
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K
CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report : October 30, 2001
(Date of earliest event reported): October 25, 2001

El Paso Energy Partners, L.P.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-11680
(Commission
File Number)

76-0396023
(IRS Employer
Identification No.)

1001 Louisiana Street
Houston, TX 77002
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (713) 420-2600

ITEM 5. OTHER EVENTS

On October 25, 2001, we entered into an Underwriting Agreement with our general partner and the underwriters named therein in connection with our public offering of up to 4,772,500 common units representing limited partner interests. The Underwriting Agreement is included as Exhibit 1.1 to this Form 8-K.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits.

Each exhibit identified below is filed as part of this report.

Exhibit No. -----	Description -----
1.1	Underwriting Agreement

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EL PASO ENERGY PARTNERS, L.P.,
By El Paso Energy Partners Company,
its general partner

Date: October 30, 2001

By: /s/ KEITH B. FORMAN

Keith B. Forman
Vice President and
Chief Financial Officer

EXHIBIT INDEX

Exhibit No. -----	Description -----
1.1	Underwriting Agreement

EL PASO ENERGY PARTNERS, L.P.

COMMON UNITS

REPRESENTING LIMITED PARTNER INTERESTS

UNDERWRITING AGREEMENT

October 25, 2001

Goldman, Sachs & Co.
Credit Suisse First Boston Corporation
Dain Rauscher Incorporated
First Union Securities, Inc.
JPMorgan Securities Inc.
Raymond James & Associates, Inc.,
As representatives of the several Underwriters
named in Schedule I hereto,
c/o Goldman, Sachs & Co.,
85 Broad Street
New York, New York 10004

Ladies and Gentlemen:

El Paso Energy Partners, L.P., a Delaware limited partnership (the "Partnership"), of which El Paso Energy Partners Company, a Delaware corporation (the "General Partner"), is the general partner, proposes, subject to the terms and conditions stated herein, to issue and sell to the Underwriters named in Schedule I hereto (the "Underwriters") an aggregate of 4,150,000 common units (the "Firm Units") representing limited partner interests in the Partnership ("Common Units") and, at the election of the Underwriters, up to 622,500 additional Common Units (the "Optional Units") of the Partnership (the Firm Units and the Optional Units that the Underwriters elect to purchase pursuant to Section 2 hereof being collectively called the "Units").

1. Each of the Partnership and the General Partner represents and warrants to, and agrees with, each of the Underwriters that:

(a) The Partnership has prepared and filed with the Securities and Exchange Commission (the "Commission") a registration statement (file number 333-85987) on Form S-1, including a related base prospectus, for registration under the Securities Act of 1933, as amended (the "Act") of the offering and sale of the Units, and Amendments Nos. 1, 2, and 3 thereto on Form S-3 (the "Initial Registration Statement"). At the respective times of the filing of each such Amendment and on the effective date of the Initial Registration Statement, the Partnership met the requirements for use of Form S-3 under the Act. The Initial Registration Statement and any post-effective amendment thereto, each in the form heretofore delivered to you, have been declared effective by the Commission in such form; other than a registration statement, if any, increasing the size of the offering (a "Rule 462(b) Registration Statement"), filed pursuant to Rule 462(b) under the Act, which became effective upon filing, documents incorporated by reference in the base prospectus contained in the Initial Registration Statement, any supplement filed thereto and any documents incorporated by reference to such supplement, no other document with respect to the Initial Registration Statement has heretofore been filed with the Commission; and no stop order suspending the effectiveness of the Initial Registration Statement, any post-effective amendment thereto or the Rule 462(b) Registration Statement, if any, has been issued and no proceeding for that purpose has been initiated or threatened by the Commission (any preliminary prospectus supplement to the base prospectus included in the Initial Registration Statement, together with such base prospectus, that describes the Units, the offering thereof and this Agreement, filed with the Commission pursuant to Rule 424(a) of the rules and regulations of the Commission under the Act and used prior to the filing of the Prospectus (herein defined) is hereinafter called a "Preliminary Prospectus"; the various parts of the Initial Registration Statement and the Rule 462(b) Registration Statement, if any, including all exhibits thereto and including (i) the information contained in the form of final prospectus supplement to the base prospectus included in the Initial Registration Statement, filed with the Commission after the date hereof pursuant to Rule 424(b) under the Act in accordance with Section 5(a) hereof and deemed by virtue of Rule 430A under the Act to be part of the Initial Registration Statement at the time it was declared effective and (ii) the documents incorporated by reference in such final prospectus supplement are hereinafter collectively called the "Registration Statement"; such final prospectus supplement, in the form first filed pursuant to Rule 424(b) under the Act, together with the base prospectus included in the Initial Registration Statement, is hereinafter called the "Prospectus"; and any reference herein to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Act, as of the date of such Preliminary Prospectus or Prospectus, as the case may be; and any reference to any amendment or supplement to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any documents filed after the date of such Preliminary Prospectus or Prospectus, as the case may be, under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and incorporated by reference in such Preliminary Prospectus or Prospectus, as the case

may be; and any reference to any amendment to the Registration Statement shall be deemed to refer to and include any annual report of the Partnership filed pursuant to Section 13(a) or 15(d) of the Exchange Act after the effective date of the Initial Registration Statement that is incorporated by reference in the Registration Statement as well as the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Act.

(b) No order preventing or suspending the use of any Preliminary Prospectus has been issued by the Commission, and each Preliminary Prospectus, at the time of filing thereof, conformed in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder, and did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Partnership by an Underwriter through Goldman, Sachs & Co. expressly for use therein.

(c) The documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and any further documents so filed and incorporated by reference in the Prospectus or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Partnership by an Underwriter through Goldman, Sachs & Co. expressly for use therein.

(d) The Registration Statement conforms, and the Prospectus and any further amendments or supplements to the Registration Statement or the Prospectus will conform, in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to the Registration Statement and any amendment thereto, and as of the applicable filing date as to the Prospectus and any amendment or supplement

thereto, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Partnership by an Underwriter through Goldman, Sachs & Co. expressly for use therein.

(e) The Partnership has been duly formed and is validly existing as a limited partnership under the Delaware Revised Uniform Limited Partnership Act (the "Delaware Act"), with full partnership power and authority to own or lease, as the case may be, and to operate its properties and conduct its business in each case as described in the Registration Statement, the Preliminary Prospectus and as will be described in the Prospectus, and has been qualified or registered to do business as a foreign limited partnership and is in good standing under the laws of each jurisdiction which requires such qualification, other than any jurisdiction where the failure to be so qualified would not, individually or in the aggregate, have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business. "Subsidiary" of any person or entity means any corporation, limited liability company, partnership (general or limited), joint venture or other legal entity of which such person or entity (either alone or through or together with any other Subsidiary), owns, directly or indirectly, more than 50% of the stock or other equity interests the holder of which is generally entitled to vote for the election of the board of directors or other governing body of such corporation, limited liability company, partnership, joint venture or other legal entity.

(f) The General Partner has been duly organized and is validly existing as a corporation in good standing under the laws of the State of Delaware, with full corporate power and authority to own or lease, as the case may be, and to operate its properties, to conduct its business and to act as general partner of the Partnership, as described in the Registration Statement, the Preliminary Prospectus and as will be described in the Prospectus, and has been qualified or registered to do business as a foreign corporation and is in good standing under the laws of each jurisdiction which requires such qualification, other than any jurisdiction where the failure to be so qualified would not, individually or in the aggregate, have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, or subject the limited partners of the Partnership to any material liability or disability.

(g) The General Partner is the sole general partner of the Partnership with a 1.0% general partner interest in the Partnership; such general partner interest is duly authorized and validly issued to the General Partner in accordance with the Second

Amended and Restated Agreement of Limited Partnership of the Partnership dated as of August 31, 2000 (as amended, the "Partnership Agreement"), which Partnership Agreement has been duly authorized, executed and delivered by the General Partner and is a valid and legally binding agreement of the General Partner, enforceable against the General Partner in accordance with its terms, subject to (i) applicable bankruptcy, insolvency, fraudulent transfer and conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, (ii) general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity) and (iii) securities laws and public policy underlying such laws with respect to rights to indemnification and contribution ((i), (ii) and (iii), "Enforceability Exceptions"); the General Partner owns such general partner interest free and clear of any lien, adverse claim, security interest or other encumbrance, other than any lien, adverse claim, security interest or other interest created in connection with or permitted under (i) the Fifth Amended and Restated Credit Agreement among the Partnership, El Paso Energy Partners Finance Corporation, the several lenders from time to time parties thereto, Credit Lyonnais, New York Branch and First Union National Bank, as Co-Syndication Agents, Fleet National Bank and Fortis Capital Corp., as Co-Documentation Agents, and The Chase Manhattan Bank, as Administrative Agent, dated as of March 23, 1995, as amended and restated through May 16, 2001, and the collateral documents related thereto (the "Credit Agreement"), (ii) the credit agreement to which Poseidon Oil Pipeline Company, L.L.C., a Delaware limited liability company in which a subsidiary of the Partnership owns a 36% membership interest, is party, and the collateral documents related thereto, (iii) the financing arrangements to which Sabine River Investors I, L.L.C. ("Sabine I") and Sabine River Investors II, L.L.C. ("Sabine II") are parties, (iv) the credit agreement to which Argo, L.L.C., a Delaware limited liability company and a wholly owned indirect subsidiary of the Partnership, is party, and the collateral documents related thereto, (v) the Indenture into which the Partnership entered on May 27, 1999, as amended and supplemented, and (vi) the Indenture into which the Partnership entered on May 17, 2001, as amended and supplemented (the liens, adverse claims, security interests and other interests created in connection with or permitted under clauses (i) - (vi) are referred to as "Permitted Encumbrances").

(h) Sabine I, Sabine II and Crystal Gas Storage, Inc. ("Crystal") own limited partner interests in the Partnership represented by 8,953,764 Common Units and 170,000 Series B Preference Units; all of such Common Units and Series B Preference Units and the limited partner interests represented thereby have been duly authorized and validly issued and are fully paid (to the extent required by the Partnership Agreement) and nonassessable (except as such nonassessability may be affected by matters described in the Prospectus under the caption "Risk Factors-Risks Inherent in an Investment in Our Limited Partner Interests. You may not have limited liability in the circumstances described below and may be liable for the return of distributions that cause our liabilities to exceed our assets") (hereinafter referred to as

"Risk Factors-Limited Liability"); and Sabine I, Sabine II, and Crystal own such limited partner interests free and clear of any lien, adverse claim, security interest or other encumbrance, other than Permitted Encumbrances.

(i) The Partnership's authorized and outstanding partnership interests are as set forth in the Preliminary Prospectus and as will be set forth in the Prospectus; the partnership interests of the Partnership and the Partnership Agreement conform in all material respects to the descriptions thereof contained in the Preliminary Prospectus and as will be contained in the Prospectus; all of the outstanding Common Units and the limited partner interests represented thereby have been duly and validly authorized and issued, are fully paid and nonassessable (except as such nonassessability may be affected by matters described in the Prospectus under the caption "Risk Factors-Limited Liability") and are free of any preemptive or similar rights, except as otherwise set forth in the Partnership Agreement; the Units and the limited partner interests represented thereby have been duly and validly authorized and, when issued, delivered and paid for by the Underwriters pursuant to this Agreement, will be fully paid and nonassessable (except as such nonassessability may be affected by matters described in the Prospectus under the caption "Risk Factors-Limited Liability") and free of any preemptive rights or similar rights, except as set forth in the Partnership Agreement, and the Underwriters will acquire the Units free and clear of any lien, adverse claim, security interest, equity or other encumbrance; and, except as set forth in the Preliminary Prospectus and as will be set forth in the Prospectus, no options, warrants or other rights to purchase, agreements or other obligations to issue, or rights to convert any obligations into or exchange any securities for, partnership interests or ownership interests in the Partnership are outstanding, other than options, warrants or other rights to purchase, agreements or other obligations to issue, or rights to convert any obligations into or exchange any securities for, partnership interests or ownership interests in the Partnership included or described in any of the Partnership Agreement and employee or non-employee director option plans, employment agreements and other employment arrangements to which the Partnership, the General Partner or their affiliates are party with respect to the Partnership ("Existing Commitments").

(j) All of the issued and outstanding shares of capital stock of the General Partner have been duly and validly authorized and issued and are fully paid and nonassessable, and are owned by DeepTech International Inc. ("DeepTech "), free and clear of any lien, adverse claim, security interest, equity or other encumbrance, except for Permitted Encumbrances. DeepTech is an indirect, wholly-owned subsidiary of El Paso Corporation.

(k) The entities listed on Annex A are the only Subsidiaries of the Partnership. All of the outstanding shares of capital stock, limited partner interests, general partner interests or limited liability company interests of each of the Partnership's Subsidiaries have been duly and validly authorized and issued and are

fully paid and (except (i) as required to the contrary by the Delaware Limited Liability Company Act and the Delaware Act and (ii) with respect to any general partner interests) nonassessable, and, except as otherwise set forth in Annex A are owned by the Partnership, directly or indirectly through one or more wholly-owned subsidiaries, free and clear of any lien, adverse claim, security interest or other encumbrance, other than Permitted Encumbrances.

(l) Each of the Partnership's Subsidiaries has been duly formed or incorporated and is validly existing as a corporation, limited partnership, general partnership or limited liability company in good standing (except with respect to general partnerships) under the laws of the jurisdiction in which it is chartered or organized, with full entity power and authority to own or lease, as the case may be, and to operate its properties and conduct its business as described in the Preliminary Prospectus and as will be described in the Prospectus, and is duly qualified to do business as a corporation, limited partnership, general partnership or limited liability company and is in good standing (except with respect to general partnerships) under the laws of each jurisdiction listed on Annex B, which are the only jurisdictions which require such qualification, other than any jurisdiction where the failure to be so qualified would not, individually or in the aggregate, have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business.

(m) The Partnership, through its Subsidiaries (including Delos Offshore Company, L.L.C. ("Delos"), and the Chaco Liquids Plant Trust possess title to, and other interests in, the Chaco cryogenic natural gas processing plant, as described in the Preliminary Prospectus and as will be described in the Prospectus, subject to the Chaco Documents (herein defined). El Paso Energy Partners Operating Company, L.L.C. is the trustee of the Chaco Liquids Plant Trust. Delos Offshore Company, L.L.C.

(n) There is no material franchise, contract or other document of a character required to be described in the Registration Statement, the Preliminary Prospectus and as will be described in the Prospectus, or to be filed as an exhibit thereto, which is not described or filed as required; the statements in the Preliminary Prospectus and the statements that will be in the Prospectus under the headings "Description of Limited Partner Interests," "Certain Other Partnership Agreement Provisions," and "Income Tax Considerations," insofar as such statements summarize legal matters, agreements, documents or proceedings discussed therein, are accurate and fair summaries of such legal matters, agreements, documents or proceedings.

(o) This Agreement has been duly authorized, executed and delivered by the Partnership and the General Partner and constitutes a valid and binding obligation of the Partnership and the General Partner enforceable against the Partnership and the General Partner in accordance with its terms, subject to Enforceability Exceptions.

(p) Each of the Partnership and the General Partner is not and, after giving effect to the offering and sale of the Units and the application of the proceeds thereof as described in the Preliminary Prospectus and as will be described in the Prospectus, will not be (i) an "investment company" as defined in the Investment Company Act of 1940, as amended or (ii) a "holding company" within the meaning of, or subject to regulation under, the Public Utility Holding Company Act of 1935, as amended, and the rules and regulations promulgated by the Commission thereunder.

(q) No consent, approval, authorization, filing with or order of any court or governmental agency or body is required in connection with the transactions contemplated herein, except such as have been obtained under the Act and such as may be required by the New York Stock Exchange (the "Exchange") or under the blue sky laws of any jurisdiction in connection with the purchase and distribution of the Units by the Underwriters in the manner contemplated herein, in the Preliminary Prospectus and as will be contemplated in the Prospectus.

(r) Neither the issue and sale of the Units nor the consummation of any other of the transactions herein contemplated nor the fulfillment of the terms hereof will conflict with, or result in a breach or violation or imposition of any lien, charge or encumbrance upon any property or assets of the Partnership or any of its Subsidiaries or the General Partner pursuant to, (i) the partnership agreement, limited liability company agreement, charter, by-laws or similar organizational document of the Partnership or any of its Subsidiaries or the General Partner, as applicable, (ii) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which the Partnership or any of its Subsidiaries or the General Partner is a party or bound or to which its or their property is subject, or (iii) any statute, law, rule, regulation, judgment, order or decree applicable to the Partnership or any of its Subsidiaries or the General Partner of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Partnership or any of its Subsidiaries or the General Partner or any of its or their properties, except, in the case of (ii) or (iii), where such conflict, breach, violation or imposition would not, individually or in the aggregate, have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business.

(s) No holders of securities of the Partnership have rights to the registration of such securities under the Registration Statement except for such rights (i) of the General Partner and its affiliates in Section 6.14 of the Partnership Agreement; (ii) of EPEC Deepwater Gathering Company ("EPEC") and its successors pursuant to the Registration

Rights Agreement between EPEC and the Partnership which was executed in connection with the acquisition by the Partnership of an additional interest in Viosca Knoll Gathering Company; and (iii) of Crystal pursuant to the Registration Rights Agreement between Crystal and the Partnership which was executed in connection with the acquisition by the Partnership of the Crystal storage facilities, (a) the General Partner, Sabine I and Sabine II have agreed not to exercise their registration rights with respect to such securities in connection with the offering of Units for 90 days hereafter pursuant to letter agreements of even date herewith, and (b) the partnership interests held by Sabine I and Sabine II are subject to Permitted Encumbrances, the holders of which have not waived such rights.

(t) The consolidated historical financial statements and schedules of the Partnership and its consolidated Subsidiaries included in the Preliminary Prospectus, the Registration Statement and that will be included in the Prospectus present fairly in all material respects the financial condition, results of operations and changes in financial position of the Partnership and its consolidated Subsidiaries as of the dates and for the periods indicated, comply as to form with the applicable accounting requirements of the Act and have been prepared in conformity with generally accepted accounting principles applied on a consistent basis throughout the periods involved (except as otherwise noted therein). The selected financial data set forth under the caption "Summary Historical and Pro Forma Consolidated Financial Data" in the Preliminary Prospectus, the Registration Statement and that will be included in the Prospectus fairly present, on the basis stated in the Preliminary Prospectus, the Registration Statement and the basis that will be stated in the Prospectus, the information included therein.

(u) No action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Partnership or any of its Subsidiaries or the General Partner or its or their respective properties is pending or, to the knowledge of the Partnership or the General Partner, threatened that (i) would reasonably be expected to have a material adverse effect on the performance of this Agreement or the consummation of any of the transactions contemplated hereby or (ii) would reasonably be expected to have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Registration Statement or the Prospectus.

(v) Each of the Partnership and its Subsidiaries and the General Partner owns or leases all such properties as are necessary to the conduct of its operations as presently conducted, except where the lack of such ownership or leasing would not, individually or in the aggregate, have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business.

(w) None of the Partnership, any of its Subsidiaries or the General Partner is in violation or default of (i) any provision of its partnership agreement, limited liability company agreement, charter, by-laws or similar organizational document, as applicable, (ii) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or, to the knowledge of the General Partner and the Partnership, any other agreement, obligation, condition, covenant or instrument to which it is a party or bound or to which its property is subject, or (iii) to the knowledge of the General Partner and the Partnership, any statute, law, rule, regulation, judgment, order or decree of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Partnership or such Subsidiary or the General Partner or any of their respective properties, except, in the case of (ii) and (iii), where such violation or default would not, individually or in the aggregate, have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business.

(x) To the knowledge of the General Partner and the Partnership: PricewaterhouseCoopers, LLP, who have certified certain financial statements of the Partnership, Deepwater Holdings, L.L.C., Neptune Pipeline Company, L.L.C., VK-Deepwater Gathering Company, L.L.C., Crystal Holding, L.L.C., Manta Ray Gathering Company, L.L.C., Ewing Bank Gathering Company, L.L.C., El Paso Energy Partners Operating Company, L.L.C., VK-Main Pass Gathering Company, L.L.C., El Paso Energy Partners Deepwater, L.L.C., Delos Offshore Company, L.L.C., El Paso Energy Partners Oil Transport, L.L.C., Poseidon Pipeline Company, L.L.C., Flextrend Development Company, L.L.C., Crystal Holding, L.L.C., Green Canyon Pipeline Company, L.P., the General Partner and El Paso Energy Partners Finance Corporation, and delivered their report with respect to the audited financial statements and schedules for such entities included in or incorporated by reference into the Preliminary Prospectus and will be included in or incorporated by reference into the Prospectus, are independent public accountants within the meaning of the Act and the applicable published rules and regulations thereunder; and Arthur Andersen LLP, who have certified certain financial statements of Poseidon Oil Pipeline Company, L.L.C. and delivered their report with respect to the audited financial statements and schedules included in or incorporated by reference into the Prospectus, are independent public accountants with respect to Poseidon Oil Pipeline Company, L.L.C. within the meaning of the Act and the applicable published rules and regulations thereunder.

(y) There are no transfer taxes or other similar fees or charges under Federal law or the laws of any state, or any political subdivision thereof, required to be paid in connection with the execution and delivery of this Agreement or the issuance or sale of the Units.

(z) Each of the Partnership, its Subsidiaries and the General Partner has filed all foreign, federal, state and local tax returns that are required to be filed or has requested extensions thereof (except in any case in which the failure so to file would not, individually or in the aggregate, have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business), except as set forth in or contemplated in the Prospectus and has paid all taxes required to be paid by it and any other assessment, fine or penalty levied against it, to the extent that any of the foregoing is due and payable, except for any such assessment, fine or penalty that is currently being contested in good faith or as would not, individually or in the aggregate, have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Preliminary Prospectus and as will be set forth in or contemplated in the Prospectus.

(aa) No labor problem or dispute with the employees of the Partnership or any of its Subsidiaries or the General Partner exists or is threatened or imminent, and neither the Partnership nor the General Partner is aware of any existing or imminent labor disturbance by the employees of any of its or its Subsidiaries' principal suppliers, contractors or customers, that would, individually or in the aggregate, have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Prospectus.

(bb) Except as contemplated in the documents under which Permitted Encumbrances arise, no Subsidiary of the Partnership is currently prohibited, directly or indirectly, from paying any dividends to the Partnership, from making any other distribution on such Subsidiary's capital stock, limited liability company interests or other equity interests, from repaying to the Partnership any loans or advances to such Subsidiary from the Partnership or from transferring any of such Subsidiary's property or assets to the Partnership or any other Subsidiary of the Partnership, except as described in or contemplated by the Preliminary Prospectus and as will be described in or contemplated by the Prospectus.

(cc) Each of the Partnership, its Subsidiaries and the General Partner (i) possesses all licenses, certificates, permits and other authorizations issued by the appropriate federal, state or foreign regulatory authorities necessary to conduct their respective businesses, and (ii) has not received any notice of proceedings relating to the revocation or modification of any such license, certificate, authorization or permit which, in the case of (i) and (ii) singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, or otherwise, would have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the

Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Preliminary Prospectus and as will be set forth in or contemplated in the Prospectus.

(dd) Except as otherwise set forth in or contemplated in the Preliminary Prospectus and as will be set forth in or contemplated in the Prospectus, such as are not material to the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, or as do not materially interfere with ownership or benefits of ownership of such properties, taken as a whole, and except for Permitted Encumbrances, the Partnership and its Subsidiaries have good and defensible title to their interests in their oil and gas properties.

(ee) The information which was supplied by the Partnership to Netherland, Sewell & Associates, Inc. ("Netherland & Sewell"), independent petroleum engineers, for purposes of evaluating the oil and gas reserves of the Partnership and its subsidiaries as of December 31, 2000, including, without limitation, production, costs of operation and development, current prices for production, agreements relating to current and future operations and sales of production, was, to the knowledge of the General Partner and the Partnership, true and correct in all material respects on the dates such estimates were made and such information was supplied and was prepared in accordance with customary industry practices, as indicated in the letter of Netherland & Sewell dated the date hereof (the "Netherland & Sewell Letter"); to the General Partner's and the Partnership's knowledge, Netherland & Sewell was, as of the date of the Netherland & Sewell Letter, and is, as of the date hereof, independent with respect to the Partnership and its Subsidiaries; other than normal production of the reserves and intervening spot market product price fluctuations, the Partnership is not aware of any facts or circumstances that would result in a materially adverse change in the reserves, or the present value of future net cash flows therefrom, as described in the Preliminary Prospectus or as will be described in the Prospectus and as reflected in the Netherland & Sewell Letter and the reserve report referenced therein; estimates of such reserves and present values as described in the Preliminary Prospectus or as will be described in the Prospectus and reflected in the Netherland & Sewell Letter and the reserve report referenced therein comply in all material respects to the applicable requirements of Regulation S-X and Industry Guide 2 under the Act.

(ff) Each of the Partnership and its Subsidiaries maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded

accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(gg) Each of the Partnership and the General Partner and their respective affiliates has not taken, directly or indirectly, any action designed to or which has constituted or which would reasonably be expected to cause or result, under the Exchange Act or otherwise, in stabilization or manipulation of the price of any security of the Partnership to facilitate the sale or resale of the Units.

(hh) To the knowledge of the General Partner and the Partnership, the Partnership, its Subsidiaries and the General Partner are (i) in compliance with any and all applicable foreign, federal, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("Environmental Laws"), (ii) have received and are in compliance with all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses and (iii) have not received notice of any actual or potential liability for the investigation or remediation of any disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants, except where such non-compliance with Environmental Laws, failure to receive required permits, licenses or other approvals, or liability would not, individually or in the aggregate, have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Prospectus. Except as set forth in the Preliminary Prospectus or as will be set forth in the Prospectus, to the knowledge of the General Partner and the Partnership, none of the Partnership, any of its Subsidiaries or the General Partner have been named as a "potentially responsible party" under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended.

(ii) In the ordinary course of its business, the Partnership periodically reviews the effect of Environmental Laws on the business, operations and properties of the Partnership and its Subsidiaries, in the course of which it identifies and evaluates associated costs and liabilities (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws, or any permit, license or approval, any related constraints on operating activities and any potential liabilities to third parties). On the basis of such review, the Partnership has reasonably concluded that such associated costs and liabilities would not, singly or in the aggregate, have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Preliminary Prospectus or as will be set forth in or contemplated in the Prospectus.

(jj) Each of the Partnership, its Subsidiaries and the General Partner has fulfilled its obligations, if any, under the minimum funding standards of Section 302 of the United States Employee Retirement Income Security Act of 1974 ("ERISA") and the regulations and published interpretations thereunder with respect to each "plan" (as defined in Section 3(3) of ERISA and such regulations and published interpretations) in which employees of the Partnership, its Subsidiaries and the General Partner are eligible to participate and each such plan is in compliance in all material respects with the presently applicable provisions of ERISA and such regulations and published interpretations. The Partnership, its Subsidiaries and the General Partner have not incurred any unpaid liability to the Pension Benefit Guaranty Corporation (other than for the payment of premiums in the ordinary course) or to any such plan under Title IV of ERISA.

(kk) Each of the Partnership, its Subsidiaries and the General Partner has such consents, easements, rights-of-way or licenses from any person ("rights-of-way") as are necessary to conduct its business in the manner described in the Preliminary Prospectus or as will be described in the Prospectus, subject to such qualifications as may be set forth in the Preliminary Prospectus or as will be set forth in the Prospectus, except for such rights-of-way which, if not obtained, would, singly or in the aggregate, be expected not to have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business; each of the Partnership, its Subsidiaries and the General Partner has, or at the First Time of Delivery (defined herein) will have, fulfilled and performed all its material obligations with respect to such rights-of-way and no event has occurred which allows, or after notice or lapse of time would allow, revocation or termination thereof or would result in any impairment of the rights of the holder of any such rights-of-way, except for such revocations, terminations and impairments that would not have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, subject in each case to such qualifications as may be set forth in the Prospectus; and except as set forth in the Preliminary Prospectus or as will be set forth in the Prospectus, none of such rights-of-way contains any restriction that is materially burdensome to the Partnership and its Subsidiaries considered as a whole.

(ll) Except as disclosed in the Registration Statement and the Prospectus, each of the Partnership and the General Partner (i) does not have any material lending relationship with any bank or lending affiliate of the Representatives and (ii) does not intend to use any of the proceeds from the sale of the Units hereunder to repay any outstanding debt owed to any affiliate of the Representatives.

(mm) Since the respective dates as of which information is given in the Prospectus and except as set forth in or contemplated in the Prospectus as of the date

hereof, (i) there has been no material adverse effect on the condition (financial or otherwise), earnings, business, or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, (ii) there has been no material adverse effect on the capital stock or in the long-term debt of the Partnership or any of its Subsidiaries or the General Partner and (iii) neither the Partnership nor any of its Subsidiaries nor the General Partner has incurred any material liability or obligation, direct or contingent, except for liability for indebtedness incurred in the ordinary course of business.

(nn) Neither the Partnership nor any of its affiliates does business with the government of Cuba or with any person or affiliate located in Cuba within the meaning of Section 517.075, Florida Statutes.

2. Subject to the terms and conditions herein set forth, (a) the Partnership agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Partnership, at a purchase price per unit of \$37.31, the number of Firm Units set forth opposite the name of such Underwriter in Schedule I hereto and (b) in the event and to the extent that the Underwriters shall exercise the election to purchase Optional Units as provided below, the Partnership agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Partnership, at the purchase price per share set forth in clause (a) of this Section 2, that portion of the number of Optional Units as to which such election shall have been exercised (to be adjusted by you so as to eliminate fractional Common Units) determined by multiplying such number of Optional Units by a fraction, the numerator of which is the maximum number of Optional Units which such Underwriter is entitled to purchase as set forth opposite the name of such Underwriter in Schedule I hereto and the denominator of which is the maximum number of Optional Units that all of the Underwriters are entitled to purchase hereunder.

The Partnership hereby grants to the Underwriters the right to purchase at their election up to 656,250 Optional Units, at the purchase price per unit set forth in the paragraph above, for the sole purpose of covering sales of Common Units in excess of the number of Firm Units. Any such election to purchase Optional Units may be exercised only by written notice from you to the Partnership, given within a period of 30 calendar days after the date of this Agreement, setting forth the aggregate number of Optional Units to be purchased and the date on which such Optional Units are to be delivered, as determined by you but in no event earlier than the First Time of Delivery (as defined in Section 4 hereof) or, unless you and the Partnership otherwise agree in writing, earlier than two or later than ten New York Business Days (defined herein) after the date of such notice.

3. Upon the authorization by you of the release of the Firm Units, the several Underwriters propose to offer the Firm Units for sale upon the terms and conditions set forth in the Prospectus.

4. (a) The Units to be purchased by each Underwriter hereunder, in definitive form, and in such authorized denominations and registered in such names as Goldman, Sachs & Co. may request upon at least forty-eight hours' prior notice to the Partnership shall be delivered by or on behalf of the Partnership to Goldman, Sachs & Co., through the facilities of the Depository Trust Company ("DTC"), for the account of such Underwriter, against payment by or on behalf of such Underwriter of the purchase price therefor by wire transfer of Federal (same-day) funds to the account specified by the Partnership to Goldman, Sachs & Co. at least forty-eight hours in advance. The Partnership will cause the certificates representing the Units to be made available for checking and packaging at least twenty-four hours prior to the Time of Delivery (as defined below) with respect thereto at the office of DTC or its designated custodian (the "Designated Office"). The time and date of such delivery and payment shall be, with respect to the Firm Units, 9:30 a.m., New York City time, on October 31, 2001 or such other time and date as Goldman, Sachs & Co. and the Partnership may agree upon in writing, and, with respect to the Optional Units, 9:30 a.m., New York time, on the date specified by Goldman, Sachs & Co. in the written notice given by Goldman, Sachs & Co. of the Underwriters' election to purchase such Optional Units, or such other time and date as Goldman, Sachs & Co. and the Partnership may agree upon in writing. Such time and date for delivery of the Firm Units is herein called the "First Time of Delivery", such time and date for delivery of the Optional Units, if not the First Time of Delivery, is herein called the "Second Time of Delivery", and each such time and date for delivery is herein called a "Time of Delivery".

(b) The documents to be delivered at each Time of Delivery by or on behalf of the parties hereto pursuant to Section 7 hereof, including the cross receipt for the Units and any additional documents requested by the Underwriters pursuant to Section 7(k) hereof, will be delivered at the offices of Andrews & Kurth L.L.P., 600 Travis, Suite 4200, Houston, Texas 77002 (the "Closing Location"), and the Units will be delivered at the Designated Office, all at such Time of Delivery. A meeting will be held at the Closing Location at 4:00 p.m., New York City time, on the New York Business Day next preceding such Time of Delivery, at which meeting the final drafts of the documents to be delivered pursuant to the preceding sentence will be available for review by the parties hereto. For the purposes of this Agreement, "New York Business Day" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in New York are generally authorized or obligated by law or executive order to close.

5. Each of the Partnership and the General Partner agrees with each of the Underwriters:

(a) To prepare the Prospectus in a form approved by you and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission's close of business on the second New York Business Day following the execution and delivery of this Agreement, or, if applicable, such earlier time as may be required by Rule 430A(a)(3) under the Act; to make no further amendment or any supplement

(other than (i) a Current Report on Form 8-K (A) disclosing the terms of this Agreement or (B) required in connection with the Chaco and Deepwater transactions disclosed in the Prospectus and (ii) a Quarterly Report on Form 10-Q covering the quarter ended September 30, 2001) to the Registration Statement or Prospectus prior to the last Time of Delivery which shall be disapproved by you promptly after reasonable notice thereof; provided that you will not unreasonably disapprove any such amendment or supplement; to advise you, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any supplement to the Prospectus or any amended Prospectus has been filed and to furnish you with copies thereof; to file promptly all reports and any definitive proxy or information statements required to be filed by the Partnership with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Prospectus and for so long as the delivery of a prospectus is required in connection with the offering or sale of the Units; to advise you, promptly after it receives notice thereof, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or prospectus, of the suspension of the qualification of the Units for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement or Prospectus or for additional information; and, in the event of the issuance of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or prospectus or suspending any such qualification, promptly to use its best efforts to obtain the withdrawal of such order;

(b) Promptly from time to time to take such action as you may reasonably request to qualify the Units for offering and sale under the securities laws of such jurisdictions as you may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Units, provided that in connection therewith neither the Partnership nor the General Partner shall be required to qualify as a foreign entity or to file a general consent to service of process in any jurisdiction;

(c) Prior to 10:00 A.M., New York City time, on the New York Business Day next succeeding the date of this Agreement and from time to time, to furnish the Underwriters with electronic copies of the Prospectus in New York City in such quantities as you may reasonably request; prior to 10:00 A.M., New York City time, on the second New York Business Day succeeding the date of this Agreement and from time to time, to furnish the Underwriters with written copies of the Prospectus in New York City in such quantities as you may reasonably request; and, if the delivery of a prospectus is required at any time prior to the expiration of nine months after the time of issue of the Prospectus in connection with the offering or sale of the Units and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or

omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary during such period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Act or the Exchange Act, to notify you and upon your request to file such document and to prepare and furnish without charge to each Underwriter and to any dealer in securities as many written and electronic copies as you may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance, and in case any Underwriter is required to deliver a prospectus in connection with sales of any of the Units at any time nine months or more after the time of issue of the Prospectus, upon your request but at the expense of such Underwriter, to prepare and deliver to such Underwriter as many written and electronic copies as you may request of an amended or supplemented Prospectus complying with Section 10(a)(3) of the Act;

(d) To make generally available to its securityholders as soon as practicable, but in any event not later than eighteen months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earnings statement of the Partnership and its subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations thereunder (including, at the option of the Partnership, Rule 158);

(e) Not to, and to cause Sabine I and Sabine II to agree not to, without the prior written consent of Goldman, Sachs & Co., offer, sell, contract to sell, pledge, or otherwise dispose of (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by the Partnership, the General Partner, Sabine I, Sabine II or any of their subsidiaries or controlled affiliates, or any person in privity (with respect to the Common Units) with the Partnership, the General Partner, Sabine I, Sabine II or any of their respective affiliates), directly or indirectly, including the filing (or participation in the filing) of a registration statement with the Commission in respect of, or establishment or increase of a put equivalent position or liquidation or decrease of a call equivalent position within the meaning of Section 16 of the Exchange Act with respect to, any other Common Units or any securities convertible into, or exercisable, or exchangeable for, Common Units; or publicly announce an intention to effect any such transaction, for a period of 90 days after the Time of Delivery; provided, however, that the Partnership may issue and sell Common Units pursuant to any employment agreement or other employment arrangement, employee option plan, ownership plan or dividend reinvestment plan of the Partnership in effect at the date and time this Agreement is executed and the Partnership may issue Common Units issuable upon the conversion of securities or the exercise of warrants outstanding at the date and time this Agreement is executed; and provided, further, that the foregoing shall not prohibit

Sabine I or Sabine II from pledging any Common Units now or hereafter owned by them, or a parent of such entities from pledging its interest in such entities, to secure certain loans to such entities in connection with any financing arrangements to which such entities are parties, as amended or otherwise modified from time to time, or the disposition of any such pledged Common Units, or any interest in such entities, in connection with the exercise by the lender of any remedies as a secured party.

(f) [intentionally omitted];

(g) During a period of one year from the effective date of the Registration Statement, to deliver to you (i) as soon as they are publicly available, copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange on which any class of securities of the Partnership is listed; provided, however, that the Company shall not be required to deliver to you any report or financial statements available on EDGAR, and (ii) such additional information concerning the business and financial condition of the Partnership as you may from time to time reasonably request; provided that no such additional information must be delivered if the delivery thereof would require the Partnership to make a public filing to remain in compliance with Regulation FD (such financial statements to be on a consolidated basis to the extent the accounts of the Partnership and its subsidiaries are consolidated in reports furnished to its unitholders generally or to the Commission);

(h) To use the net proceeds received by it from the sale of the Units pursuant to this Agreement in the manner specified in the Prospectus under the caption "Use of Proceeds";

(i) To use its best efforts to list, subject to notice of issuance, the Units on the Exchange;

(j) If the Partnership elects to rely upon Rule 462(b), the Partnership shall file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 P.M., Washington, D.C. time, on the date of this Agreement, and the Partnership shall at the time of filing either pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 111(b) under the Act;

(k) Upon request of any Underwriter, to furnish, or cause to be furnished, to such Underwriter an electronic version of the Partnership's trademarks, servicemarks and corporate logo for use on the website, if any, operated by such Underwriter for the purpose of facilitating the on-line offering of the Units (the "License"); provided, however, that the License shall be used solely for the purpose described above, is granted without any fee and may not be assigned or transferred; and

(1) Notwithstanding anything to the contrary in this Agreement, the following transactions are specifically permitted, and each representation, warranty and covenant of the Partnership or the General Partner with respect to any period after the First Time of Delivery is hereby amended by the following:

(i) Within five New York Business Days after the First Time of Delivery, the Partnership shall issue and sell, and the General Partner shall purchase, 1,477,070 Common Units for cash at a price per share equal to the price at which Common Units are offered to the public by the Prospectus, each of which Common Units shall be subject to the agreements set forth in Section 5(e) hereof;

(ii) Within five New York Business Days after the Second Time of Delivery, if any, the Partnership shall issue and sell, and the General Partner shall purchase, a number of Common Units equal to approximately 35.63% of the Common Units issued and sold to the Underwriters at the Second Time of Delivery, for cash at a price per share equal to the price at which Common Units are offered to the public by the Prospectus, each of which Common Units shall be subject to the agreements set forth in Section 5(e) hereof; and

(iii) Within 120 days after the First Time of Delivery, the Partnership shall redeem from Crystal up to \$50 million in liquidation value of Series B Preference Units for cash.

6. Each of the Partnership and the General Partner covenants and agrees with the several Underwriters that the Partnership will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Partnership's counsel and accountants in connection with the registration of the Units under the Act and all other expenses in connection with the preparation, printing and filing of the Registration Statement, any Preliminary Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing or producing any Agreement among Underwriters, this Agreement, the Blue Sky Memorandum, closing documents (including any compilations thereof) and any other documents in connection with the offering, purchase, sale and delivery of the Units; (iii) all expenses in connection with the qualification of the Units for offering and sale under state securities laws as provided in Section 5(b) hereof, including the fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky survey; (iv) all fees and expenses in connection with listing the Units on the Exchange; (v) the cost of preparing unit certificates; (vi) the costs and charges of any transfer agent or registrar; and (vii) all other costs and expenses incident to the performance of its obligations hereunder which are not otherwise specifically provided for in this Section. It is understood, however, that, except as provided in this Section, and Sections 8 and 11 hereof, the Underwriters will pay all of their own costs and expenses, including the fees of their

counsel, stock transfer taxes on resale of any of the Units by them, and any advertising expenses connected with any offers they may make.

7. The obligations of the Underwriters hereunder, as to the Units to be delivered at each Time of Delivery, shall be subject, in their discretion, to the condition that all representations and warranties and other statements of the Partnership and the General Partner herein are, at and as of such Time of Delivery, true and correct, the condition that each of the Partnership and the General Partner shall have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus shall have been filed with the Commission pursuant to Rule 424(b) within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 5(a) hereof; if the Partnership has elected to rely upon Rule 462(b), the Rule 462(b) Registration Statement shall have become effective by 10:00 P.M., Washington, D.C. time, on the date of this Agreement; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to your reasonable satisfaction;

(b) The Representatives shall have received from Andrews & Kurth L.L.P., counsel for the Underwriters, such opinion or opinions, dated the Time of Delivery and addressed to the Representatives, with respect to the issuance and sale of the Units, the Registration Statement, the Prospectus and other related matters as the Representatives may reasonably require, and the Partnership shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters;

(c) Akin, Gump, Strauss, Hauer & Feld, L.L.P., counsel for the Partnership, shall have furnished to you their written opinion, dated such Time of Delivery, in form and substance satisfactory to you, to the effect that:

(i) each of the Partnership and its Subsidiaries has been duly formed or incorporated and is validly existing as a partnership, corporation or limited liability company and in good standing (other than any general partnership) under the laws of the jurisdiction in which it is formed, chartered or organized, with full partnership, corporate or limited liability company power and authority to own or lease, as the case may be, and to operate its properties and conduct its business as described in the Registration Statement and the Prospectus;

(ii) each of the Partnership and its Subsidiaries is duly qualified or registered to do business as a foreign limited partnership, corporation or limited liability company, as the case may be, and, based solely on the various certificates from public officials of Texas, Louisiana and Alabama (the "Good

Standing Certificates"), is in good standing (other than any general partnership) as a foreign limited partnership, corporation or limited liability company authorized to do business in the respective jurisdictions listed on Annex B;

(iii) the General Partner has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, with full corporate power and authority to own or lease, as the case may be, and to operate its properties, to conduct its business and to act as general partner of the Partnership, as described in the Registration Statement and the Prospectus, and has been duly qualified or registered as a foreign corporation for the transaction of business and, based solely on the Good Standing Certificates, is in good standing under the laws of each jurisdiction listed opposite its name on Annex B;

(iv) the General Partner is the sole general partner of the Partnership and owns (of record) a 1.0% general partner interest in the Partnership; such general partner interest is duly authorized and validly issued to the General Partner in accordance with the Partnership Agreement, which Partnership Agreement, has been duly authorized, executed and delivered by the General Partner and is a valid and legally binding agreement of the General Partner, enforceable against the General Partner in accordance with its terms, subject to Enforceability Exceptions; to our knowledge, other than Permitted Encumbrances, the General Partner owns such general partner interest free and clear of any lien, adverse claim, security interest or other encumbrance of record in respect of which a financing statement under the Uniform Commercial Code of the State of Delaware or Texas naming the General Partner as debtor is on file in the office of the Secretary of State of the State of Delaware or Texas;

(v) Sabine I and Sabine II own (of record) limited partner interests in the Partnership represented by 8,953,764 Common Units; all of such Common Units and the limited partner interests represented thereby have been duly authorized and validly issued and are fully paid (to the extent required by the Partnership Agreement) and nonassessable (except as such nonassessability may be affected by matters described in the Prospectus under the caption "Risk Factors-Limited Liability"); to our knowledge, other than Permitted Encumbrances, Sabine I and Sabine II own such limited partner interests free and clear of any lien, adverse claim, security interest or other encumbrance of record in respect of which a financing statement under the Uniform Commercial Code of the State of Delaware or Texas naming Sabine I or Sabine II as debtor is on file in the office of the Secretary of State of the State of Delaware or Texas;

(vi) all of the issued and outstanding shares of capital stock of the General Partner have been duly and validly authorized and issued and are fully paid and nonassessable, and, to our knowledge, other than Permitted Encumbrances, are owned by DeepTech free and clear of any lien, adverse claim, security interest or other encumbrance of record in respect of which a financing statement under the Uniform Commercial Code of the State of Delaware or Texas naming DeepTech as debtor is on file in the office of the Secretary of State of the State of Delaware or Texas; DeepTech is an indirect, wholly- owned subsidiary of El Paso Corporation;

(vii) all the outstanding shares of capital stock, limited liability company interests or other equity interests of each Subsidiary have been duly and validly authorized and issued and are (except with respect to partnership interests) fully paid and (except (i) as provided to the contrary by the Delaware Limited Liability Company Act or (ii) with respect to partnership interests) nonassessable, and, except as otherwise set forth in the Prospectus are owned by the Partnership directly or indirectly through one or more Subsidiaries or the General Partner, and, to our knowledge, other than Permitted Encumbrances, are owned free and clear of any security interest, claim, lien or other encumbrance of record in respect of which a financing statement under the Uniform Commercial Code of the State of Delaware or Texas naming the Partnership, El Paso Energy Partners Deepwater, L.L.C., Crystal Holding, L.L.C., First Reserve Gas, L.L.C., Hattiesburg Industrial Gas Sales Company, L.L.C., Argo II, L.L.C. or Argo I, L.L.C. as debtor is on file in the office of the Secretary of State of the State of Delaware or Texas;

(viii) the Partnership's authorized and outstanding partnership interests are, to the knowledge of such counsel, as set forth in the Prospectus; the partnership interests of the Partnership and the Partnership Agreement conform in all material respects to the descriptions thereof contained in the Prospectus; all of the outstanding Common Units and the limited partner interests represented thereby have been duly and validly authorized and issued, are fully paid and nonassessable (except as such nonassessability may be affected by matters described in the Prospectus under the caption "Risk Factors-Limited Liability") and are free of any preemptive or similar rights, except as set forth in the Partnership Agreement; the Units and the limited partner interests represented thereby have been duly and validly authorized and, when issued, delivered and paid for by the Underwriters pursuant to this Agreement, will be fully paid and nonassessable (except as such nonassessability may be affected by matters described in the Prospectus under the caption "Risk Factors-Limited Liability") and free of any preemptive rights or similar rights, except as set forth in the Partnership Agreement, and the Underwriters will acquire the Units free and clear of any lien, adverse claim, security interest or other encumbrance; and, except as set forth in the Prospectus, no options, warrants or other rights

to purchase, agreements or other obligations to issue, or rights to convert any obligations into or exchange any securities for, partnership interests or ownership interests in the Partnership are outstanding, other than Existing Commitments;

(ix) the Registration Statement has become effective under the Act; any required filing of the Prospectus, and any supplements thereto, pursuant to Rule 424(b) has been made in the manner and within the time period required by Rule 424(b); to the knowledge of such counsel, no stop order suspending the effectiveness of the Registration Statement has been issued, no proceedings for that purpose have been instituted or threatened and the Registration Statement and the Prospectus (other than the financial statements and other financial information contained therein, as to which such counsel need express no opinion) comply as to form in all material respects with the applicable requirements of the Act and the Exchange Act and the respective rules thereunder;

(x) this Agreement has been duly authorized, executed and delivered by each of the Partnership and the General Partner;

(xi) each of the Partnership and the General Partner is not and, after giving effect to the offering and sale of the Units and the application of the proceeds thereof as described in the Prospectus, will not be an "investment company" as defined in the Investment Company Act of 1940, as amended;

(xii) to the knowledge of such counsel, no consent, approval, authorization, filing with or order of any court or governmental agency or body is required in connection with the transactions contemplated herein, except such as have been obtained under the Act and such as may be required by the Exchange or under the blue sky laws of any jurisdiction in connection with the purchase and distribution of the Units by the Underwriters in the manner contemplated in this Agreement and in the Prospectus and such other approvals as have been obtained;

(xiii) none of (a) the issue and sale of the Units, (b) the consummation of any other of the transactions herein contemplated and (c) the fulfillment of the terms hereof will conflict with, or result in a breach or violation of or imposition of any lien, charge or encumbrance upon any property or assets of the Partnership or its Subsidiaries or the General Partner pursuant to, (i) the partnership agreement, limited liability company agreement, charter, by-laws or similar organizational document of the Partnership or any of its Subsidiaries or the General Partner, as applicable, (ii) the terms of any Material Agreement, or (iii) to such counsel's knowledge, any statute, law, rule, regulation, judgment, order or decree applicable to the Partnership or any of its Subsidiaries or the General Partner of any court, regulatory body, administrative agency,

governmental body, arbitrator or other authority having jurisdiction over the Partnership or any of its Subsidiaries or the General Partner or any of its or their properties, except, in the case of (ii) or (iii), where such conflict, breach, violation or imposition would not, individually or in the aggregate, be likely to have, in the reasonable judgment of such counsel, a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business; "Material Agreement" shall mean the agreements listed on Annex D hereof (the "Chaco Documents") and the agreements, contracts or other similar documents filed as exhibits to the Registration Statement, the Partnership's Annual Report on Form 10-K for the year ended December 31, 2000, the Partnership's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2001 and June 30, 2001, or the Partnership's Current Reports on Form 8-K filed between January 1, 2001 and the date hereof;

(xiv) The Tolling Agreement dated October 1, 2001 between El Paso Field Services, L.P. ("EFS") and Delos Offshore Company, L.L.C. ("Delos") has been duly authorized, executed and delivered by EFS and Delos and constitutes a valid and binding obligation of EFS and Delos enforceable against EFS and Delos in accordance with its terms, subject to Enforceability Exceptions; The Chaco Documents have each been duly authorized, executed and delivered by the Partnership Subsidiaries party thereto;

(xv) to the knowledge of such counsel, no holders of securities of the Partnership have rights to the registration of Common Units under the Registration Statement except for the rights (i) of the General Partner and its affiliates and successors in Section 6.14 of the Partnership Agreement, (ii) of EPEC and its successors pursuant to the Registration Rights Agreement between EPEC and the Partnership which was executed in connection with the acquisition by the Partnership of an additional interest in Viosca Knoll Gathering Company and (iii) of Crystal pursuant to the Registration Rights Agreement between Crystal and the Partnership which was executed in connection with the acquisition by the Partnership of the Crystal storage facilities; and

(xvi) to the knowledge of such counsel: (a) there is no franchise, contract or other document of a character required to be described in the Registration Statement or Prospectus, or to be filed as an exhibit thereto, which is not described or filed as required; and (b) the statements included or incorporated by reference in the Prospectus under the headings "Description of Limited Partner Interests", "Certain Other Partnership Agreement Provisions", and "Income Tax Considerations", insofar as such statements summarize legal matters, agreements, documents or proceedings discussed therein, are

accurate and fair summaries of such legal matters, agreements, documents or proceedings.

Such counsel shall also state that although such counsel has not undertaken, except as otherwise indicated in their opinion, to determine independently, and does not assume any responsibility for, the accuracy or completeness of the statements in the Registration Statement and the Prospectus, such counsel has participated in the preparation of the Registration Statement and the Prospectus, including review and discussion of the contents thereof, and nothing has come to the attention of such counsel that has caused them to believe: (i) that the Registration Statement, on the effective date or the date hereof, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) that the Prospectus, as of its date or as of the Time of Delivery, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or (iii) that any amendment or supplement to the Prospectus, as of its respective date, and as of the Time of Delivery, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; (it being understood that such counsel need express no opinion with respect to the financial statements, the notes and the schedules thereto oil and gas reserve information and other financial data included in the Registration Statement or the Prospectus).

Such counsel shall also state that, with respect to (i) and (ii) in paragraph (xv) above, (a) the General Partner, Sabine I and Sabine II have agreed not to exercise their registration rights with respect to such securities in connection with the offering of Units for 90 days hereafter pursuant to letter agreements of even date herewith, and (b) the Common Units held by the General Partner, Sabine I and Sabine II are subject to Permitted Encumbrances, the holders of which have not waived such rights.

In rendering such opinion, such counsel may (A) rely as to matters involving the application of laws of any jurisdiction other than the State of Delaware or the Federal laws of the United States, to the extent they deem proper and specified in such opinion, upon the opinion of other counsel of good standing whom they believe to be reliable and who are satisfactory to counsel for the Underwriters, of which a copy of any such opinion shall be delivered to the Underwriters, (B) rely as to matters of fact, to the extent they deem proper, on certificates of responsible officers of the Partnership and public officials, (C) assume that the signatures on all documents examined by such counsel are genuine, which assumptions they may state they have not independently verified, (D) state that their opinion is limited to federal laws, the Delaware Act, the Delaware General Corporation Law, the Delaware Limited Liability Company Act, New York law and Texas law, (E) state that they express no opinion with respect to state or local taxes or tax statutes to which any of the Partnership, the

limited partners of the Partnership or the General Partner may be subject and (F) state that their opinion is furnished as counsel for the Partnership and the General Partner to you, as Representatives of the several Underwriters, and is solely for the benefit of the several Underwriters. References to the Registration Statement and the Prospectus in this paragraph (b) include any amendments and supplements thereto at the Time of Delivery.

(d) David Zerhusen, Esq., counsel for the Partnership, or such other counsel for the Partnership reasonably satisfactory to the Representatives, shall have furnished to you his written opinion, dated such Time of Delivery, in form and substance satisfactory to you, to the effect that:

(i) to the knowledge of such counsel there is no pending or threatened action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Partnership or any of its Subsidiaries or the General Partner or its or their property of a character required to be disclosed in the Prospectus which is not adequately disclosed in the Prospectus, except those that (a) would not be likely to have, in the reasonable judgment of such counsel, a material adverse effect on the performance of this Agreement or the consummation of any of the transactions contemplated hereby or (b) would not be likely to have, in the reasonable judgment of such counsel, a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Partnership and its Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Prospectus (exclusive of any supplement thereto); and

(ii) each of the Partnership and the General Partner is not and after giving effect to the offering and sale of the Units and the application of the proceeds thereof as described in the Prospectus, will not be a "holding company" within the meaning of, or subject to regulation under, the Public Utility Holding Company Act of 1935, as amended, and the rules and regulations promulgated by the Commission thereunder.

(e) The Partnership shall have requested and caused PricewaterhouseCoopers LLP, at the time this Agreement is executed and at such Time of Delivery, and shall have requested Arthur Andersen LLP at such Time of Delivery, to have furnished to the Underwriters letters, dated as of the time of this Agreement and as of such Time of Delivery, as the case may be, in form and substance satisfactory to the Underwriters, confirming that they are independent accountants within the meaning of the Act and the Exchange Act and the respective applicable rules and regulations adopted by the Commission thereunder with respect to the Partnership, Partnership Subsidiary or Partnership joint venture whose financial statements they have respectively audited and containing the information and

statements of the type ordinarily included in accountants' "comfort letters" to the Underwriters with respect to the financial statements and certain financial information contained in the Registration Statement and the Prospectus;

(f) The Partnership shall have requested and caused Netherland, Sewell & Associates, Inc., at the time this Agreement is executed and at such Time of Delivery, to have furnished to the Underwriters letters, dated as of the time of this Agreement and as of such time of Delivery, as the case may be, in form and substance satisfactory to the Underwriters, confirming that they are independent petroleum engineers with respect to evaluating the oil and gas reserves of the Partnership and its Subsidiaries as of December 31, 2000 contained in the Registration Statement and the Prospectus;

(g) (i) None of the General Partner, the Partnership nor any of its Subsidiaries shall have sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus, and (ii) since the respective dates as of which information is given in the Prospectus there shall not have been any change in the capitalization or short-term or long-term debt of the General Partner, the Partnership or any of its Subsidiaries or any change, or any development involving a prospective change, in or affecting the general affairs, management, financial position, partners' equity or results of operations of the General Partner, the Partnership and its Subsidiaries, taken as a whole, otherwise than as set forth or contemplated in the Prospectus, the effect of which, in any such case described in clause (i) or (ii), is in the judgment of the Underwriters so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Units being delivered at such Time of Delivery on the terms and in the manner contemplated in the Prospectus;

(h) On or after the date hereof (i) no downgrading shall have occurred in the rating accorded the General Partner's or the Partnership's debt securities by any "nationally recognized statistical rating organization", as that term is defined by the Commission for purposes of Rule 436(g)(2) under the Act, and (ii) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the General Partner's or the Partnership's debt securities;

(i) On or after the date hereof there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the Exchange; (ii) a suspension or material limitation in trading in the Partnership's securities on the Exchange; (iii) a general moratorium on commercial banking activities declared by either Federal or New York or Texas State authorities or a material

disruption in commercial banking or securities settlement or clearance services in the United States; (iv) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war; or (v) the occurrence of any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clause (iv) or (v) in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Units being delivered at such Time of Delivery on the terms and in the manner contemplated in the Prospectus;

(j) The Units to be sold at such Time of Delivery shall have been duly listed, subject to notice of issuance, on the Exchange;

(k) The Partnership has obtained and delivered to the Underwriters executed copies of an agreement from the General Partner, Sabine I and Sabine II, substantially to the effect set forth in the form attached hereto as Annex C;

(l) The Partnership shall have complied with the provisions of Section 5(c) hereof with respect to the furnishing of prospectuses on the New York Business Day next succeeding the date of this Agreement; and

(m) The Partnership and the General Partner shall have furnished or caused to be furnished to you at such Time of Delivery certificates of officers of the Partnership and the General Partner satisfactory to you as to the accuracy of the representations and warranties of the Partnership and the General Partner herein at and as of such Time of Delivery, as to the performance by the Partnership and the General Partner of all of its obligations hereunder to be performed at or prior to such Time of Delivery, as to the matters set forth in subsections (a) and (g) of this Section and as to such other matters as you may reasonably request.

8. (a) Each of the Partnership and the General Partner, jointly and severally, will indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Registration Statement or the Prospectus, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Partnership and the General Partner shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any Preliminary Prospectus, the Registration Statement or the Prospectus or any such

amendment or supplement in reliance upon and in conformity with written information furnished to the Partnership by any Underwriter through Goldman, Sachs & Co. expressly for use therein; provided that with respect to any untrue statement or omission of material fact made in any Preliminary Prospectus, the indemnity agreement contained in this Section 8(a) shall not inure to the benefit of any Underwriter from whom the person asserting any such loss, claim, damage or liability purchased the Units concerned, to the extent that any such loss, claim, damage or liability of such Underwriter occurs under the circumstance where it shall have been determined by a court of competent jurisdiction by final and nonappealable judgment that (w) the Partnership had previously furnished copies of the Prospectus to the Underwriters, (x) delivery of the Prospectus was required by the Act to be made to such person, (y) the untrue statement or omission of a material fact contained in the Preliminary Prospectus was corrected in the Prospectus and (z) there was not sent or given to such person, at or prior to the written confirmation of the sale of such securities to such person, a copy of the Prospectus.

(b) Each Underwriter will indemnify and hold harmless the Partnership and the General Partner against any losses, claims, damages or liabilities to which either the Partnership, the General Partner or both may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Registration Statement or the Prospectus, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any Preliminary Prospectus, the Registration Statement or the Prospectus or any such amendment or supplement in reliance upon and in conformity with written information furnished to the Partnership by such Underwriter through Goldman, Sachs & Co. expressly for use therein; and will reimburse the Partnership and the General Partner for any legal or other expenses reasonably incurred by the Partnership and the General Partner in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel

satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 8 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Partnership and the General Partner on the one hand and the Underwriters on the other from the offering of the Units. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Partnership and the General Partner on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Partnership and the General Partner on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Partnership bear to the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the table on the cover page of the Prospectus. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Partnership and the General Partnership on the one hand or the Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Partnership, the General Partner and the Underwriters agree that it would not be just and equitable if contributions pursuant to this subsection (d) were determined by pro rata allocation

(even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Units underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (d) to contribute are several in proportion to their respective underwriting obligations and not joint.

(e) The obligations of the Partnership and the General Partner under this Section 8 shall be in addition to any liability which the Partnership and the General Partner may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter within the meaning of the Act; and the obligations of the Underwriters under this Section 8 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the General Partner and to each person, if any, who controls the Partnership or the General Partner within the meaning of the Act.

9. (a) If any Underwriter shall default in its obligation to purchase the Units which it has agreed to purchase hereunder at a Time of Delivery, you may in your discretion arrange for you or another party or other parties to purchase such Units on the terms contained herein. If within thirty-six hours after such default by any Underwriter you do not arrange for the purchase of such Units, then the Partnership shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to you to purchase such Units on such terms. In the event that, within the respective prescribed periods, you notify the Partnership that you have so arranged for the purchase of such Units, or the Partnership notifies you that it has so arranged for the purchase of such Units, you or the Partnership shall have the right to postpone such Time of Delivery for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus, or in any other documents or arrangements, and the Partnership agrees to file promptly any amendments to the Registration Statement or the Prospectus which in your opinion may thereby be made necessary. The term "Underwriter" as used in this Agreement shall include any person substituted under this

Section with like effect as if such person had originally been a party to this Agreement with respect to such Units.

(b) If, after giving effect to any arrangements for the purchase of the Units of a defaulting Underwriter or Underwriters by you and the Partnership as provided in subsection (a) above, the aggregate number of such Units which remains unpurchased does not exceed one-eleventh of the aggregate number of all the Units to be purchased at such Time of Delivery, then the Partnership shall have the right to require each non-defaulting Underwriter to purchase the number of Common Units which such Underwriter agreed to purchase hereunder at such Time of Delivery and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the number of Units which such Underwriter agreed to purchase hereunder) of the Units of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Units of a defaulting Underwriter or Underwriters by you and the Partnership as provided in subsection (a) above, the aggregate number of such Units which remains unpurchased exceeds one-eleventh of the aggregate number of all the Units to be purchased at such Time of Delivery, or if the Partnership shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Units of a defaulting Underwriter or Underwriters, then this Agreement (or, with respect to the Second Time of Delivery, the obligations of the Underwriters to purchase and of the Partnership to sell the Optional Units) shall thereupon terminate, without liability on the part of any non-defaulting Underwriter, the Partnership or the General Partner, except for the expenses to be borne by the Partnership, the General Partner and the Underwriters as provided in Section 6 hereof and the indemnity and contribution agreements in Section 8 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

10. The respective indemnities, agreements, representations, warranties and other statements of the Partnership, the General Partner and the several Underwriters, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or any controlling person of any Underwriter, or the Partnership or the General Partner, or any officer or director or controlling person of the Partnership or the General Partner, and shall survive delivery of and payment for the Units.

11. If this Agreement shall be terminated pursuant to Section 9 hereof, neither the Partnership nor the General Partner shall then be under any liability to any Underwriter except as provided in Sections 6 and 8 hereof; but, if for any other reason, the Units are not delivered by or on behalf of the Partnership as provided herein, the Partnership and the

General Partner will reimburse the Underwriters through you for all out-of-pocket expenses approved in writing by you, including fees and disbursements of counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of the Units not so delivered, but the Partnership and the General Partner shall then be under no further liability to any Underwriter except as provided in Sections 6 and 8 hereof.

12. In all dealings hereunder, you shall act on behalf of each of the Underwriters, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by you jointly or by Goldman, Sachs & Co. on behalf of you as the representatives.

All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to you as the representatives in care of Goldman, Sachs & Co., 85th Broad Street, 9th Floor, New York, New York 10004, Attention: Registration Department; and if to the Partnership shall be delivered or sent by mail to the address of the Partnership set forth in the Registration Statement, Attention: Secretary; provided, however, that any notice to an Underwriter pursuant to Section 8(c) hereof shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in its Underwriters' Questionnaire, or telex constituting such Questionnaire, which address will be supplied to the Partnership by you upon request. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

13. This Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Partnership, the General Partner and, to the extent provided in Sections 8 and 10 hereof, the officers and directors of the General Partner and each person who controls the Partnership, the General Partner or any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. No purchaser of any of the Units from any Underwriter shall be deemed a successor or assign by reason merely of such purchase.

14. TIME SHALL BE OF THE ESSENCE OF THIS AGREEMENT.

15. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

16. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

17. The Partnership is authorized, subject to applicable law, to disclose any and all aspects of this potential transaction that are necessary to support any U.S. federal income tax benefits expected to be claimed with respect to such transaction, without the Underwriters imposing any limitation of any kind.

If the foregoing is in accordance with your understanding, please sign and return to us and upon the acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof shall constitute a binding agreement between each of the Underwriters and the Partnership and the General Partner. It is understood that your acceptance of this letter on behalf of each of the Underwriters is pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Partnership and the General Partner for examination upon request, but without warranty on your part as to the authority of the signers thereof.

Very truly yours,

EL PASO ENERGY PARTNERS, L.P.
By: El Paso Energy Partners Company,
its General Partner

By: /s/ ROBERT G. PHILLIPS

Name: Robert G. Phillips
Title: Chief Executive Officer

EL PASO ENERGY PARTNERS COMPANY

By: /s/ ROBERT G. PHILLIPS

Name: Robert G. Phillips
Title: Chief Executive Officer

Accepted as of the date hereof:

Goldman, Sachs & Co.
Credit Suisse First Boston Corporation
Dain Rauscher Incorporated
First Union Securities, Inc.
JPMorgan Securities Inc.
Raymond James & Associates

By: /s/ GOLDMAN, SACHS & CO.

(Goldman, Sachs & Co)

On behalf of each of the Underwriters

