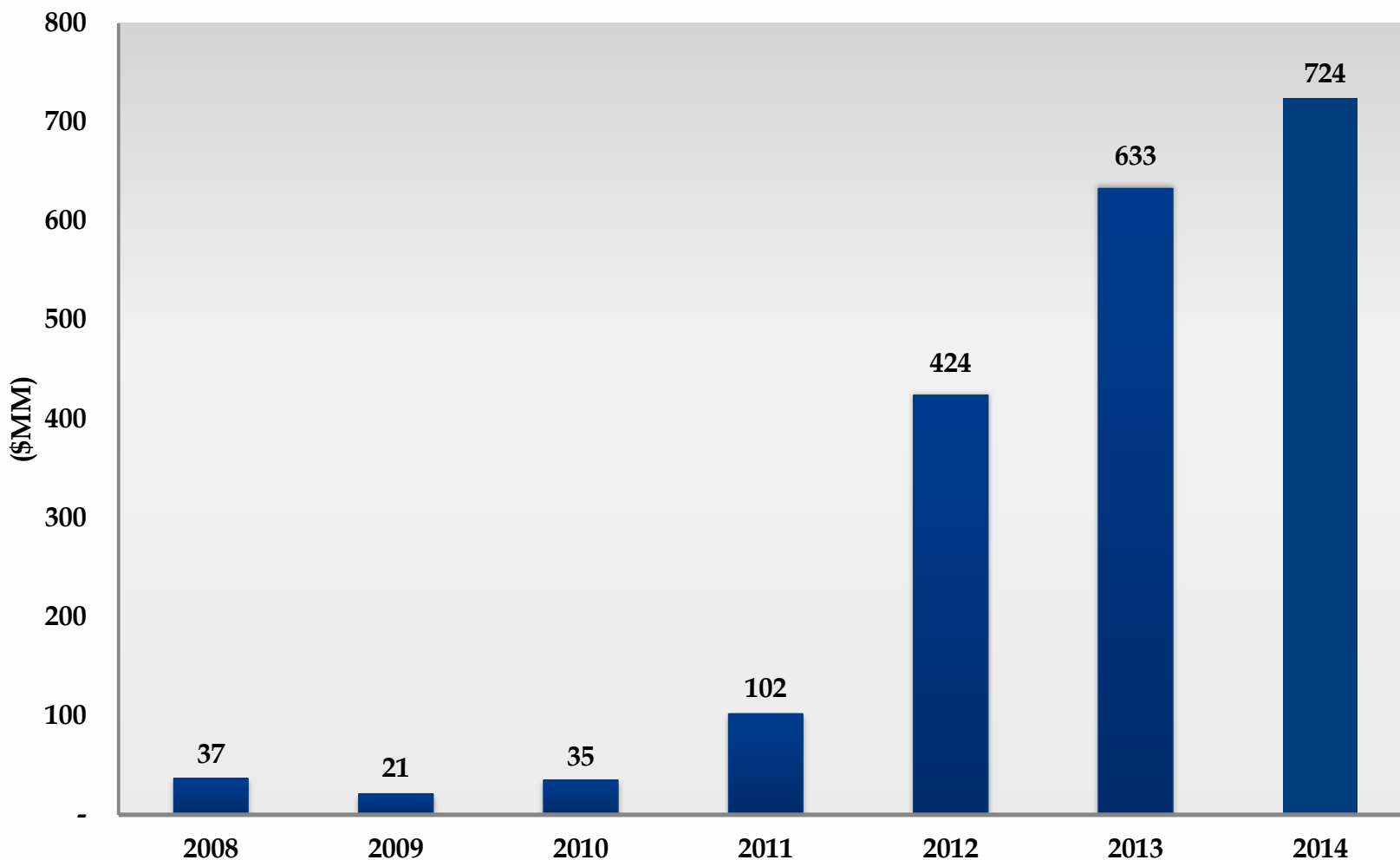


Dropdown  
3<sup>rd</sup> Party Acquisition

# 2012-2014: Adding Organic Capex...



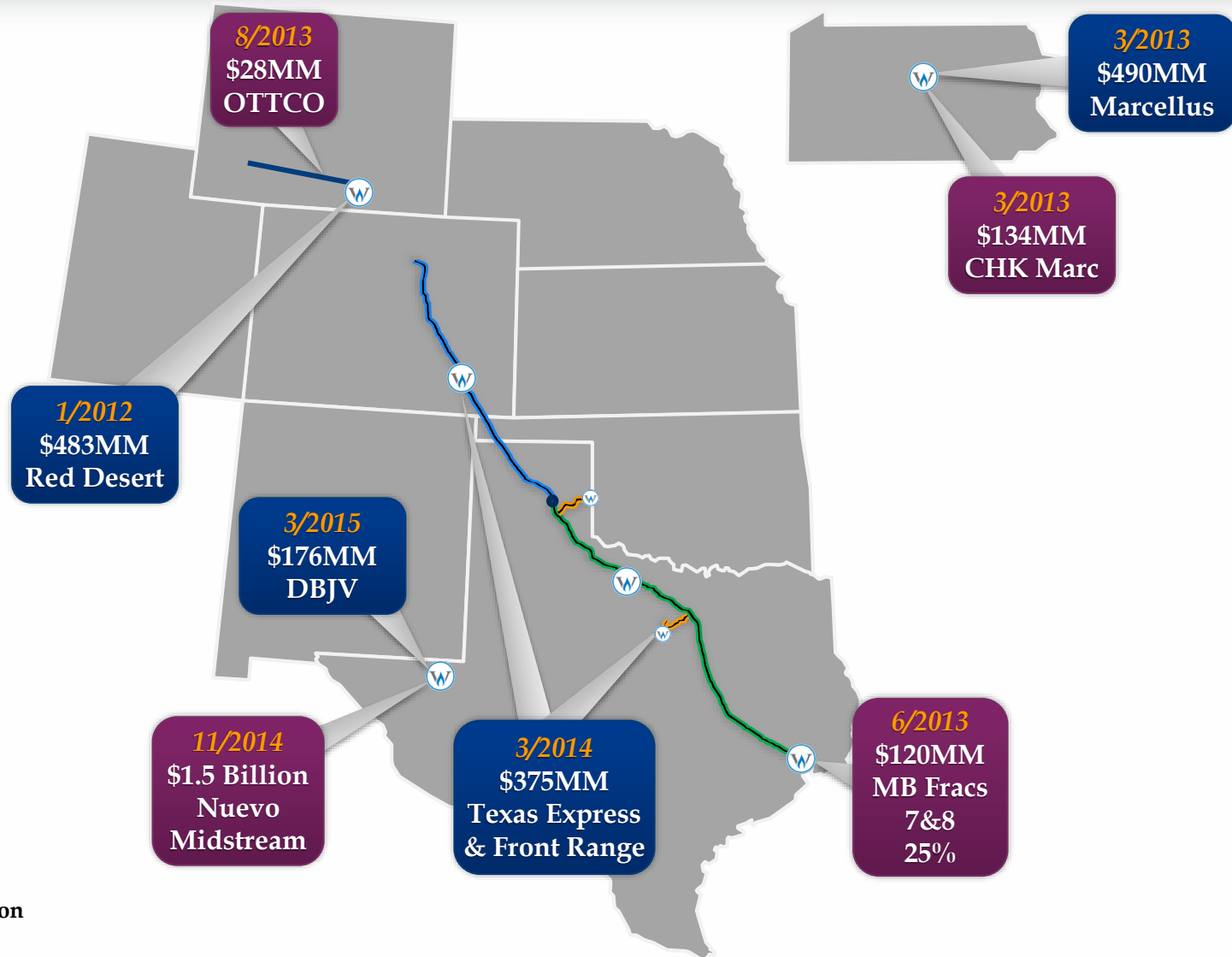
*“Step Change” in Capital Expenditures*




Note:

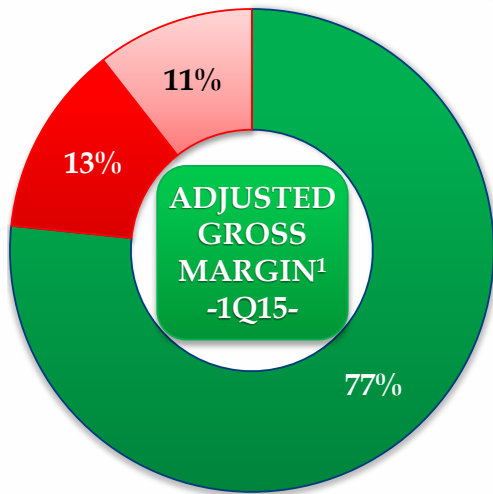
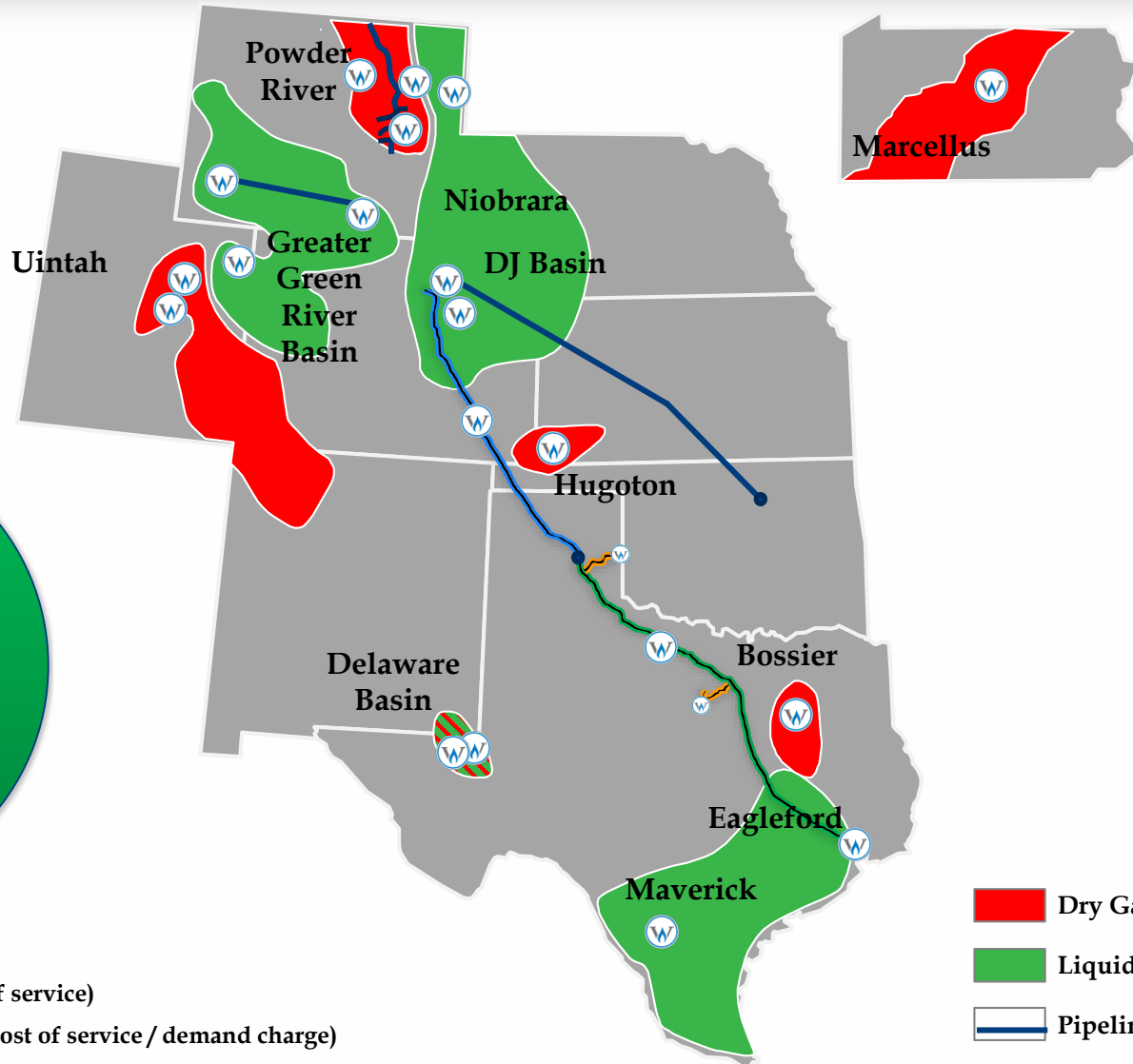
1. As reported

# ...While Continuing to Make Acquisitions



 Dropdown  
 3<sup>rd</sup> Party Acquisition





- Liquids-Rich Gas
- Marcellus Dry Gas (cost of service)
- Non-Marcellus Dry Gas (cost of service / demand charge)

- Dry Gas Basin
- Liquids-Rich Basin
- Pipelines

Note:

1. Adjusted gross margin as defined in the latest Western Gas earnings release



# Case Study: DJ Basin Build-out



**1**  
**2010**  
Wattenberg Gathering & Ft. Lupton Plant  
(Dropdown)

**2**  
**2010**  
White Cliffs Oil Pipeline  
(Eq. Investment)

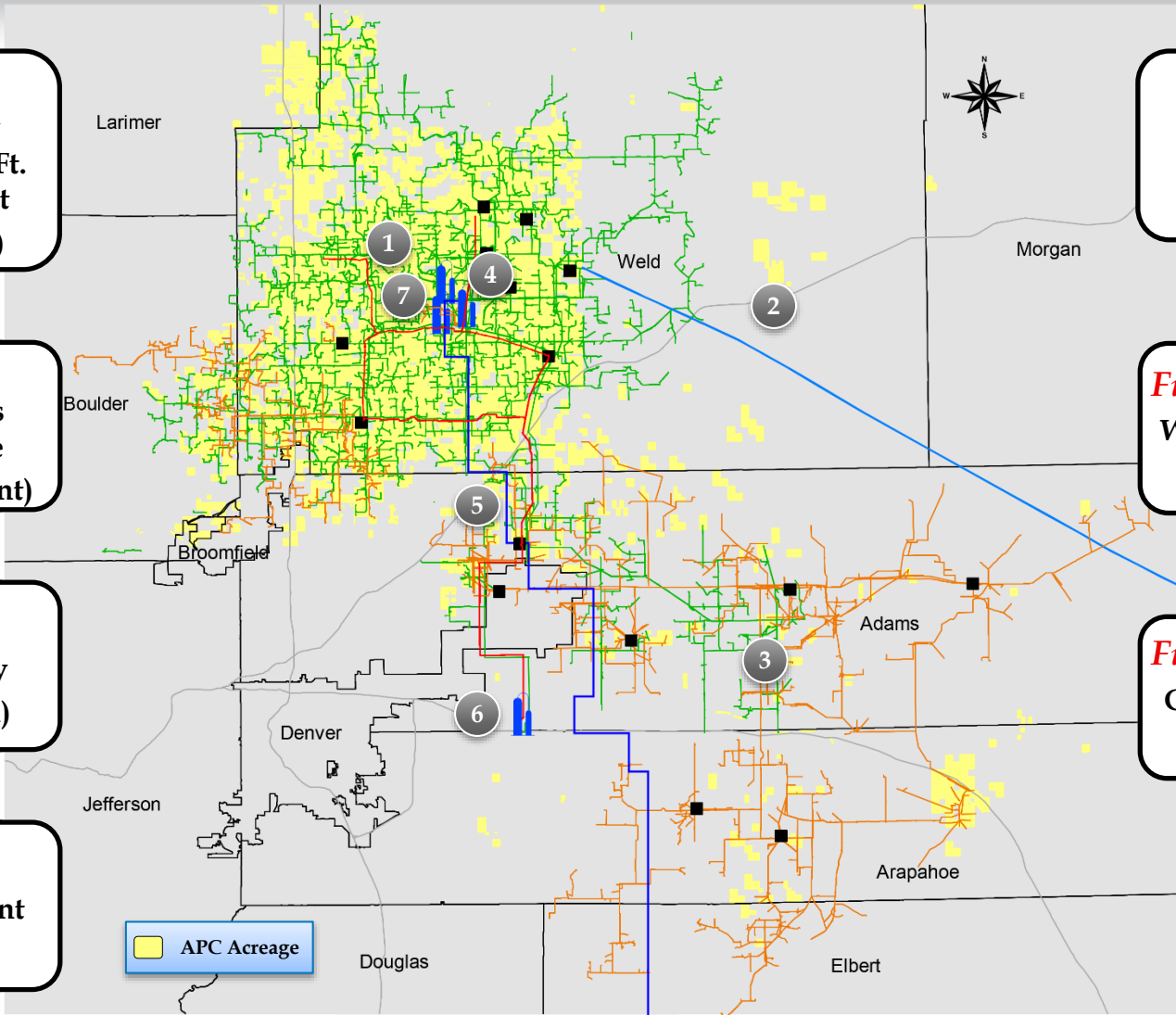
**3**  
**2011**  
Platte Valley  
(Acquisition)

**4**  
**2014**  
Lancaster Plant  
(Organic)

**5**  
**2014**  
Front Range NGL Pipeline  
(Dropdown)

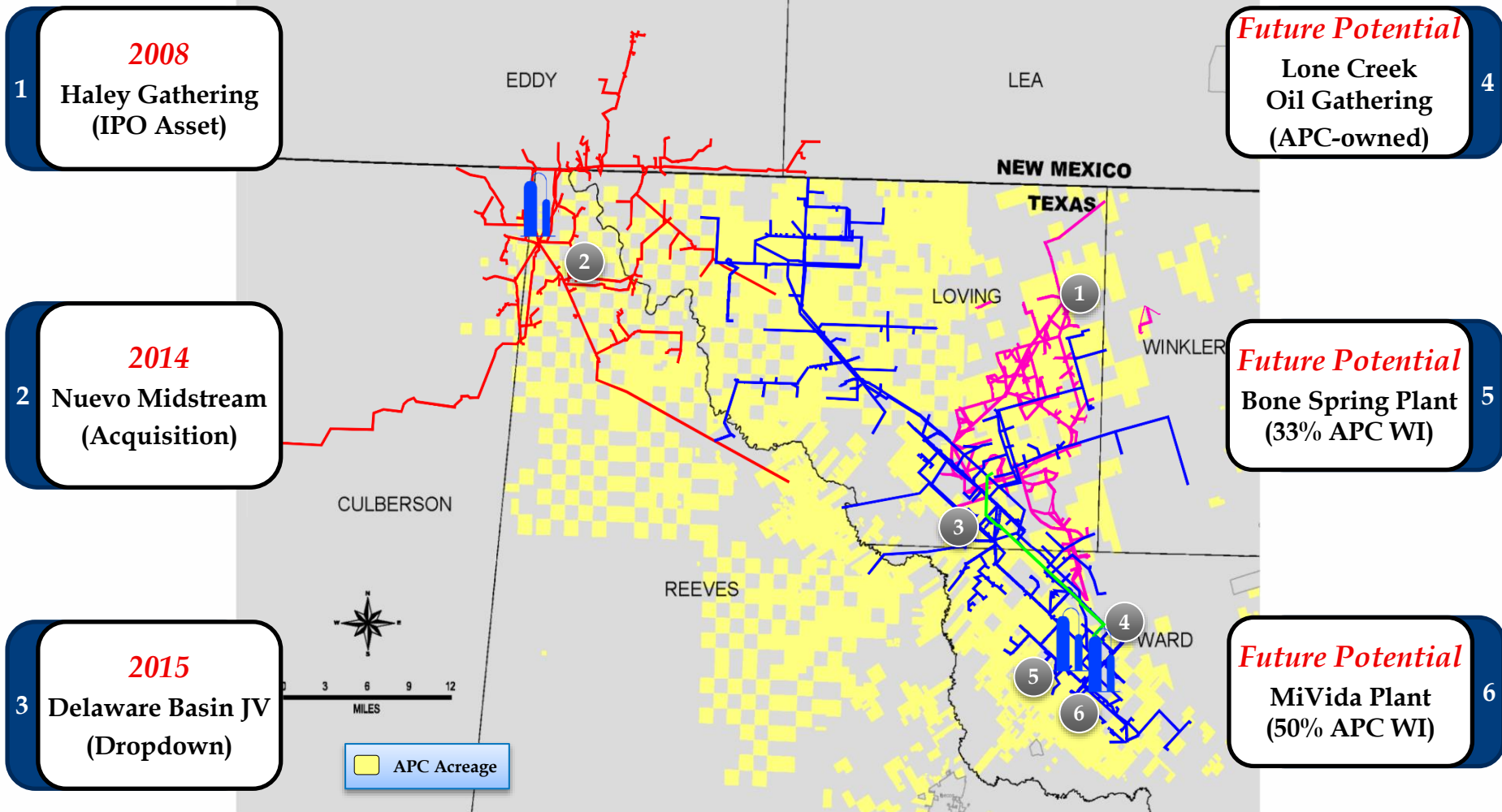
**6**  
*Future Potential*  
Wattenberg Plant  
(APC-owned)

**7**  
*Future Potential*  
Crude Gathering  
(APC-owned)



**Now Unified into DJ Basin Complex**

# What's Next: Delaware Basin Build-out

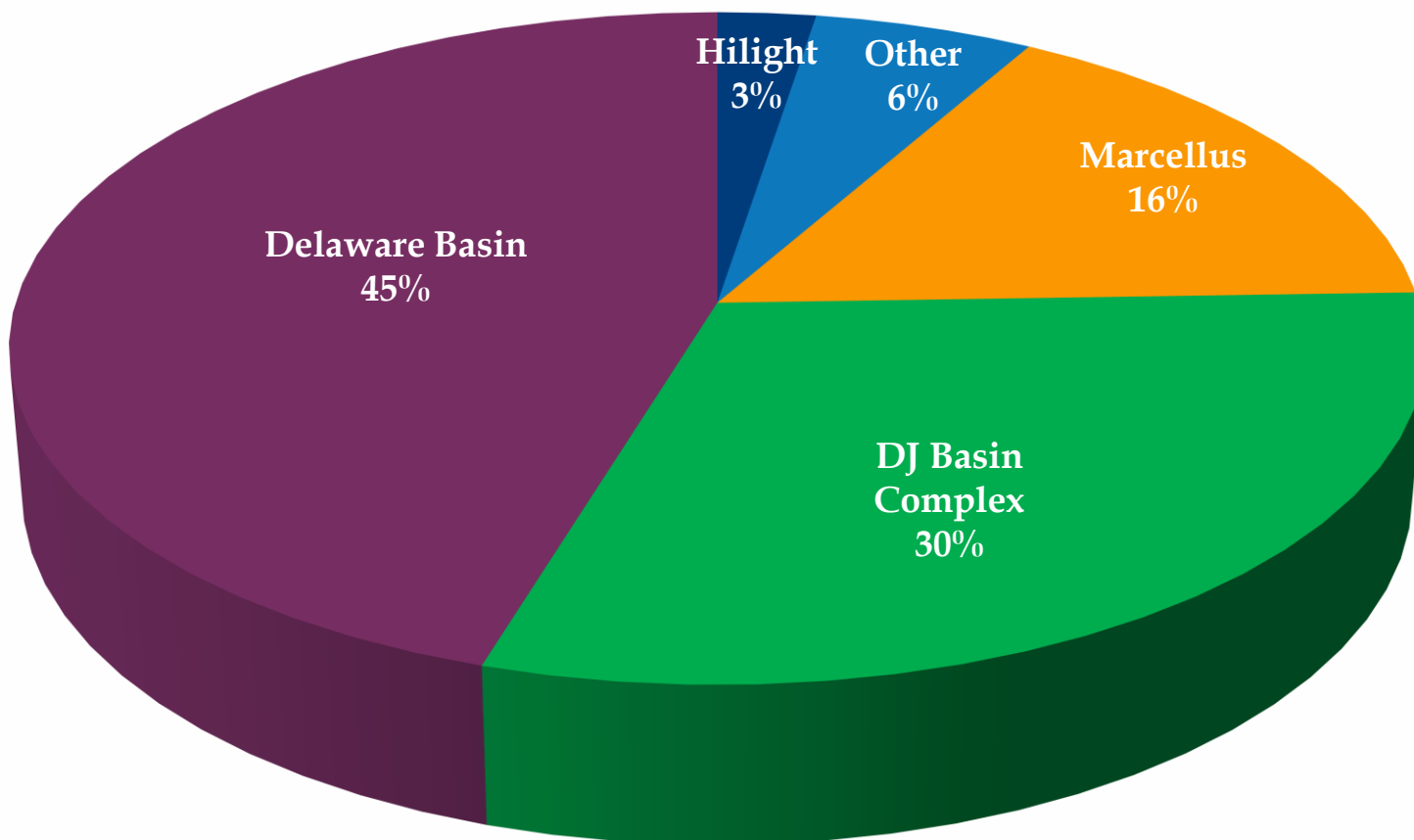


Replicating DJ Basin Success

# Future Growth: Robust Capital Projects



*Estimated 2015 Capital and Equity Investments: \$640 - \$700MM<sup>1</sup>*



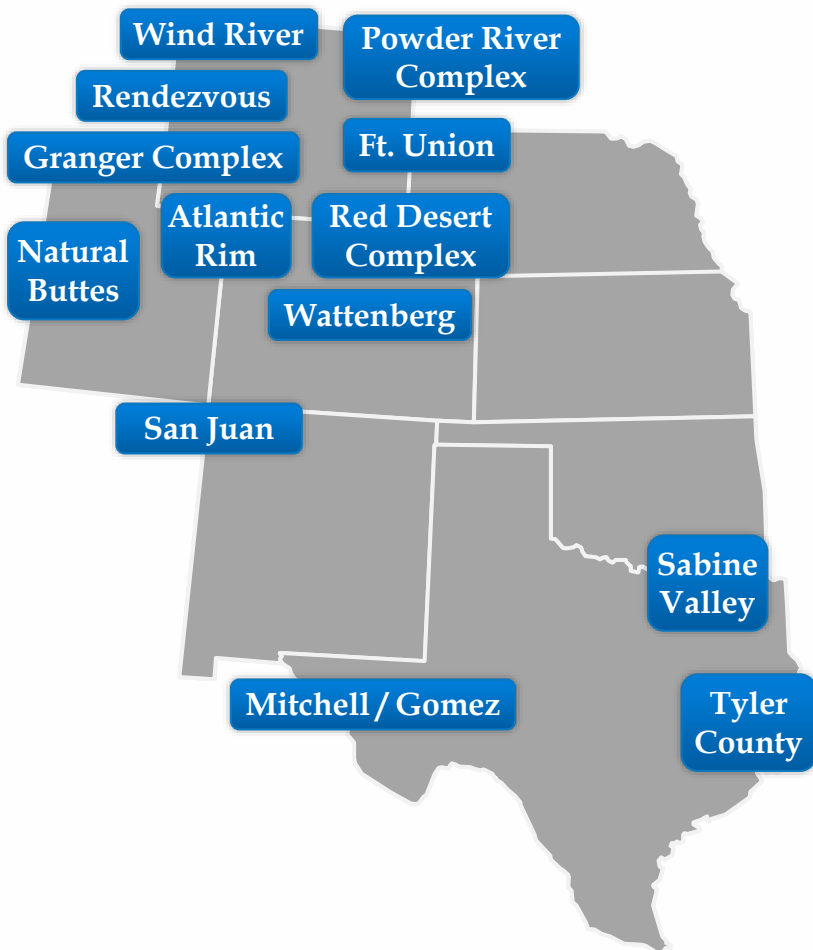
**Note:**

1. Per updated 2015 outlook provided on May 6, 2015; excludes acquisition capital

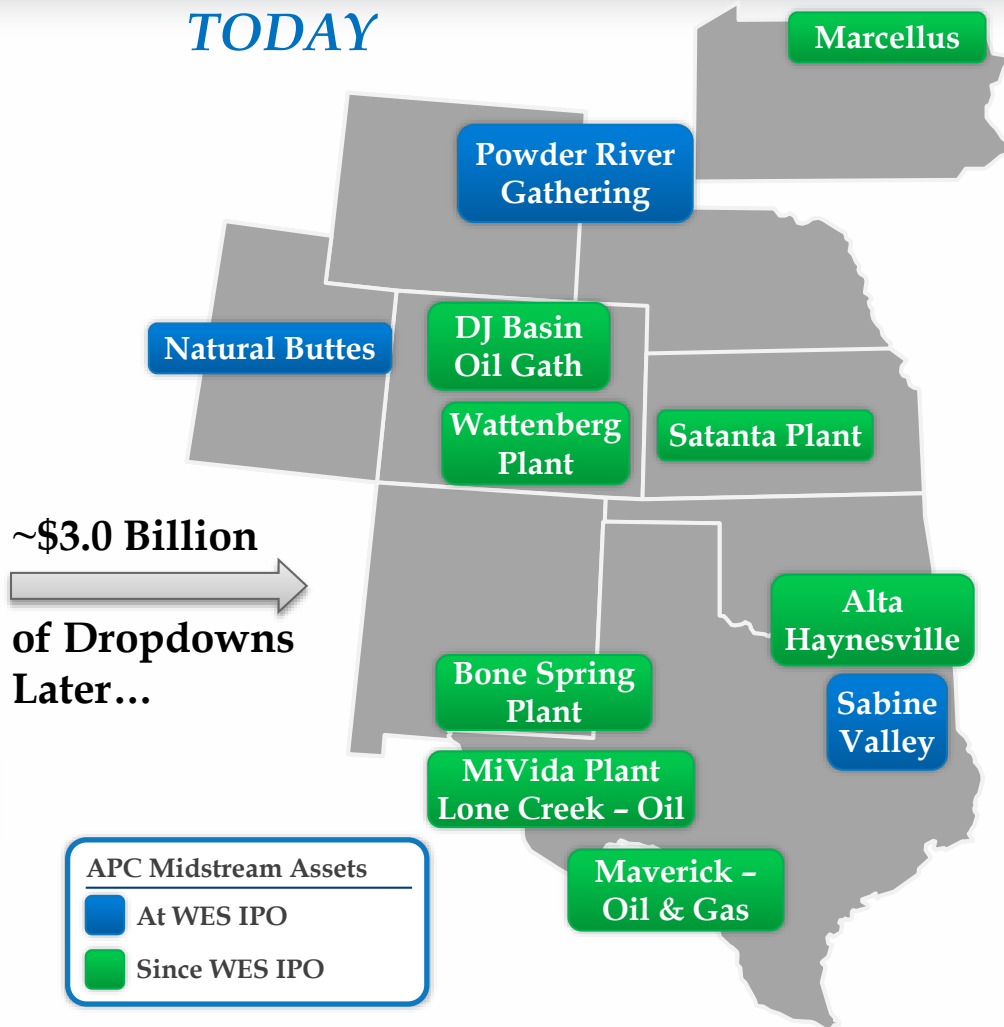
# Future Growth: APC Midstream "Inventory"



*AT WES IPO (May 2008)*



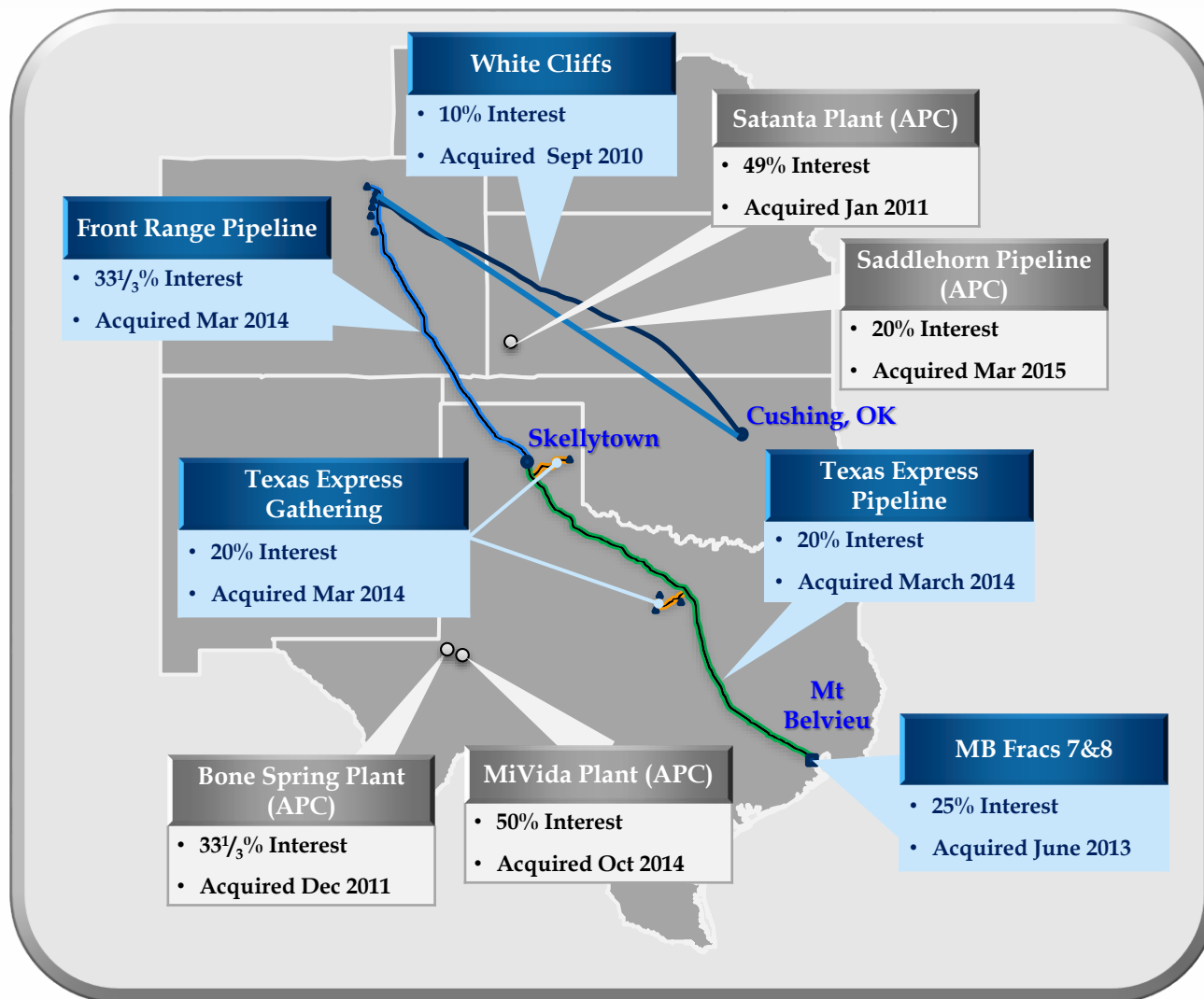
*TODAY*



APC Midstream Assets

- At WES IPO
- Since WES IPO

# Future Growth: APC Equity Interests

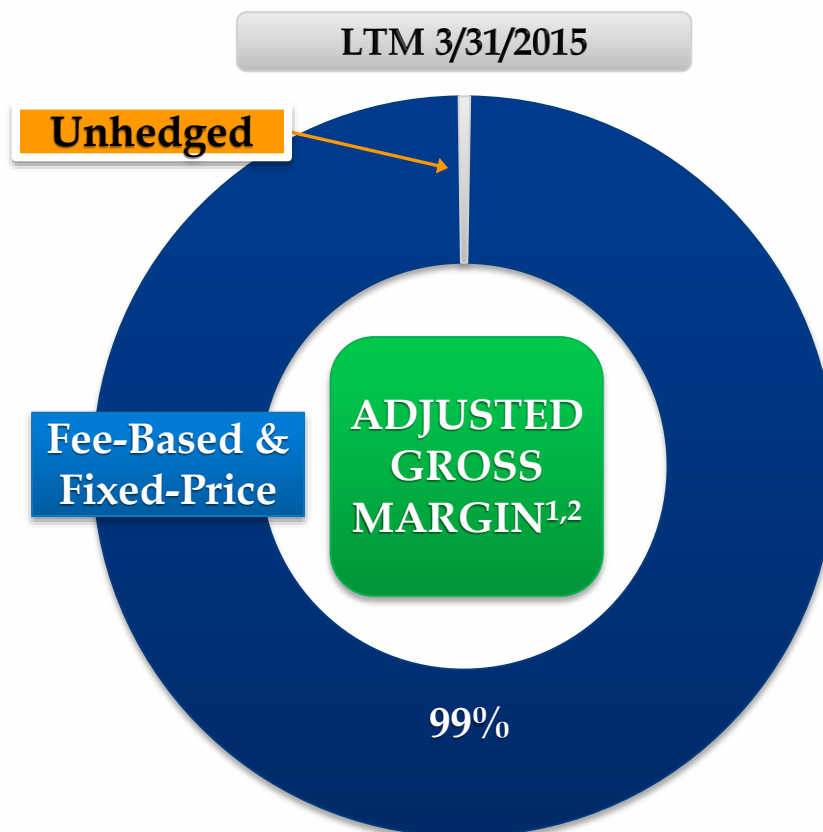


 APC Asset  
 WES Asset

# Consistent Commodity Risk Mitigation



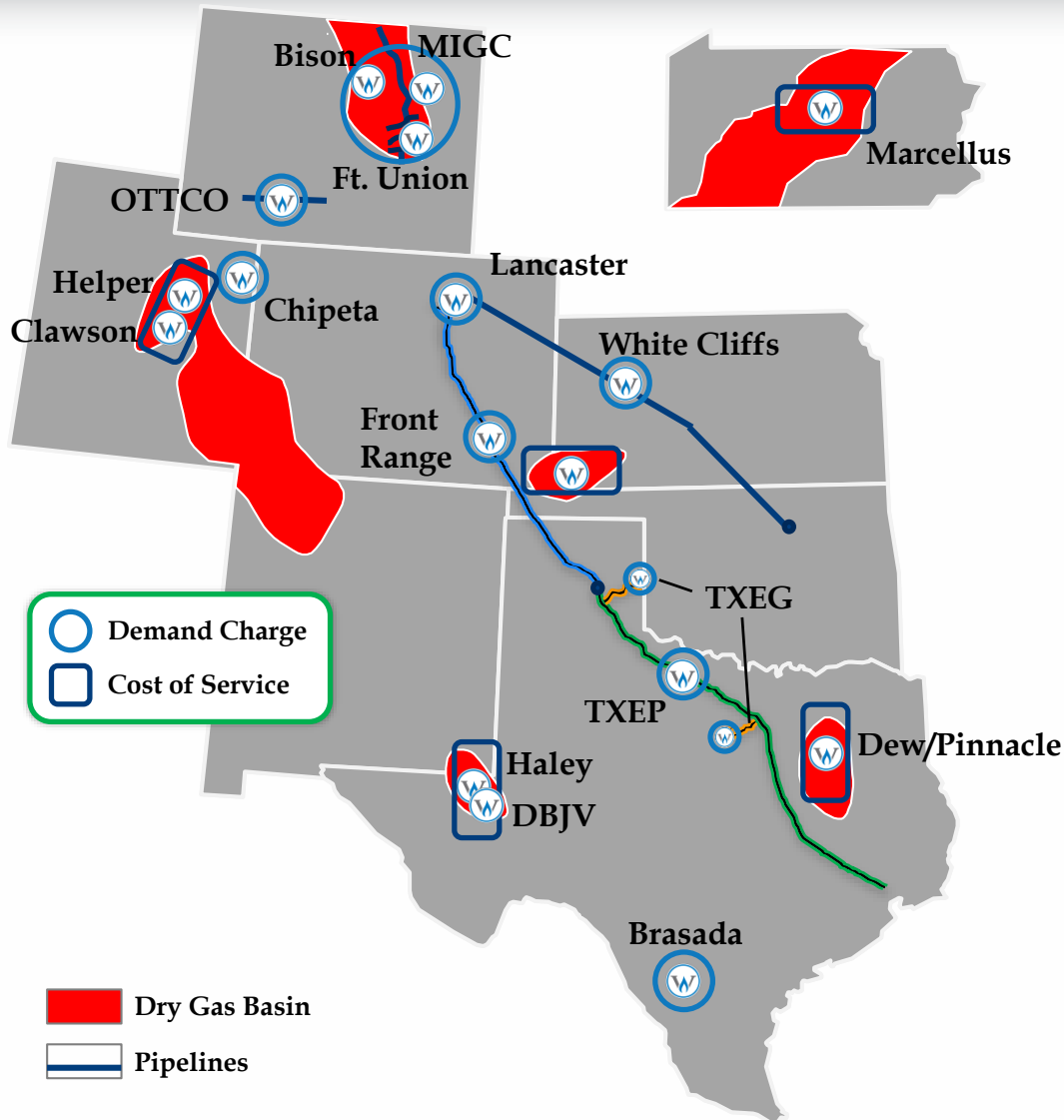
WES has publically stated that at least 95% of gross margin will be fee-based or covered under fixed-price agreements



Notes:

1. Last twelve months ending 3/31/2015; adjusted gross margin as defined in the latest Western Gas earnings release
2. Fixed price agreements at Hilight, Newcastle and Granger expired on 12/31/2014 without renewal

# Volumetric Risk Management



Contract Type	% of Total Gas Throughput <sup>1</sup>
Demand Charge	34.7
Cost of Service	31.5
<b>Total Demand Charge or Cost of Service</b>	<b>66.2</b>

Note:

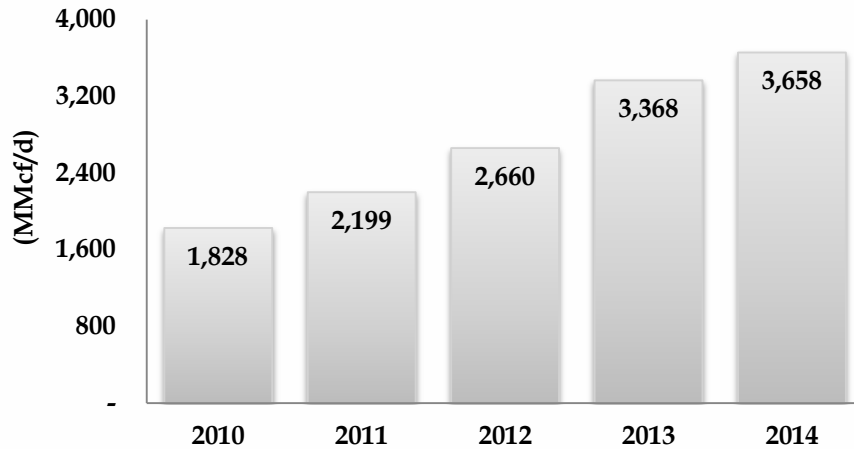
1. All information as of March 31, 2015



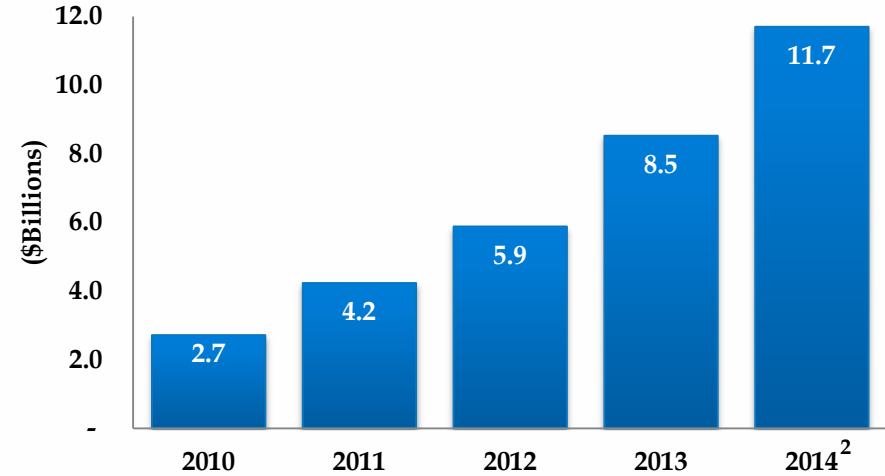
# WES Legacy Performance<sup>1</sup>



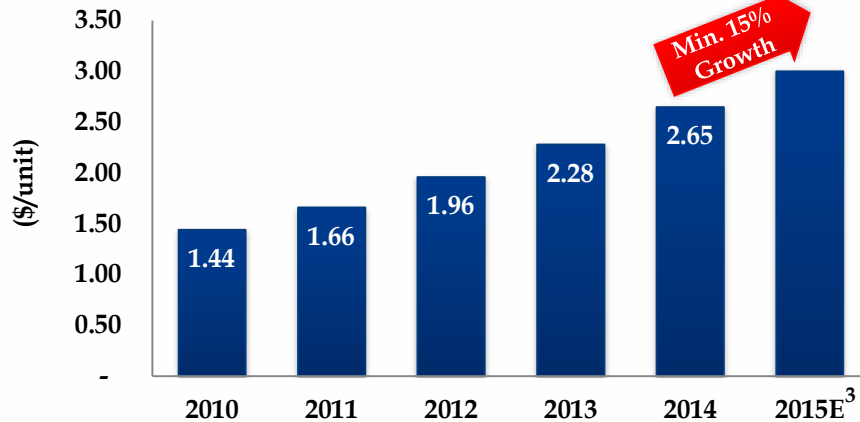
## Throughput



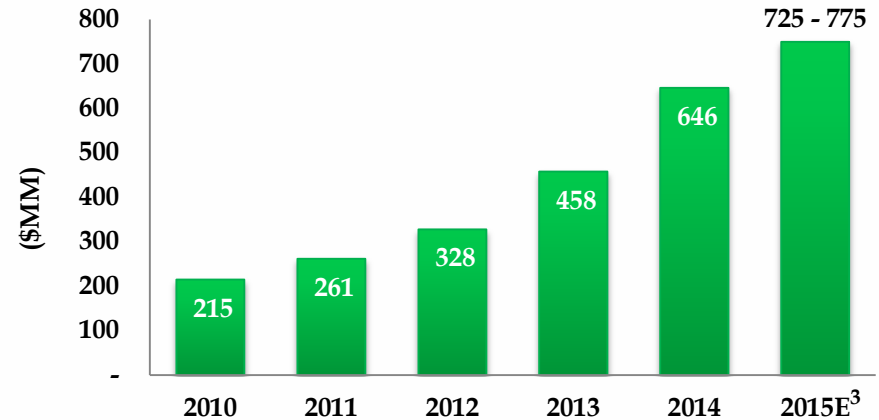
## Enterprise Value



## Annual Distributions



## Adjusted EBITDA



Notes:

- 1) As reported
- 2) Dated as of YE 12/31/2014
- 3) Per guidance estimates provided on May 6, 2015



# APPENDIX

# Non-GAAP Adjusted EBITDA Reconciliation<sup>1</sup>



<i>(in thousands)</i>	Year Ended December 31,				
	2010	2011	2012	2013	2014
<b>Reconciliation of net income (loss) attributable to Western Gas Partners, LP to Adjusted EBITDA attributable to Western Gas Partners, LP</b>					
Net Income (loss) attributable to Western Gas Partners, LP	126,068	142,940	106,986	274,627	376,533
Add:					
Distributions from equity investees	5,935	10,612	20,660	22,136	81,022
Non-cash equity-based compensation expense <sup>(2)</sup>	4,787	13,754	73,508	3,575	4,095
Expenses in excess of Omnibus Cap	133	-	-	-	-
Interest expense	18,794	31,559	42,060	51,797	76,766
Income tax expense	10,572	2,161	1,258	4,219	2,255
Depreciation, amortization and impairments <sup>(3)</sup>	69,972	85,701	114,932	143,375	180,587
Other expense <sup>(3)</sup>	2,126	3,683	1,665	175	-
Less:					
Equity income, net	6,640	10,091	16,111	22,948	57,836
Interest income, net - affiliates	16,913	16,900	16,900	16,900	16,900
Other income <sup>(3)(4)</sup>	-	2,053	368	419	325
Income tax benefit	-	-	-	1,864	228
<b>Adjusted EBITDA attributable to Western Gas Partners, LP</b>	<b>214,834</b>	<b>261,366</b>	<b>327,690</b>	<b>457,773</b>	<b>645,969</b>

**Notes:**

- (1) As reported
- (2) Includes \$56.2 million and \$69.8 million of equity-based compensation associated with the Western Gas Holdings, LLC Equity Incentive Plan, as amended and restated, paid and contributed by Anadarko during the three months and year ended December 31, 2012, respectively.
- (3) Includes WES's 51% share prior to August 1, 2012, and its 75% share after August 1, 2012, of depreciation, amortization and impairments; other expense; and other income attributable to Chipeta.
- (4) Excludes income of \$0.5 million for the year December 31, 2014, and \$1.6 million for each of the years ended December 31, 2013 and 2012, related to a component of a gas processing agreement accounted for as a capital lease.



[www.westerngas.com](http://www.westerngas.com)