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

FORM 8-K/A
(Amendment No. 1)

CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 30, 2004

ENTERPRISE PRODUCTS PARTNERS L.P.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

1-14323
(Commission File Number)

76-0568219
(I.R.S. Employer
Identification No.)

2727 North Loop West, Houston, Texas
(Address of Principal Executive Offices)

77008-1044
(Zip Code)

Registrant's Telephone Number, including Area Code: **(713) 880-6500**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Explanatory Note

The purpose of this Amendment No. 1 is to amend the original Current Report on Form 8-K filed by Enterprise Products Partners L.P. ("Enterprise") on September 30, 2004 (the "Original 8-K") (i) to add a new Section 1.01, (ii) to include certain additional information under Item 2.01 and certain additional Exhibits under Item 9.01(c) and (iii) to amend the information set forth in Item 9.01(b). In accordance with Rule 12b-15, such Items 2.01 and 9.01 are restated in their entirety, as amended. There is no change to Items 2.03, 5.02, 5.03 or 7.01 as set forth in the Original 8-K.

Item 1.01. Entry into a Material Definitive Agreement.

In connection with the Merger described in Item 2.01 hereof, Enterprise and GulfTerra Energy Partners, L.P. ("GulfTerra") executed an agreement with Bart Heijermans (who was elected a Senior Vice President of Enterprise on the effective date of the Merger), pursuant to which the parties agreed that, upon the effective date of the Merger, (i) Mr. Heijermans' 15,000 outstanding restricted GulfTerra Common Units would be converted into 27,150 restricted Enterprise Common Units that carry the same restrictions as those set forth for such Units in his award agreement dated August 15, 2003 under GulfTerra's 1998 Omnibus Compensation Plan (the "GulfTerra Plan"), and (ii) Mr. Heijerman's 15,000 performance-based restricted GulfTerra Common Units would be exchanged for 27,150 phantom Enterprise Common Units issued under Enterprise's 1998 Long-Term Incentive Plan that would carry the same restrictions as those set forth for such exchanged Units in the GulfTerra Plan. The restricted Enterprise Common Units will cliff vest on August 1, 2007, provided Mr. Heijermans remains continuously employed by Enterprise or its affiliates until such date. The restrictions on the phantom Enterprise Common Units will lapse on August 1, 2007, provided the total cash flow (EBITDA) from the Cameron Highway Project since startup equals or exceeds the Target EBITDA of \$145 million and that he remains continuously employed by Enterprise or its affiliates until such date. If on August 1, 2007, the total EBITDA for such project is equal to or greater than 75% of the Target EBITDA, the restrictions will lapse on a total number of phantom Enterprise Common Units equal to the percentage (not to exceed 100%) of the Target EBITDA achieved, with any remaining phantom Enterprise Common Units being forfeited.

Item 2.01. Completion of Acquisition or Disposition of Assets.

On September 30, 2004, Enterprise and GulfTerra completed the merger of GulfTerra into a wholly-owned subsidiary of Enterprise (the "Merger"). Additionally, Enterprise and its subsidiaries completed certain other transactions related to the Merger, including the acquisition of the 50% interest in GulfTerra's general partner held by El Paso Corporation ("El Paso") and the purchase from El Paso of certain midstream assets located in South Texas (the "South Texas Assets").

A description of the Merger and the related transactions and all agreements executed in connection therewith are contained in Enterprise's Current Reports on Form 8-K filed with the Securities and Exchange Commission (the "Commission") on December 15, 2003, April 19, 2004 and September 7, 2004 and are incorporated by reference herein.

Immediately prior to closing the Merger, a subsidiary of El Paso conveyed the GulfTerra General Partner Interest to Enterprise Products GP, LLC, the general partner of Enterprise ("Enterprise GP"), in exchange for \$370 million in cash and a 9.9% membership interest in Enterprise GP, and Enterprise GP thereupon made a capital contribution of the GulfTerra General Partner Interest to Enterprise (without increasing its interest in the earnings on cash distributions of Enterprise). Enterprise GP borrowed the foregoing \$370 million purchase price from Dan Duncan LLC (which owns a 4.505% membership interest in Enterprise GP), which obtained the funds from a loan from EPCO, Inc. (which indirectly owns an 85.595% membership interest in Enterprise GP). EPCO obtained the \$370 million for its loan to Dan Duncan LLC using borrowings under its Amended and Restated Credit Agreement dated as of August 25, 2004 among EPCO, the Lenders party thereto, Wachovia Bank, National Association, as Administrative Agent, The Bank of Nova Scotia and JPMorgan Chase Bank as Co-Syndication Agents, Bayerische Hypo-Und Vereinsbank AG, New York Branch and Barclays Bank PLC as Co-Documentation Agents.

In connection with the Merger, and pursuant to the Parent Company Agreement, as amended, listed as Exhibits 2.2 and 2.5 to this Current Report on Form 8-K/A (the "Parent Company Agreement"), Enterprise paid \$500 million cash to El Paso in exchange for 10,937,500 Series C Units of GulfTerra and 2,876,620 Series A Common Units of GulfTerra ("GulfTerra Common Units"). Pursuant to the Merger Agreement, as amended, listed as Exhibits 2.1 and 2.6 to this Current Report on Form 8-K/A (the "Merger Agreement"), the remaining 57,762,369 outstanding GulfTerra Common units (7,433,425 of which were owned by El Paso) were converted into 104,549,889 Common Units of Enterprise (13,454,499 of which are held by El Paso) on the basis of 1.81 Enterprise Common Units for each outstanding GulfTerra Common Unit (other than those GulfTerra Common Units held by Enterprise).

The purchase price paid by Enterprise to El Paso for the South Texas Assets was cash in the amount of approximately \$156 million, subject to adjustment, in accordance with the terms of the Purchase and Sale Agreement, listed as Exhibit 2.4 to this Current Report on Form 8-K/A.

The El Paso subsidiary that owns the 9.9% interest in Enterprise GP, GulfTerra GP Holding Company ("El Paso Holdco"), entered into an Exchange and Registration Rights Agreement with Enterprise and Enterprise GP, dated September 30, 2004 (the "Exchange Agreement"), pursuant to which it has the right to deliver its 9.9% interest to Enterprise GP at any time after the six-month anniversary of the date of completion of the Merger in exchange for a number of Enterprise Common Units that would provide the same cash flow as its 9.9% interest in Enterprise GP. Enterprise GP may elect to pay El Paso Holdco cash in lieu of such Enterprise Common Units equal to the market value of such Enterprise Common Units or a combination of cash and Enterprise Common Units. If El Paso Holdco has not exercised the foregoing right by the 180th day following the third anniversary of the completion of the Merger, Enterprise GP can force the exercise of such right. Enterprise has agreed in the Exchange Agreement to file a shelf registration statement covering the resale of any Enterprise Common Units that may be delivered to El Paso Holdco upon the exercise of the foregoing exchange right. DFI Delaware Holdings L.P., an entity controlled by Dan L. Duncan that owns over 100 million Enterprise Common Units, has guaranteed the performance of Enterprise GP under the Exchange Agreement pursuant to a Performance Guaranty dated September 30, 2004. The Exchange

Agreement and the Performance Guaranty are filed as Exhibits 4.1 and 4.2, respectively, to this Current Report on Form 8-K/A.

Enterprise and El Paso entered into a Registration Rights Agreement dated September 30, 2004, pursuant to which Enterprise granted to El Paso one demand registration statement and unlimited piggyback registration rights with respect to the 13,454,499 Enterprise Common Units received by El Paso pursuant to the Merger. The piggyback rights so granted to El Paso are subordinated to the piggyback rights of an affiliate of Shell Oil Company set forth in the Registration Rights Agreement, dated as of September 17, 1999, between Tejas Energy, LLC and Enterprise, a copy of which is listed as Exhibit 4.20 to Enterprise's Form 10-K for the year ended December 13, 2003. The Registration Rights Agreement is filed as Exhibit 4.3 to this Current Report on Form 8-K/A.

In accordance with the terms of the Parent Company Agreement, for the three-year period ended September 30, 2007, El Paso will make transition support payments to Enterprise in annual installments of \$18 million, \$15 million and \$12 million for the first, second and third years of such period, respectively, payable in 12 equal monthly installments for each such year.

The Parent Company Agreement also provides that for the three-year period ended September 30, 2007, at the request of GulfTerra, El Paso will provide support services to GulfTerra similar to those provided by El Paso before the closing of the Merger, and GulfTerra will reimburse El Paso for 110% of its direct costs of such services (excluding any overhead costs).

The Parent Company Agreement also obligates Enterprise to reimburse El Paso (or its applicable affiliate) for up to \$14 million severance costs incurred by El Paso (or such affiliate) with respect to any GulfTerra employee referenced in the Parent Company Agreement who is not employed by Enterprise upon the consummation of the Merger and whose employment is terminated by El Paso (or such affiliate) within the following 30 days.

Immediately prior to the consummation of the Merger, GulfTerra had 80 Series F2 convertible units outstanding, each of which represented the right to purchase \$500,000 worth of GulfTerra Common Units from GulfTerra prior to March 30, 2005 (subject to defined extension rights) at a price per GulfTerra Common Unit equal to the "prevailing price," if the prevailing price is equal to or greater than \$35.75, or the prevailing price minus the product of 50% of the positive difference, if any, of \$35.75 minus the prevailing price, if the prevailing price is less than \$35.75. The prevailing price was equal to the least of (1) the average closing price of the GulfTerra Common Units for the 60 business days ending on and including the fourth business day prior to the date of receipt of notice from the holder of the Series F2 convertible units of the intent to convert them into (*i.e.*, purchase) GulfTerra Common Units; (2) the average closing price of the GulfTerra Common Units for the first seven business days of the 60 day period included in (1); or (3) the average closing price of the GulfTerra Common Units for the last seven business days of the 60 day period included in (1). The Statement of Rights, Privileges and Limitations of the Series F Convertible Units is filed as Exhibit 4.5 to this Current Report on Form 8-K/A.

As required by the terms of the Series F2 convertible units and the terms of the Merger Agreement, Enterprise and GulfTerra entered into an Assumption Agreement at the effective time of the Merger, pursuant to which Enterprise assumed all of the obligations of GulfTerra with respect to the Series F2 convertible units, appropriately modified to reflect the Merger and the exchange of 1.81 Enterprise Common Units for each GulfTerra Common Unit. Consequently, each Series F2 convertible unit was converted into the right to purchase \$500,000 worth of Enterprise Common Units at a price per Enterprise Common Unit equal to the prevailing price, if the prevailing price is equal to or greater than \$19.75, or the prevailing price minus the product of 50% of the positive difference, if any, of \$19.75 minus the prevailing price, if the prevailing price is less than \$19.75. As a result of the Merger, the prevailing price is now equal to the least of (1) the average closing price of the Enterprise Common Units for the 60 business days ending on and including the fourth business day prior to the date of receipt of notice from the holder of the Series F2 convertible units of the intent to convert them into (*i.e.*, purchase) Enterprise Common Units; (2) the average closing price of the Enterprise Common Units for the first seven business days of the 60 day period in (1); or (3) the average closing price of the Enterprise Common Units for the last seven business days of the 60 day period included in (1). The Assumption Agreement is filed as Exhibit 4.4 to this Current Report on Form 8-K/A.

See Item 1.01 for information with respect to the assumption by Enterprise of the obligation to issue certain phantom Enterprise Common Units under Enterprise's 1998 Long-Term Incentive Plan to a GulfTerra employee who became a Senior Vice President of Enterprise as a result of the Merger. Such information is incorporated by reference into this Item 2.01.

Item 9.01. Financial Statements and Exhibits.

(a) Financial statements of businesses acquired.

1. The Consolidated Financial Statements of GulfTerra Energy Partners, L.P. as of December 31, 2003 and 2002 and for the three year period ended December 31, 2003 and independent auditors' report are contained in Enterprise's Current Report on Form 8-K filed with the Commission on April 20, 2004 and are incorporated herein by reference.
2. The Financial Statements of Poseidon Oil Pipeline Company, L.L.C. as of December 31, 2003 and 2002 and for the three year period ended December 31, 2003 and independent auditors' report are contained in Enterprise's Current Report on Form 8-K filed with the Commission on April 20, 2004 and are incorporated herein by reference.
3. The Combined Financial Statements of El Paso Hydrocarbons, L.P. and El Paso NGL Marketing Company, L.P. as of December 31, 2003 and 2002 and for the three year period ended December 31, 2003 and independent auditors' report are contained in Enterprise's Current Report on Form 8-K filed with the Commission on April 16, 2004 and are incorporated herein by reference.

4. The Unaudited Consolidated Financial Statements of GulfTerra Energy Partners, L.P. at June 30, 2004 and December 31, 2003 and for the six months ended June 30, 2004 and 2003 are contained in Enterprise's Current Report on Form 8-K filed with the Commission on September 17, 2004 and are incorporated herein by reference.
5. The Unaudited Combined Financial Statements of El Paso Hydrocarbons, L.P. and El Paso NGL Marketing Company, L.P. at June 30, 2004 and December 31, 2003 and for the six months ended June 30, 2004 and 2003 are contained in Enterprise's Current Report on Form 8-K filed with the Commission on August 11, 2004 and are incorporated herein by reference.

(b) Pro forma financial information.

1. The Unaudited Pro Forma Condensed Consolidated Financial Statements of Enterprise Products Partners L.P. at and for the six months ended June 30, 2004 and for the year ended December 31, 2003 are contained in Enterprise's Current Report on Form 8-K filed with the Commission on September 27, 2004 and are incorporated herein by reference.

(c) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
2.1	Merger Agreement, dated as of December 15, 2003, by and among Enterprise Products Partners L.P., Enterprise Products GP, LLC, Enterprise Products Management LLC, GulfTerra Energy Partners, L.P. and GulfTerra Energy Company, L.L.C. (incorporated by reference to Exhibit 2.1 to Enterprise's Current Report on Form 8-K filed with the Commission on December 15, 2003).
2.2	Parent Company Agreement, dated as of December 15, 2003, by and among Enterprise Products Partners L.P., Enterprise Products GP, LLC, Enterprise Products GTM, LLC, El Paso Corporation, Sabine River Investors I, L.L.C., Sabine River Investors II, L.L.C., El Paso EPN Investments, L.L.C. and GulfTerra GP Holding Company (incorporated by reference to Exhibit 2.2 to Enterprise's Current Report on Form 8-K filed with the Commission on December 15, 2003).
2.3	Second Amended and Restated Limited Liability Company Agreement of GulfTerra Energy Company, L.L.C., adopted by GulfTerra GP Holding Company, a Delaware corporation, and Enterprise Products GTM, LLC, a Delaware limited liability company, as of December 15, 2003, (incorporated by reference to Exhibit 2.3 to Enterprise's Current Report on Form 8-K filed with the Commission on December 15, 2003).
2.4	Purchase and Sale Agreement (Gas Plants), dated as of December 15, 2003, by and between El Paso Corporation, El Paso Field Services Management,

Inc., El Paso Transmission, L.L.C., El Paso Field Services Holding Company and Enterprise Products Operating L.P. (incorporated by reference to Exhibit 2.4 to Enterprise's Current Report on Form 8-K filed with the Commission on December 15, 2003).

- 2.5 Amendment No. 1 to Parent Company Agreement, dated as of April 19, 2004, by and among Enterprise Products Partners L.P., Enterprise Products GP, LLC, Enterprise Products GTM, LLC, El Paso Corporation, Sabine River Investors I, L.L.C., Sabine River Investors II, L.L.C., El Paso EPN Investments, L.L.C. and GulfTerra GP Holding Company (incorporated by reference to Exhibit 2.1 to Enterprise's Current Report on Form 8-K filed with the Commission on April 21, 2004).
- 2.6 Amendment No. 1 to Merger Agreement, dated as of August 31, 2004, by and among Enterprise Products Partners L.P., Enterprise Products GP, LLC, Enterprise Products Management LLC, GulfTerra Energy Partners, L.P. and GulfTerra Energy Company, L.L.C. (incorporated by reference to Exhibit 2.1 to Enterprise's Current Report on Form 8-K filed with the Commission on September 7, 2004).
- 3.1* Second Amended and Restated Limited Liability Company Agreement of Enterprise Products GP, LLC, among Duncan Family Interests, Inc., Dan Duncan LLC, and GulfTerra GP Holding Company dated September 30, 2004.
- 4.1* Exchange and Registration Rights Agreement, dated as of September 30, 2004, among GulfTerra GP Holding Company, Enterprise Products GP, LLC and Enterprise Products Partners L.P.
- 4.2* Performance Guaranty dated as of September 30, 2004, by DFI Delaware Holdings L.P. in favor of GulfTerra GP Holding Company (with respect to the obligations of Enterprise Products GP, LLC under Exhibit 4.1, above).
- 4.3* Registration Rights Agreement, dated as of September 30, 2004, between El Paso Corporation and Enterprise Products Partners L.P.
- 4.4** Assumption Agreement dated as of September 30, 2004 between Enterprise Products Partners L.P. and GulfTerra Energy Partners, L.P. relating to the assumption by Enterprise of GulfTerra's obligations under the GulfTerra Series F2 Convertible Units.
- 4.5 Statement of Rights, Privileges and Limitations of Series F Convertible Units, included as Annex A to Third Amendment to the Second Amended and Restated Agreement of Limited Partnership of GulfTerra Energy Partners, L.P., dated May 16, 2003 (incorporated by reference to Exhibit 3.B.3 to Current Report on Form 8-K of GulfTerra Energy Partners,

L.P., file no. 001-11680, filed with the Commission on May 19, 2003).

- 4.6 Unitholder Agreement between GulfTerra Energy Partners, L.P. and Fletcher International, Inc. dated May 16, 2003 (incorporated by reference to Exhibit 4.L to Current Report on Form 8-K of GulfTerra Energy Partners, L.P., file no. 001-11680, filed with the Commission on May 19, 2003).
- 10.1** Letter Agreement dated September 30, 2004, among Enterprise Products Partners L.P., GulfTerra Energy Partners, L.P. and Bart Heijermans.
- 10.2 1998 Omnibus Compensation Plan of GulfTerra Energy Partners, L.P., Amended and Restated as of January 1, 1999 (incorporated by reference to Exhibit 10.9 to Form 10-K for the year ended December 31, 1998 of GulfTerra Energy Partners, L.P., file no. 001-11680); Amendment No. 1, dated as of December 1, 1999 (incorporated by reference to Exhibit 10.8.1 to Form 10-Q for the quarter ended June 30, 2000 of GulfTerra Energy Partners, L.P., file no. 001-116800); Amendment No. 2 dated as of May 15, 2003 (incorporated by reference to Exhibit 10.M.1 to Form 10-Q for the quarter ended June 30, 2003 of GulfTerra Energy Partners, L.P., file no. 001-11680).
- 10.3 1998 Enterprise Products Long-Term Incentive Plan (Amended and Restated as of April 8, 2004) (incorporated by reference to Appendix B to Enterprise's Notice of Written Consent dated April 22, 2004, filed with the Commission on April 22, 2004).
- 99.1* Press release dated September 30, 2004.

* Filed with original Current Report on Form 8-K.

** Filed herewith

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.

ENTERPRISE PRODUCTS PARTNERS L.P.

By: Enterprise Products GP, LLC,
its General Partner

Date: October 5, 2004

By: /s/ Michael J. Knesek

Name: Michael J. Knesek
Title: Vice President, Controller and Principal
Accounting Officer of Enterprise
Products GP, LLC

Signature Page

INDEX TO EXHIBITS

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2.6	Amendment No. 1 to Merger Agreement, dated as of August 31, 2004, by and among Enterprise Products Partners L.P., Enterprise Products GP, LLC, Enterprise Products Management LLC, GulfTerra Energy Partners, L.P. and GulfTerra Energy Company, L.L.C. (incorporated by reference to Exhibit 2.1 to Enterprise's Current Report on Form 8-K filed with the Commission on September 7, 2004).

- 3.1* Second Amended and Restated Limited Liability Company Agreement of Enterprise Products GP, LLC, among Duncan Family Interests, Inc., Dan Duncan LLC, and GulfTerra GP Holding Company dated September 30, 2004.
- 4.1* Exchange and Registration Rights Agreement, dated as of September 30, 2004, among GulfTerra GP Holding Company, Enterprise Products GP, LLC and Enterprise Products Partners L.P.
- 4.2* Performance Guaranty dated as of September 30, 2004, by DFI Delaware Holdings L.P. in favor of GulfTerra GP Holding Company (with respect to the obligations of Enterprise Products GP, LLC under Exhibit 4.1, above).
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- 4.4** Assumption Agreement dated as of September 30, 2004 between Enterprise Products Partners L.P. and GulfTerra Energy Partners, L.P. relating to the assumption by Enterprise of GulfTerra's obligations under the GulfTerra Series F2 Convertible Units.
- 4.5 Statement of Rights, Privileges and Limitations of Series F Convertible Units, included as Annex A to Third Amendment to the Second Amended and Restated Agreement of Limited Partnership of GulfTerra Energy Partners, L.P., dated May 16, 2003 (incorporated by reference to Exhibit 3.B.3 to Current Report on Form 8-K of GulfTerra Energy Partners, L.P., file no. 001-11680, filed with the Commission on May 19, 2003).
- 4.6 Unitholder Agreement between GulfTerra Energy Partners, L.P. and Fletcher International, Inc. dated May 16, 2003 (incorporated by reference to Exhibit 4.L to Current Report on Form 8-K of GulfTerra Energy Partners, L.P., file no. 001-11680, filed with the Commission on May 19, 2003).
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- 10.2 1998 Omnibus Compensation Plan of GulfTerra Energy Partners, L.P., Amended and Restated as of January 1, 1999 (incorporated by reference to Exhibit 10.9 to Form 10-K for the year ended December 31, 1998 of GulfTerra Energy Partners, L.P., file no. 001-11680); Amendment No. 1, dated as of December 1, 1999 (incorporated by reference to Exhibit 10.8.1 to Form 10-Q for the quarter ended June 30, 2000 of GulfTerra Energy Partners, L.P., file no. 001-116800); Amendment No. 2 dated as of May 15, 2003 (incorporated by reference to Exhibit 10.M.1 to Form 10-Q for the quarter ended June 30, 2003 of GulfTerra Energy Partners, L.P., file
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no. 001-11680).

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99.1* Press release dated September 30, 2004.

* Filed with original Current Report on Form 8-K.

** Filed herewith

GULFTERRA ENERGY PARTNERS, L.P.
4 Greenway Plaza
Houston, Texas 77046

ENTERPRISE PRODUCTS PARTNERS L.P.
2727 North Loop West
Houston, Texas 77008

September 30, 2004

Mr. Bart Heijermans
Senior Vice President, Offshore

Re: Effect of the GulfTerra Energy Partners, L.P. (“GTM”)/ Enterprise Products Partners L.P. (“EPD”) merger on your GTM restricted units and performance-based restricted units

Dear Bart:

Pursuant to the award agreement dated August 15, 2003 (your “*Award Agreement*”), GTM granted you a special award of 15,000 restricted units and 15,000 performance-based restricted units under the 1998 Omnibus Compensation Plan (as amended, restated, supplemented or otherwise modified, the “*GTM Plan*”). This letter (this “*Letter Agreement*”) confirms our arrangement with respect to those units and how they will be treated upon and after the closing of the merger between GTM and EPD. Each GTM restricted unit and GTM performance-based restricted unit will, at the closing of the merger, be exchanged for 1.81 comparable EPD awards, or 27,150 EPD restricted units and 27,150 EPD phantom units. Although the GTM Plan will terminate upon the closing of the merger, the EPD restricted units and EPD phantom units will be subject to the same restrictions and entitlements as those contained in the GTM Plan (as though it had not been terminated and with the substitution of EPD for GTM as the “Company” therein and of EPD’s general partner as the “General Partner” therein) and this Letter Agreement. The EPD phantom units will be granted under the Enterprise Products 1998 Long-Term Incentive Plan (“*EPD Plan*”). If the merger does not close, this Letter Agreement will terminate, and your Award Agreement and the GTM Plan will remain in effect.

EPD Restricted Units

The EPD restricted units will cliff vest on August 1, 2007, provided you remain continuously employed by EPD or its affiliates until such date. As discussed above, these EPD restricted units will be subject to the same restrictions set forth in the GTM Plan, including prohibitions against transfer and resale. During the restriction period, as is true with respect to your GTM restricted units, you may vote your EPD restricted units and will receive any distributions on those EPD restricted units.

EPD Phantom Units

The restrictions on the EPD phantom units will lapse on August 1, 2007, provided that the total cash flow (EBITDA) from the Cameron Highway Project equals or exceeds the Target EBITDA, and that you remain continuously employed by EPD or its affiliates until such date. The Target EBITDA is \$145MM and will be measured from start-up through August 1, 2007.

If on August 1, 2007, the total EBITDA is greater than or equal to 75% of the Target EBITDA, the restrictions will lapse on a total number of EPD phantom units equal to the percentage (not to exceed 100%) of the Target EBITDA achieved (as long as equal to or greater than 75%), with any remaining EPD phantom units forfeited. If the total EBITDA is less than 75% of the Target EBITDA on such date, then all of the EPD phantom units will be forfeited. EPD phantom units that become vested may be paid in EPD common units, cash or any combination thereof under the terms of the EPD Plan, as determined by the EPD Plan's committee

As discussed above, these EPD performance-based restricted phantom units will be subject to the same restrictions set forth in the GTM Plan, including prohibitions against transfer and resale. During the restriction period, you may not vote your EPD phantom units nor will you receive any distributions on those EPD phantom units.

Sincerely,

GULFTERRA ENERGY PARTNERS, L.P.

By: /s/ James H. Lytal

James H. Lytal
President and Chief Commercial Officer

ENTERPRISE PRODUCTS PARTNERS L.P.

By: /s/ Michael A. Creel

Michael A. Creel
*Executive Vice President and
Chief Financial Officer*

AGREED TO AND ACCEPTED AS OF
THE DATE FIRST WRITTEN ABOVE:

/s/ Bart Heijermans

Bart Heijermans

ASSUMPTION AGREEMENT

THIS ASSUMPTION AGREEMENT (this "Agreement"), dated as of September 30, 2004, is entered into by and between Enterprise Products Partners L.P., a Delaware limited partnership ("Enterprise MLP"), and GulfTerra Energy Partners, L.P., a Delaware limited partnership ("GulfTerra MLP").

RECITALS

WHEREAS, pursuant to a Merger Agreement dated December 15, 2003, as amended, by and among Enterprise MLP, GulfTerra MLP, GulfTerra GP, Enterprise GP, and Enterprise Products Management LLC ("Acquisition LLC"), Acquisition LLC will be merged with and into GulfTerra MLP, with GulfTerra MLP as the sole surviving entity (the "Merger"); and

WHEREAS, in connection with the Merger, GulfTerra MLP's Series A Common Units will be converted into Enterprise MLP's Common Units; and

WHEREAS, GulfTerra MLP issued and there remain outstanding certain Series F Convertible Units, consisting of 80 Series F2 Convertible Units, which are convertible into GulfTerra MLP's Series A Common Units on the terms and subject to the conditions set forth in a Statement of Rights, Privileges and Limitations of Series F Convertible Units, dated May 16, 2003 (as amended, the "Statement"); and

WHEREAS, Section 3.3(e) of the Statement requires that Enterprise MLP, in connection with the Merger, assume all of GulfTerra MLP's obligations in respect of any Series F Convertible Units that remain outstanding following the Merger;

NOW, THEREFORE, in consideration of their mutual undertakings and agreements hereunder, the parties to this Agreement undertake and agree as follows:

1. Assumption by Enterprise. Enterprise MLP hereby assumes and agrees to duly and timely perform and discharge all obligations and liabilities of GulfTerra MLP under the Statement in respect of any Series F Convertible Units that remain outstanding and not expired following the Merger. (A) All references in the Statement to the Partnership shall hereafter be references to Enterprise MLP, (B) all references in the Statement to the Series A Common Units shall hereafter be references to Enterprise MLP's Common Units, (C) all references in the Statement to the Measuring Date Unit Price shall hereafter mean \$19.751381, subject to adjustment pursuant to Section 3 of the Statement, (D) all references in the Statement to the Cashless Conversion Trigger Price shall hereafter mean \$14.36464, subject to adjustment pursuant to Section 3 of the Statement, (E) all references in the Statement to the Maximum Number shall mean 11,818,326, subject to adjustment pursuant to Section 3, and (F) all references in the Statement to the Prevailing Unit Price, Daily Market Unit Price and Conversion Unit Price shall hereafter be references to such prices with respect to Enterprise. GulfTerra MLP confirms and agrees that, except to the extent expressly assumed by Enterprise MLP pursuant to this Section 1, GulfTerra MLP shall remain solely liable for all obligations under the Statement and in respect of the Series F Convertible Units. Whenever GulfTerra MLP receives any notice or other communication under or pursuant to the Statement which relates to any obligation assumed hereby by Enterprise MLP, GulfTerra MLP will promptly

notify Enterprise MLP thereof at 2727 North Loop West, Houston, Texas 77008-1044, Attention: Chief Legal Officer, telecopy no. (713) 880-6570.

2. **Assurances.** From time to time after the date hereof, and without any further consideration, each of the parties to this Agreement shall execute, acknowledge and deliver all such additional instruments, notices and other documents, and will do all such other acts and things, all in accordance with applicable law, as may be necessary or appropriate to more fully and effectively carry out the purposes and intent of this Agreement.

3. **Governing Law.** The provisions of this Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Texas, excluding any conflict of laws rule or principle that might refer the construction or interpretation hereof to the laws of another jurisdiction.

4. **Entire Agreement; Amendments and Waivers.** This Agreement together with the Statement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties, and there are no other agreements between the parties in connection with the subject matter hereof except as set forth specifically herein or contemplated hereby. No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby. The failure of a party to exercise any right or remedy shall not be deemed or constitute a waiver of such right or remedy in the future. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (regardless of whether similar), nor shall any such waiver constitute a continuing waiver unless otherwise expressly provided.

5. **Binding Effect and Assignment.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns. This Agreement shall not be assignable by either party hereto without the written consent of the other party hereto. Nothing in this Agreement, express or implied, is intended to confer upon any person other than the parties hereto and their respective permitted successors and assigns, any rights, benefits or obligations hereunder.

6. **Severability.** If any term or other provision of this Agreement is invalid, illegal, or incapable of being enforced by any rule of applicable law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect.

7. **Execution.** This Agreement may be executed in multiple counterparts each of which shall be deemed an original and all of which shall constitute one instrument.

[The remainder of this page is blank.]

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of the date first above written.

GULFTERRA ENERGY PARTNERS, L.P.

By: /s/ James H. Lytal

James H. Lytal
President and Chief Commercial Officer

ENTERPRISE PRODUCTS PARTNERS L.P.

By: Enterprise Products GP, LLC, its
general partner

By: /s/ Michael A. Creel

Michael A. Creel
*Executive Vice President and
Chief Financial Officer*