



# Morgan Stanley Permian Basin Energy Summit Presentation

April 1, 2014



# Forward Looking Statements & Non-GAAP Financial Information



## Forward Looking Statements

This presentation contains forward looking statements within the meaning of the federal securities laws. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. The future results of EnLink Midstream, LLC, EnLink Midstream Partners, LP and their respective affiliates (collectively known as “EnLink Midstream”) may differ materially from those expressed in the forward-looking statements contained throughout this presentation and in documents filed with the Securities and Exchange Commission (“SEC”). Many of the factors that will determine these results are beyond EnLink Midstream’s ability to control or predict. These statements are necessarily based upon various assumptions involving judgments with respect to the future, including, among others, drilling levels; the dependence on Devon Energy Corporation for a substantial portion of the natural gas that we gather, process and transport; the risk that EnLink Midstream will not be integrated successfully or that such integration will take longer than anticipated; the possibility that expected synergies will not be realized, or will not be realized within the expected timeframe; EnLink Midstream’s lack of asset diversification; EnLink Midstream’s vulnerability to having a significant portion of its operations concentrated in the Barnett Shale; the amount of hydrocarbons transported in EnLink Midstream’s gathering and transmission lines and the level of its processing and fractionation operations; fluctuations in oil, natural gas and NGL prices; construction risks in our major development projects; our ability to consummate future acquisitions, successfully integrate any acquired businesses, realize any cost savings and other synergies from any acquisition; changes in the availability and cost of capital; competitive conditions in EnLink Midstream’s industry and their impact on its ability to connect hydrocarbon supplies to its assets; operating hazards, natural disasters, weather-related delays, casualty losses and other matters beyond our control; and the effects of existing and future laws and governmental regulations, including environmental and climate change requirements and other uncertainties and other factors discussed in EnLink Midstream’s Annual Reports on Form 10-K for the year ended December 31, 2013, in EnLink Midstream, LLC’s Registration Statement on Form S-4 and in EnLink Midstream’s other filings with the SEC. You are cautioned not to put undue reliance on any forward-looking statement. EnLink Midstream has no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

## Non-GAAP Financial Information

This presentation also contains non-generally accepted accounting principle financial measures that EnLink Midstream refers to as adjusted EBITDA and gross operating margin. Adjusted EBITDA is defined as net income (loss) plus interest expense, provision for income taxes, depreciation and amortization expense, impairments, stock-based compensation, (gain) loss on non-cash derivatives, transaction costs associated with successful transactions, distribution from a limited liability company and non-controlling interest; less (gain) loss on sale of property and equity in income (loss) of a limited liability company. Gross operating margin is defined as revenue less the cost of purchased gas, NGLs and crude oil. The amounts included in the calculation of these measures are computed in accordance with generally accepted accounting principles (GAAP).

EnLink Midstream believes these measures are useful to investors because they may provide users of this financial information with meaningful comparisons between current results and prior-reported results and a meaningful measure of EnLink Midstream’s cash flow after it has satisfied the capital and related requirements of its operations.

Adjusted EBITDA and gross operating margin, as defined above, are not measures of financial performance or liquidity under GAAP. They should not be considered in isolation or as an indicator of EnLink Midstream’s performance. Furthermore, they should not be seen as measures of liquidity or a substitute for metrics prepared in accordance with GAAP.

# Introduction to EnLink Midstream



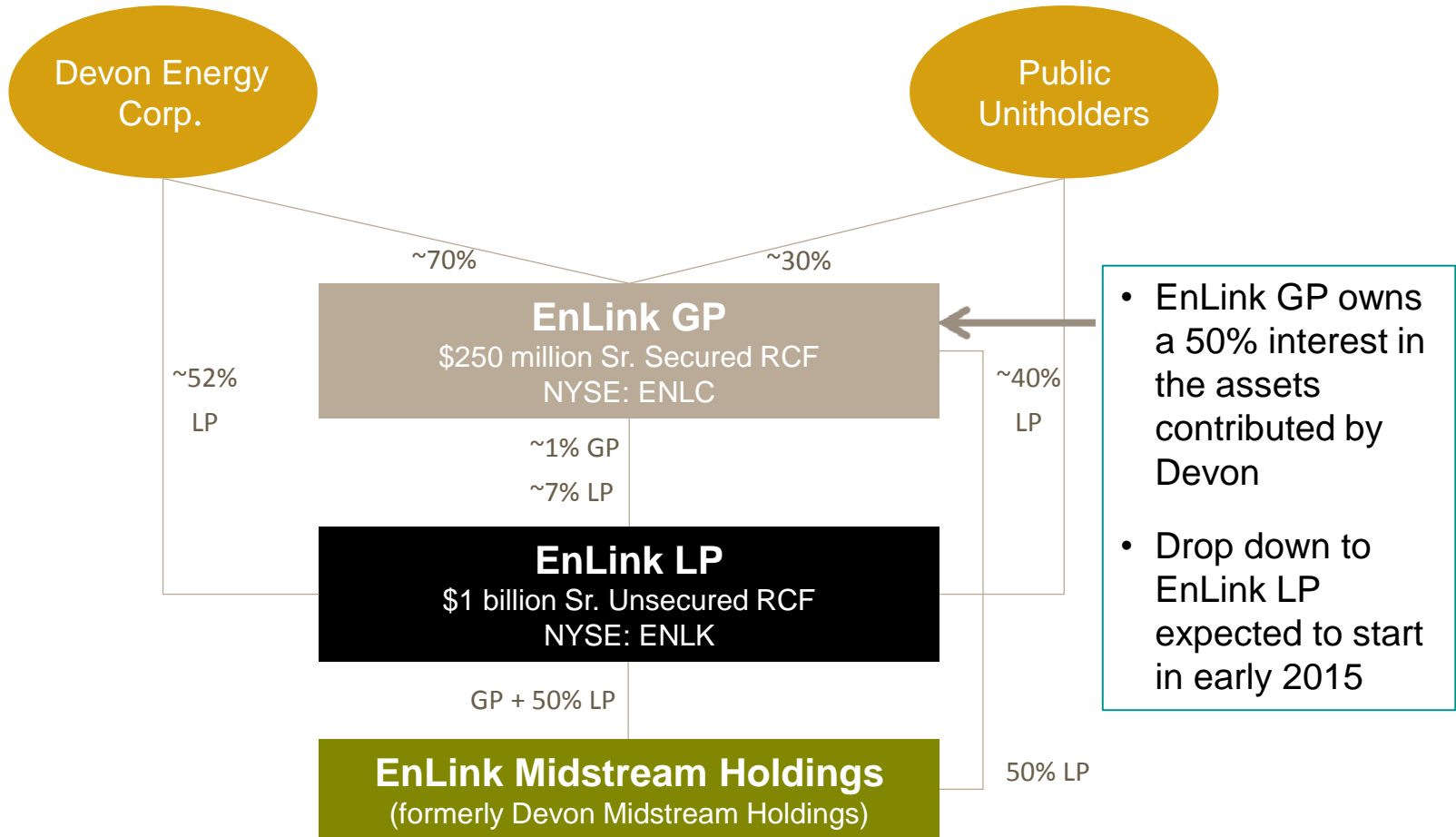
## Background

- Devon Energy Corporation (“Devon” or “DVN”), Crosstex Energy, Inc. (“XTXI”) and Crosstex Energy, L.P. (“XTEX”, and together with XTXI, “Crosstex”) closed contribution and merger agreements involving Crosstex’s assets and Devon’s U.S. midstream operations (“DVNM”)
- Devon now directly owns ~70% of EnLink Midstream, LLC (“EnLink GP”) and ~52% of EnLink Midstream Partners, LP (“EnLink LP”), and has majority board representation in the companies (together, “EnLink Midstream”)
- DVN and Crosstex have a deep, long-standing commercial relationship established over the past decade
  - Joint acquisition of Chief Barnett Shale assets in 2006
  - Strategic relationship across large scale Barnett Shale development

## EnLink Midstream Investment Attributes

- EnLink Midstream is positioned as one of the largest and most stable midstream companies
- Conservative financial policy targeting <3.5x debt/adjusted EBITDA at EnLink LP and investment grade balance sheet (BBB / Baa3)
- DVNM assets underpinned by 10-year contracts with five-year minimum volume commitments, providing stable cash flows and volume stability
- EnLink Midstream 2014 consolidated gross operating margin contribution is expected to be ~95% fee-based
- Significant growth potential from drop down opportunities, backlog of organic growth projects and opportunities to serve Devon Energy in growth areas and M&A

# Organizational Structure



# EnLink Midstream Investment Considerations





# Strategically Located & Complementary Assets

## Gas Gathering and Transportation

- ~7,300 miles of gathering and transmission lines

## Gas Processing

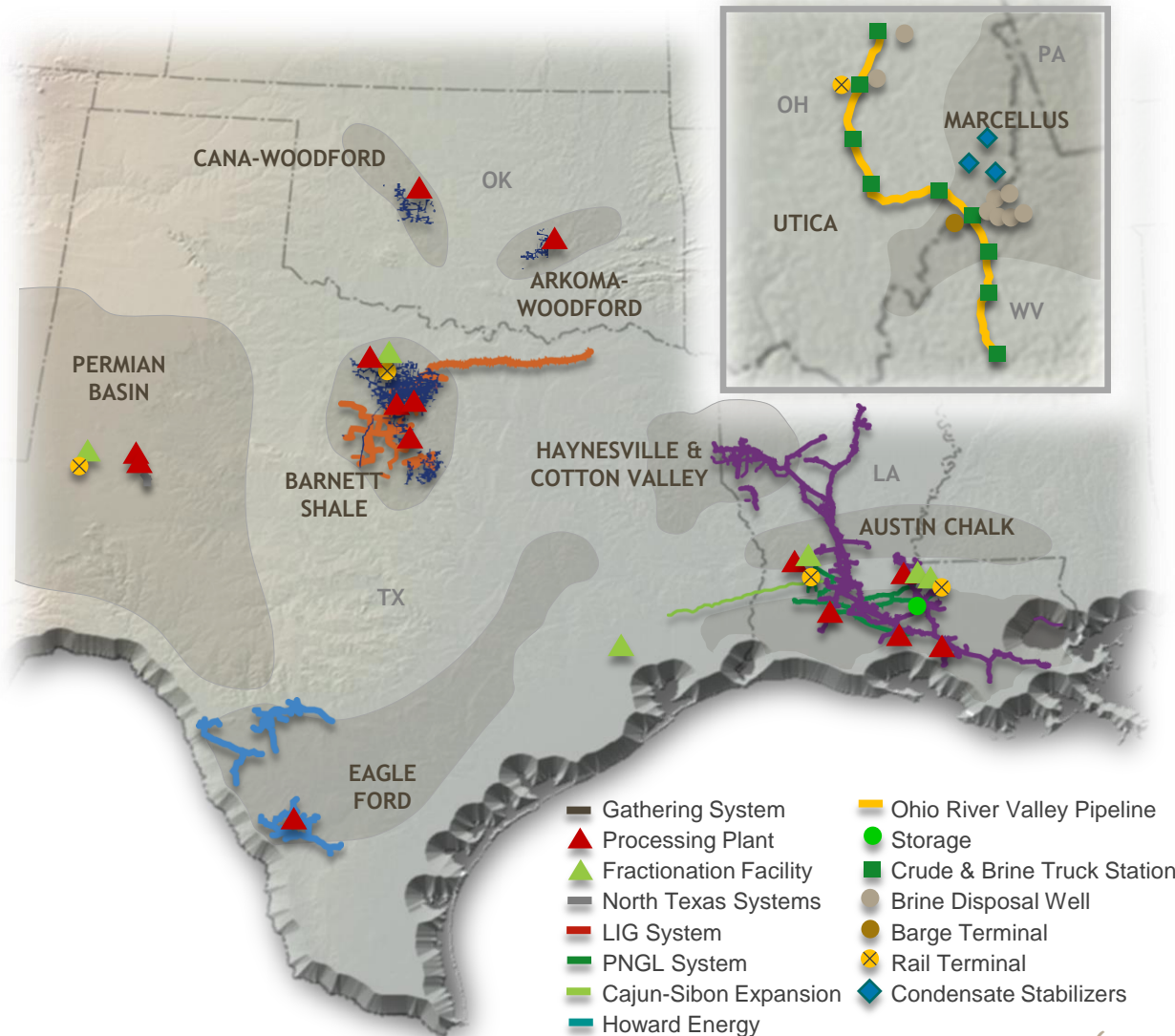
- 12 plants with 3.3 Bcf/d of total net inlet capacity
- 1 plant with 60 MMcf/d of net inlet capacity under construction

## NGL Transportation, Fractionation and Storage

- ~570 miles of liquids transport line
- 6 fractionation facilities with 180,000 Bbls/d of total net capacity<sup>(1)</sup>
- 3 MMBbls of underground NGL storage

## Crude, Condensate and Brine Handling

- 200 miles of crude oil pipeline
- Barge and rail terminals
- 500,000 Bbls of above ground storage
- 100 vehicle trucking fleet
- 8 Brine disposal wells

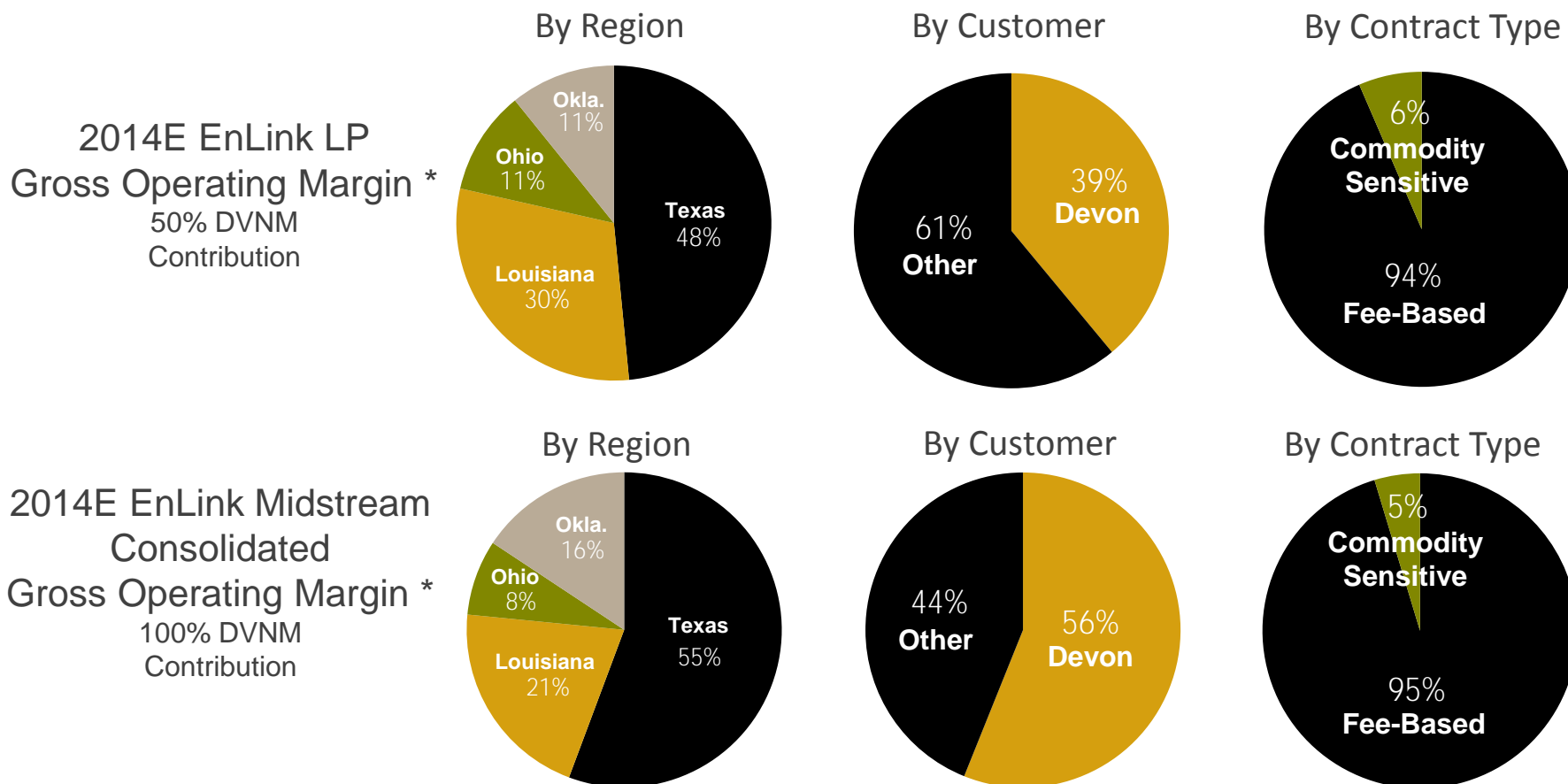


(1) Increasing to 7 facilities with 252,000 Bbls/d of total net capacity upon completion of the Cajun-Sibon phase II expansion expected in the second half of 2014.

# Diverse, Fee-Based Cash Flows



- Devon will be EnLink Midstream's largest customer (>50% of consolidated 2014E adjusted EBITDA\*)
- EnLink Midstream's growth projects focused on crude/NGL services and rich gas processing
- Strong emphasis on fee-based contracts



\* Gross operating margin and adjusted EBITDA percentage estimates are provided for illustrative purposes and reflect period following transaction closing (2Q-4Q 2014)  
Note: Adjusted EBITDA and gross operating margin are non-GAAP financial measures and are explained on page 3.

# EnLink Midstream Growth Strategy



## EnLink Midstream is ideally positioned for growth

- EnLink Midstream's Four Avenues for Growth:
  - Organic Growth Opportunities – backlog of growth projects at Crosstex's legacy assets; potential expansions for third-party volumes at Devon's legacy midstream assets
  - Dropdowns – E2 condensate stabilization facilities in Ohio; 50% of Devon Midstream Holdings; the Access Pipeline system in Canada; other potential opportunities
  - Serving Devon – Devon has a strong financial incentive to contract future midstream development projects with EnLink Midstream
  - M&A Activity – disciplined approach; strong financial foundation in place for acquisitions
- EnLink Midstream's current development projects are focused on fee-based, liquids-focused organic growth opportunities
  - Cajun-Sibon II – NGL transportation and fractionation
  - Bearkat – Permian rich gas gathering and processing
  - Ohio River Valley – focus on condensate stabilizing and transporting
  - Strong backlog of additional projects under consideration










# Our History in the Permian Basin

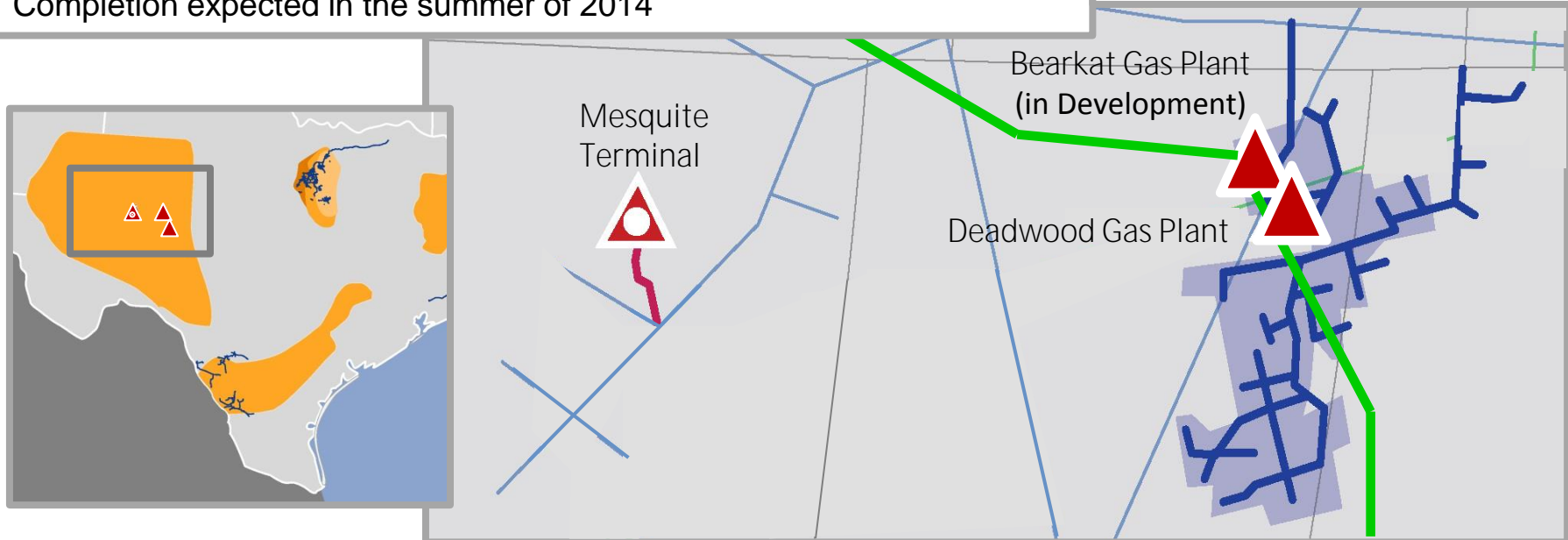
Date	Event
July 2011	Commenced Permian operations with announcement of the Deadwood plant joint venture with Apache Corp. and the purchase of the Mesquite fractionator
Feb. 2012	Deadwood processing plant, a 58 MMcf/d facility, and the Mesquite fractionation and rail terminal facility placed into service
Oct. 2012	Deadwood plant operating at full capacity
Oct. 2013	Executed commercial agreements to support new 60 MMcf/d Bearkat processing facility and southern 12" gathering pipeline
Feb. 2014	Executed commercial agreements to support construction of Bearkat's northern 12" gathering pipeline along the Howard-Martin county line



# Bearkat Project

- Builds on success of Deadwood joint venture with Apache, which was on-time, on-budget and is near full capacity
- ~ 60 MMcf/d processing plant
- ~65-mi., 12" gathering system with combined capacity of 200,000 Mscf/d
- ~65-mi., 6" lean gas fuel line – providing producer fuel and gas lift
- Supported by long-term, fee-based contracts with multiple producers
- ~ \$210MM initial investment for gas gathering and processing plant
- Completion expected in the summer of 2014

-  Processing Plant
-  Fractionator
-  Apache Acreage
-  Apache Owned Gathering
-  Mesquite Liquids Pipeline
-  Chevron Liquids Pipeline
-  Bearkat High Pressure Gathering



# Permian Basin Growth Strategy

EnLink Midstream is pursuing the following opportunities for growth in the Permian

- **Bolt-on expansions** leveraging Bearkat system
- **Greenfield expansions** in constrained areas
  - Opportunities include gas gathering and processing and crude gathering
- **Leveraging Mesquite terminal** into additional lines of business
  - Currently operating truck-to-pipe transloading service
  - Additional opportunities include terminalling services and crude blending
- **M&A:** disciplined approach focused on opportunities that are synergistic with existing platform

