



## Energy Transfer Partners Announces Long-Term Agreement with XTO Energy to Provide Gathering and Processing Services in the Woodford and Barnett Shales

October 20, 2011

### ETP to Construct Processing Plant and a 117-Mile Pipeline

DALLAS, Oct 20, 2011 (BUSINESS WIRE) -- **Energy Transfer Partners, L.P. (NYSE:ETP)** today announced it has entered into a long-term, fee-based agreement with XTO Energy, a subsidiary of ExxonMobil, to provide natural gas gathering, processing and transportation services from both the Woodford and Barnett Shale regions. ETP will construct a 117-mile natural gas gathering pipeline from the Woodford Shale located in Oklahoma to its existing gathering and processing infrastructure in the Barnett Shale. As part of the project, the Partnership also will construct a new 200 million cubic feet per day cryogenic processing plant at its existing Godley processing facility in Johnson County, Texas.

"We are excited to have the opportunity to expand the footprint of our Godley processing and gathering system into the Woodford Shale in Oklahoma," said Roy Patton, Senior Vice President of Energy Transfer Partners. "This expansion, which also benefits our customers in the Barnett Shale, increases the long-term utilization of our Godley processing facility by giving us access to some of the most active liquid-rich drilling plays in the region. This project complements the Partnership's other assets by increasing downstream transportation on our intrastate segment as well as providing additional NGL volumes for transportation and fractionation through our Lone Star NGL system."

"This new pipeline system will provide XTO Energy the necessary infrastructure to operate effectively in the region, access markets beyond the region, and help pave the way for additional job creation and economic growth in Southern Oklahoma," said Terry Schultz, Senior Vice President of Marketing, XTO Energy.

The 117-mile, 24- and 30-inch Red River Gathering Pipeline will originate in Carter County, Oklahoma and will have an initial capacity of 450 million cubic feet per day, with anticipated capacity expansion exceeding 550 million cubic feet per day. The pipeline is expected to be in service by the fourth quarter of 2012. The new processing plant will increase the Partnership's processing capacity at Godley from 500 million cubic feet per day to 700 million cubic feet per day and is expected to be in service by the third quarter of 2013. The total cost to build the pipeline and processing plant is estimated to be approximately \$360 million.

Energy Transfer Partners, L.P. (NYSE:ETP) is a publicly traded partnership owning and operating a diversified portfolio of energy assets. ETP has pipeline operations in Arizona, Arkansas, Colorado, Louisiana, New Mexico, Utah and West Virginia and owns the largest intrastate pipeline system in Texas. ETP currently has natural gas operations that include more than 17,500 miles of gathering and transportation pipelines, treating and processing assets, and three storage facilities located in Texas. ETP also holds a 70 percent interest in Lone Star NGL LLC, a joint venture that owns and operates NGL storage, fractionation and transportation assets in Texas, Louisiana and Mississippi. ETP is also one of the three largest retail marketers of propane in the United States, serving more than one million customers across the country. For more information, visit the Energy Transfer Partners, L.P. web site at <http://www.energytransfer.com>.

Energy Transfer Equity, L.P. (NYSE:ETE) is a publicly traded partnership, which owns the general partner and 100 percent of the incentive distribution rights (IDRs) of ETP and approximately 50.2 million ETP limited partner units; and owns the general partner and 100 percent of the IDRs of Regency Energy Partners LP and approximately 26.3 million Regency limited partner units. For more information, visit the Energy Transfer Equity, L.P. web site at <http://www.energytransfer.com>.

This press release may include certain statements concerning expectations for the future that are forward-looking statements as defined by federal law. Such forward-looking statements are subject to a variety of known and unknown risks, uncertainties, and other factors that are difficult to predict and many of which are beyond management's control. An extensive list of factors that can affect future results are discussed in the Partnerships' Annual Reports on Form 10-K and other documents filed from time to time with the Securities and Exchange Commission. The Partnerships undertake no obligation to update or revise any forward-looking statement to reflect new information or events.

This release serves as qualified notice to nominees as provided for under Treasury Regulation section 1.1446-4(b)(4) and (d). Please note that 100 percent of Energy Transfer Partners, L.P.'s and Energy Transfer Equity, L.P.'s distributions to foreign investors are attributable to income that is effectively connected with a United States trade or business. Accordingly, all of Energy Transfer Partners, L.P.'s and Energy Transfer Equity, L.P.'s distributions to foreign investors are subject to federal tax withholding at the highest applicable effective tax rate. Nominees are treated as withholding agents responsible for withholding distributions received by them on behalf of foreign investors.

The information contained in this press release is available on our website at <http://www.energytransfer.com>.

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