What We’ll Cover

• Overview of the New ConocoPhillips

• Alaska’s Competition
  • U.S. Oil Production
  • International LNG

• ConocoPhillips Alaska’s Perspectives
Cautionary Statement

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).

Use of non-GAAP financial information – This presentation may include non-GAAP financial measures, which help facilitate comparison of company operating performance across periods and with peer companies. Any non-GAAP measures included herein will be accompanied by a reconciliation to the nearest corresponding GAAP measure in an appendix.

Cautionary Note to U.S. Investors – The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves. We use the term "resource" in this presentation that the SEC's guidelines prohibit us from including in filings with the SEC. U.S. investors are urged to consider closely the oil and gas disclosures in our Form 10-K and other reports and filings with the SEC. Copies are available from the SEC and from the ConocoPhillips website.
ConocoPhillips: Independent E&P Company

- Diverse, resource-rich global portfolio
- High-quality legacy base
- Worldwide development programs & major projects
- Compelling exploration opportunities
- Positioned to deliver high-margin organic growth
ConocoPhillips: Strategy

**Annual Capital**

- **15%** Exploration & Appraisal: Delivers 2017+ growth
- **30%** Major Projects: Peak spend for named projects occurs in 2014
- **45%** Development Programs: Mitigates base decline
- **10%** Base Maintenance: Protects the base

**Production – MMBOED**

- Approximately $16 B annually

*Reflects production from 2012-2013 closed and announced dispositions. CAGR – Compound Annual Growth Rate.*
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U.S. Oil Production: Texas and North Dakota Lead the Way

Total U.S. Liquids Production
(million barrels per day)

Top 5 U.S. Oil Producing States
(million barrels per day)

Source: U.S. Department of Energy EIA
Eagle Ford: Entering Full Field Development Phase

- 5-year investment: ~$8 Billion
- Incremental F&D: ~$20/BOE
- 227 M net acres; 1.8 BBOE resource
- Highest-quality position in sweet spot, acquired at $300/acre
- >1,800 identified drilling locations
- Adds ~130 MBOED by 2017
- Results in ~16% CAGR through 2017

**Base and Development Program Production – MBOED**

**Product Mix – % BOE**

- Gas
- NGL
- Oil

2012 Lower 48 Average

5-Year Incremental Program Average
5-year investment: ~$4 Billion
- Incremental F&D: ~$20/BOE
- 626 M net acres\(^1\); 0.6 BBOE resource
- >1,400 identified drilling locations
- Top-quartile initial production rates\(^2\)
- Adds ~45 MBOED by 2017
- Results in ~18% CAGR through 2017

\(^1\) 207 M net lease acres and 419 M net mineral acres.
\(^2\) Source: IHS Enerdeq.

**Bakken: Growth from Development in Heart of Trend**

**Base and Development Program Production – MBOED**

**Product Mix – % BOE**

- Gas
- NGL
- Oil

2012 Lower Average 48
5-Year Incremental Program Average
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Wide divergence between pricing in major markets

Source: IHS Inc., U.S. price – Intelligence Press; European prices – Spectron; Japan LNG – Japanese Finance Ministry. Use of this content authorized in advance by IHS; further use or redistribution strictly prohibited without written permission from IHS. All rights reserved.
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ConocoPhillips Alaska’s Significance and Potential

- Significant region in COP Portfolio: $8 B in capital invested in last decade

**ConocoPhillips 2012 Production***

- Huge remaining potential in legacy fields: **
  - Prudhoe: 18 BBO remaining oil in place, 24 Tcf gas
  - Kuparuk: 4 BBO remaining oil in place + 15 BBO heavy oil

- Remaining exploration potential
- Potential future ANS Gas LNG potential
- Improved business climate from the More Alaska Production Act is the key to exploiting this resource

* - Source: ConocoPhillips 10k reports; **Sources: DOE/NETL-2007/1280 and AOGCC
Alaska’s New Business Climate – Leading to New Activities

- Rig in Kuparuk added in late May
- Additional rig coming to Kuparuk in January 2014
- Winter 2014 exploration in NPR-A
- Greater Mooses Tooth #1
- Kuparuk Drillsite 2S
- Prudhoe projects
- Improved prospects for AKLNG
- ConocoPhillips Alaska’s 2014 Capital Budget is $1.7 Billion ($600 MM Higher than 2013)

Nabors 7ES at Kuparuk
ConocoPhillips Alaska is a Key Element of COP Strategy

2014 is a Step Change in Investment in Alaska

- **Base Maintenance**
- **Development Programs**
- **Major Projects**
- **Exploration**
In Closing: ConocoPhillips is Committed to Alaska

- ConocoPhillips has 50-year+ history in Alaska
- Alaska remains strategically important to ConocoPhillips
- Significant development potential remains
- Increasing our capital spending in Alaska to pursue new production
- The More Alaska Production Act is essential to creating a positive investment climate for increased oil production
Alaska Perspectives

Remarks by Matt Fox
Executive Vice President, E&P
Meet Alaska
January 10, 2014