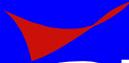




***Greater Mekong Subregion  
Energy Conference***

**Access to Resources  
and Overlapping  
Sovereignty Claims**

  
**ConocoPhillips**

**Bill Lafferrandre  
Vice President, Asia Pacific  
Business Development**

# 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 within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created thereby. You can identify our forward-looking statements by words such as “anticipates,” “expects,” “intends,” “plans,” “projects,” “believes,” “estimates,” and similar expressions. Forward-looking statements relating to ConocoPhillips’ operations are based on management’s expectations, estimates and projections about ConocoPhillips and the petroleum industry in general on the date these presentations were given. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Further, certain forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements.

Factors that could cause actual results or events to differ materially include, but are not limited to, crude oil and natural gas prices; refining and marketing margins; potential failure to achieve, and potential delays in achieving expected reserves or production levels from existing and future oil and gas development projects due to operating hazards, drilling risks, and the inherent uncertainties in interpreting engineering data relating to underground accumulations of oil and gas; unsuccessful exploratory drilling activities; lack of exploration success; potential disruption or unexpected technical difficulties in developing new products and manufacturing processes; potential failure of new products to achieve acceptance in the market; unexpected cost increases or technical difficulties in constructing or modifying company manufacturing or refining facilities; unexpected difficulties in manufacturing, transporting or refining synthetic crude oil; international monetary conditions and exchange controls; potential liability for remedial actions under existing or future environmental regulations; potential liability resulting from pending or future litigation; general domestic and international economic and political conditions, as well as changes in tax and other laws applicable to ConocoPhillips’ business; limited access to capital or significantly higher cost of capital related to illiquidity or uncertainty in the domestic or international financial markets. Other factors that could cause actual results to differ materially from those described in the forward-looking statements include 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), including our Form 10-K for the year ending December 31, 2007. ConocoPhillips is under no obligation (and expressly disclaims any such obligation) to update or alter its forward-looking statements, whether as a result of new information, future events or otherwise.

Cautionary Note to U.S. Investors – The U.S. Securities and Exchange Commission permits oil and gas companies, in their filings with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. We may use certain terms in this presentation such as “oil/gas resources,” “Syn crude,” and/or “Society of Petroleum Engineers (SPE) proved reserves” that the SEC’s guidelines strictly 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 for the year ended December 31, 2007.

# ConocoPhillips in Asia Pacific

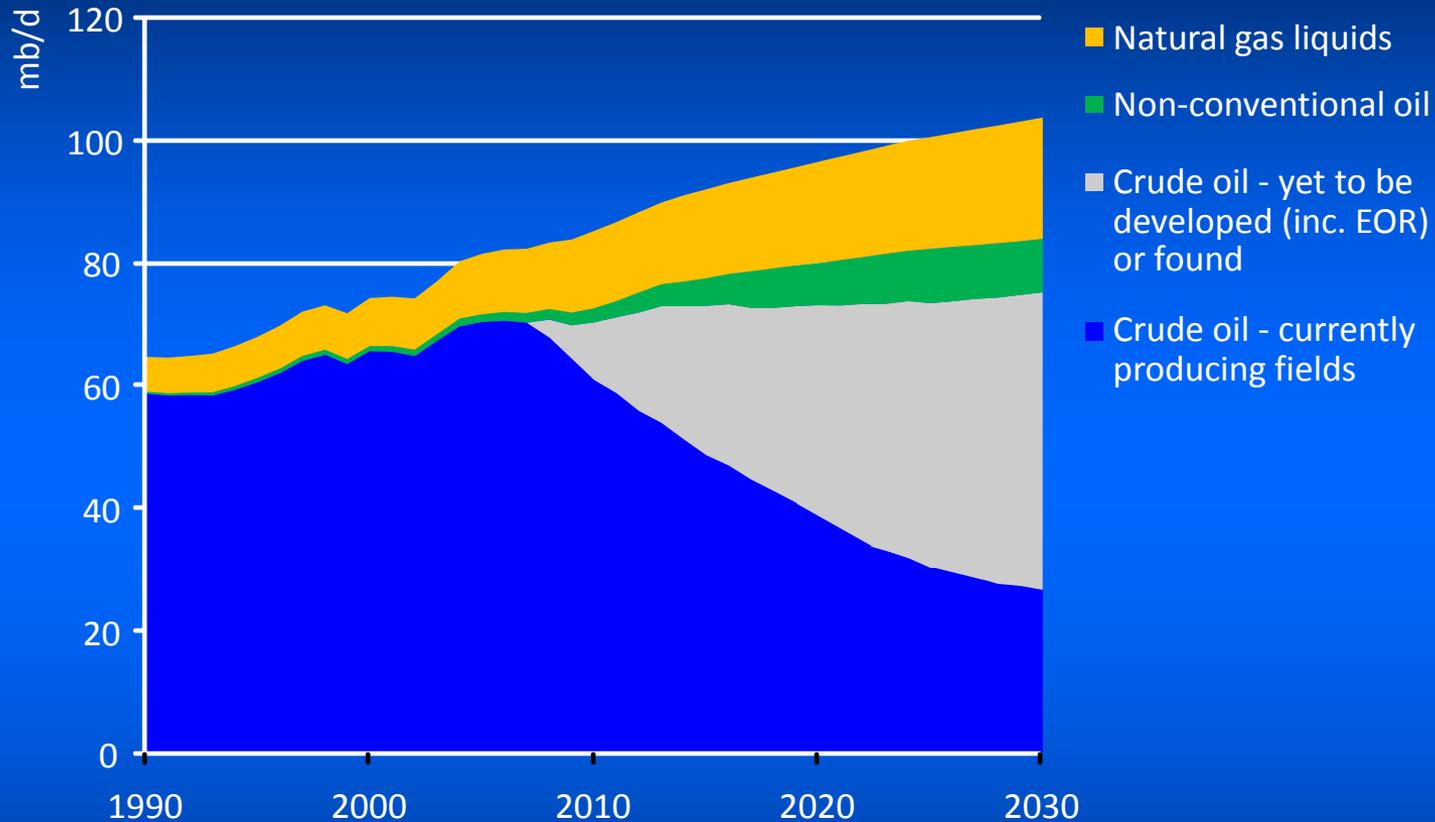


- **5 Asia Pacific BUs**
- **Legacy scale businesses**
  - Bayu-Undan / Darwin LNG
  - Block B, Natuna Sea
  - South Sumatra Gas
- **2008 production ~ 200 MBOE/d**
- **100% increase since 2003**
- **Significant developments**
  - Bohai Phase II, N Belut, Gumusut and Origin
- **Production over 350 MBOE/d in 5 years**
- **Additional growth potential**

# Upstream Challenges

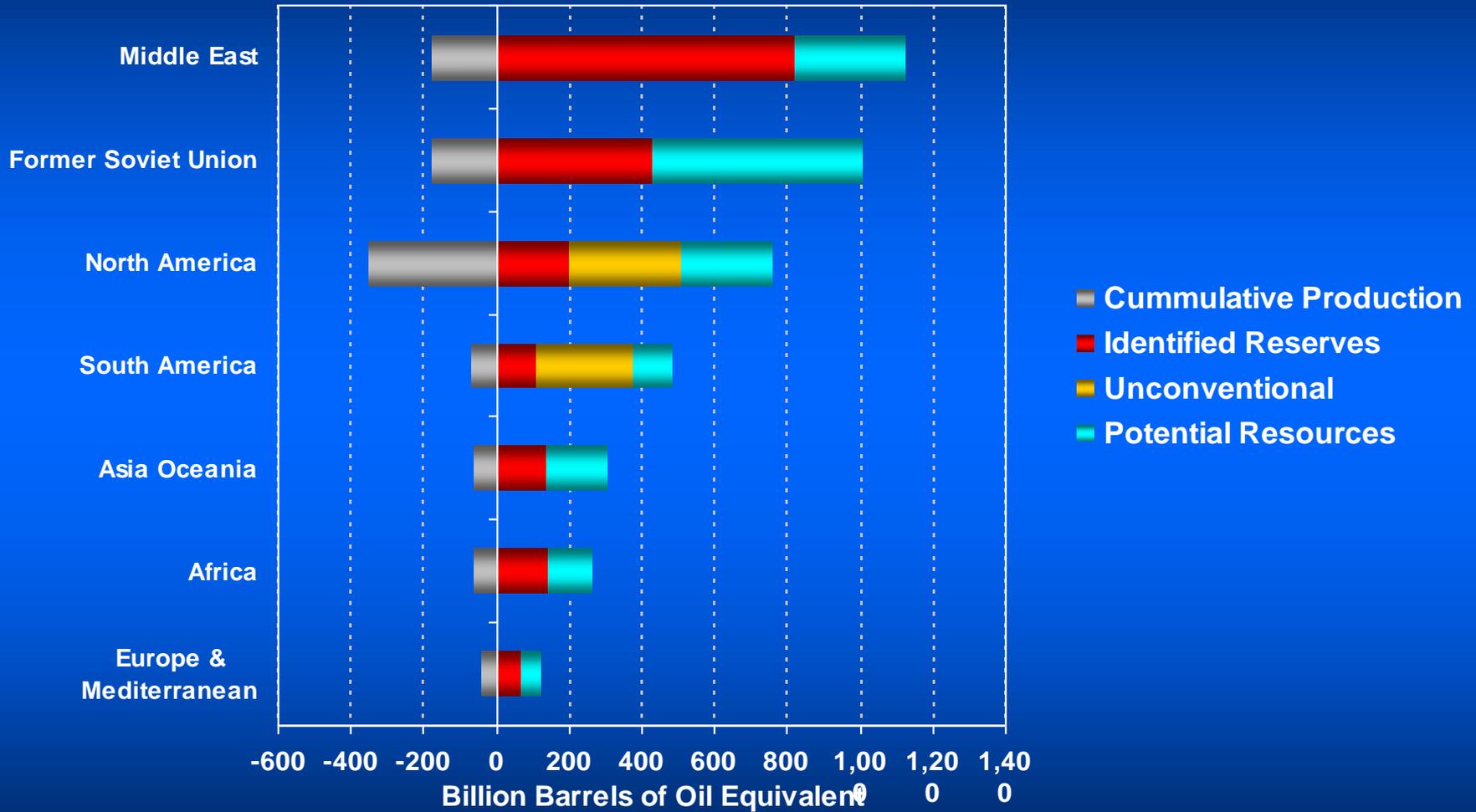
- Global economic downturn
- Energy demand
- Oil and gas prices
- Industry costs
- Access to resources

# World Oil Production by Source



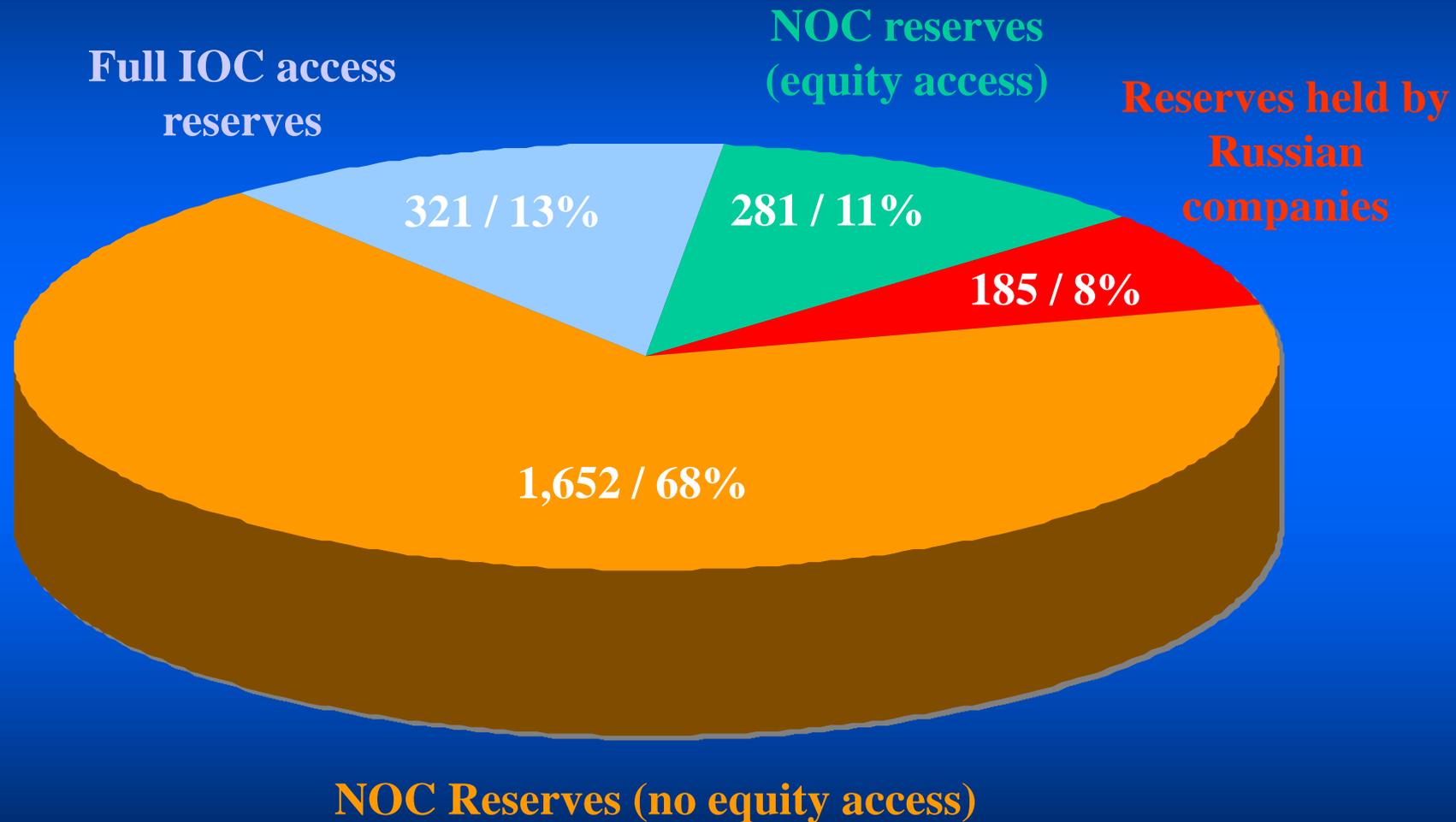
*Even if oil demand was to remain flat to 2030, 45 MB/D of gross capacity – roughly four times the capacity of Saudi Arabia – would be needed just to offset decline from existing oilfields*

# Remaining Global Oil & Gas Resources



Source: U.S. Geological Survey, IEA

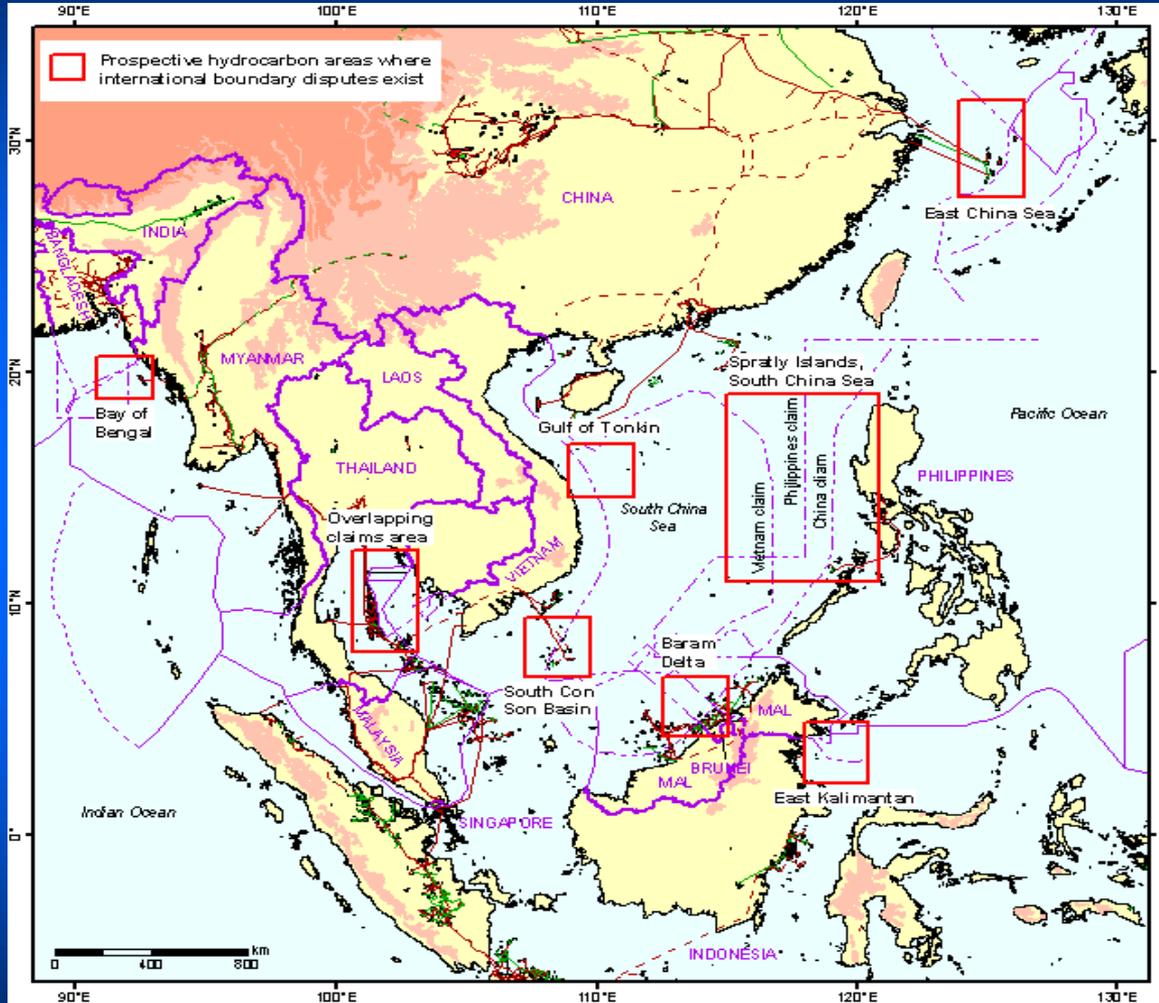
# Access to Oil & Gas Resources



Reserve figures are conventional Billion BOE, 2008 (2440 BBOE)

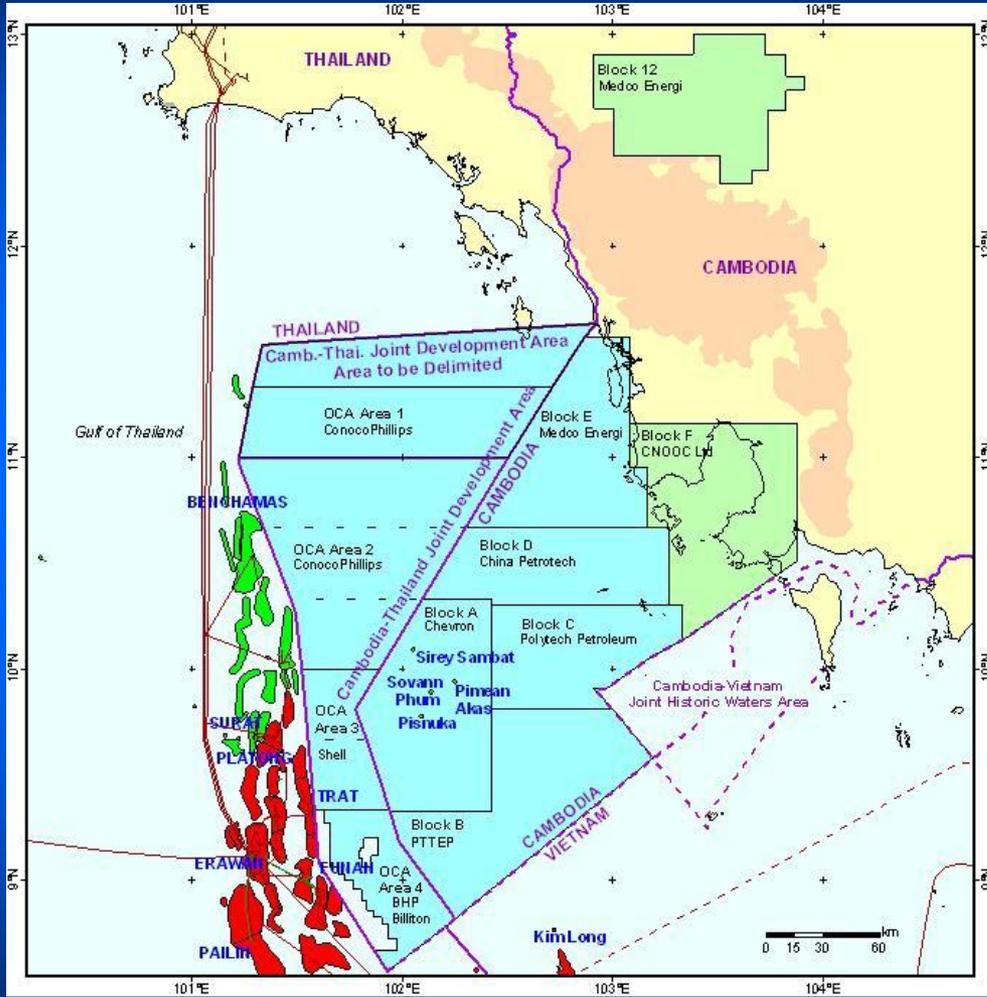
Source: PFC Energy

# Asia Pacific Overlapping Claims



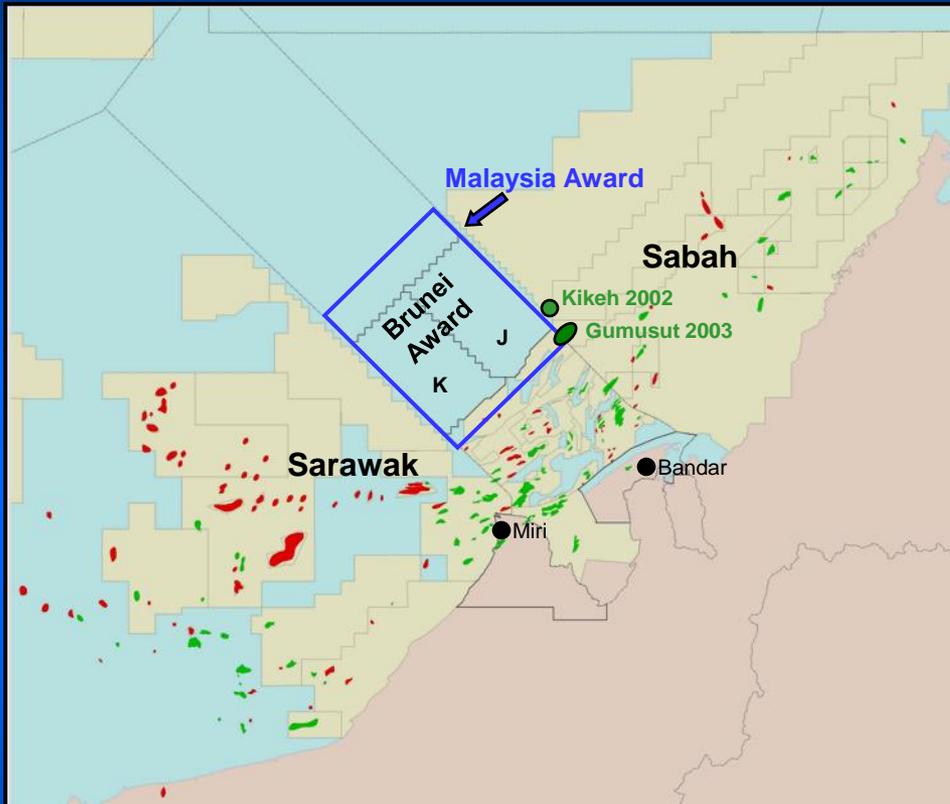
- Thailand – Cambodia
- Malaysia – Brunei
- Bangladesh – Myanmar - India
- Indonesia – Malaysia
- China – ASEAN
- Australia – East Timor

# Thailand - Cambodia



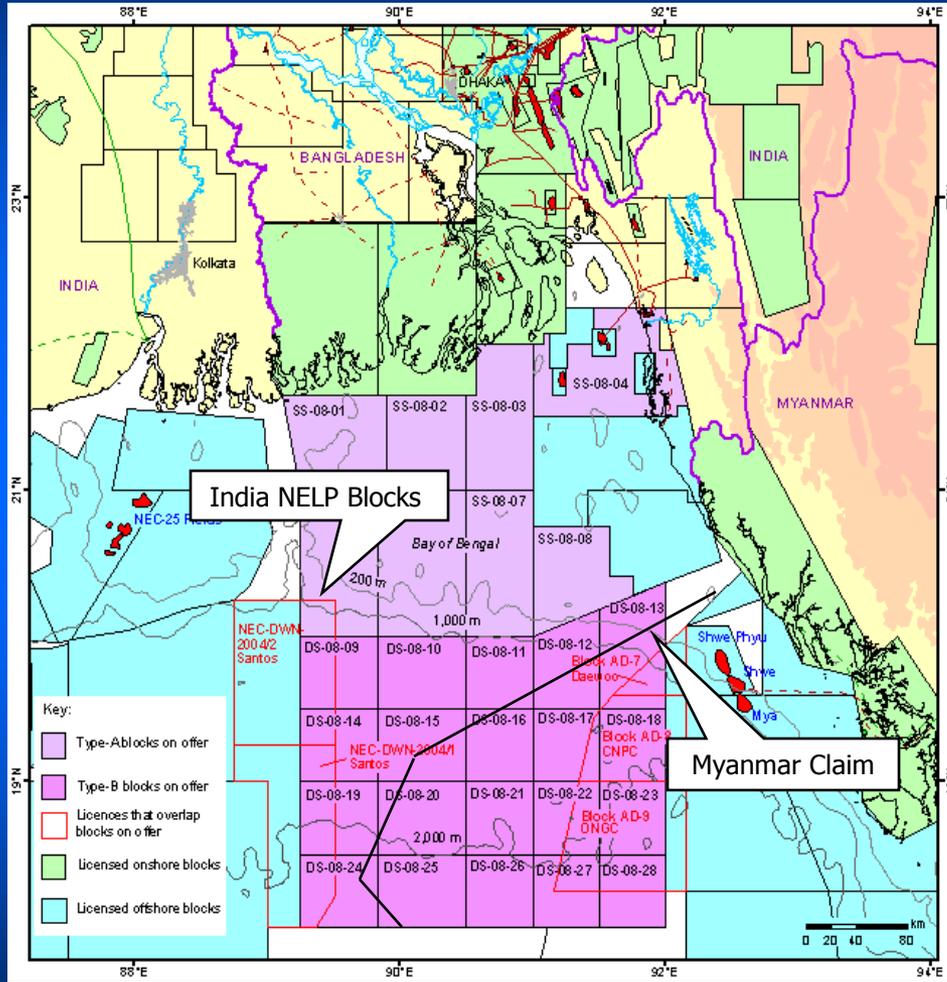
- Thai Gulf has yielded 6 BBOE
- Thailand award blocks in 1972
- Current Thai contractors:
  - Chevron, British Gas, PTTEP
- Cambodia awarded blocks in 1997
- Current Cambodia contractors:
  - ConocoPhillips, Idemitsu, Open
- No activities since early 1970's
- MOU signed in 2002
  - Partial delimitation
  - Partial joint development
- G2G negotiations ongoing

# Malaysia - Brunei



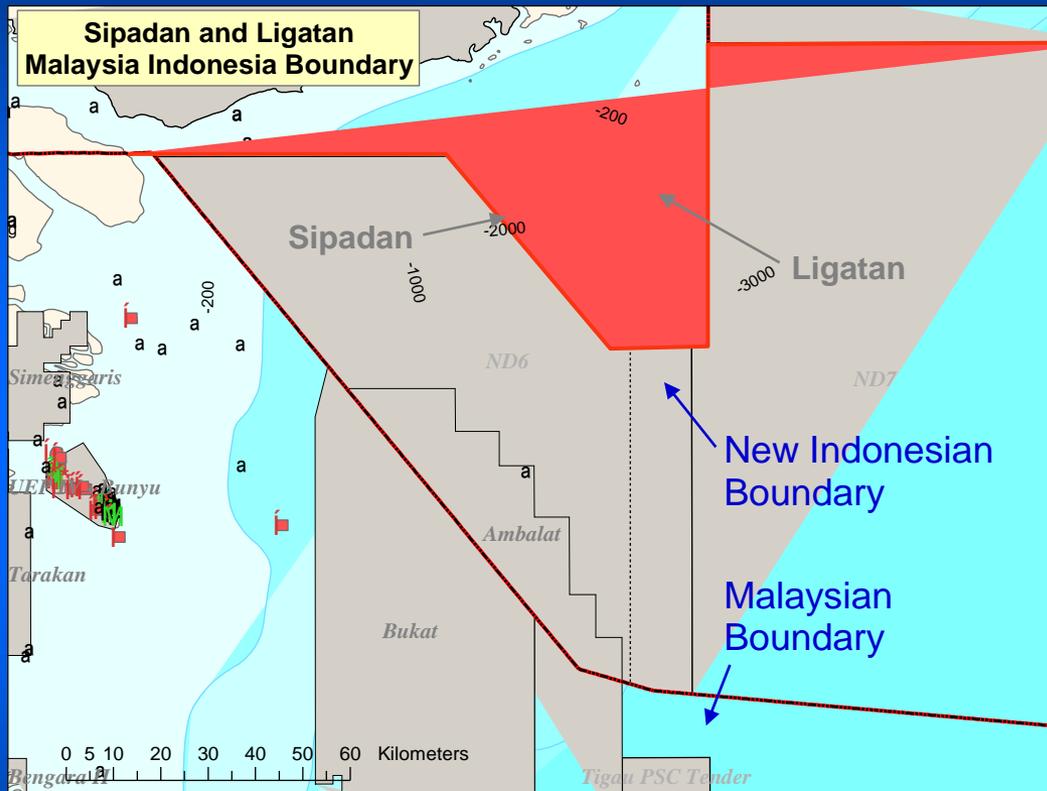
- Baram Delta (Brunei/Sarawak shelf) has yielded 12 BBOE
- Murphy discovered Kikeh field in 2002 (400 MMBO)
- Brunei awarded Blocks J (Total) & K (Shell) in 2002
- Malaysia awarded the same blocks to Murphy in 2003
- Murphy and Total each attempted to drill in 2003
- Activities currently suspended
- Shell found Gumusut field in 2003 (“significant discovery”)
- Government to government negotiations ongoing

# Bangladesh - Myanmar - India



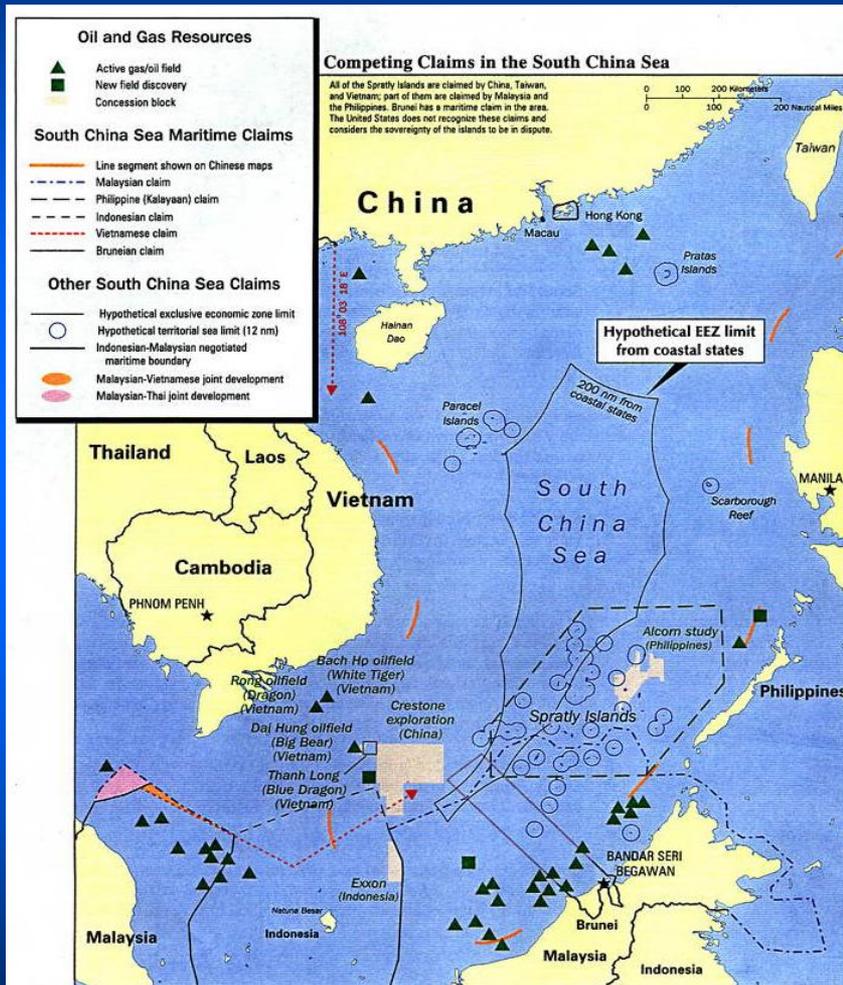
- Dispute came to forefront when Bangladesh announced bid round
- Myanmar extended its territorial claim after bid round announced
- Bangladesh recommend award of 8 deepwater blocks to ConocoPhillips and 1 shallow water block to Tullow
- Protests by India and Myanmar
- September 2008, high-level ministerial talks between Bangladesh and India
- November 2008, tensions between Bangladesh and Myanmar escalate, warship deployed
- Further meetings held, progress unclear
- New Bangladesh government elected in December 2008

# Indonesia - Malaysia



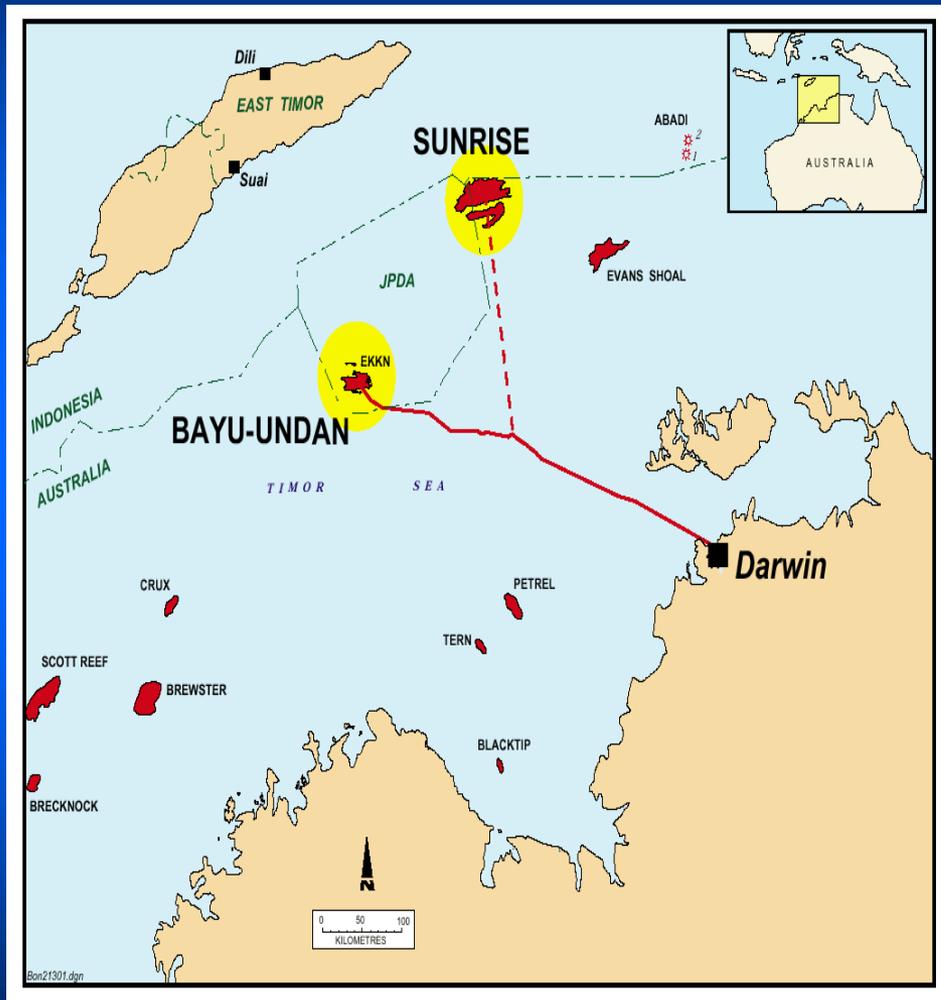
- Exploration in Tarakan Basin off Eastern Borneo began in early 1900's (1.3 BBOE to date onshore).
- Offshore deepwater portion lightly explored
- Indonesia awarded Ambalat PSC 1998
  - Currently ENI and Chevron
  - One exploration well drilled
- ICJ awarded Sipadan & Ligatan Islands to Malaysia in 2002
- Indonesia redrew maritime boundary
- Indonesia awarded East Ambalat block to Unocal (now Chevron) in Nov 2004
- Malaysia awarded two exploration blocks (ND-6 & ND-7) to Shell
- G2G negotiations ongoing

# China - ASEAN



- China has claimed sovereignty over a large part of the South China Sea
  - Historic claim to the SCS
  - Claim to Spratly Islands
- Overlapping claim affects both existing fields and prospective exploration areas
- China's claim extends into territory also claimed by many other countries in SE Asia
- Military means have been used to prevent exploration activities
- Code of conduct agreed with ASEAN in 2000
- Agreement with Vietnam and Philippines for joint exploration

# East Timor - Australia



- ~1.5 BBOE proven reserves in the JPDA
- Zone of Cooperation agreed between Australia and Indonesia in 1989
- East Timor independence achieved in 2002
- Timor Sea Treaty signed in May 2002, ratified in April 2003
  - 90/10 revenue split from JPDA
  - Maintained territorial boundaries
- Further G2G negotiations undertaken for IUA implementation for Sunrise development
- TST was critical to Bayu-Undan development progress
- Current JPDA contractors:
  - ConocoPhillips, ENI, INPEX, OG, Santos, Shell, TE & TG, Woodside

# Resolution Successes

- Boundary delimitation:
  - Thailand - Vietnam
  - Vietnam - Indonesia
- Joint development:
  - Thailand - Malaysia (MTJDA)
  - Australia - East Timor (JPDA)
  - Malaysia - Vietnam (CAA)
- Key success factors
  - Political will among leaders to resolve through negotiation
  - Aligned commercial interests
  - Joint development avoids sovereignty issue
  - Commitment to fair reconciliation of different regimes, laws, etc.

# Resolution Successes

- What can we do to help facilitate future successes?
  - Assessment of potential resources
  - Develop commercial cases for resolution
  - Communicate but respect sovereignty

# Back Up

---