



April 10, 2013

Williams Update on Activity Near Its Parachute, Colo., Facility

Company Identifies Source of Leak, Confirms It Was Stopped Jan. 3; Creek Unaffected by Leak

Based on a preliminary analysis of meter data, Williams officials have concluded that a failed pressure gauge is the source of the hydrocarbon fluids the company found last month near its Parachute Gas Plant. The leak was stopped on January 3, 2013, at 12:33 a.m. The gauge was part of a valve set on a 4-inch natural gas liquids pipeline that belongs to Williams Partners.

The company's evaluation of data from two flow meters on the 4-inch natural gas liquids pipeline shows that the pressure-gauge leak started on Dec. 20, 2012. Based on its analysis that employed Environmental Protection Agency methodology regarding the evaporative properties of natural gas liquids, the company estimates that about 80 percent of the leaked volumes vaporized before entering the soil. By the time the leak was stopped on Jan. 3, 2013, the company estimates up to 241 barrels of natural gas liquids entered the soil at the valve location. To date, crews have recovered about 142 barrels of natural gas liquids from the site.

The valve set controls a 4-inch diameter natural gas liquids line flowing out of Williams' Parachute Gas Plant. When the leak was stopped on Jan. 3, the company removed the leaking pressure gauge at the valve set. Crews cleaned up the natural gas liquids that were thought to have leaked, at that time which was less than one barrel, a level less than the requirement for regulatory notification. Additional excavation around the valve set and the recently completed meter data analysis indicate that the broken pressure gauge is the source of the hydrocarbon fluid found in the soil by workers on March 8.

Lab Results Show Creek Unaffected

Lab analyses of water samples indicate that Parachute Creek is unaffected by the hydrocarbons that work crews discovered earlier this month in soil near Williams' natural-gas processing plant. Williams has provided the water-sample analyses from two independent, accredited laboratories to the Colorado Oil and Gas Conservation Commission (COGCC) and to the US EPA Region 8.

Since Williams' initial discovery and reporting to regulatory agencies on March 8, environmental specialists have collected daily water samples from the creek upstream and downstream of the hydrocarbon-soil location. The initial discovery site is about 60 feet from the creek on Williams' pipeline right-of-way on third-party property in Parachute, Colo.

Accutest Laboratories and ALS Environmental have performed the analyses of collected water samples, in accordance with accepted protocols of the regulatory agencies. Samples have been collected from

one upstream sample point, six sample points in the assessment area and two sample points downstream of the hydrocarbon-soil location.

Ongoing Work to Protect and Resolve

Williams continues to work under the supervision and authority of regulatory agencies to protect Parachute Creek and clean up additional hydrocarbon liquids found in the soil and groundwater.

Williams' environmental specialists continue to visually inspect Parachute Creek every 30 minutes and collect daily water samples at the same five locations. As a precautionary measure, containment booms remain in place at the downstream locations.

An interceptor trench located between the hydrocarbon-soil discovery site and Parachute Creek is in place to protect the creek. Crews have been using vacuum trucks to remove the mix of hydrocarbons and water that collects in the interceptor trench. The vacuum trucks and crews remain stationed onsite.

Williams has opened a broader examination of the property in an effort to further determine the area of impact, collect samples for testing and capture additional hydrocarbon fluids from the soil. Temporary storage of collected liquids is in tanks and affected soil is removed and contained off-site pending execution of an approved disposal plan.

Dissolved phase benzene has been detected at points nearly 1,000 feet away from the valve site. The assessment is ongoing into whether the benzene is related to the natural gas liquids released from the broken pressure gauge between December 20, 2012 and January 3, 2013.

Background and Additional Information

Williams reported the hydrocarbon discovery to regulatory agencies on March 8. The COGCC on March 15 issued a cease-and-desist order requiring Williams to take all appropriate measures to prevent contamination of Parachute Creek. The U.S. Environmental Protection Agency on March 18 filed an administrative order outlining required stabilization and mitigation actions required by the company. The COGCC on March 20 issued Williams and the third-party property owner a Notice of Alleged Violation. These orders are part of a standard regulatory process to ensure a swift and thorough response, which Williams has provided.

In an effort to keep the public informed and respond to questions in a timely manner, Williams has established the website www.AnswersforParachute.com

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