

## **GE UNIT AND UNION GAS INVEST \$115 MILLION TO ACQUIRE EAST TEXAS AND GULF COAST OIL AND GAS RESERVES, PLAN \$29 MILLION MORE IN FIELD DEVELOPMENT**

**HOUSTON AND STAMFORD, Conn., April 1, 2008** – GE Energy Financial Services, a unit of GE (NYSE: GE), announced today it has formed a partnership with a Union Gas Corporation subsidiary and related investors to acquire oil and gas reserves from two fields in East Texas and the Texas Gulf Coast for \$115 million. GE Energy Financial Services is investing \$104 million as the 90 percent limited partner. Union Gas is investing the balance as the 10 percent general partner and operator. The new alliance, Union Gas Production Partners, L.P., plans to invest an additional \$29 million to develop and produce proved reserves over the next two years.

Additional financial and operational details of the transaction were not disclosed.

“Our new partnership combines the Union Gas team’s exploration and operating experience with the know-how and financial strength of GE,” said Randy Lowry, President of Union Gas Corporation. “Allying with a strong institutional partner allows us to accelerate the development of our reserves to grow our production and cash flow at reasonable costs.”

John Schaeffer, Managing Director and head of the oil and gas unit at GE Energy Financial Services, said: “This new investment demonstrates the unique value proposition of our monetization and development partnership, an excellent growth opportunity for Union and GE Energy Financial Services. Combining Union’s expertise in the complete oil and gas development cycle and GE Energy Financial Services’ industry knowledge and commitment should create strong operating results enhanced by attractive related drilling projects.”

Since 1991, the Oil and Gas unit’s 16 professionals have provided \$3 billion in partnership equity for its independent private and public oil and gas partner-operators in the United States. Based in Stamford, Connecticut -- with offices in Houston, Texas and Denver, Colorado -- the Oil and Gas unit is active in all major onshore basins and shallow water Gulf of Mexico. Its 22 partnership investments produce an estimated 88 million cubic feet of natural gas and 9,400 barrels of oil daily.

### **About Union Gas Corporation**

Union Gas Corporation, based in Houston, Texas, is an independent oil & gas company that was founded in 1995. It has successfully identified and developed seven fields on the Texas Gulf Coast. Through its partnerships, it has managed the complete cycle of oil and gas properties, from the generation of 3-D seismic evaluation, identification of prospects, drilling, operation of the wells, reinvestment and divestiture.

**About GE Energy Financial Services**

GE Energy Financial Services' 350 experts invest globally with a long-term view, backed by the best of GE's technical know-how and financial strength, across the capital spectrum and the energy and water industries, to help their customers and GE grow. With \$17 billion in assets, GE Energy Financial Services, based in Stamford, Connecticut, invests more than \$5 billion annually in two of the world's most capital-intensive industries, energy and water. More information: [www.geenergyfinancialservices.com](http://www.geenergyfinancialservices.com).

**About GE**

GE (NYSE: GE) is Imagination at Work -- a diversified technology, media and financial services company focused on solving some of the world's toughest problems. With products and services ranging from aircraft engines, power generation, water processing and security technology to medical imaging, business and consumer financing, media content and advanced materials, GE serves customers in more than 100 countries and employs more than 300,000 people worldwide. For more information, visit [www.ge.com](http://www.ge.com)

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