



**Northern Border
Partners, L.P.**

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**NORTHERN BORDER PARTNERS, L.P. ANNOUNCES
INTENT TO PURCHASE BEAR PAW ENERGY, LLC**

FOR IMMEDIATE RELEASE: Wednesday, Jan. 24, 2001

OMAHA, Neb. -- Northern Border Partners, L.P. (NYSE: NBP) announced today that it has signed a letter of intent to purchase Bear Paw Energy, LLC from a consortium of investors led by Bear Paw Energy management and J.P. Morgan Partners (formerly known as Chase Capital Partners). Under the letter of intent, the purchase price of \$370 million will be paid \$185 million in Northern Border Partners common units and the remainder in cash and the assumption of liabilities. The purchase is targeted for completion by the end of first quarter 2001, subject to due diligence, the negotiation and execution of definitive agreements, regulatory approvals and final Partnership Policy Committee approval.

Bear Paw Energy has extensive gathering and processing operations in the Powder River Basin (PRB) in Wyoming and the Williston Basin (WB) in Montana, North Dakota and Saskatchewan. Bear Paw has approximately 226,000 acres under dedication and 600 miles of high and low pressure gathering pipelines in the PRB. In the WB, Bear Paw has over 2,800 miles of gathering pipelines and four processing plants with 90 million cubic feet per day of capacity.

“Once completed, we will have added over \$625 million in non-regulated assets to the Partnership with our third major acquisition in a little over one year. Our total mix of non-regulated businesses will be slightly over 25 percent,” said Bill Cordes, chairman and chief executive officer of Northern Border Partners, L.P. “These strategically located assets will fit,

both commercially and operationally, with Crestone Energy Ventures and Northern Border Pipeline.”

“We expect this transaction to be immediately accretive to earnings and cash flow,” stated Cordes.

Christopher Behrens, General Partner of J.P. Morgan Partners, said “We have enjoyed great success with Bear Paw Energy and we are enthusiastic about the transaction with Northern Border Partners.”

Interested parties may hear more about this potential acquisition during Northern Border Partners’ 11 a.m.(EST), Jan. 26, 2001 conference call which will also discuss fourth quarter earnings of the Partnership.

Northern Border Partners, L.P. owns a 70 percent general partner interest in Northern Border Pipeline Company, which owns a 1,214-mile interstate pipeline system that transports natural gas from the Montana-Saskatchewan border to markets in the Midwestern United States. Through Crestone Energy Ventures, the Partnership owns interests in Crestone Gathering Services (100 percent), Bighorn Gas Gathering (49 percent), Fort Union Gas Gathering (33.33 percent) and Lost Creek Gathering (35 percent) in the Powder River and Wind River Basins in Wyoming. In addition, the Partnership owns the Black Mesa Pipeline, a 273-mile, coal-water slurry pipeline from Kayenta, Arizona to the Mohave Power Station in Laughlin, Nevada. Northern Border Partners, L.P. information may be found at www.northernborderpartners.com.

J.P. Morgan Partners, formerly Chase Capital Partners, is a global private equity organization with over \$24 billion under management. JPMP and its affiliates have over \$2 billion committed in the energy and power sectors. JPMP’s primary limited partner is J.P. Morgan Chase & Co., one of the largest financial institutions in the United States. For additional information, please visit JPMP’s website at www.jpmorganpartners.com.

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934. Although Northern Border Partners, L.P. believes that its expectations are based on reasonable assumptions, it can give no assurance that such expectations will be achieved. Important factors that could cause actual results to differ materially from those in the forward-looking statements include final negotiation of the definitive agreements, competitive conditions in the gathering and transportation of natural gas, due diligence of the transaction and approval of the Hart-Scott-Rodino Act filing by the Federal Trade Commission.

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