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ConocoPhillips

Meet Alaska
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Trond-Erik Johansen
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CAUTIONARY STATEMENT FOR THE PURPOSES OF THE “SAFE HARBOR” PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

The following presentation includes forward-looking statements. These statements relate to future events, such as anticipated revenues, earnings, business strategies, competitive position or other aspects of our operations or operating results. Actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict such as oil and gas prices; operational hazards and drilling risks; potential failure to achieve, and potential delays in achieving expected reserves or production levels from existing and future oil and gas development projects; unsuccessful exploratory activities; unexpected cost increases or technical difficulties in constructing, maintaining or modifying company facilities; international monetary conditions and exchange controls; potential liability for remedial actions under existing or future environmental regulations or from pending or future litigation; limited access to capital or significantly higher cost of capital related to illiquidity or uncertainty in the domestic or international financial markets; general domestic and international economic and political conditions, as well as changes in tax, environmental and other laws applicable to ConocoPhillips’ business and other economic, business, competitive and/or regulatory factors affecting ConocoPhillips’ business generally as set forth in ConocoPhillips’ filings with the Securities and Exchange Commission (SEC).

ConocoPhillips - A New Independent

► SPIRIT Values

► Smart Growth with high returns

S

SAFETY

We operate safely.

P

PEOPLE

We respect one another, recognizing that our success depends upon the commitment, capabilities and diversity of our employees.

I

INTEGRITY

We are ethical and trustworthy in our relationships with stakeholders.

R

RESPONSIBILITY

We are accountable for our actions. We are a good neighbor and citizen in the communities where we operate.

I

INNOVATION

We anticipate change and respond with creative solutions. We are agile and responsive to the changing needs of stakeholders and embrace learning opportunities from our experience around the world.

T

TEAMWORK

Our “can do” spirit delivers top performance. We encourage collaboration, celebrate success, and build and nurture long-standing relationships.

ConocoPhillips' Focus

► Over the last 10 years, ConocoPhillips' focus has been:

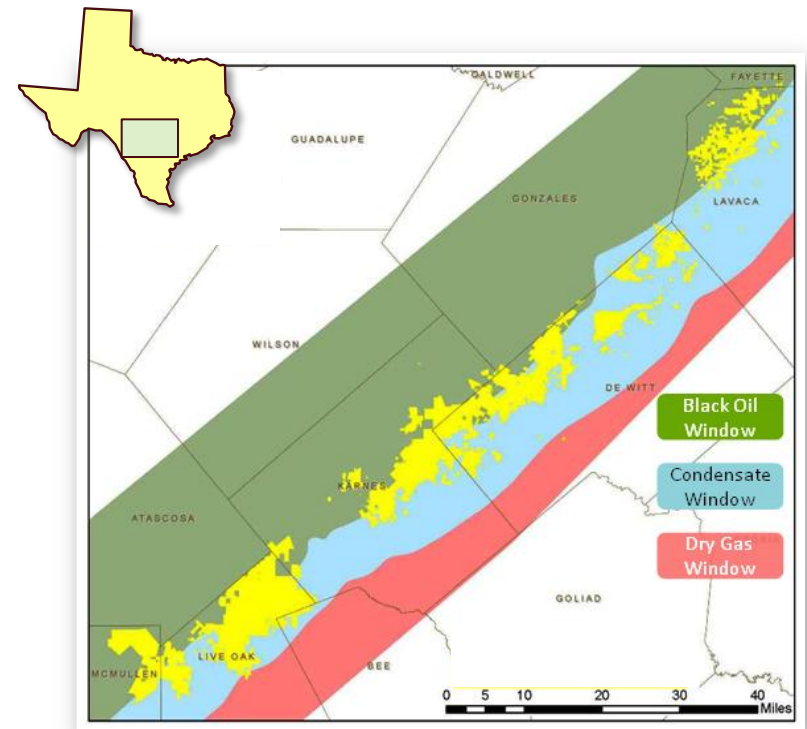
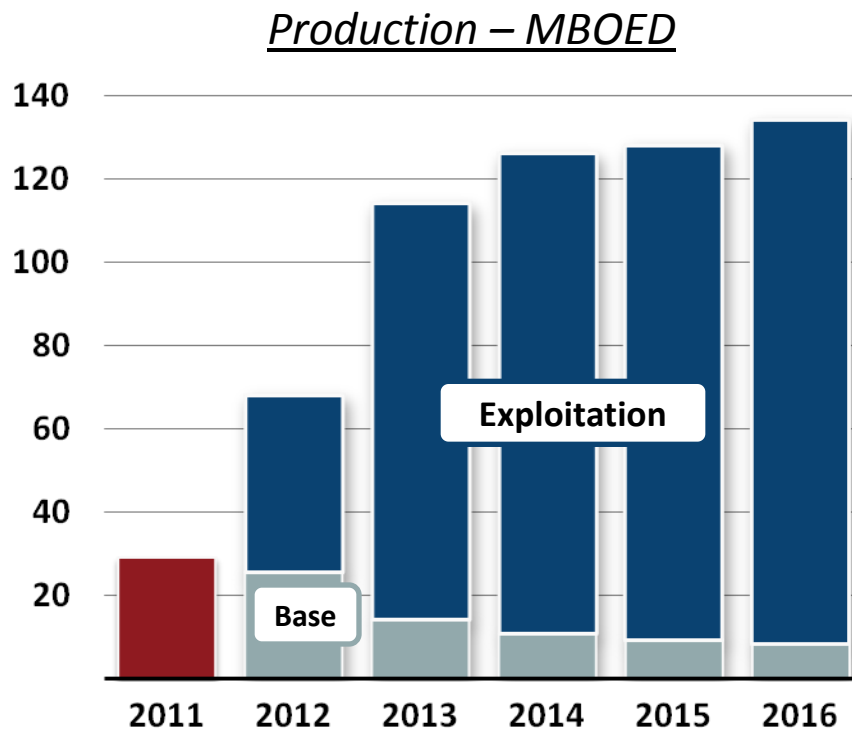
- Resource capture
- Mergers and acquisitions
- Synergies

► ConocoPhillips now focused on:

- High-return organic growth
- Exploration success
- Technology leadership
- Unconventional development

Eagle Ford Opportunity

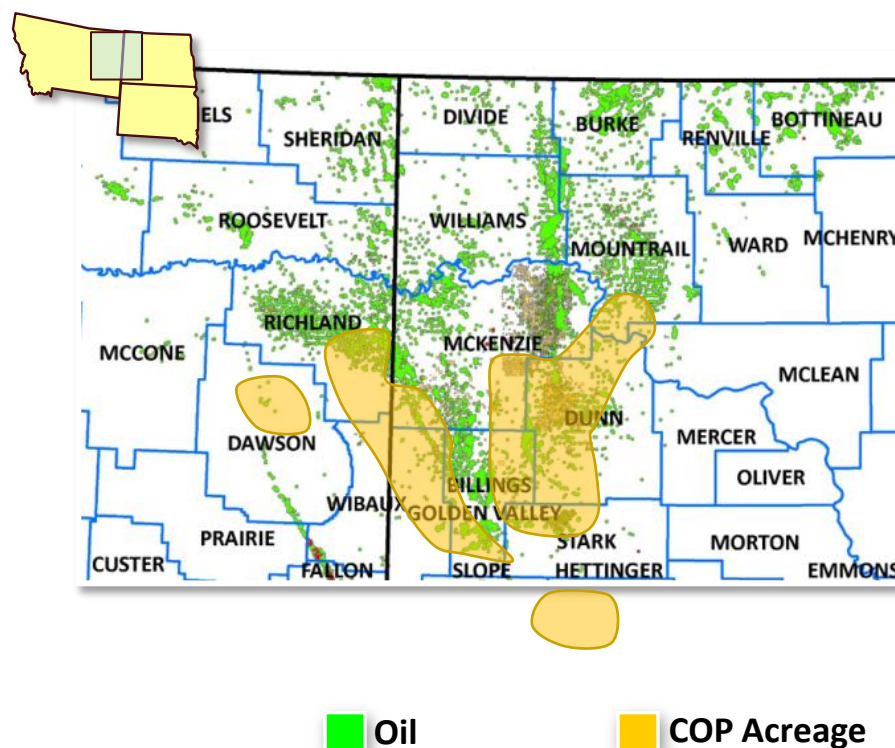
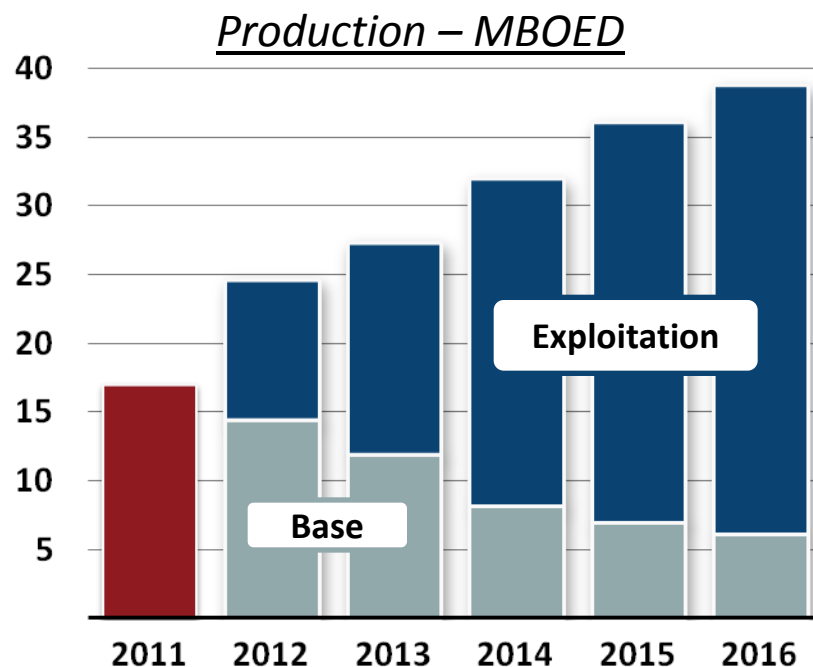
- 228 M net acres in liquids-rich play (77% liquids) with 1.8 billion BOE resources
- 2012 Program: \$2.5 B investment



 COP Acreage

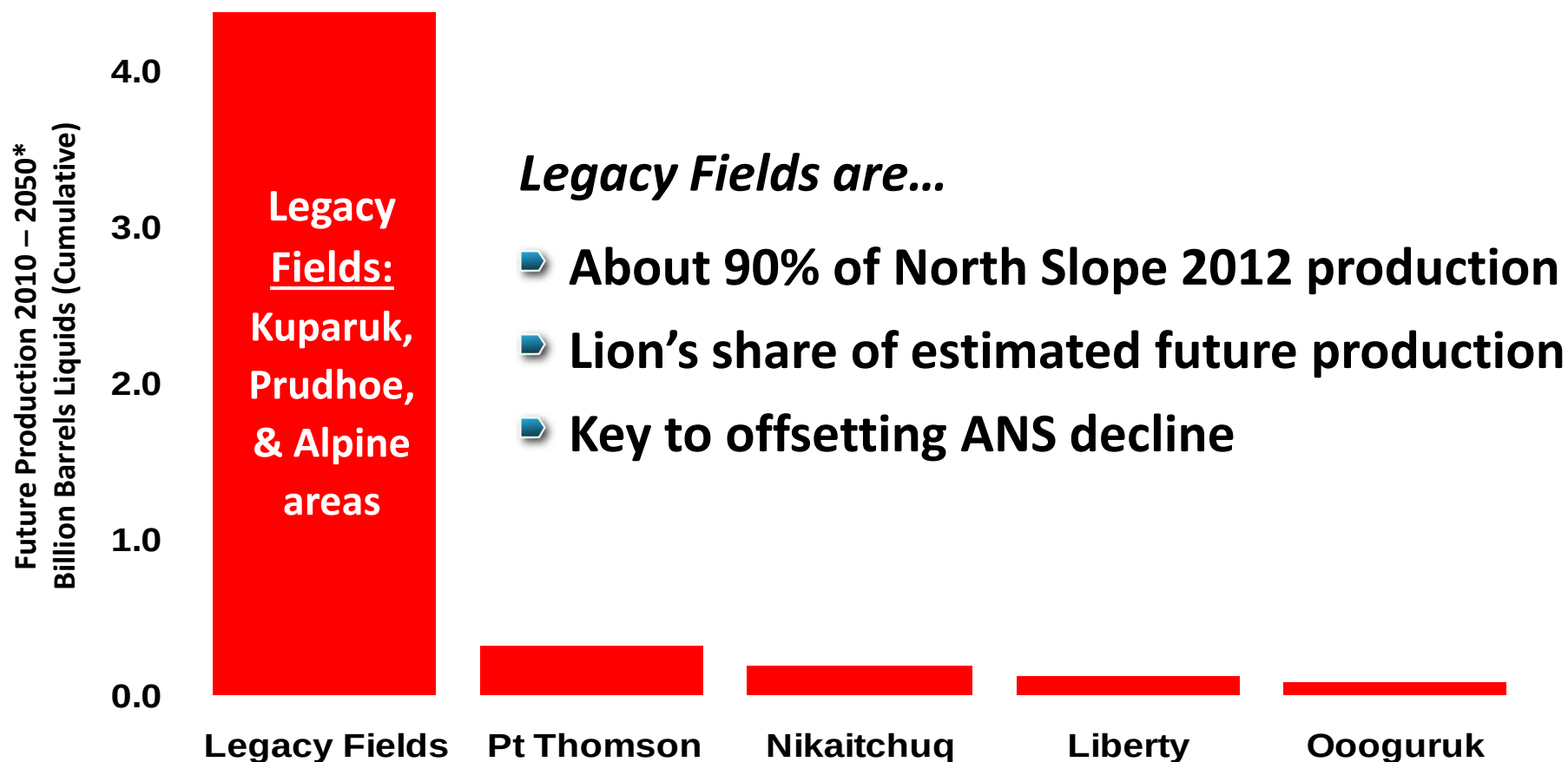
Bakken – Legacy Oil in Heart of Trend

- 207 M net lease acres in oil play with 400 million BOE resources¹
- 2012 program: \$0.6 B investment



¹ Net risked resources assigned to ~40% of acreage.

Alaska Legacy Fields Still Provide Significant Opportunity



Legacy Fields – “Easy Oil” Is Gone

■ Challenged oil remains

- Complex, high cost wells
- Smaller reserve targets
- Satellites, flank oil and viscous oil
- Most new wells produce oil AND water
- Facilities handling ~ twice as much water as oil

■ A billion dollars does not go as far as it used to...

- 2000 Alpine development ~80,000 BOPD
- 2012 CD-5 Drillsite ~18,000 BOPD



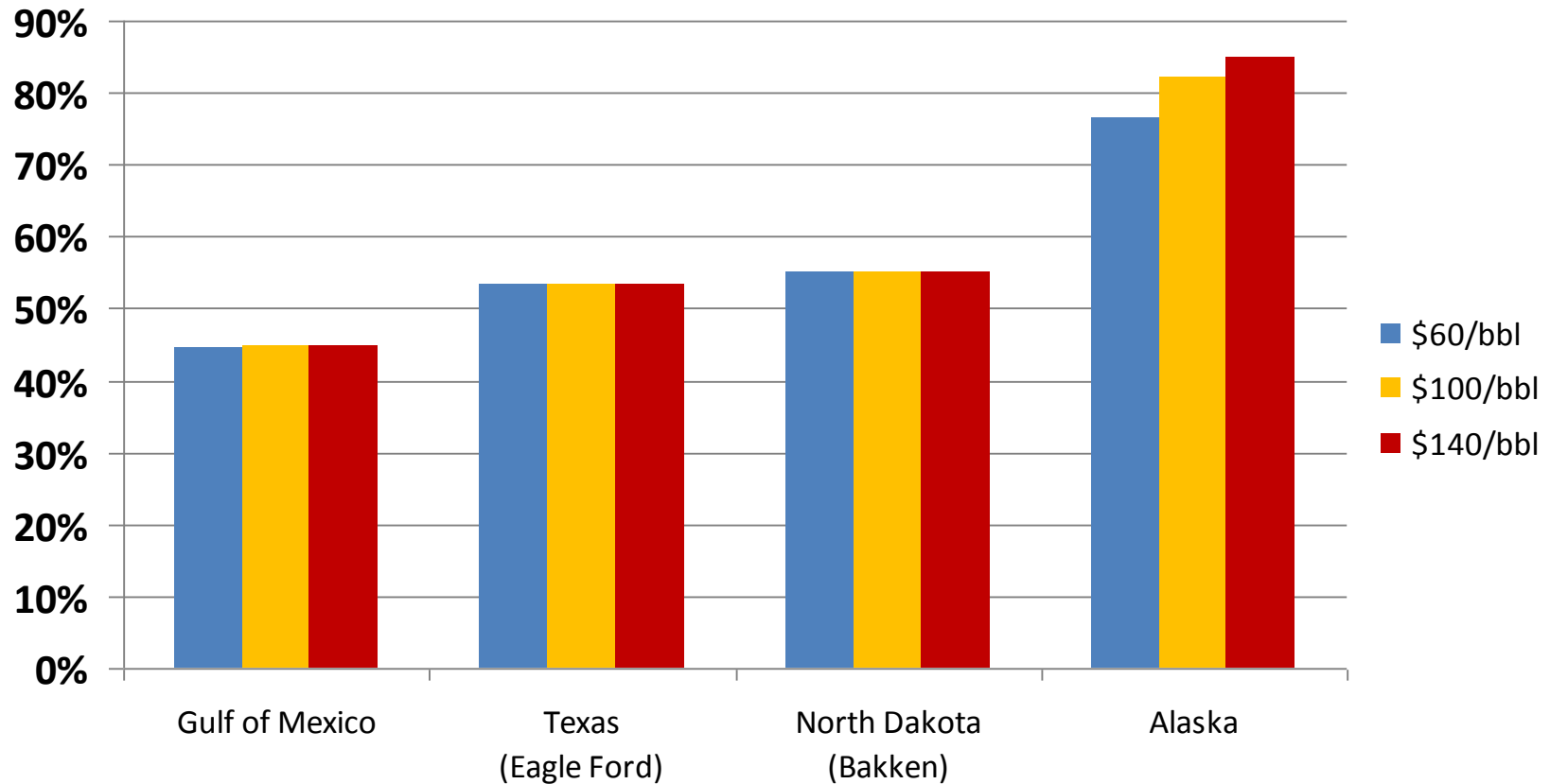
Initial Alpine Development



CD-5 Type Development

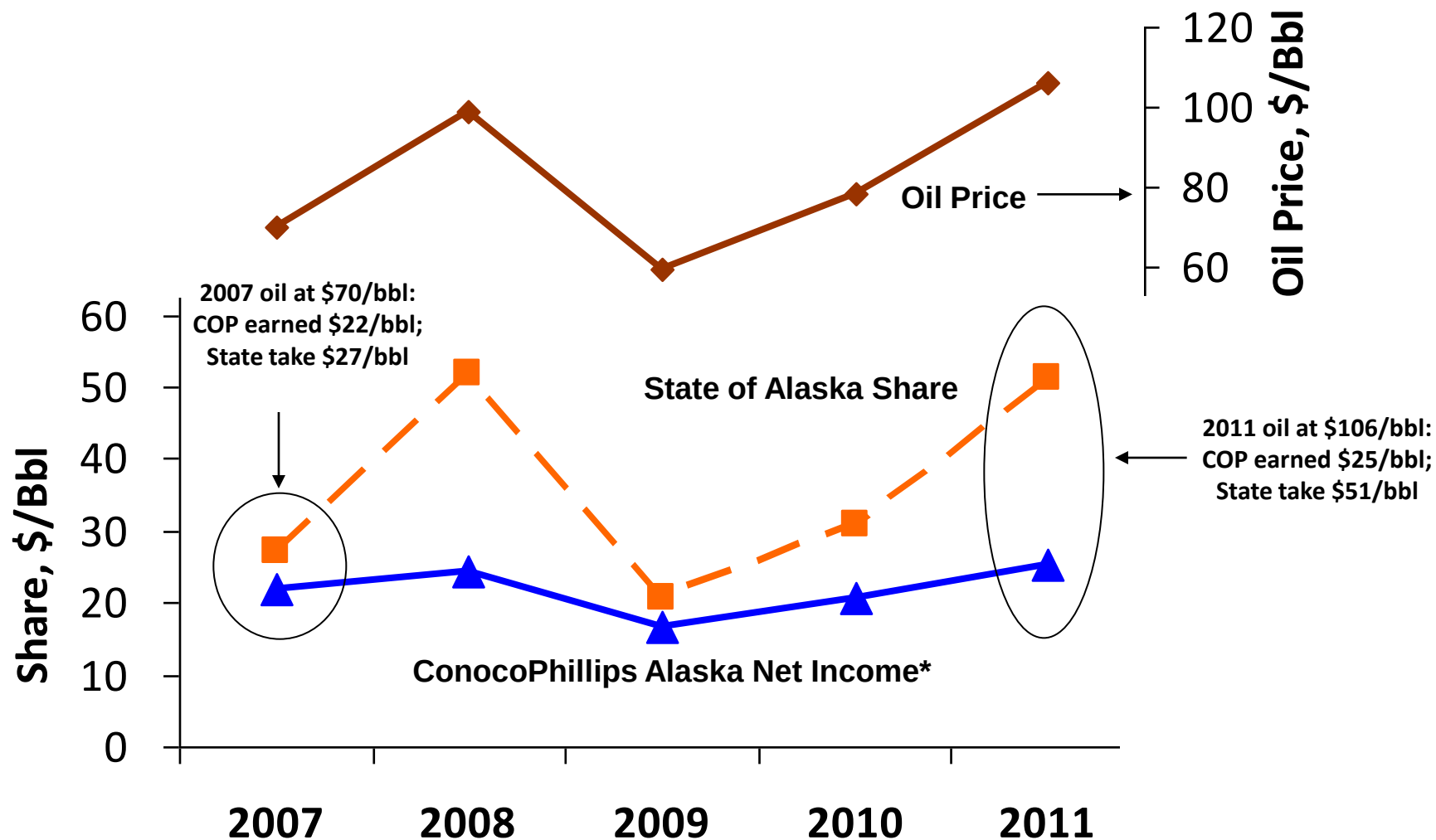
Progressivity Disadvantages Alaska Investment

Marginal Government Take



Makes Alaska Least Attractive Among ConocoPhillips' Key Investment Opportunities

Earnings Per Barrel – ConocoPhillips and State of Alaska



ACES “progressivity” takes the upside

ConocoPhillips 2013 Plan

- ▶ **\$1.1 billion Alaska capital budget**
- ▶ **Capital budget focus:**
 - Renewal projects
 - Modest development program
 - Preparation for 2014 Chukchi well
 - Alpine CD-5



Creating a Sustainable, Robust Future

- ▶ **Oil Tax Reform Required to Stimulate Legacy Field Production**
- ▶ **ANS Gas Project On the Horizon**
 - Working with BP/XOM/TC to bring North Slope natural gas to market
 - Significant effort underway
- ▶ **Working together for the future**



We Are Poised For Increased Development Activity

An aerial photograph of an offshore oil platform situated in a vast, icy Arctic sea. The platform is a complex of various structures, including a large derrick, storage tanks, and support buildings, all surrounded by a network of walkways and railings. The sea is covered in a thick layer of white ice, and the horizon is visible in the distance under a pale, overcast sky. The text "Thank you!" is superimposed in the center of the image.

Thank you!