FOR IMMEDIATE RELEASE
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LLOG EXPLORATION AND BLACKSTONE ENERGY PARTNERS ANNOUNCE
THE FORMATION OF A MULTI-BILLION DOLLAR OFFSHORE
GULF OF MEXICO STRATEGIC PARTNERSHIP

Covington, LA and New York: November 13, 2012 – LLOG Exploration Company L.L.C. (“LLOG” or the “Company”) and Blackstone today announced the formation of a long-term, strategic partnership and have committed to invest over $1.2 billion to expand and accelerate LLOG’s offshore operations in the Gulf of Mexico. The partnership will leverage the combined operational and financial resources of LLOG and private equity funds managed by Blackstone (collectively with their affiliates “Blackstone”) to expedite development of LLOG’s four recent deepwater discoveries as well as the exploration and appraisal of its extensive prospect inventory, which includes over 110 offshore leases. In addition, the partnership will expand LLOG’s asset base in the Gulf of Mexico through federal lease sale participation, farm-ins and M&A activities, further building upon its position as one of the
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largest private companies in the basin.
This strategic partnership is the largest private equity financing executed in the Gulf of Mexico to date.
LLOG is one of the top 10 privately owned oil and gas companies in the U.S. and one of the largest private operators in the Gulf of Mexico (“GOM”). LLOG operates over 95% of its reserves and 86% of its prospects. During the last two years, the Company has made four consecutive discoveries, including two deepwater Gulf of Mexico discoveries to date during 2012, and over the last 10 years the Company has yielded an exploration drilling success rate of 70%.
Blackstone is one of the largest alternative asset managers in the world, with more than $205 billion in assets under management and a leading energy sector private equity investing franchise with an extensive, successful track record of investing in partnership with exceptional management teams seeking to fully capitalize on growth opportunities. Blackstone is currently investing from two private equity funds which aggregate over $19.3 billion of committed capital including Blackstone Energy Partners (“BEP”), its dedicated energy sector fund.
Last year, LLOG commenced production from its Who Dat discovery, an asset which is excluded from this partnership. The Who Dat Field, with estimated reserves of 200 to 300 million barrels of oil equivalent, is one of the largest discoveries in the GOM during the last several years. This field is producing through
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the first privately owned floating production system in the GOM, the Opti-Ex, which the Company acquired and brought online in less than three years, a record setting pace for a development of its type. Importantly, LLOG is also focused on maintaining a strong long-term track record in the areas of health, safety and environment and was the most recent company to be awarded the coveted Safe Operations and Reporting (SOAR) Award by the industry regulatory agency.

Scott Gutterman, LLOG’s CEO, commented, “We are very excited to form this unique, significant, and long-term strategic partnership with Blackstone. This is the first time that we have joined forces with an equity partner on a Company wide basis, and we cannot imagine a more suitable partner to mark this significant inflection point for LLOG. This transaction is indicative of the many exciting assets and opportunities we have at LLOG and will enable us to capture opportunities that we could not otherwise pursue. We believe the Gulf of Mexico deepwater is one of the most attractive oil plays in the world, and we expect to continue to be a long-term, significant player in the basin. I believe that with our deep technical and operations team, experience and assets in the GOM combined with Blackstone’s team, extensive capital resources, oil and gas expertise and industry resources, we will be able to take our business, activity levels and assets to the next level. We are very excited about the risk profile and depth of our prospect inventory, the associated resource potential and the

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operational, capital and human resources we will bring to safely develop and expand our asset base for our partnership.”

Angelo Acconcia, the Managing Director who leads Blackstone Energy Partners’ global oil and gas investing practice, commented, “We are very excited to form this long-term partnership with LLOG to accelerate the growth and development of LLOG’s attractive and extensive portfolio of discoveries and prospects. LLOG has a very talented and experienced technical and operations team, one of the best we have seen in the GOM and the Company has an incredible track record of exploration and development success, operational excellence and strong safety and environmental practices. To complement this, LLOG is a highly efficient deepwater operator, with the history and ability to accelerate development, minimizing the timeframe to first production and significantly increasing project returns.”

David Foley, Chief Executive Officer of Blackstone Energy Partners, stated, “We evaluate many potential investments in the energy sector but choose only a small number each year to pursue that we believe represent a combination of the most exceptional management teams with unique and large-scale opportunities to create value; LLOG is a great example of this.”
Blackstone is one of the largest alternative asset managers in the world, with more than $205 billion in assets under management and is a leading global private equity firm and energy private equity franchise. Since its inception in 1985, Blackstone has invested over $42 billion of equity in 172 transactions across the globe. Blackstone is currently investing out of Blackstone Capital Partners VI (“BCP VI”), a $16.7 billion diversified general purpose private equity fund and Blackstone Energy Partners (“BEP”), a $2.5 billion energy-focused private equity fund. Blackstone’s private equity investments in the energy sector are funded jointly by BEP and BCP VI, which together represent over $5 billion of equity capital allocated to energy.

Over the last decade, Blackstone has built a leading energy sector private equity investing franchise with an extensive, successful track record of investing in partnership with exceptional management teams seeking to capitalize on their growth opportunities and realize the full potential of their assets. Led by David Foley, the Chief Executive Officer of Blackstone Energy Partners, this dedicated team of professionals has committed and invested more than $7.5 billion of equity in 25 energy transactions, across a broad range of geographies and throughout the energy value-chain: upstream, midstream, services & equipment, downstream and power. Oil & gas companies represent a significant share of Blackstone’s capital commitments to the energy sector and remain a key focus area for new investments.
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Blackstone’s current portfolio of oil and gas investments include: Alta Energy, GeoSouthern Energy Corporation, Kosmos Energy, OSUM Oil Sands, and Royal Resources. Further information is available at www.blackstone.com.

LLOG Exploration Company L.L.C. is a privately operated and owned oil and gas firm with corporate headquarters in Covington, Louisiana and offices in Lafayette, Louisiana and Houston, Texas. LLOG is the largest privately owned oil and gas company operating in the Gulf of Mexico. Company’s website: www.llog.com

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