

INVESTOR RELATIONS
CONTACTS:

John Colglazier
Vice President
832/636-2306

Clay Gaspar
Manager
832/636-2541

Wayne Rodrigs
Manager
832/636-2305

Driving Growth and Value

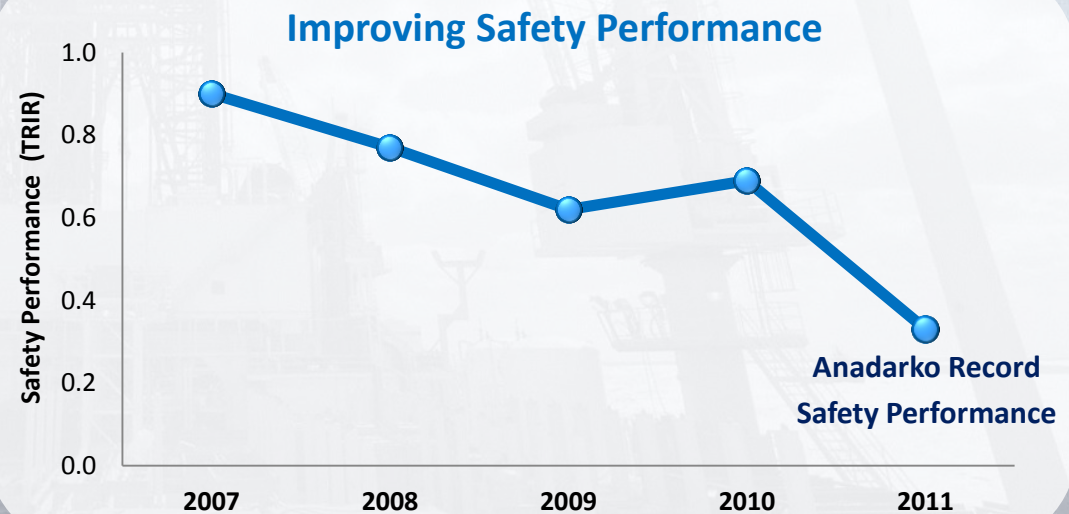
Chuck Meloy
SVP, Worldwide Operations

March 13, 2012



2012: The Path to Value-Driven Growth

- Constantly Improving Safety and Environmental Performance
- Deploying Capital to Highest-Value Opportunities
- Driving Operational Efficiencies
- Capturing Margin-Enhancing Opportunities
- Leveraging Competitive Midstream Advantages
- Advancing Mega Projects



Committed to Safety and Environmental Excellence

Internal Focus on Safety and the Environment

- *Executive-Sponsored Annual Safety and Environmental Excellence Competition*
- *5 Innovator Awards Presented in 2011 for Environmental and Safety Improvements*
- *Monthly Executive Reviews of Safety and Environmental Performance*
- *Expanding Use of CNG Vehicles Across U.S. Field Operations*



A Leading Role in Industry Initiatives

- *Leading Participant in FracFocus.org – Online Public Frac Fluid Registry*
- *Participating in Deepwater Response and Containment Programs:*
 - Marine Well Containment Company
 - Helix Well Containment Group
 - Clean Gulf Associates
 - Marine Spill Response Corporation
- *Leading Best Management Practices for Water Conservation and Management, and Green Completions*

Third-Party Validation

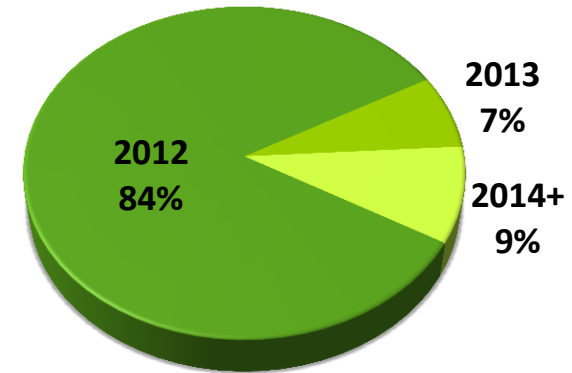
- *Environmental and Water-Quality Awards from Colorado Oil and Gas Conservation Commission*
- *Landowner of the Year from Wyoming Game & Fish*
- *Conservation Award from National Wild Turkey Federation*
- *Earth Day Award from Utah Division of Oil, Gas and Mining*
- *Additional Recognitions Listed at www.anadarko.com*



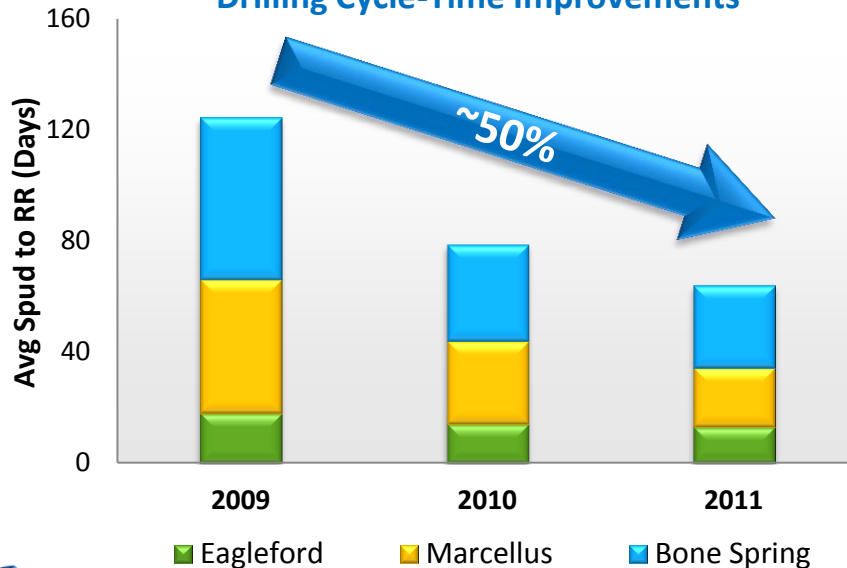
2012 Development Capital Allocation

- Capital Flexibility in Opportunity-Rich Portfolio
- Focus on High Returns and Cash Generation
- Midstream Infrastructure Supports Development
- Continue to Realize Efficiency Gains

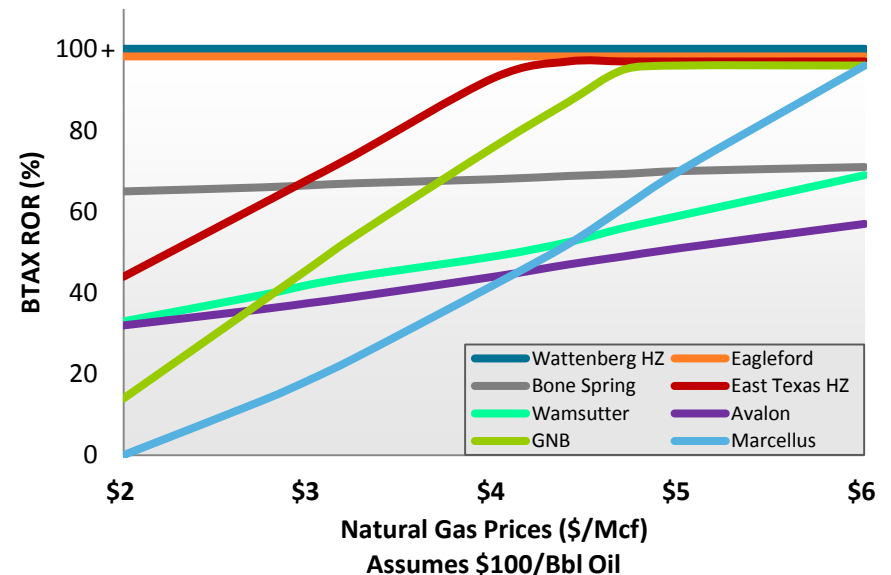
2012 Development Capital to Revenue Realization



Southern & Appalachia Drilling Cycle-Time Improvements



Strong Returns in Current Price Environment



Allocating Capital for Value-Driven Growth

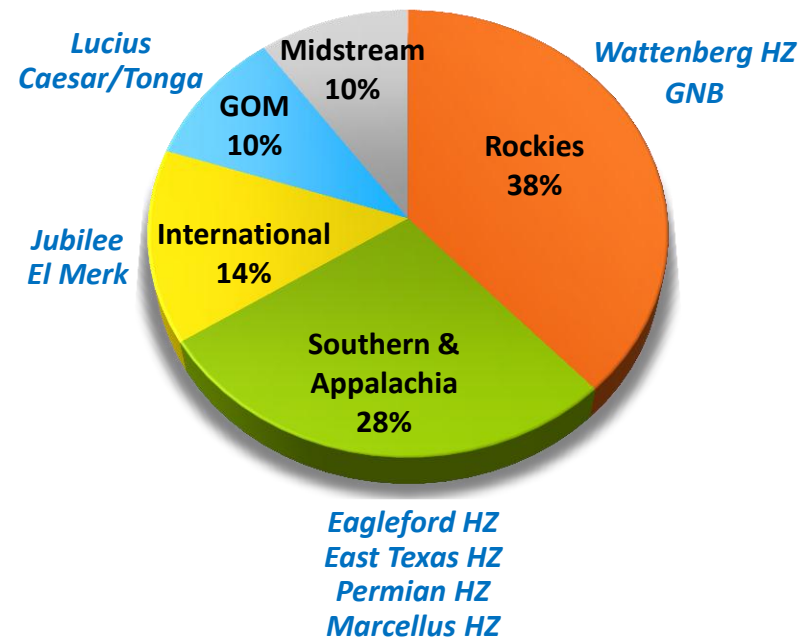
- Continued Focus on Liquids-Rich Horizontal Plays
- Advancing High-Margin International Oil Projects
- Restarting Gulf of Mexico Activity

2012 Expectations	
Sales Volumes (MMBOE)*	256 - 260
Development Capital (Billion)**	\$5.0 - \$5.4
Reserve Replacement	150+%

*Excludes ~3 MMBOE to be Divested and ~3 MMBOE of Dry Gas Curtailment

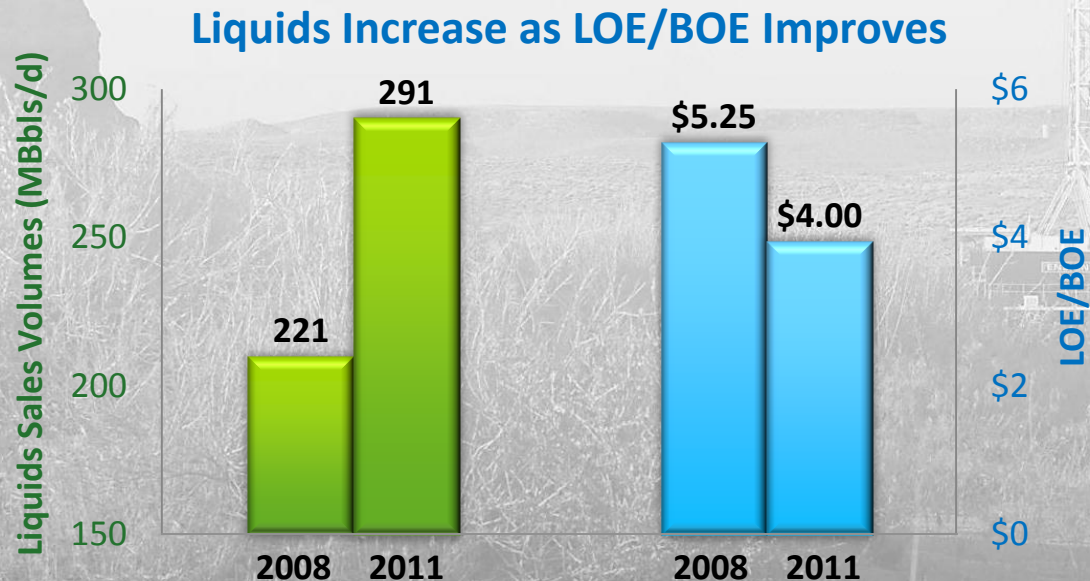
**Excludes WES Capital

Development Capital Allocation**



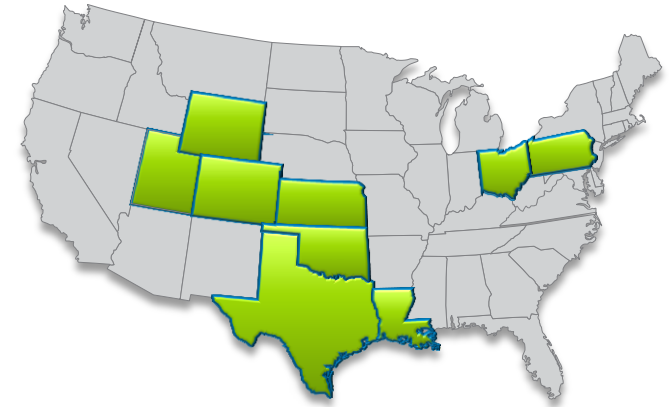
Growing Liquids While Improving Cost Management

- Increased Liquids Sales Volumes by 70,000 Bbls/d: 2008 - 2011
- Established Framework for LOE Improvement
 - *Well-Site Management Philosophy*
 - *Leveraging Automation*
 - *Technology and Knowledge Sharing*
 - *Life-Cycle Water-Management Strategy*
- Capture Savings in Softening Regional Markets

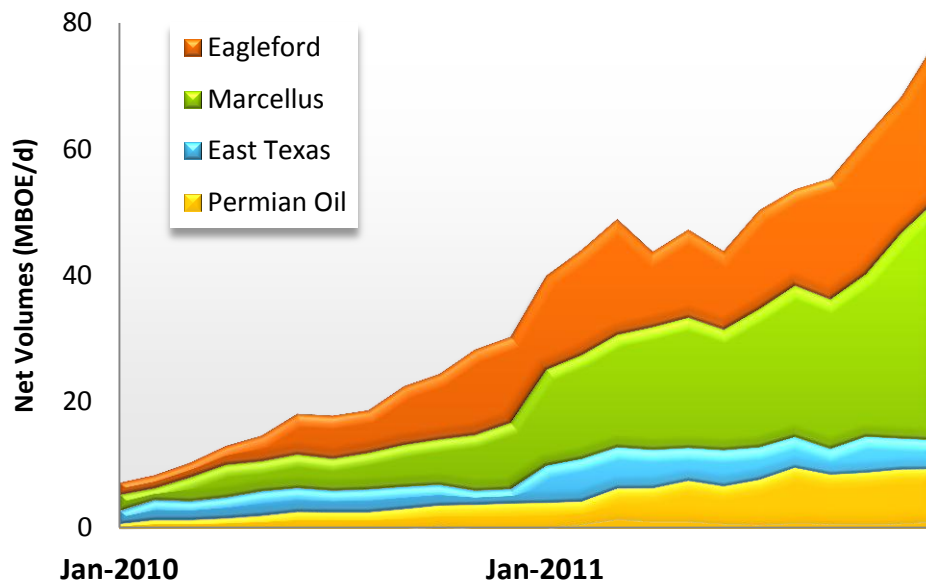


U.S. Onshore: Capital-Efficient Portfolio

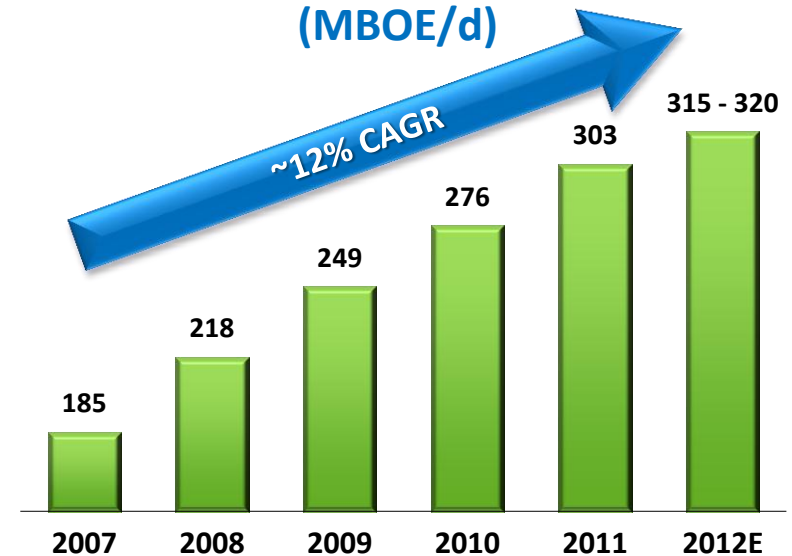
- Tremendous Growth in Shales
- Continued Expansion of Rockies, Anchored by Wattenberg
- ~8 BBOE Resource Opportunity



Southern & Appalachia Growth Plays

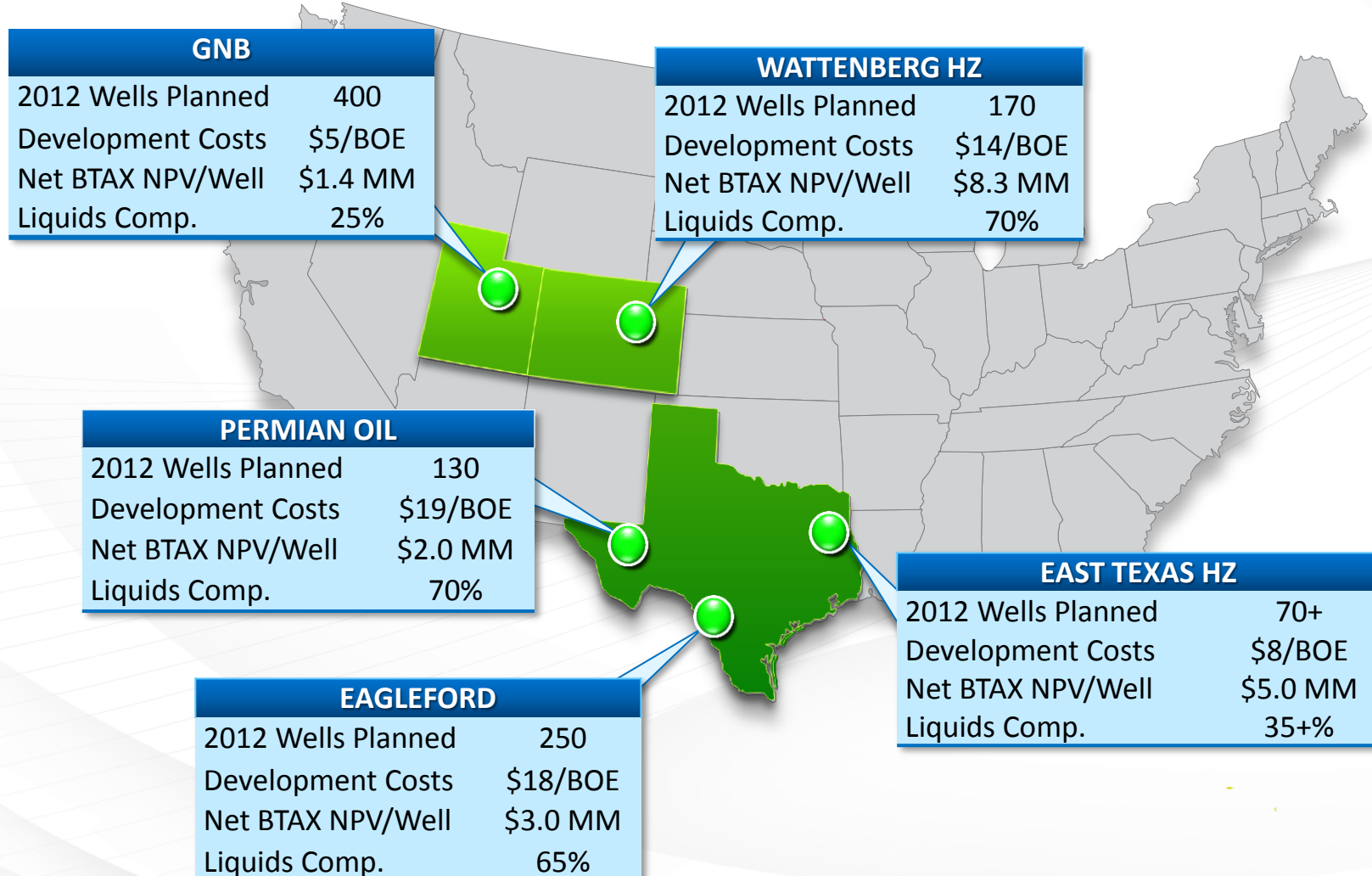


Rockies Net Sales Volumes (MBOE/d)



2012 U.S. Onshore Liquids-Rich Investment Opportunities

2012 Planned Activity and Estimated Results

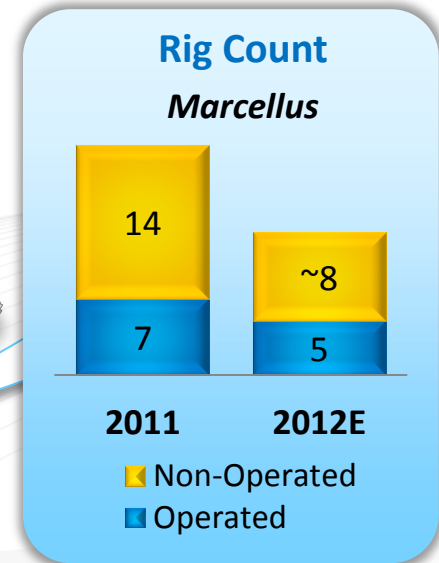
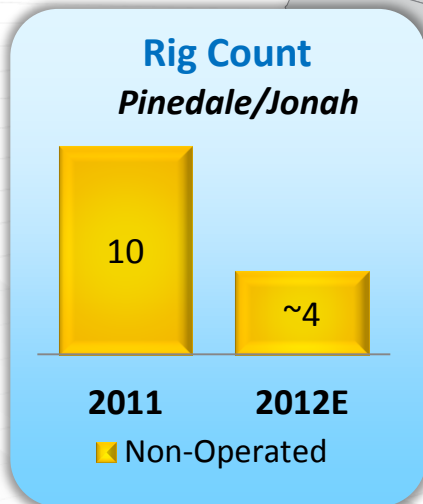


Based on Unescalated NYMEX Prices of \$100/Bbl and \$3.25/Mcf



2012 U.S. Onshore Dry Gas Activity

- **Reducing Rig Count in Marcellus and Pinedale/Jonah**
 - *Reduces Capital*
 - *Reduces Wedge Volumes*
- **Expect to Curtail Dry Gas Production by ~3 MMBOE**
 - *Powder River CBM and Announced Non-Op Marcellus*



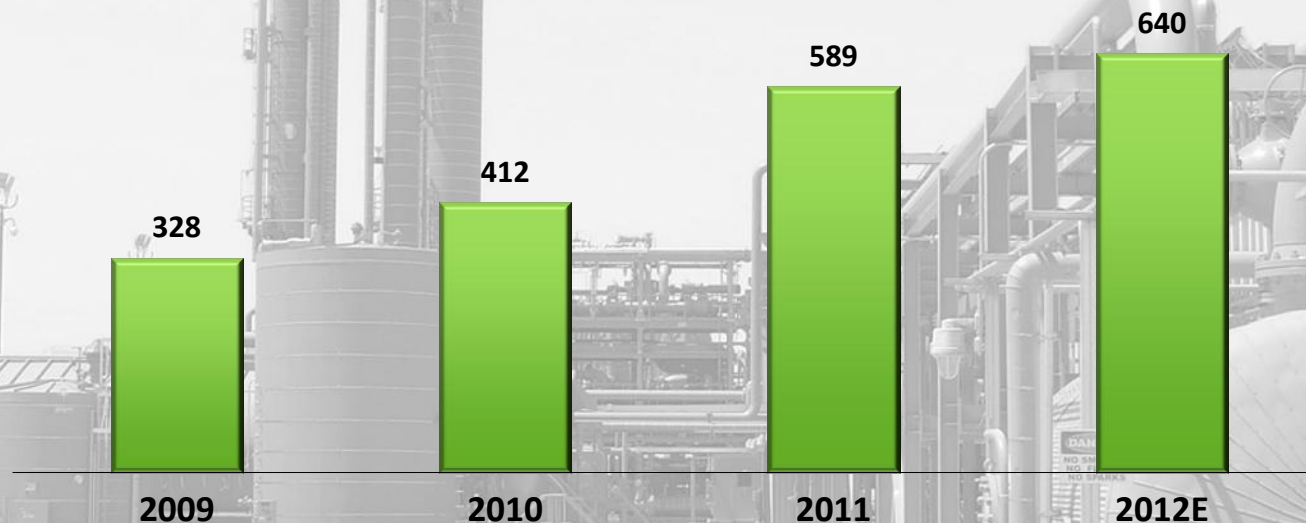
Midstream: A Competitive Advantage of Scale

- **Large-Scale Operations**
 - *2011 Throughput: ~4.4 Bcf/d*
- **Aligned with Pace of Upstream Activity**
- **Extracting Liquids to Improve Price Realizations**

Midstream Asset Overview

	Anadarko	WES
Gathering Systems	16	15
Processing & Treating Facilities	8	17
Interstate Gas Pipelines	–	1
NGL/Crude Oil Pipelines	2	3
Miles of Pipeline	3,800	10,600

Midstream Asset-Level EBITDA*



*Includes WES



Capturing Liquids Uplift by Expanding Midstream

- Expanding Cryogenic Processing Capacity by 900 MMcf/d
- Enhancing Access to Premium Gulf Coast Markets
- Increasing Fractionation Capacity at Mont Belvieu



CHIPETA TRAIN III
Capacity 300 MMcf/d
In Service 3Q12






LANCASTER
Capacity 300 MMcf/d
In Service 2014



BONE SPRING
Capacity 100 MMcf/d
In Service 2013

Skellytown

TEXAS EXPRESS
Capacity 280 MBbl/d
In Service 2013

 Processing Plant
 NGL Equity Pipeline
 New NGL Capacity

BRASADA
Capacity 200 MMcf/d
In Service 2013

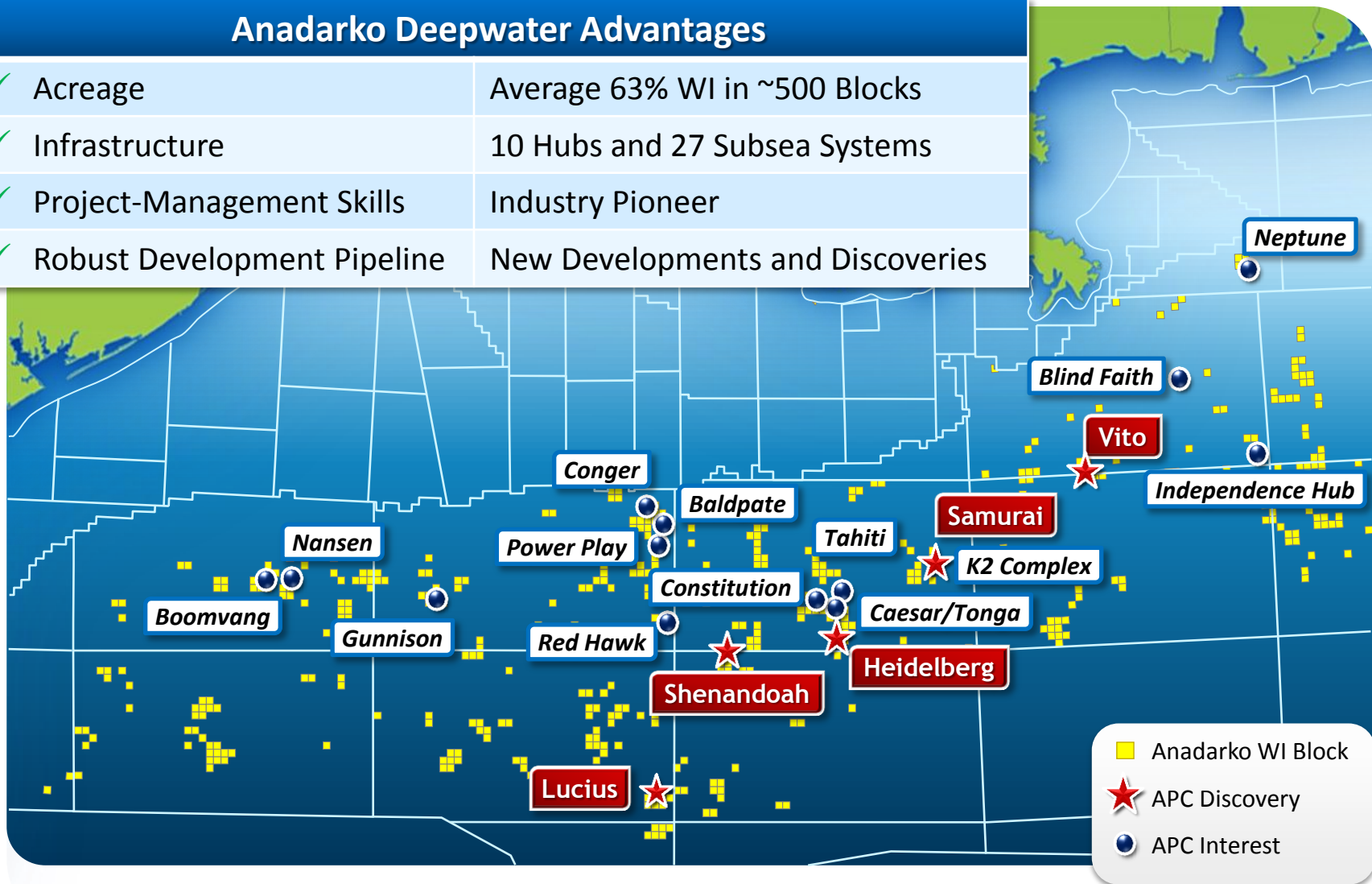
Mont Belvieu



Gulf of Mexico: 15+ Years of Innovation and Growth

Anadarko Deepwater Advantages

✓ Acreage	Average 63% WI in ~500 Blocks
✓ Infrastructure	10 Hubs and 27 Subsea Systems
✓ Project-Management Skills	Industry Pioneer
✓ Robust Development Pipeline	New Developments and Discoveries



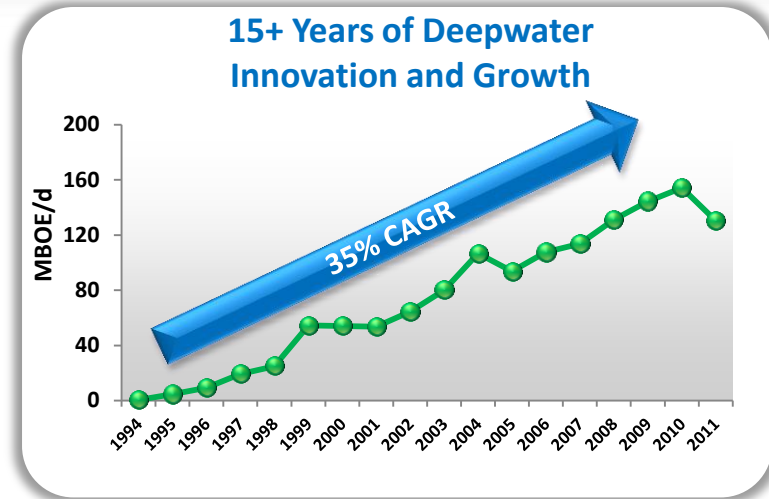
Gulf of Mexico: Activity Shifting Gears

Line-of-Sight Oil Production Growth

- *Caesar/Tonga: Producing*
- *Lucius: Planned 2014 First Production*

Large-Scale Projects in the Queue

- *Heidelberg*
- *Vito*
- *Shenandoah*



Progressing Regulatory Approval Process

PREPARING

Haleakala
Stromboli

SUBMITTED

Coronado
Raptor
Mauna Kea
K2

EP APPROVED

Shenandoah
Tonga
Deep Nansen
Arcadius
Lucius
Phobos

DRILL READY

Spartacus
Yucatan

DRILLING

Heidelberg
Vito



Deepwater Rigs Secured to Support Worldwide Activity

- **Recently Contracted 4 New-Build Rigs**
 - *Advanced and Upgraded Drilling Capabilities*
- **Allows Flexibility in Global Program**
- **Ramping Up GOM Rig Fleet**

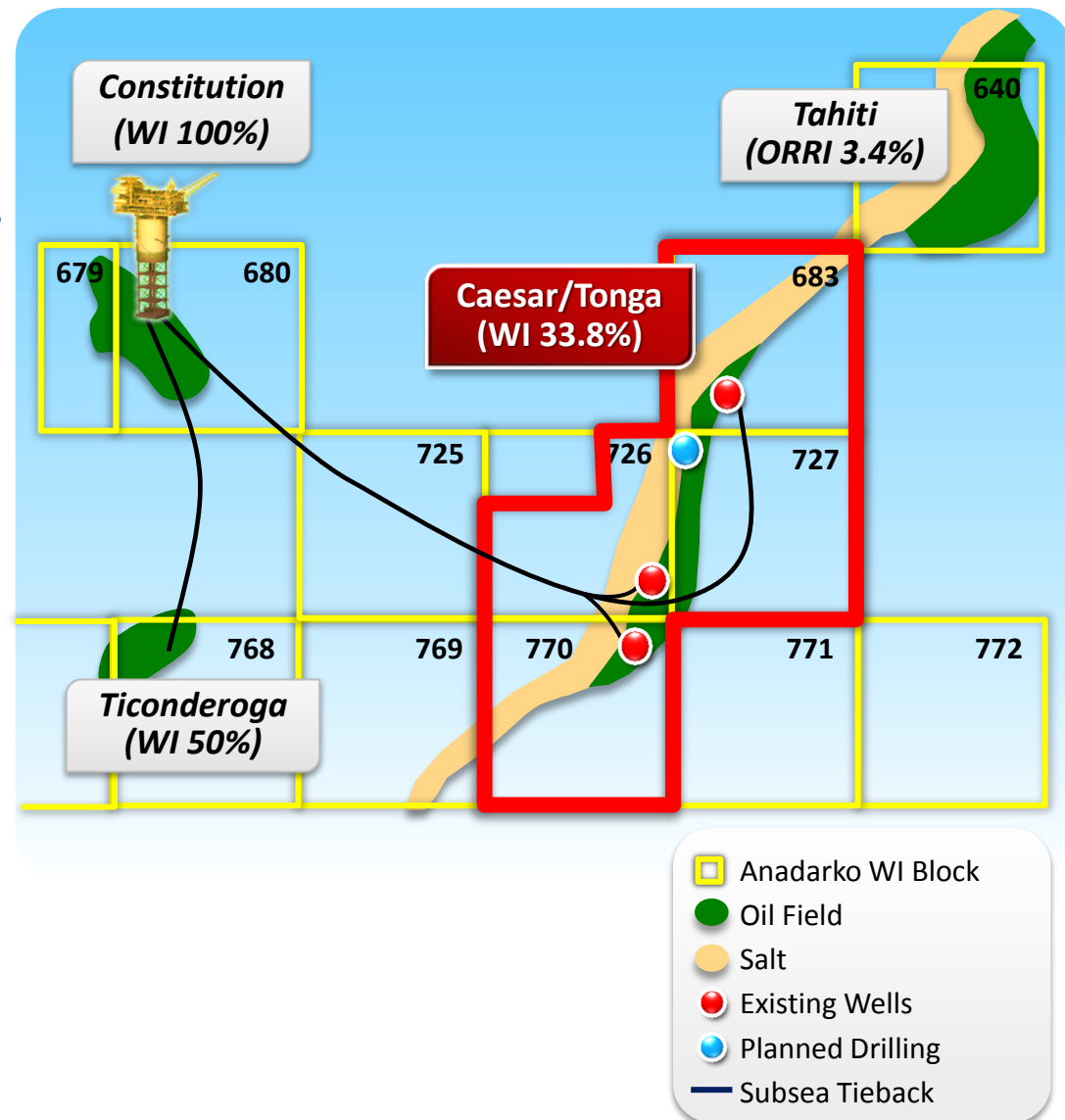
	2012	2013	2014	2015	2016	2017	2018
Discoverer Spirit							
Ensko 8500							
Ensko 8505							
Ensko 8506							
Ocean Blackhawk							
Ocean Blackhornet							
DW Millennium							
Belford Dolphin							
Bollette Dolphin							

Note: Excludes Spot Market Rigs



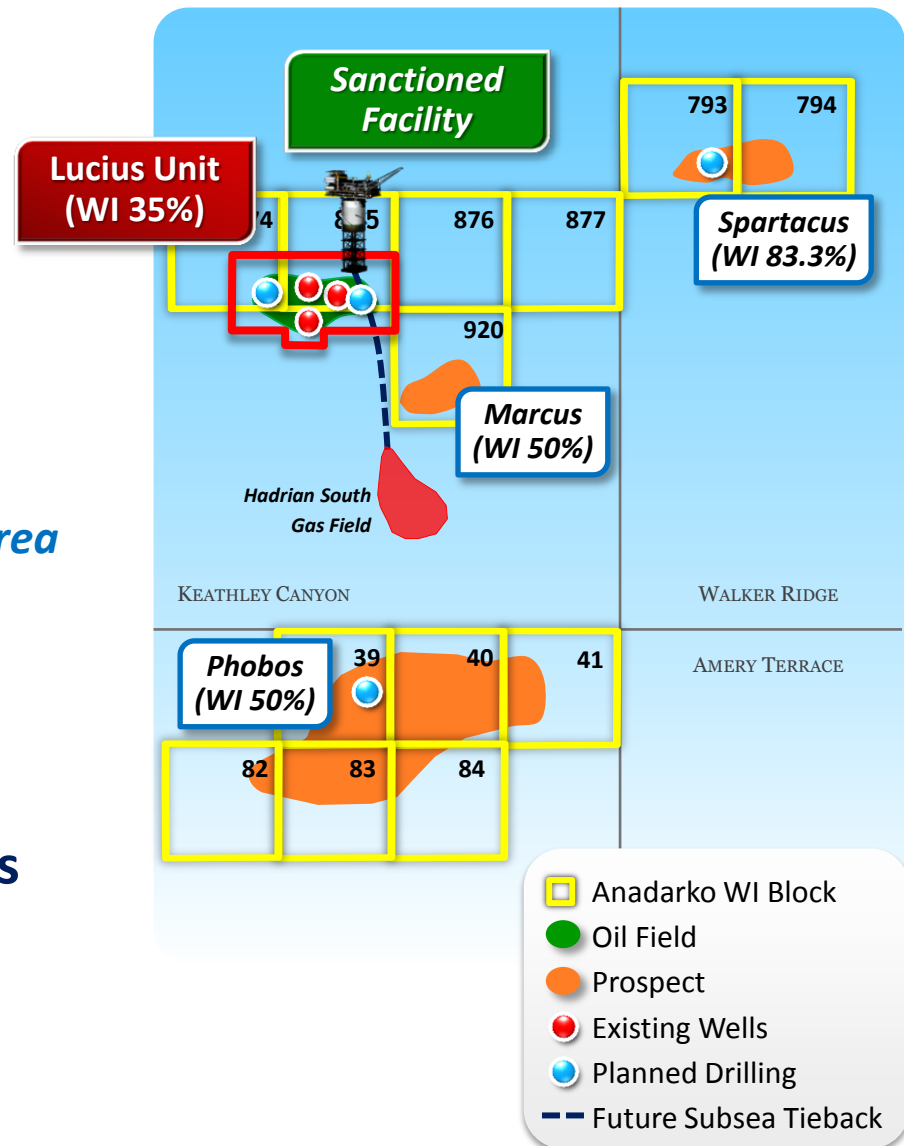
Caesar/Tonga: Achieved First Production

- Ramping to 45 MBOE/d
 - *High-Quality Oil*
- 200 - 400 MMBOE Resources
- Drill Fourth Well in 2012
- Leveraging Infrastructure Saved ~\$1 Billion
- Phase 2 Upside



Lucius: A New Capital-Efficient Deepwater Hub

- **300+ MMBOE Resources**
- **Capital-Efficient Project**
 - *Low Development Cost/BOE*
 - *High Productivity Wells*
- **Project Sanctioned**
 - *80 MBOPD and 450 MMcf/d Capacity*
 - *Establishes Infrastructure in Emerging Area*
- **2 Delineation Wells Planned in 2012**
- **First Production Planned in 2014**
- **Additional Exploration Opportunities**



High-Margin International Oil Assets

2011 Results

ALASKA

Sales Volumes (MMBO)	5
EBITDAX/Bbl	\$59

CHINA


Sales Volumes (MMBO)	5
EBITDAX/Bbl	\$76

ALGERIA

Sales Volumes (MMBO)	21
EBITDAX/Bbl	\$72

GHANA

Sales Volumes (MMBO)	5
EBITDAX/Bbl	\$102

 Producing Areas



Jubilee: High-Margin Cash Generator

■ Delivering Significant Cash

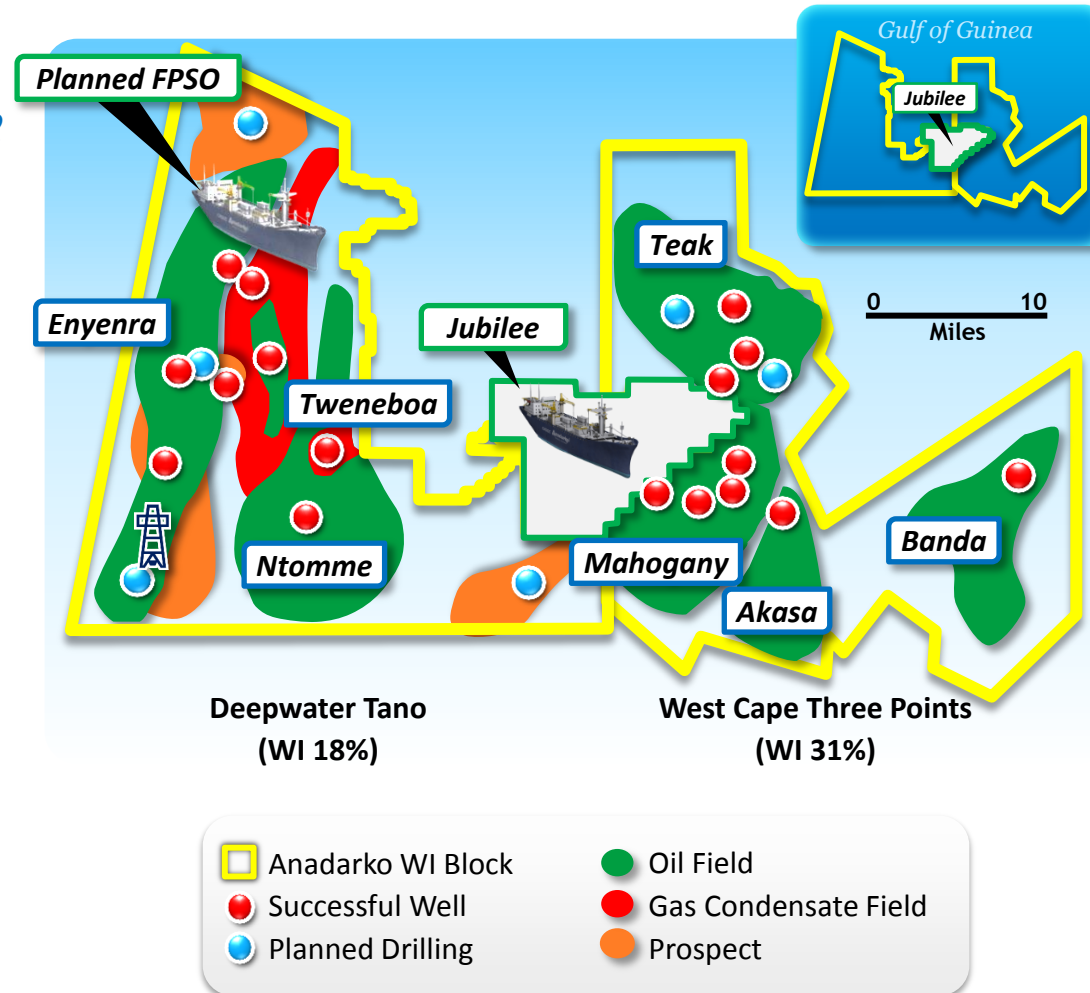
- *\$100+ EBITDAX/Bbl*
- *Phase 1: Expect Payout YE 2012*

■ Excellent Reservoir Pressure and Support

■ Advancing Toward Full Capacity

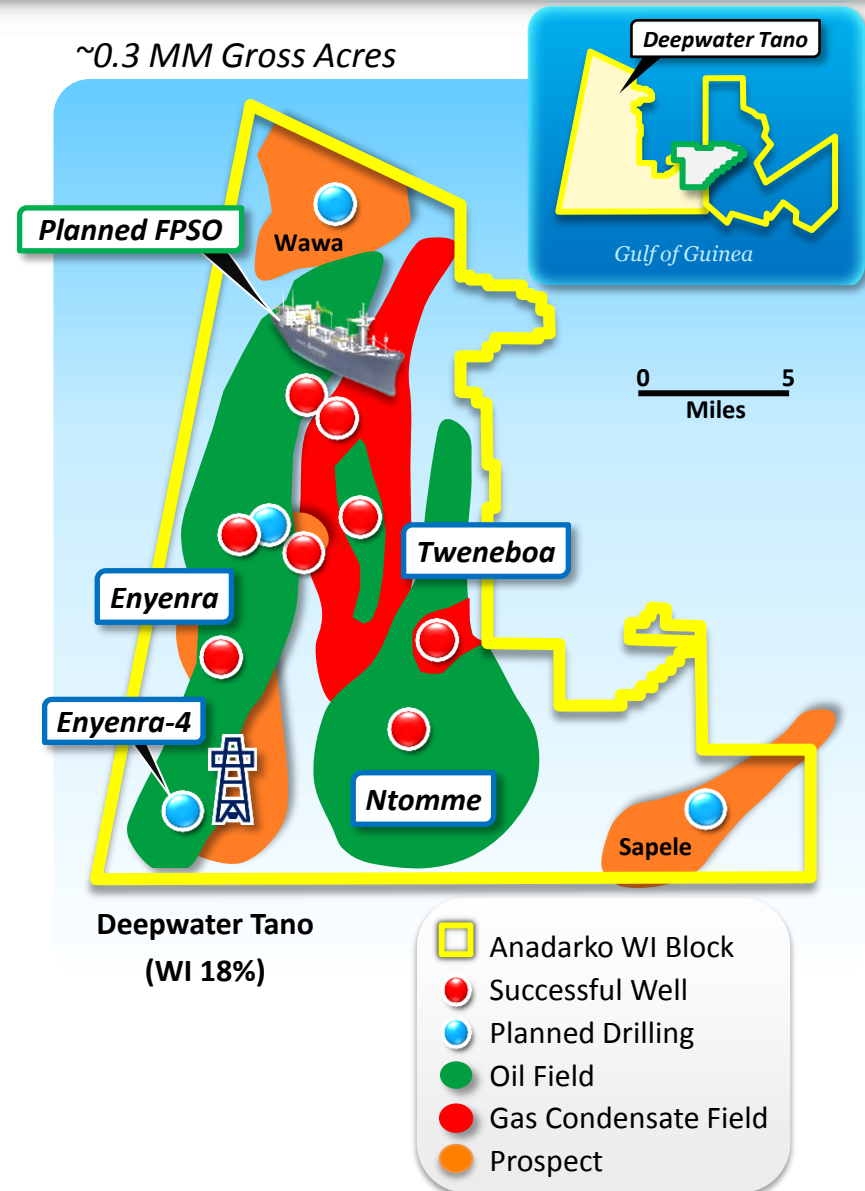
- *70 - 90 MBOPD in 2012*
- *Addressing Mechanical Issues*
- *Drill Additional Side Tracks*
- *Initiated Phase 1A: 8-Well Program*

~0.6 MM Gross Acres



TEN Complex: Ghana's Second Major Oil Project

- Ntomme Oil Discovery
- Recent 20+ MBOPD DST
- FEED Ongoing
- Target 2012 POD Submission
- Anticipate First Production ~2015
- 2012 Additional Planned Activity
 - *Drilling Enyenra-4*
 - *Ntomme-2A DST*
 - *Drill 2 Exploration Wells*



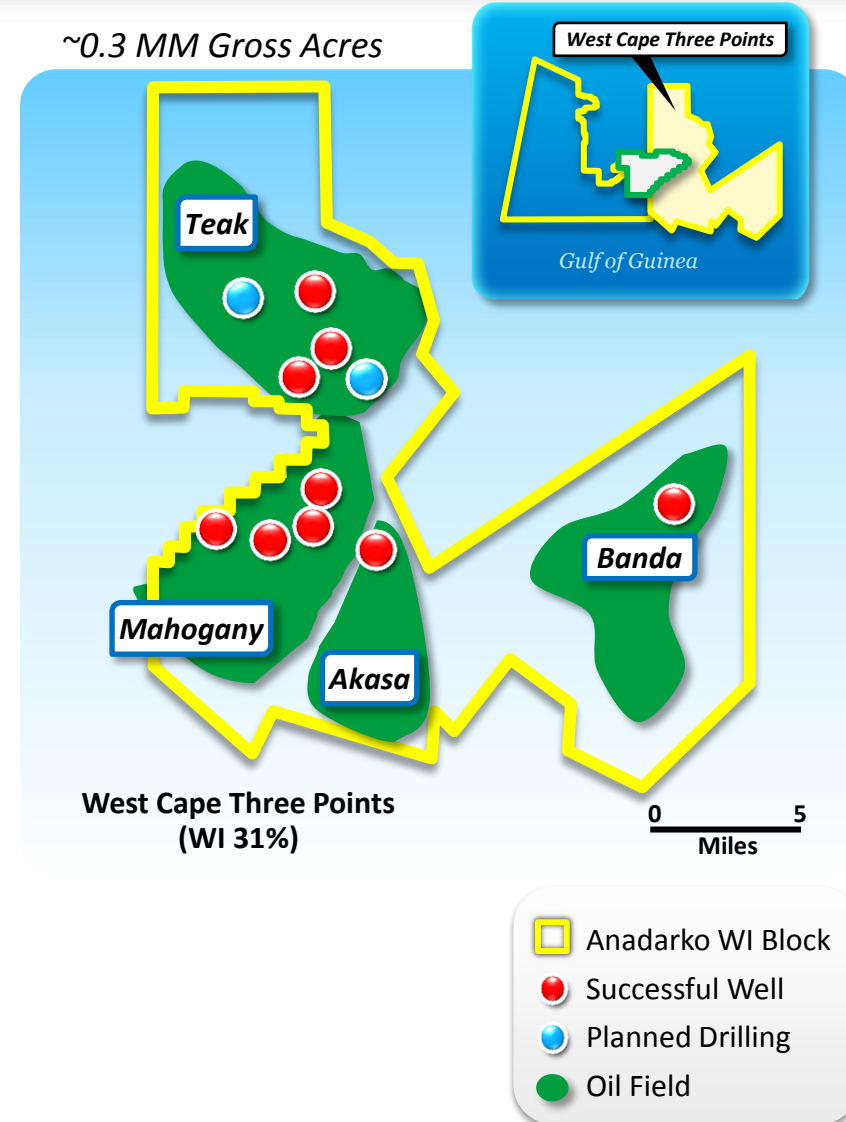
MTAB Complex: Determining Development Path Forward

■ Evaluating Development Options

- *Dedicated FPSO: Accelerate Production*
- *Jubilee FPSO: Leverage Existing Facility*

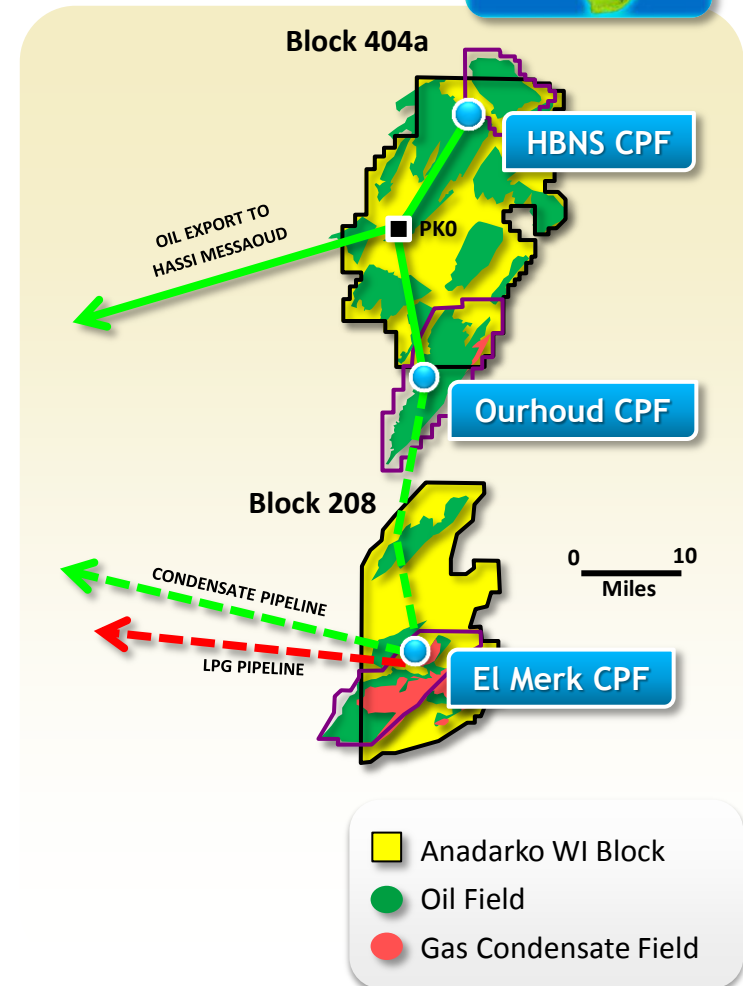
■ Planned Appraisal Work in 2012

- *2 Appraisal Wells at Teak*
- *DSTs at Teak and Akasa*



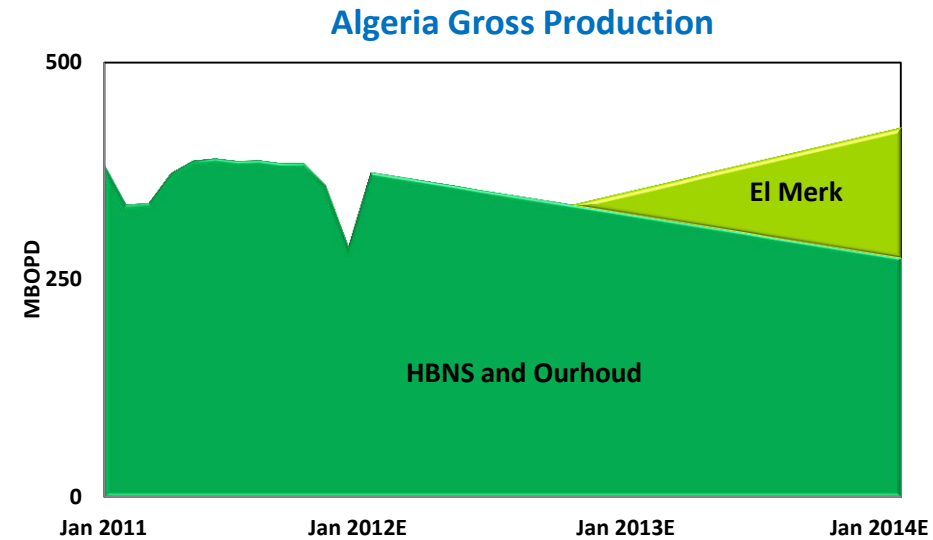
Algeria: North Africa Success Story

- **2 Mega Projects Producing**
 - *Ourhoud*
 - *HBNS*
 - *1.5+ Billion Bbls Produced to Date*
- **Gross Production Rate ~370,000 BOPD**
- **High-Margin Cash Generator**
 - *\$1+ Billion BTAX Cash Flow Generated in 2011*
 - *Receive Brent-Equivalent Price*
 - *~\$2 LOE/BOE*
- **Enhanced Economics from TPE Resolution**
- **El Merk Nearing Completion**

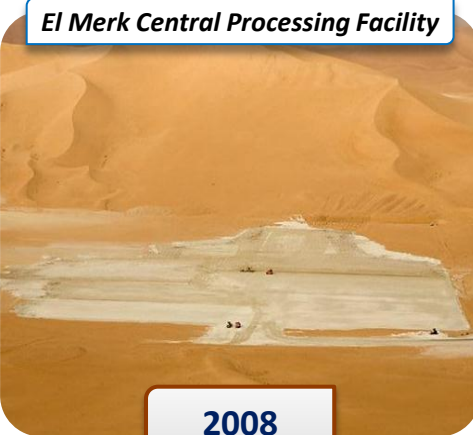


El Merk: Achieving First Oil by Year-End 2012

- Project 90% Complete
- Two 65 MBOPD Crude Trains
- 600 MMcf/d Gas Processing
- 80 MBWPD Water Handling
- 650 Miles of Pipelines



El Merk Central Processing Facility



2008



2010



2011



2012



INVESTOR RELATIONS
CONTACTS:

John Colglazier
Vice President
832/636-2306

Clay Gaspar
Manager
832/636-2541

Wayne Rodrigs
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Maximizing Value Through New Growth Plays

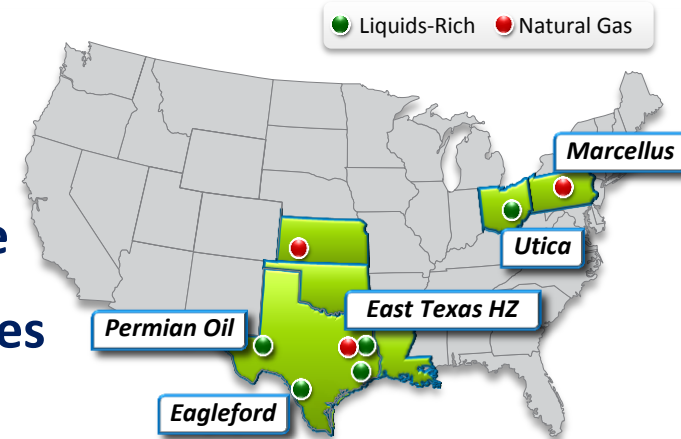
Doug Lawler
VP, Operations

March 13, 2012

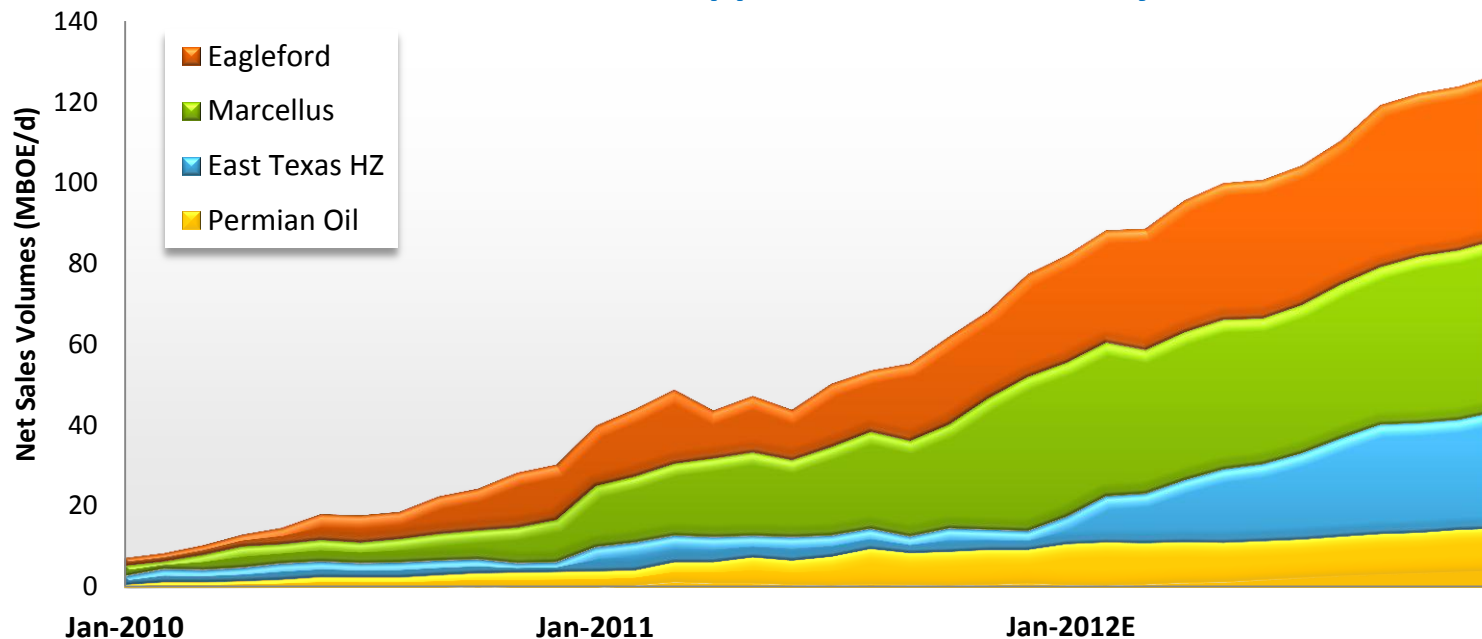


Southern & Appalachia: Multiple Levers for Value-Focused Growth

- Driving Efficiencies to Enhance Value
- Focusing on Higher-Margin Liquids
- Utilizing Midstream as a Competitive Advantage
- Leveraged Value Through Strategic Joint Ventures



Southern & Appalachia Growth Plays



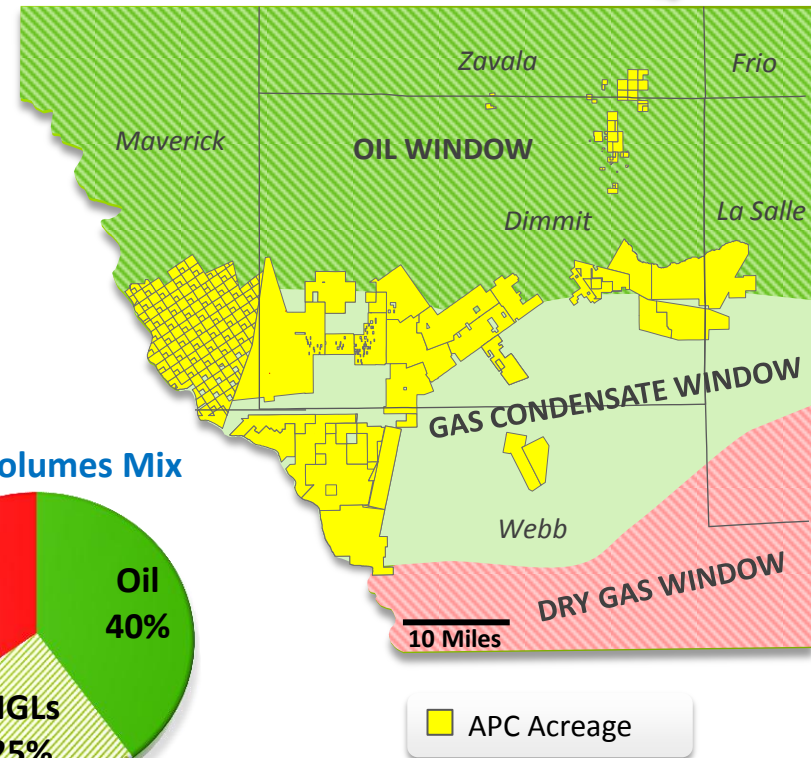
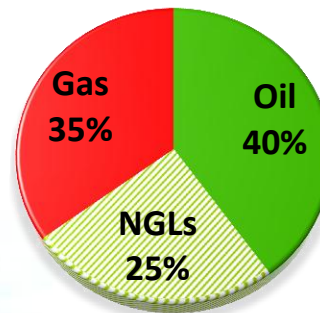
Eagleford: Premier Liquids-Rich Growth Engine

- Increased Net Resources to 600+ MMBOE
 - 65% Liquids Composition
- Doubled Identified Drill Sites to 4,000+
- Expect to Double YOY Sales Volumes
- Expanding Infrastructure

~400,000 Gross Acres
~200,000 Net Acres



Sales-Volumes Mix

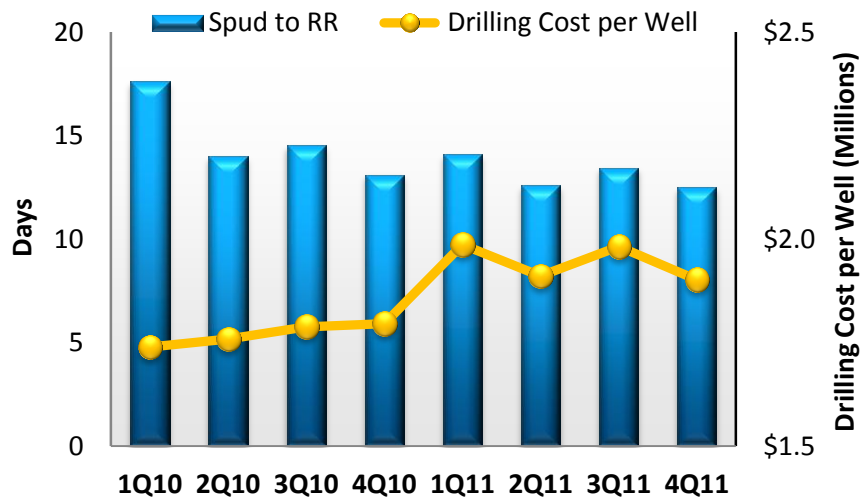


Eagleford: Improving Operational Advantages

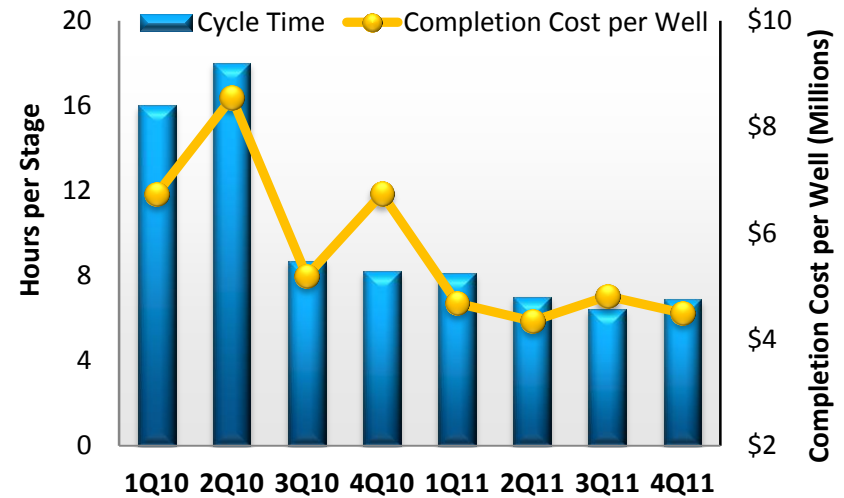
- Industry-Leading Cycle Times in the Field
- Reducing Cycle Times, While Doing More
 - Increased Lateral Length by 45% Since 2009
 - Increased Number of Frac Stages per Well by 40+% Since 2009
- Expect to Drill 250+ Wells with 10 Operated Rigs

Average Lateral Length
2009: 4,541 Feet
2012: 6,629 Feet

Drilling Efficiencies and Cost Control



Completions Efficiency and Cost Control



Eagleford: Midstream Paves the Way for Growth

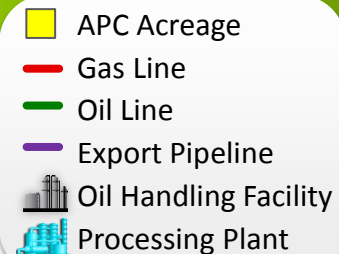
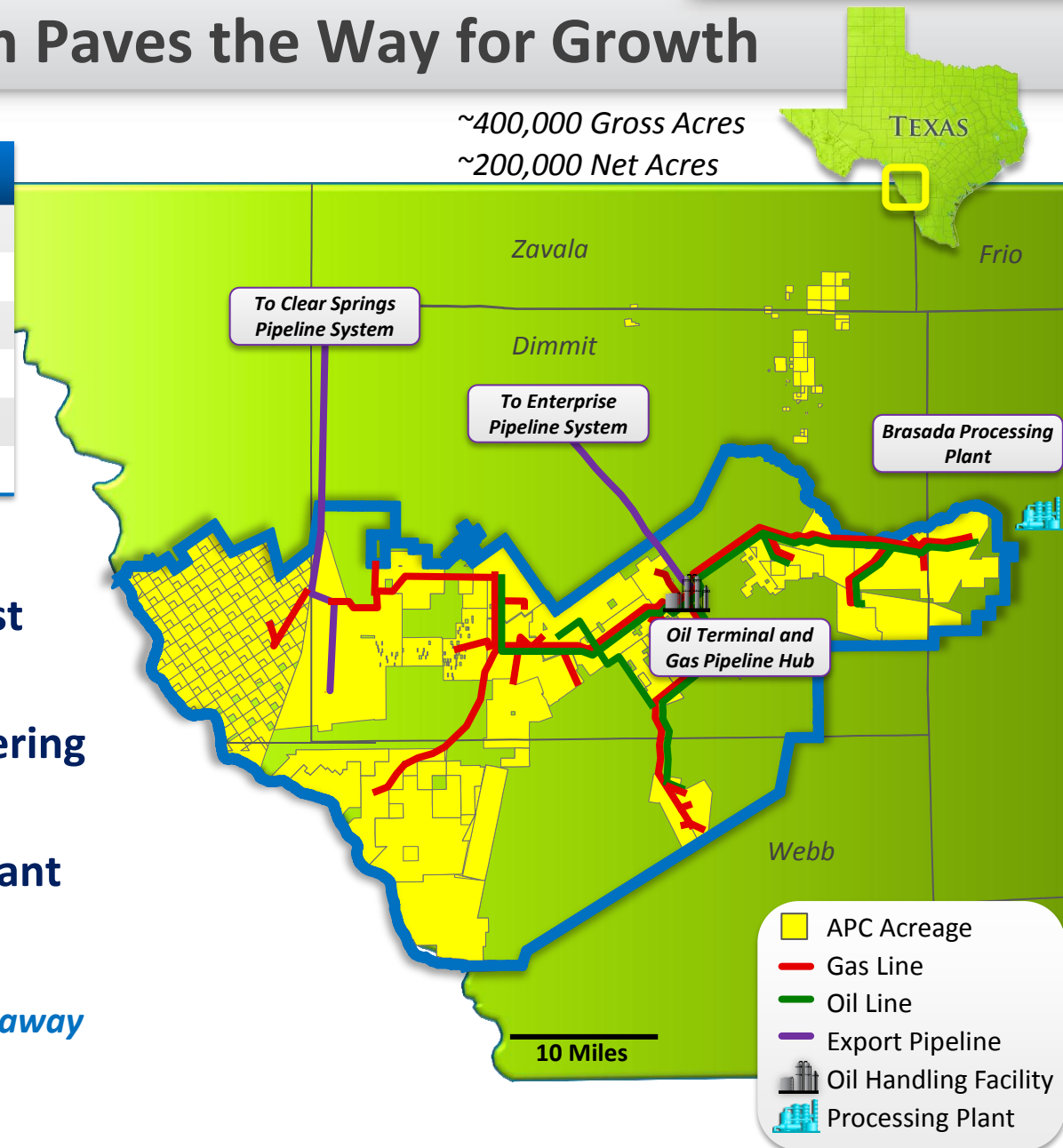
2011 Infrastructure

Oil Pipelines	151 miles
Gas Pipelines	230 miles
Central Gathering Facilities	24
Central Delivery Points	5
Horsepower in Field	71,000
Current Oil Terminal Capacity	90,000 Bbls

- Access to Multiple Gulf Coast Crude Oil Lines
- 200+ Miles Additional Gathering in 2012
- 200 MMcf/d Brasada Gas Plant Under Construction
 - *Expected Start-Up 2013*
 - *300+ MMcf/d Associated Takeaway*

~400,000 Gross Acres

~200,000 Net Acres



Eagleford: Roadmap to Value in Current Price Environment

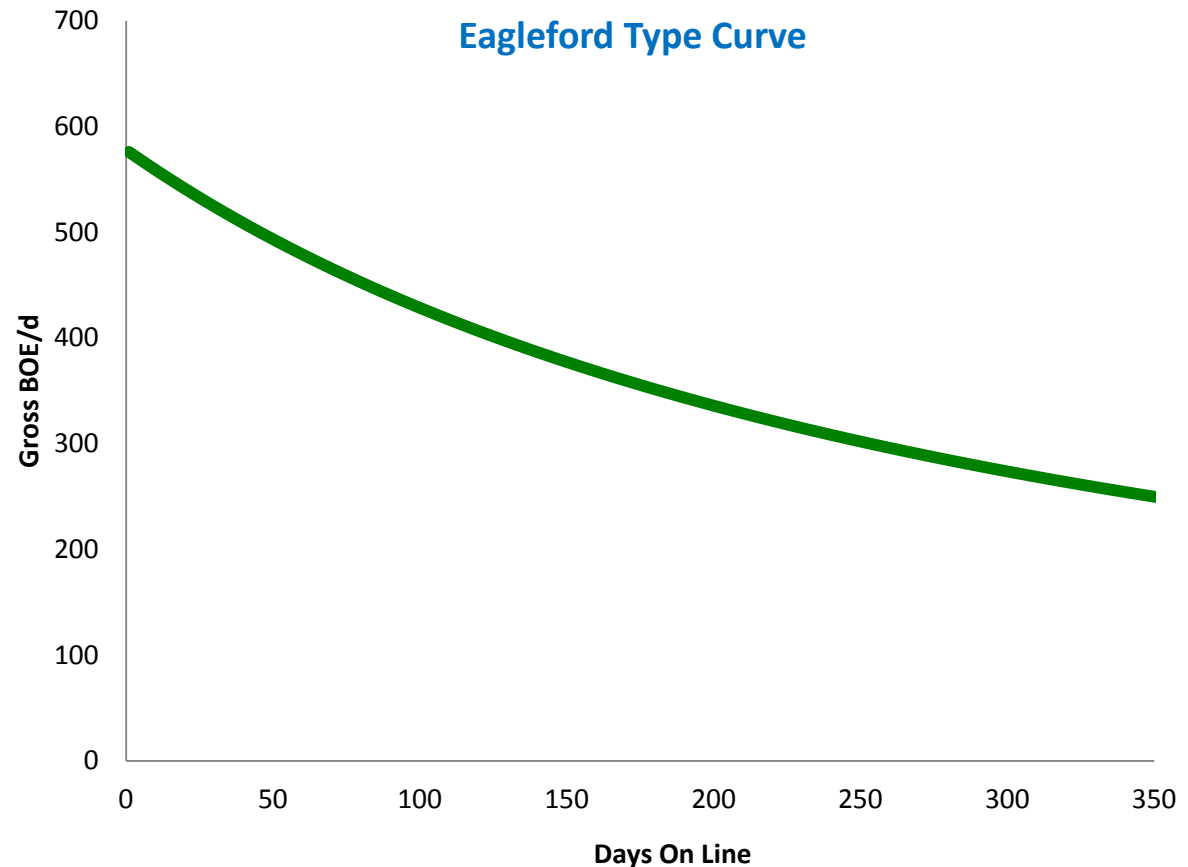
Eagleford Type Well (49% WI, 36% NRI)

- 450 MBOE EUR
- 40% Oil, 25% NGLs, 35% Gas
- \$5.8 Million Well Cost
- Net: \$3 Million BTAX NPV
- 100+% BTAX ROR
- 4,000 Drill Sites

Eagleford Drilling Program*

- 2012: 10 Rigs, 250+ Wells
- 2013: 275+ Wells
- 2014+: 3,400+ Wells

*Planned Activity



Based on Unescalated NYMEX Prices of \$100/Bbl and \$3.25/Mcf



Marcellus: Lowest-Cost Gas Play in U.S.

- Increasing Average Well Recoveries to 8 Bcf
- Realizing Significant Operating Efficiencies
- Preserving Future Opportunities
 - 5,000+ Identified Drill Sites
 - 1+ BBOE Resource Opportunity
- 2012 Planned Activity
 - Reduce Rig Count
 - Direct Capital to Higher-Return Areas
 - Expand Infrastructure

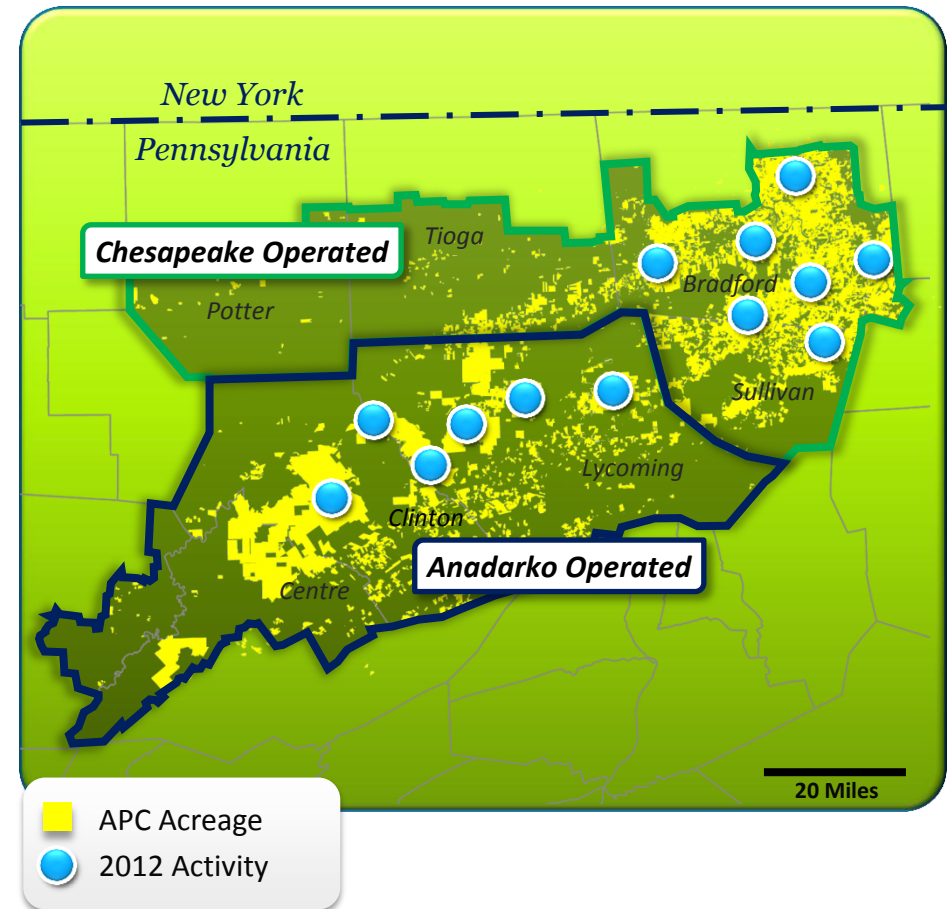


Marcellus Shale Play



~ 760,000 Gross Acres

~ 260,000 Net Acres

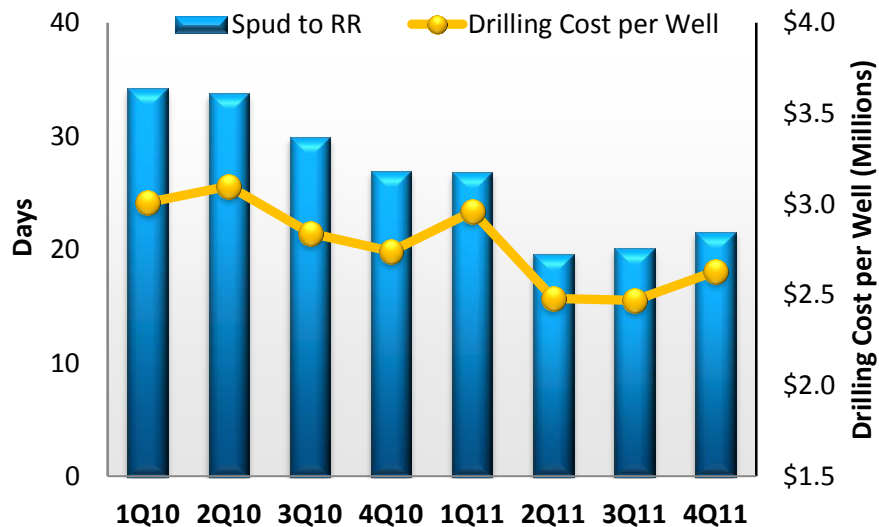


Marcellus: Enhancing Operational Efficiencies

■ Drilling

- *30% Cycle-Time Improvement Over 2010*
- *Spud-to-Rig Release Record of 12 Days*
- *\$1.6 Million Cost Record*
- *\$0.3 Million Additional Savings per Well Anticipated by YE 2012*

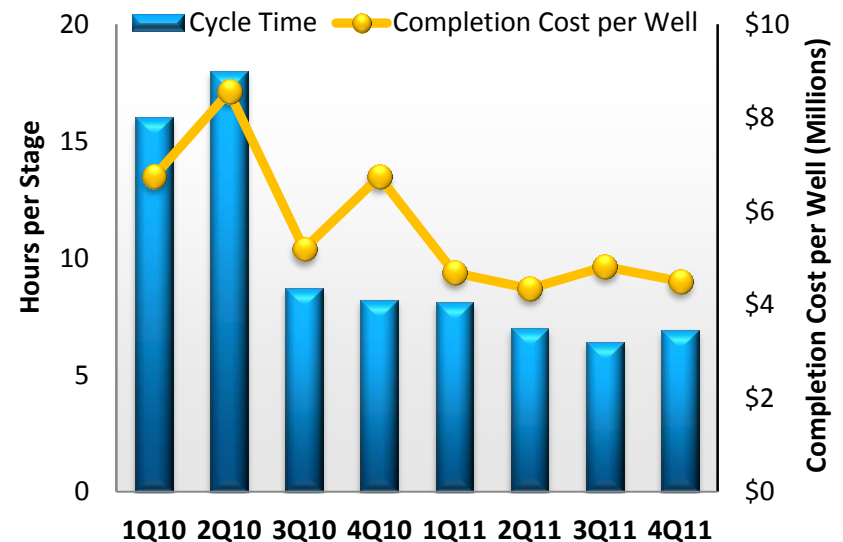
Drilling Efficiencies and Cost Control



■ Completions

- *~\$4.5 Million per Well*
- *\$1 Million Savings per Well Realized in 2011*
- *\$0.5 Million Additional Savings per Completion Anticipated by YE 2012*

Completions Efficiency and Cost Control



Marcellus: Roadmap to Value in Current Price Environment

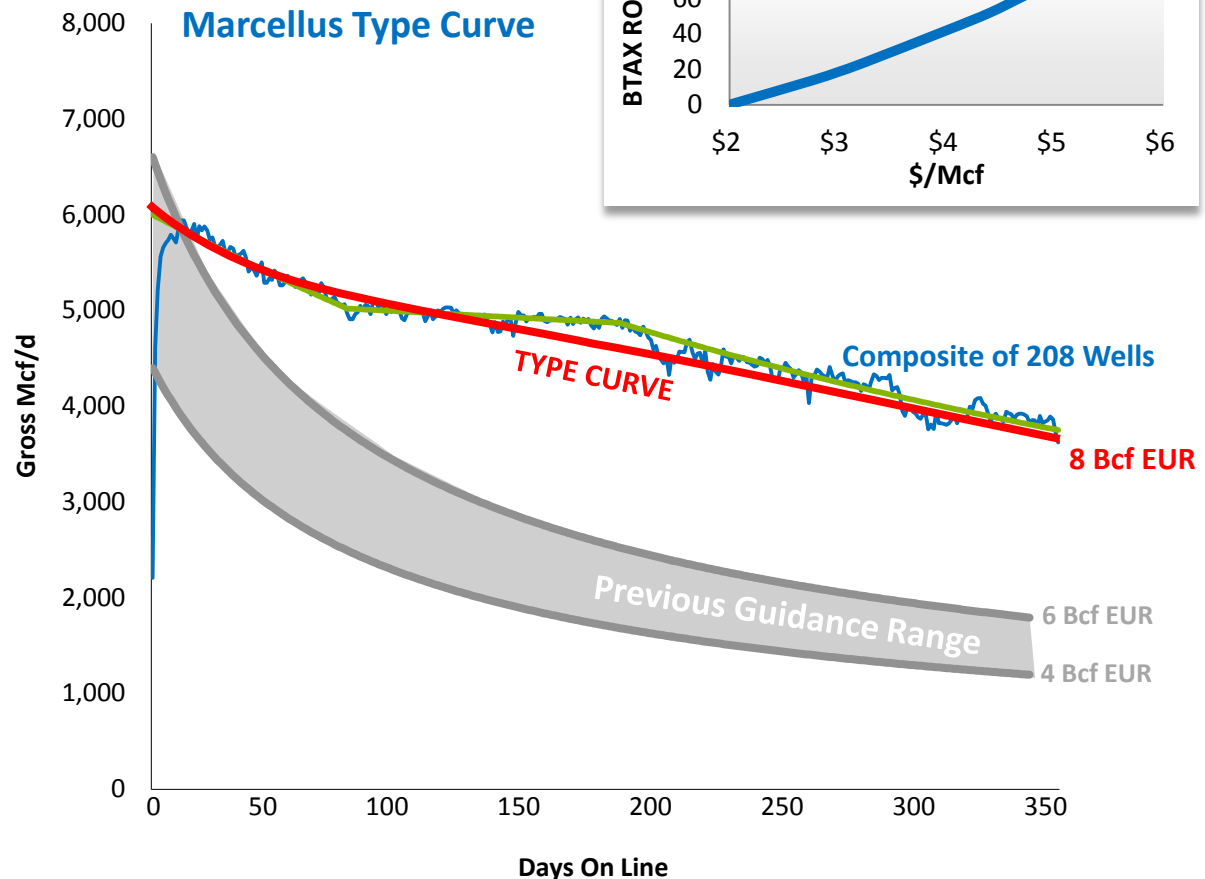
Marcellus Type Well (29.8% WI, 25.4% NRI)

- 8 Bcf EUR
- 100% Gas
- \$7 Million Well Cost
- Net: \$0.8 Million BTAX NPV
- 24% BTAX ROR
- 2,200+ Drill Sites

Marcellus Drilling Program*

- 2012: 13 Rigs, 200+ Wells
- 2013: 170+ Wells
- 2014+: 1,800+ Wells

*Planned Activity

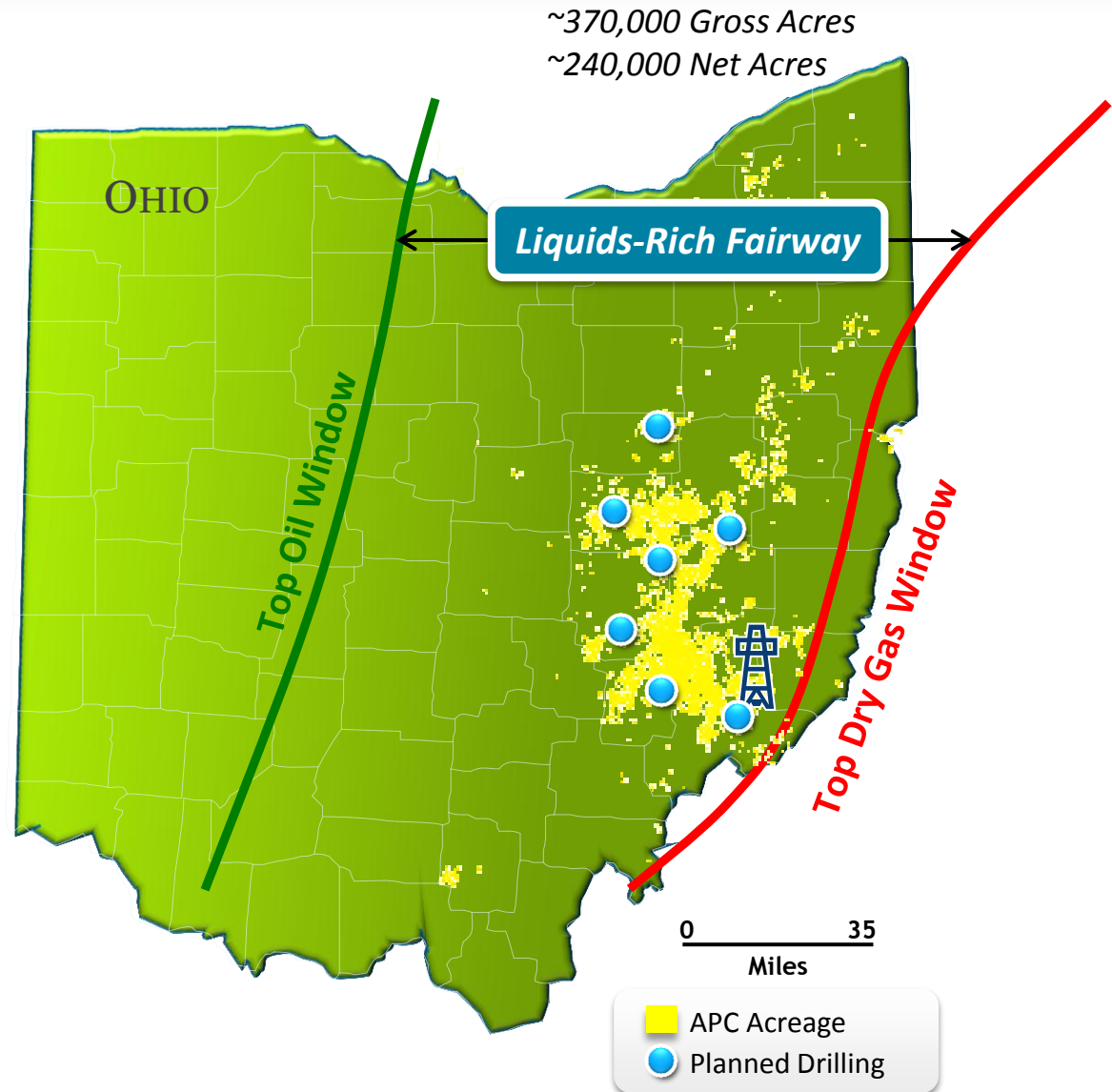


Based on Unescalated NYMEX Prices of \$100/Bbl and \$3.25/Mcf



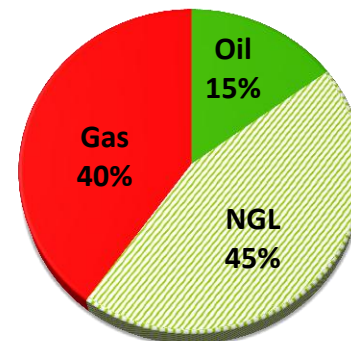
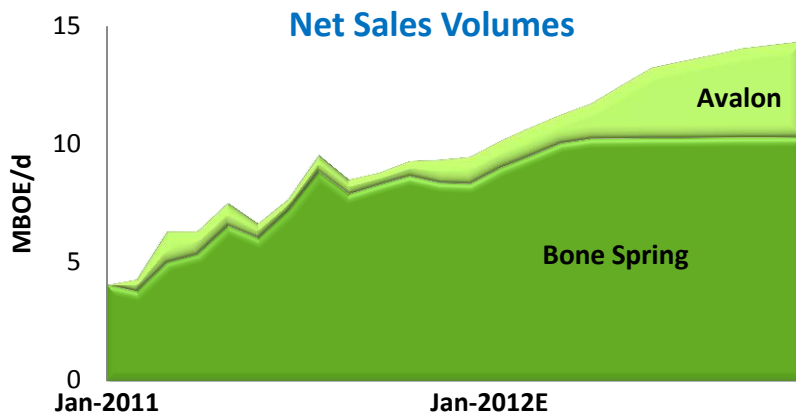
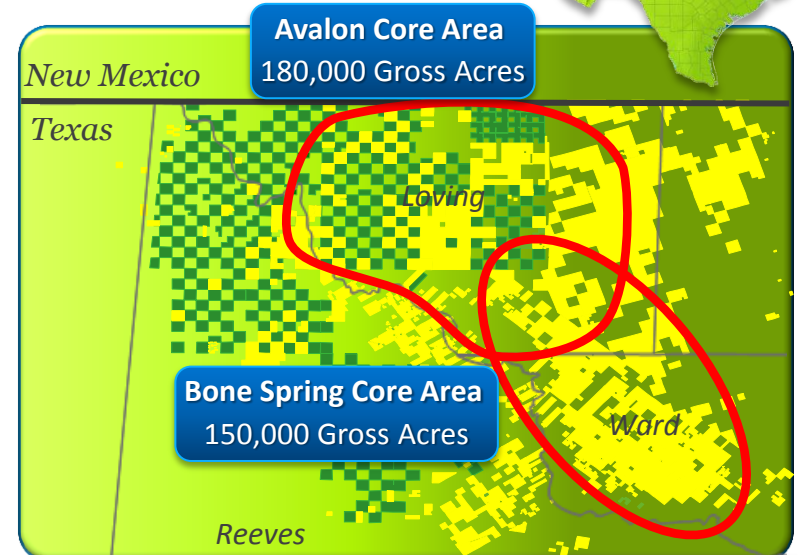
Utica: Evaluating an Emerging Play

- **Concentrated Acreage Position in Liquids-Rich Window**
- **Early Entry**
- **Exploration Program in Progress**
- **Planned 2012 Activity**
 - *Currently Testing First 2 Wells*
 - *Ramp Rig Count with Redeployed Rigs from Marcellus*

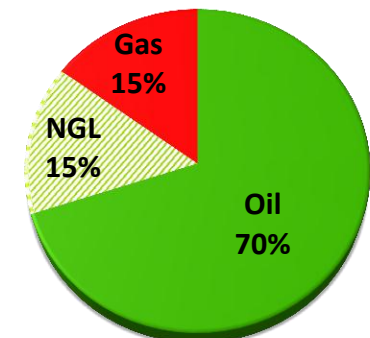


Permian Oil: High-Margin Liquids Opportunities

- **200 to 500+ MMBOE Net Resources**
 - *1,000+ Avalon Drill Sites*
 - *300+ Bone Spring Drill Sites*
 - *300 - 500 MBOE EUR per Well*
- **Expanding Avalon Development**
- **High-Margin Bone Spring Development**
- **Expanding Midstream and Water-Management Infrastructure**



Avalon Sales-Volumes Mix



Bone Spring Sales-Volumes Mix



Permian Oil: Enhancing Operational Efficiencies

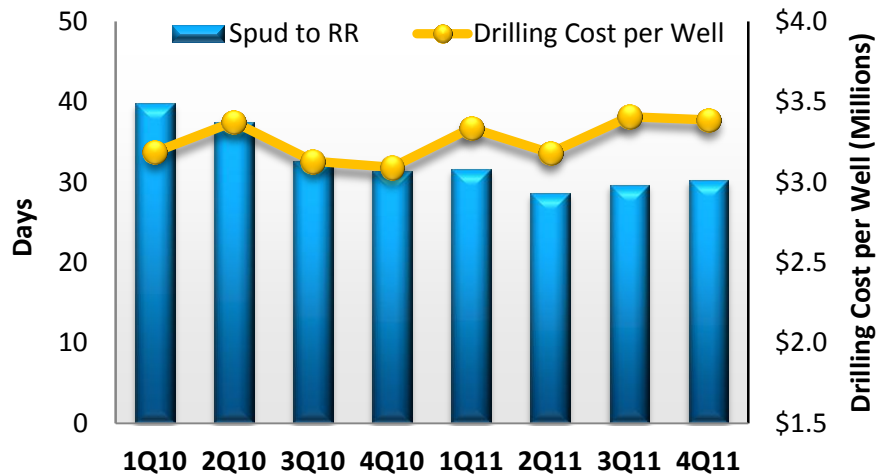
■ Drilling

- *15% Reduction in Average Cycle Times*
- *Record Drilling Days*
 - Bone Spring Well: 22 Days
 - Avalon Well: 19 Days

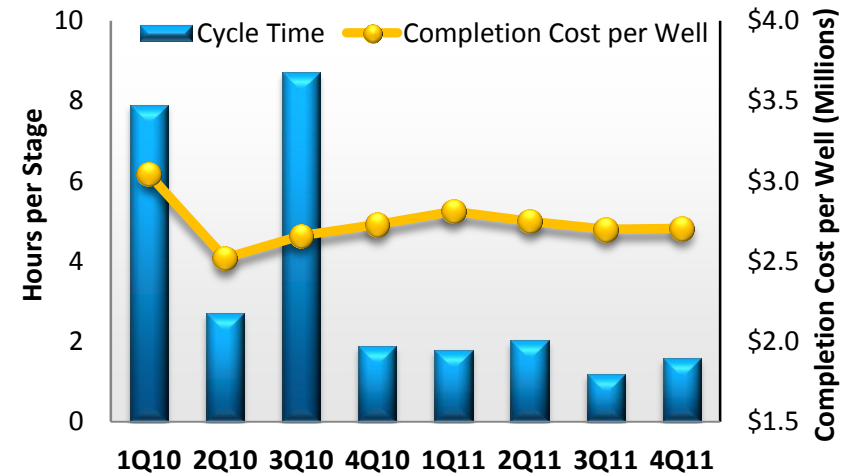
■ Completions

- *Average Bone Spring Cycle Time*
 - 50+% Reduction in Hours/Stage During 2011

Drilling Efficiencies and Cost Control



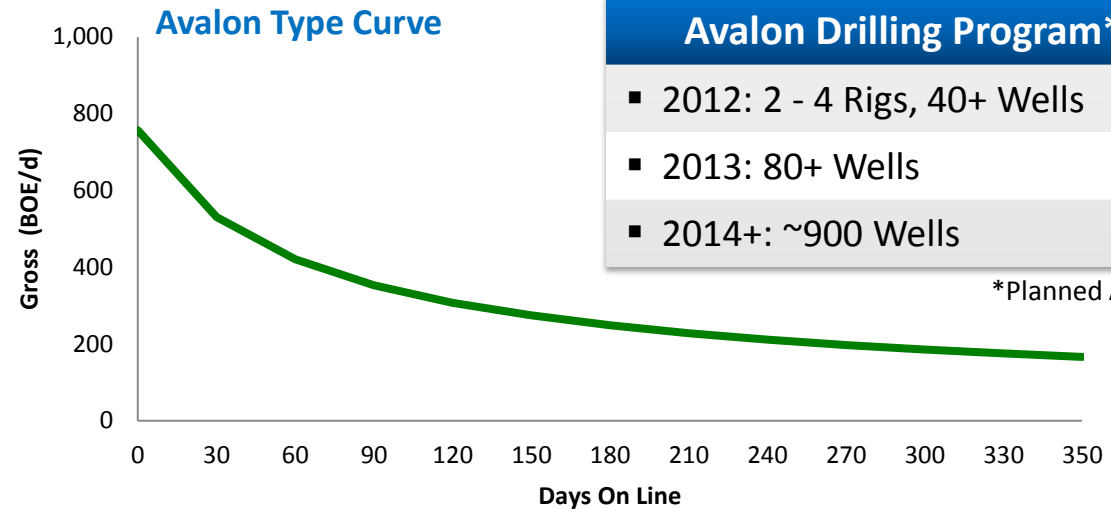
Completion Efficiency and Cost Control



Permian Oil: Roadmap to Value in Current Price Environment

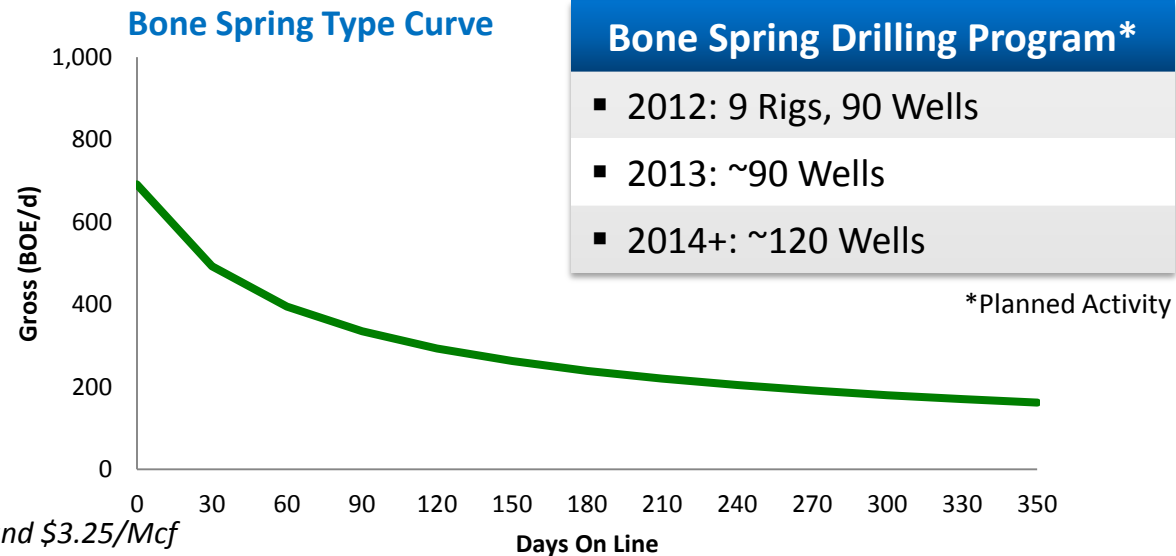
Avalon Type Well (50% WI, 38% NRI)

- 400 MBOE EUR
- 15% Oil, 45% NGLs, 40% Gas
- \$5 Million Well Cost
- Net: \$1.4 Million BTAX NPV
- 39% BTAX ROR
- 1,000 Drill Sites



Bone Spring Type Well (40% WI, 30% NRI)

- 400 MBOE EUR
- 70% Oil, 15% NGLs, 15% Gas
- \$6.5 Million Well Cost
- Net: \$2.7 Million BTAX NPV
- 67% BTAX ROR
- 300 Drill Sites



Based on Unescalated NYMEX Prices of \$100/Bbl and \$3.25/Mcf



Permian Oil: Target-Rich Opportunity

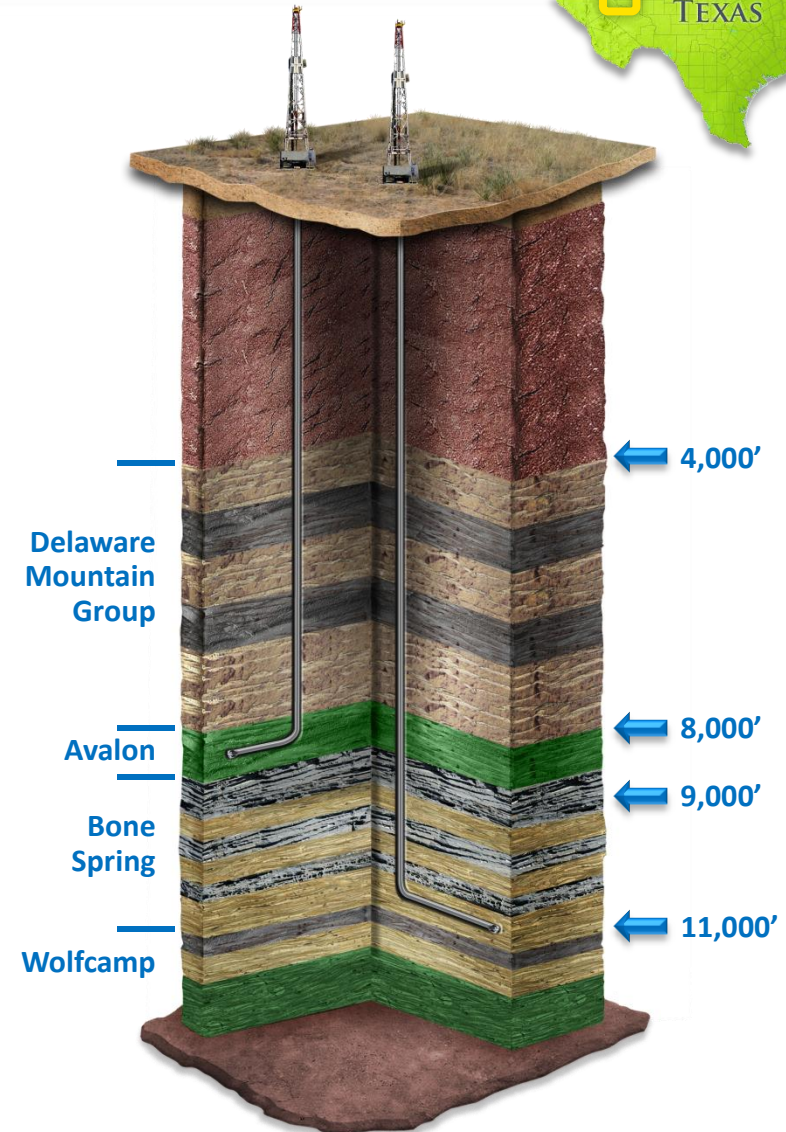
▪ Significant Upside Growth Potential

- *Avalon Shale*
- *Bone Spring*
- *Wolfcamp Shale*
- *Delaware Mountain Group*
- *Wolfbone Vertical Play*
- *Multiple Targets within Each Formation*

▪ Top Initial Production Rates

- *Avalon* *1,200+ BOE/d*
- *Bone Spring* *2,200+ BOE/d*
- *Wolfcamp* *1,700+ BOE/d*

▪ Infrastructure Enables Future Growth



East Texas HZ: Growing Liquids

▪ 300+ MMBOE Net Resources

- ~450 Identified Drill Sites
- ~1 MMBOE EUR per Well

▪ Outstanding Economics

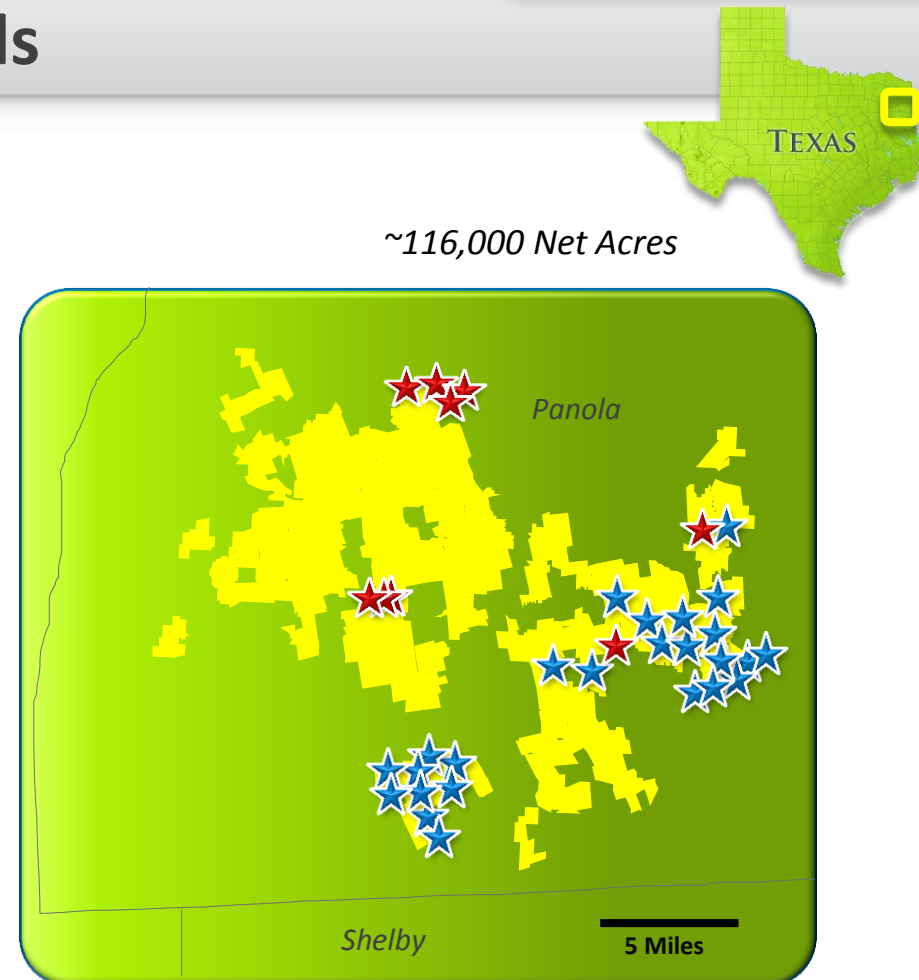
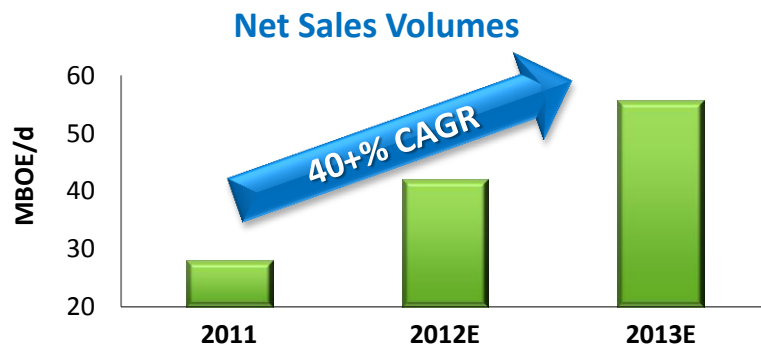
- 35+% Liquids
- 50 - 90+% ROR

▪ HBP Liquids-Rich Opportunity

- Established Operations Base
- Existing Midstream Infrastructure

▪ Strong Cash Generation

- Carthage Area Producing ~35 MBOE/d Net
- <\$2 LOE/BOE



- APC Acreage
- ★ Cotton Valley HZ
- ★ Haynesville HZ

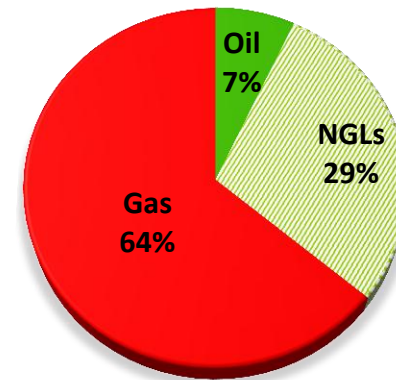
Based on Unescalated NYMEX Prices of \$100/Bbl and \$3.25/Mcf



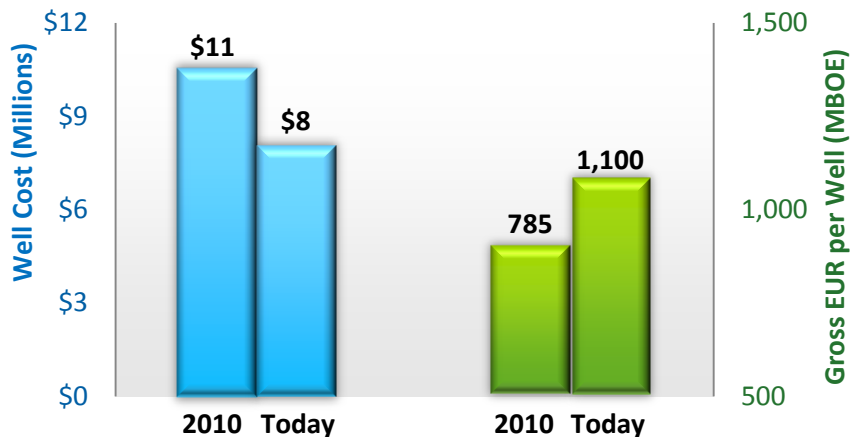
East Texas HZ: Reducing Costs and Improving Recoveries

- **35+% Liquids Composition**
- **~40% Improvement in Well Recoveries**
- **~30% Well-Cost Reduction**
 - *Improved Drilling Cycle Times*
 - *Completion Efficiency Gains*

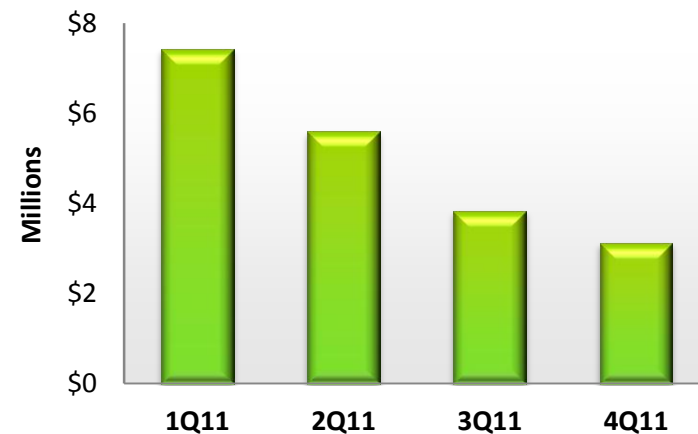
Sales-Volume Mix



Reducing Costs, Improving Recoveries



Avg. Completions Cost



East Texas HZ: Roadmap to Value in Current Price Environment

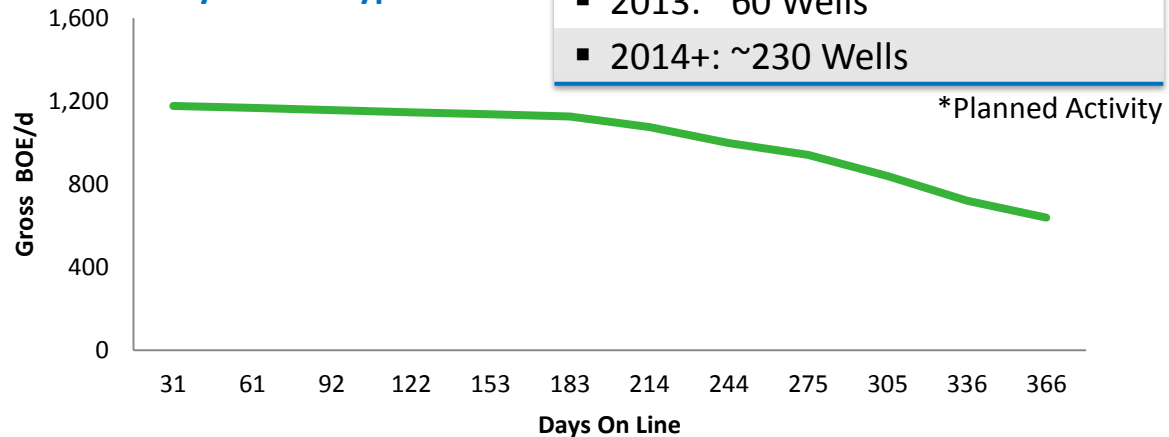
Haynesville Type Well (76% WI, 66% NRI)

- 1,100 MBOE EUR
- 7% Oil, 29% NGL, 64% Gas
- \$8 Million Well Cost
- Net: \$6.1 Million BTAX NPV
- 95% BTAX ROR
- 350 Drill Sites

Haynesville Drilling Program*

- 2012: 5 Rigs, ~60 Wells
- 2013: ~60 Wells
- 2014+: ~230 Wells

Haynesville Type Curve



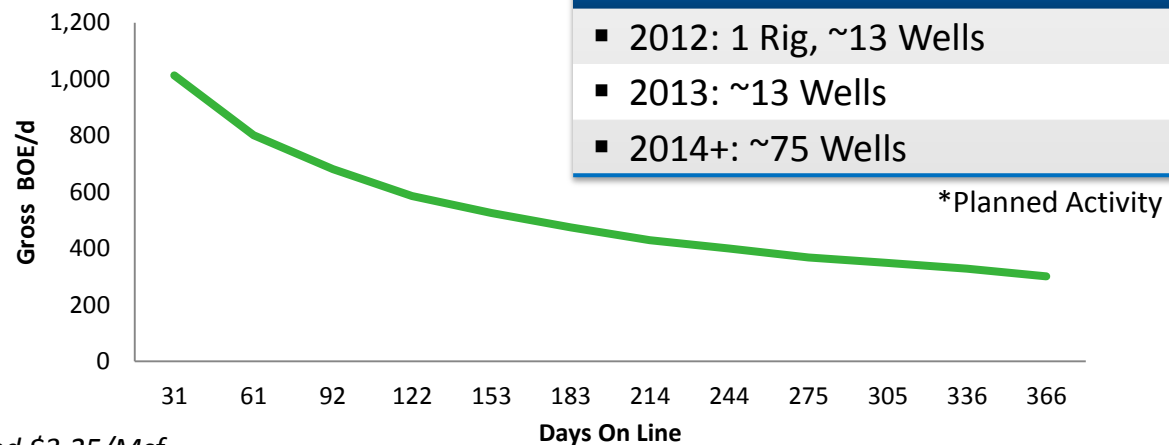
Cotton Valley Type Well (78% WI, 65% NRI)

- 800 MBOE EUR
- 5% Oil, 30% NGLs, 65% Gas
- \$5.1 Million Well Cost
- Net: \$2.9 Million BTAX NPV
- 51% BTAX ROR
- 100 Drill Sites

Cotton Valley Drilling Program*

- 2012: 1 Rig, ~13 Wells
- 2013: ~13 Wells
- 2014+: ~75 Wells

Cotton Valley Type Curve



Based on Unescalated NYMEX Prices of \$100/Bbl and \$3.25/Mcf



Southern & Appalachia: Capital-Efficient Growth

- **Opportunity-Rich Portfolio Positioned for Growth**
- **Predictable, Repeatable Programs with Flexibility**
- **Driving Operational Efficiencies and Reducing Costs**
- **Value Creation Through Focus on Higher-Margin Liquids and Optionality**



INVESTOR RELATIONS
CONTACTS:

John Colglazier
Vice President
832/636-2306

Clay Gaspar
Manager
832/636-2541

Wayne Rodrigs
Manager
832/636-2305

Supercharging Core Assets

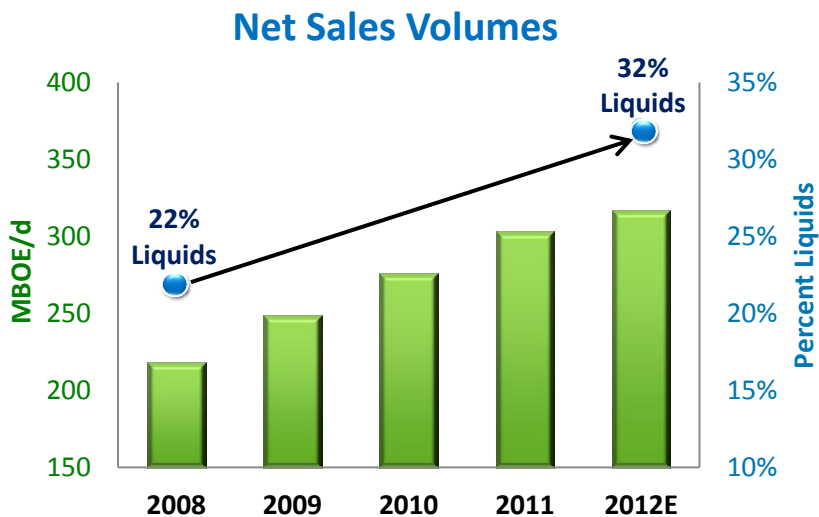
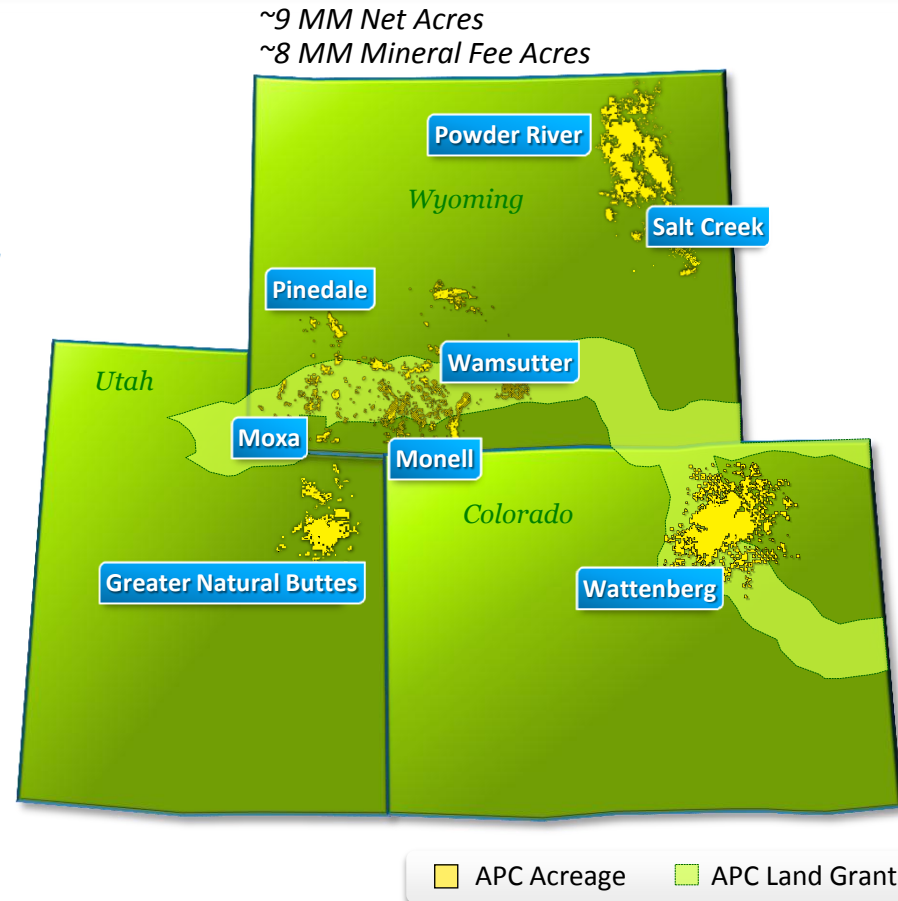
Jim Kleckner
VP, Operations

March 13, 2012



Rockies: Predictable Liquids Growth in Premier Basins

- **Concentrated Acreage Positions Advantaged by Mineral Ownership**
- **25,000+ Identified Low-Risk Drill Sites**
 - Anchored by Liquids-Rich Wattenberg HZ
 - HBP Dry Gas Opportunities
- **Significant Midstream Infrastructure**
- **Actively Evaluating New Liquids Plays**



Wattenberg HZ: A Superior Growth Opportunity



■ 500 MM to 1.5 BBOE Net Resources

- 1,200 - 2,700 Horizontal Drill Sites
- 300 - 600 MBOE EUR per Well

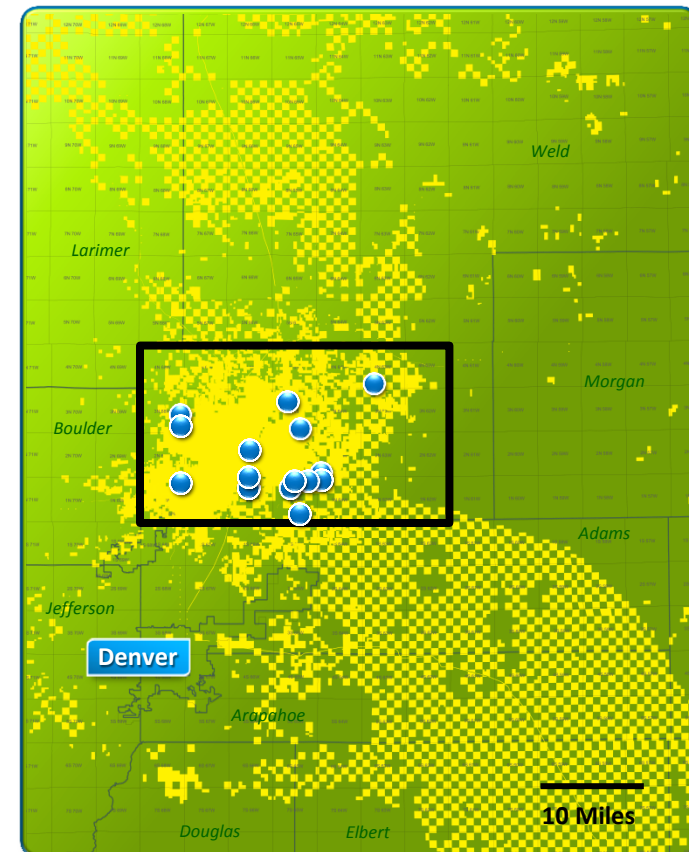
■ Enhanced Returns

- Mineral Interest Ownership
- Midstream Value Uplift

■ Positioned to Deliver Today

- Infrastructure in Place
- \$400 Million in Cash Flow Above Capital Expenditures in 2011
- Wattenberg Field Producing ~80 MBOE/d Net

~350,000 Net Acres in Core Wattenberg



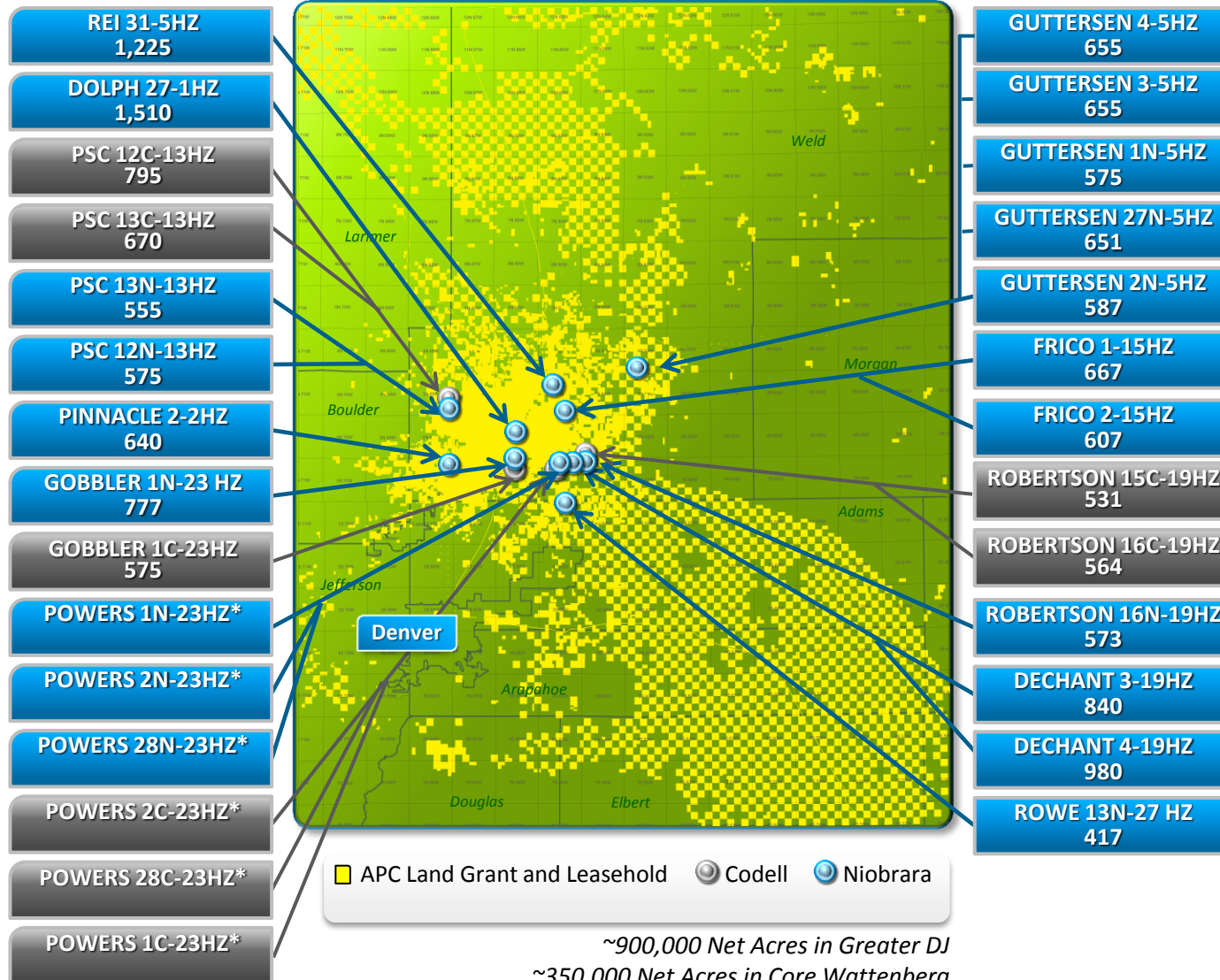
- APC Land Grant and Leasehold
- Core Wattenberg Area
- Area of Activity



Wattenberg HZ: Outstanding IP Rates



Anadarko HZ Well IPs (BOE/d)



*Flowing Back;
Anticipated IP's of
700-900 BOE/d

~900,000 Net Acres in Greater DJ
~350,000 Net Acres in Core Wattenberg

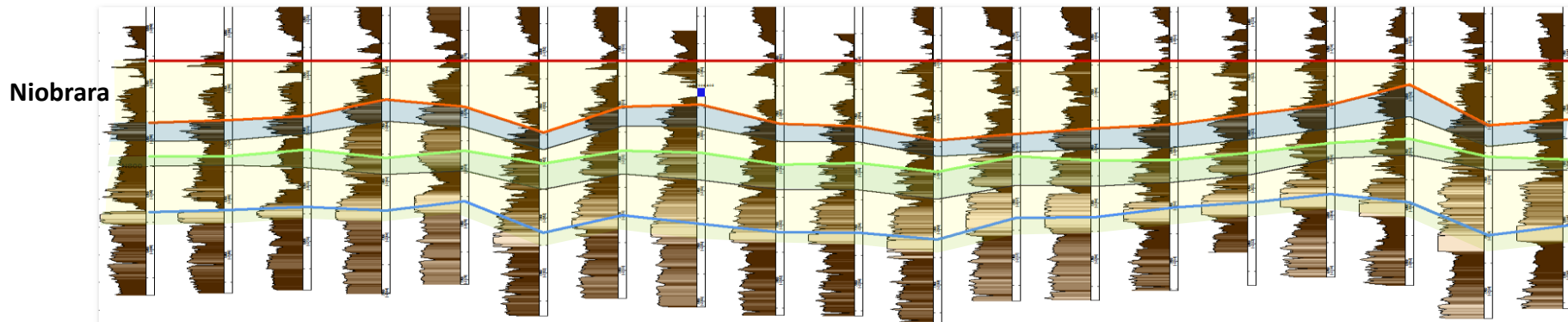


Wattenberg HZ: High-Quality, Liquids-Rich Reservoirs

- Fluid Composition and Properties
- Reservoir Energy
- Permeability and Porosity
- Hydrocarbon Saturation
- High Degree of Natural Fracturing
- 15 - 30 MMBOE per Section Hydrocarbon in Place
 - Vertical Well Recovery Estimate 1 - 3%
 - HZ Program Recovery Estimate 15 - 20%

PERIOD	DJ BASIN: FORMATION
Tertiary	DENVER FM.
	LARAMIE
Cretaceous	PIERRE SH.
	SUSSEX SD.
	PIERRE SH.
	NIOBRARA CARB.
	FORTHAYS LS.
	CODELL SD.
	CARLILE SH.
	LINCOLN/GREENHORN
	GRANEROS SH.
	MOWRY SH.
	MUDDY 'J' SD.
	SKULL CREEK SH. / DAKOTA
	LAKOTA

North to South Niobrara Cross Section Showing Continuity



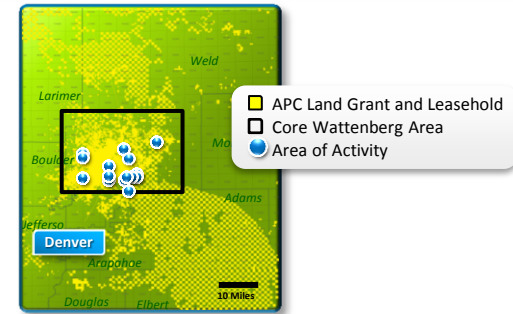
Wattenberg HZ: Premier Land Position and Mineral Ownership

Mineral Ownership Supercharges Economics

- Anadarko Owns Minerals on Two-Thirds of Acreage in Core Wattenberg
- 96% WI with 88% NRI

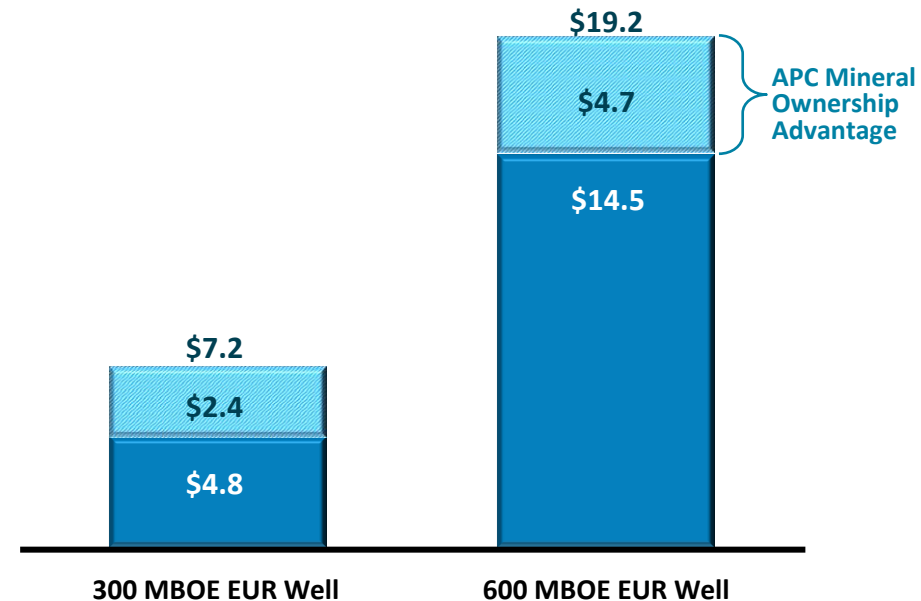
Royalty Benefit from Non-Op Production on Land Grant

~350,000 Net Acres in Core Wattenberg

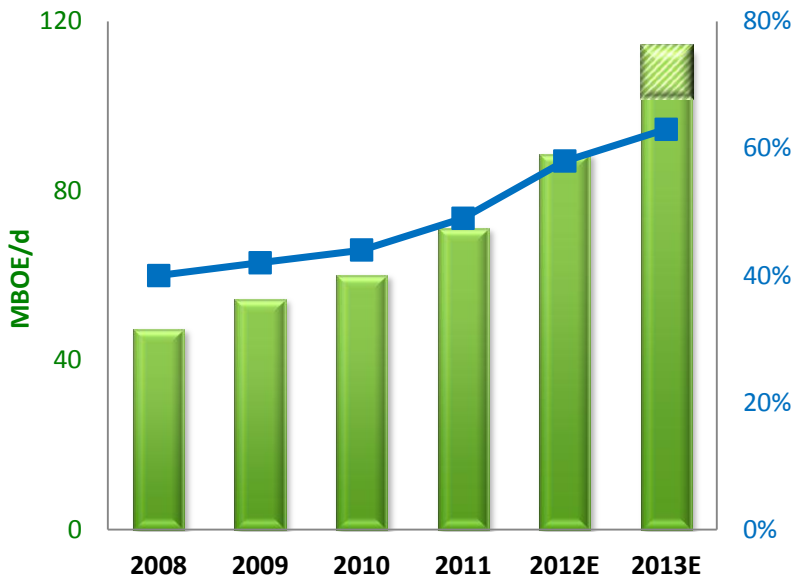


Anadarko Economics Enhanced by Land Grant Position

BTAX PV10 (Millions)



Wattenberg Field Net Sales Volumes



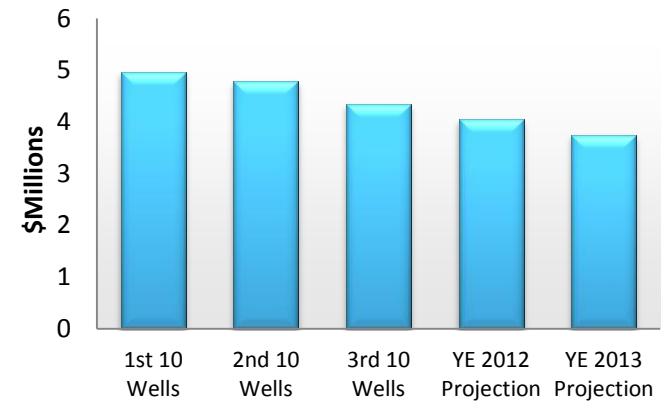
Based on \$4.5 Million Well Cost & NYMEX Unescalated Prices of \$100/Bbl and \$3.25/Mcf



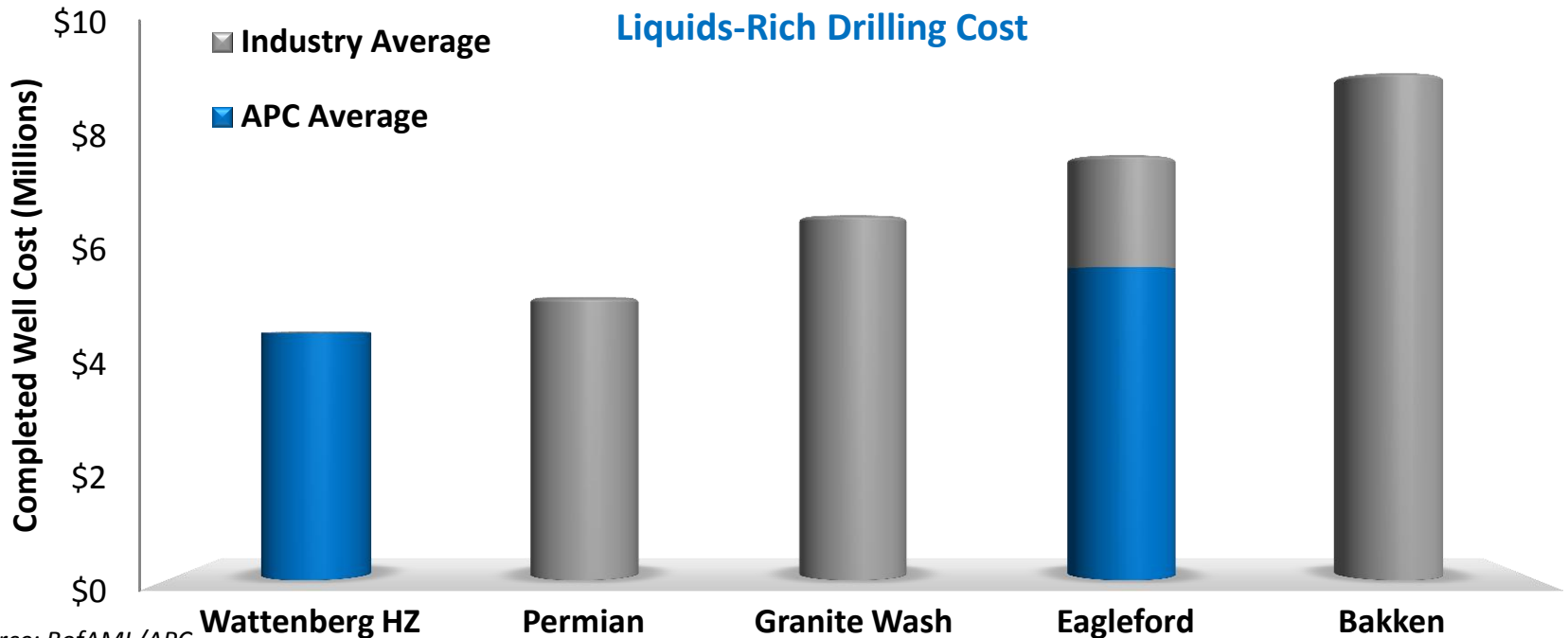
Wattenberg HZ: Low-Cost, Liquids-Rich Program

- Anadarko Lowest Well Cost to Date: \$3.8 Million
- Continuing to Drive Efficiencies
- Optimizing Lateral Lengths, Well Density and Completions

Wattenberg HZ Well-Cost Trend



Liquids-Rich Drilling Cost



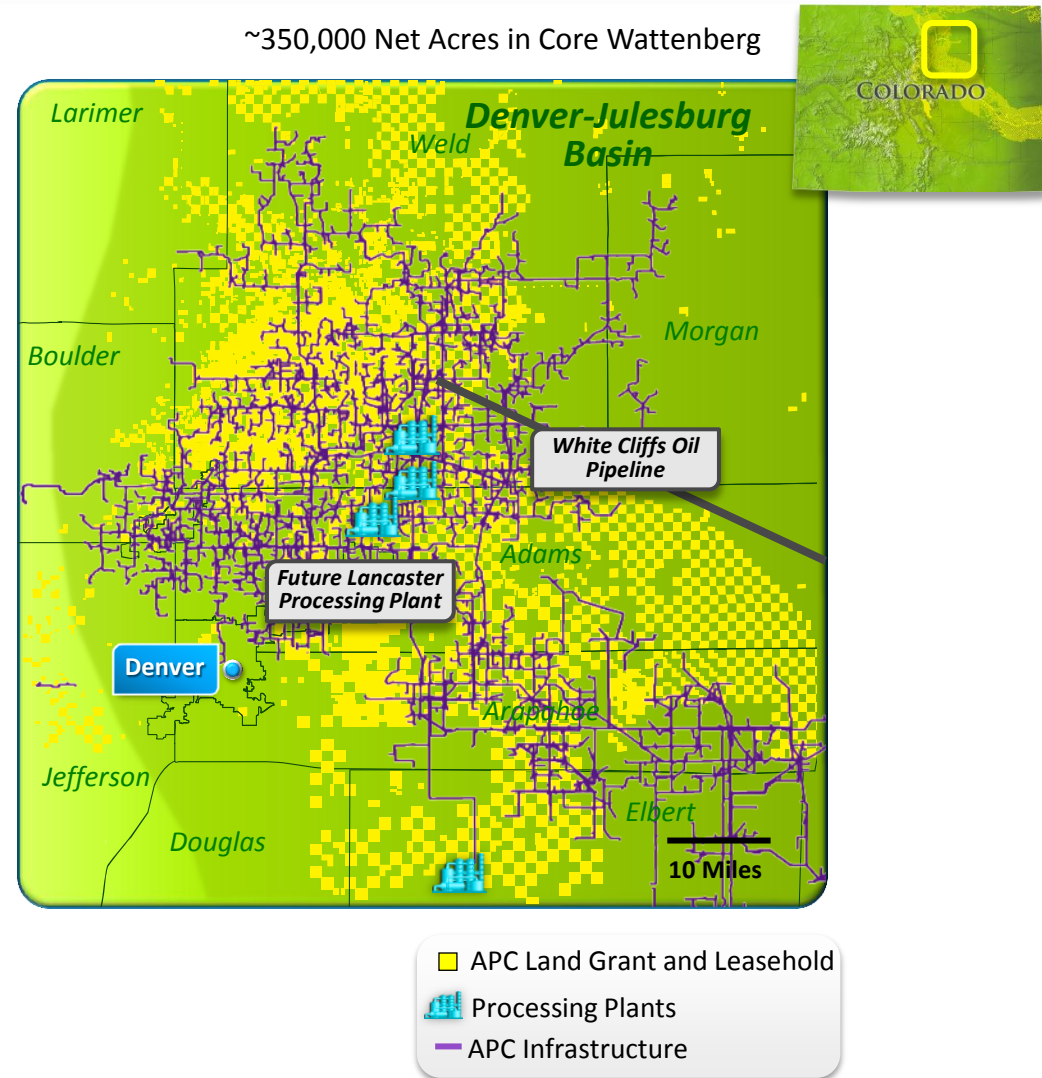
Source: BofAML/APC



Wattenberg Midstream: Expanding a Competitive Advantage

- 400 MMcf/d of Operated Processing Capacity
- ~3,000 Miles of Operated Gathering Lines
- White Cliffs Truck Terminal Expansion Under Way
- Planned 300 MMcf/d Cryo Expansion
- Participation in NGL Pipelines to Access Premium Gulf Coast Markets

~350,000 Net Acres in Core Wattenberg



Wattenberg HZ: Roadmap to Value

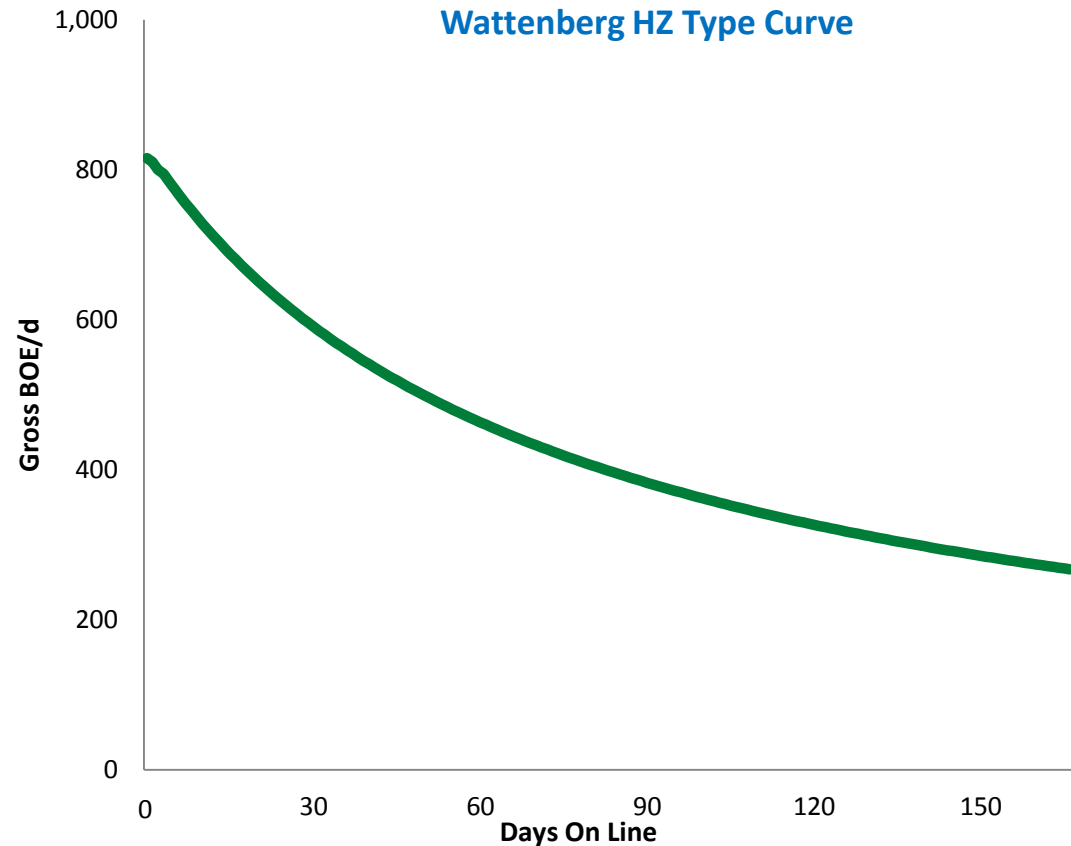
Wattenberg HZ Type Well (96% WI, 88% NRI)

- 350 MBOE EUR
- 60% Oil, 10% NGLs, 30% Gas
- \$4.5 Million Well Cost
- Net: \$8.3 Million BTAX NPV
- 100+% ROR
- ~2,000 Drill Sites

Wattenberg HZ Drilling Program*

- 2012: 8 Rigs, 170 Wells
- 2013: 270 Wells
- 2014+: 300+ Wells/Year

*Planned Activity



Based on Unescalated NYMEX Prices of \$100/Bbl and \$3.25/Mcf



Wattenberg: Everything in Place to Deliver

- ✓ Premier Land Position and Mineral Ownership
- ✓ High-Quality, Liquids-Rich Reservoir
- ✓ Strong Well Performance
- ✓ Low Development Cost
- ✓ Dedicated Frac Crews
- ✓ Expandable Existing Infrastructure



Greater DJ: Advantaged Position Provides JV Opportunities

Large Concentrated Position

- 550,000 Net Acres Outside Core Wattenberg

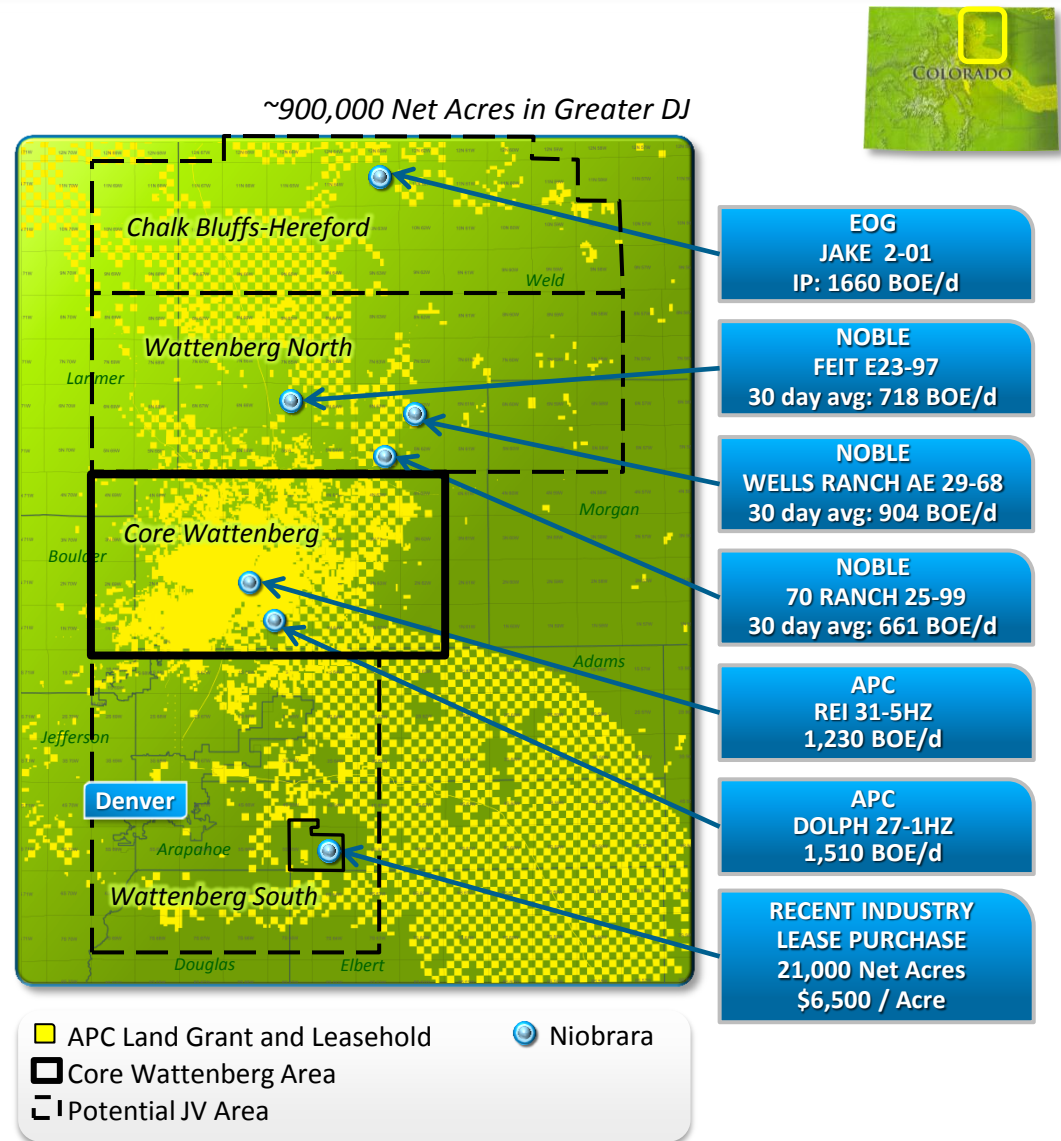
Mineral Ownership in Perpetuity

Extensive Knowledge and Science

- Seismic and Cores
- Significant Well Data

Upside Potential in Multiple Formations

Recent Activity Outside of Core Wattenberg has De-Risked the Play

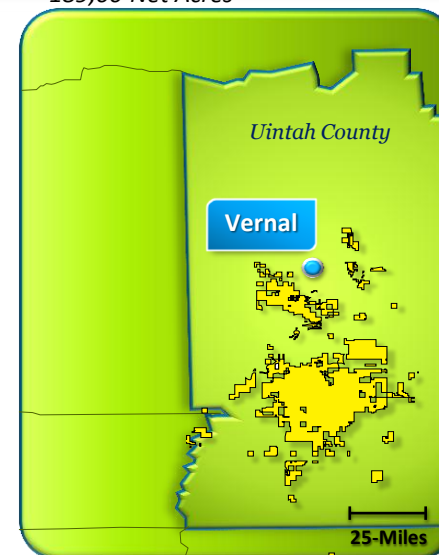




GNB: Predictable, Repeatable Growth

- 8,000+ Lower-Risk Drill Sites
- Improving Well Recoveries
- Reducing Well Costs and LOE/BOE
- \$1.50+ per Mcf Uplift from NGL Processing
- 300 MMcf/d Cryo Facility Start-Up in 3Q12
- Blackhawk and Green River Potential

~189,00 Net Acres

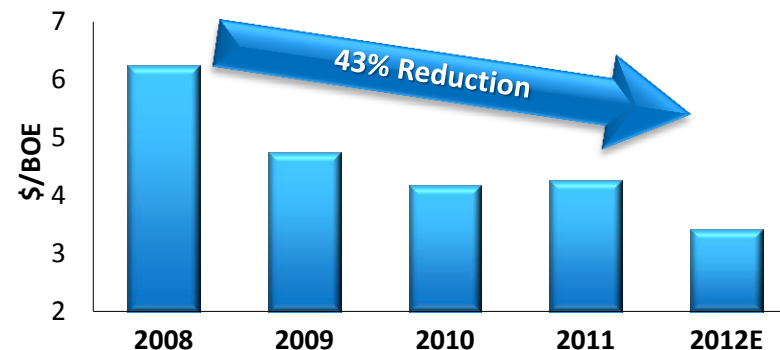


APC Acreage

Net Sales Volumes



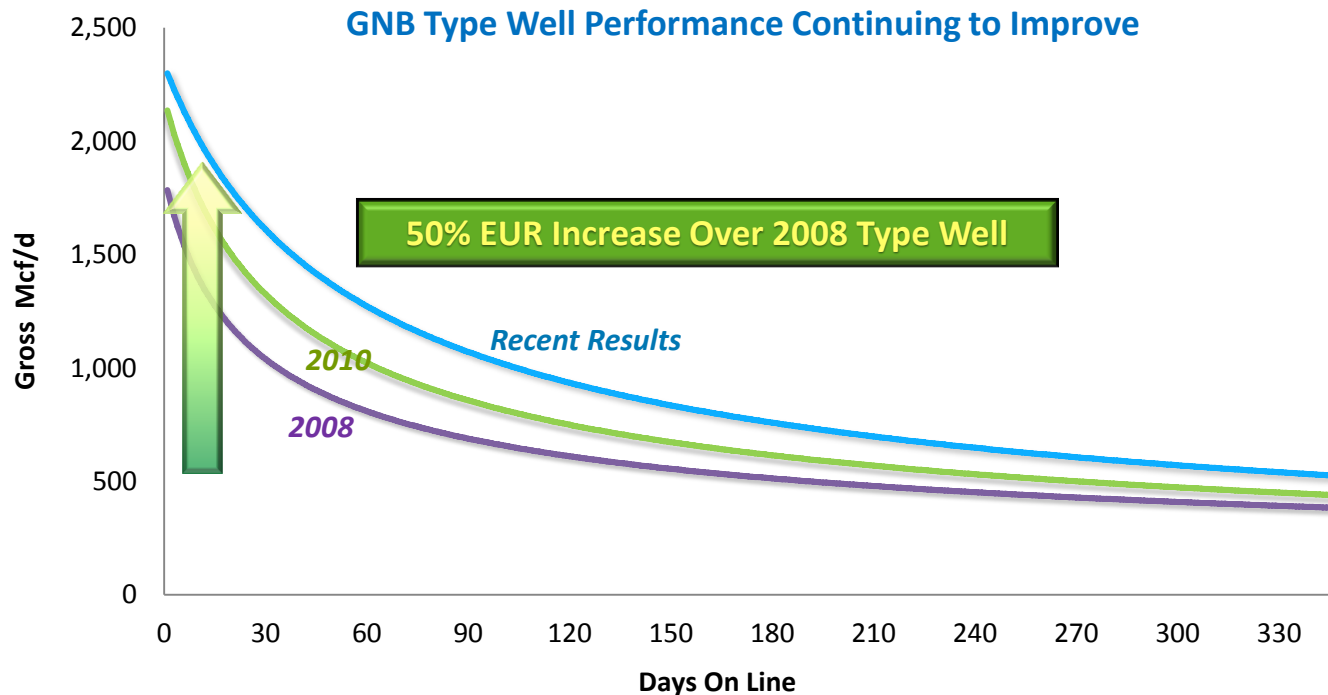
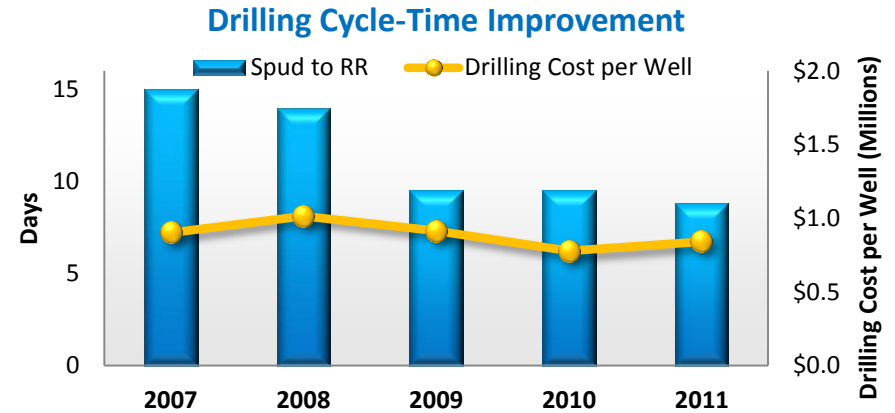
LOE/BOE



GNB: Improving Well Recoveries and Reducing Costs

2012 Planned Activity

- Drill 400 Wells
- Operate 8 Rigs
- Construct 300 MMcf/d Cryo Plant



GNB: Roadmap to Value in Current Price Environment

GNB Type Well (99.6% WI, 81.5% NRI)

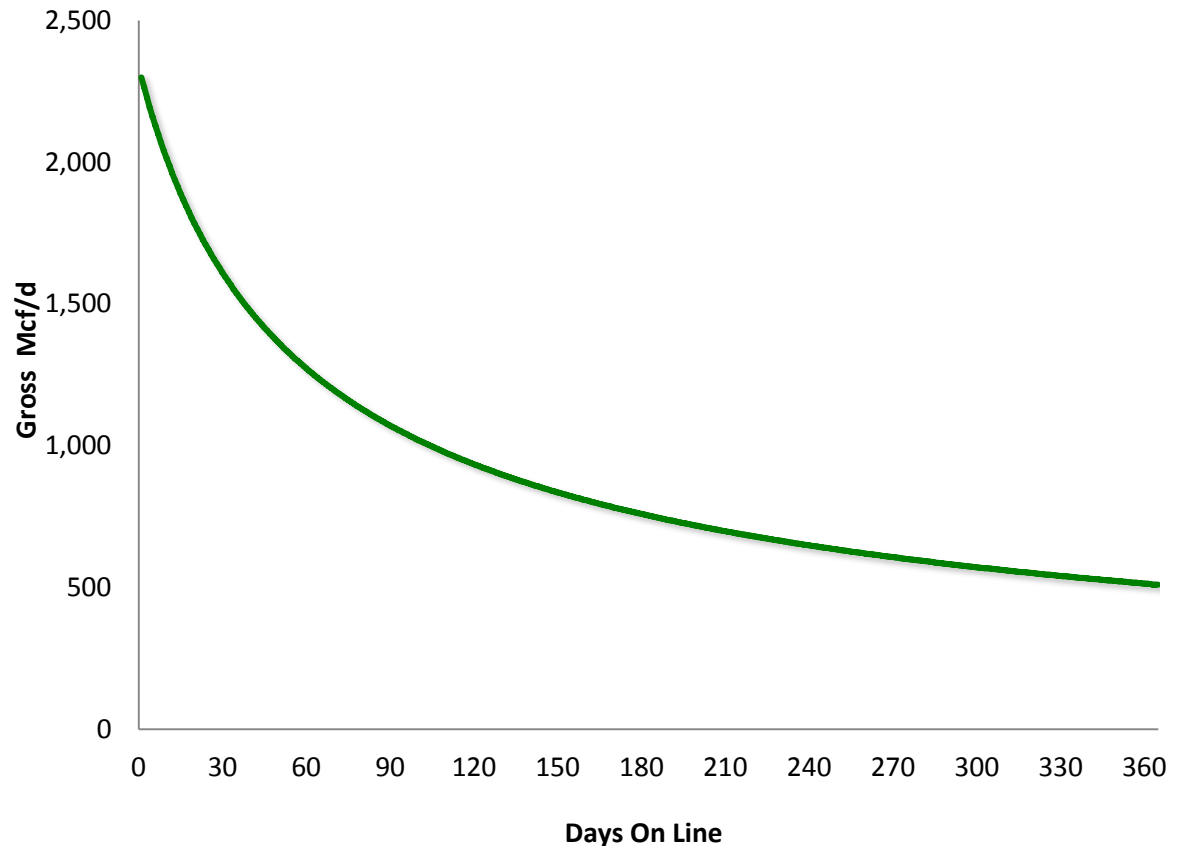
- 330 MBOE EUR
- 3% Oil, 22% NGLs, 75% Gas
- \$1.4 Million Well Cost
- Net: \$1.4 Million BTAX NPV
- 54% ROR
- 1,700+ Drill Sites

GNB Drilling Program*

- 2012: 8 Rigs, 400 Wells
- 2013: 400 Wells
- 2014+: 400 Wells/Year

*Planned Activity

GNB Type Curve



Based on Unescalated NYMEX Prices of \$100/Bbl and \$3.25/Mcf



GNB Upside Opportunities: Blackhawk and Green River

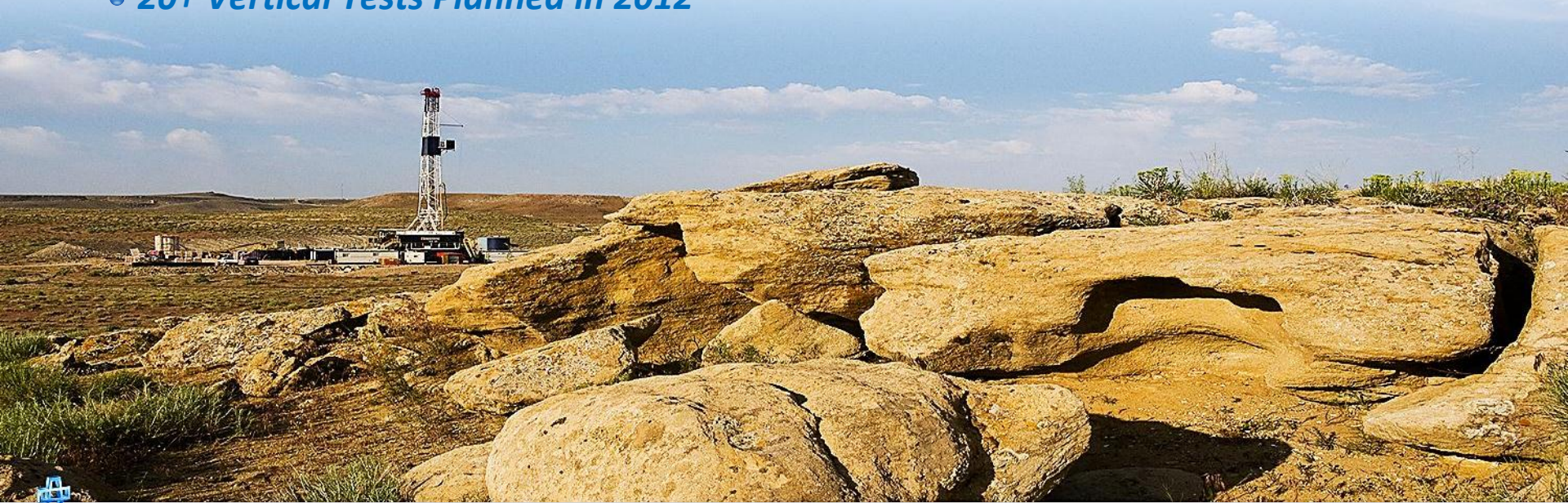
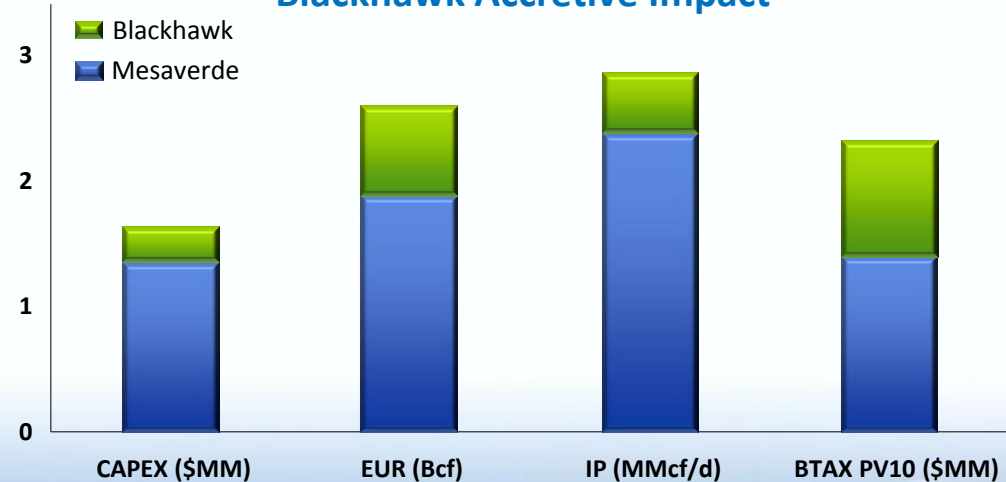
■ Blackhawk Formation

- *35 - 55 MMBOE Incremental Resource Potential*
- *Testing 10-Acre Downspacing*
- *Incremental Development Cost: \$1.50/BOE*

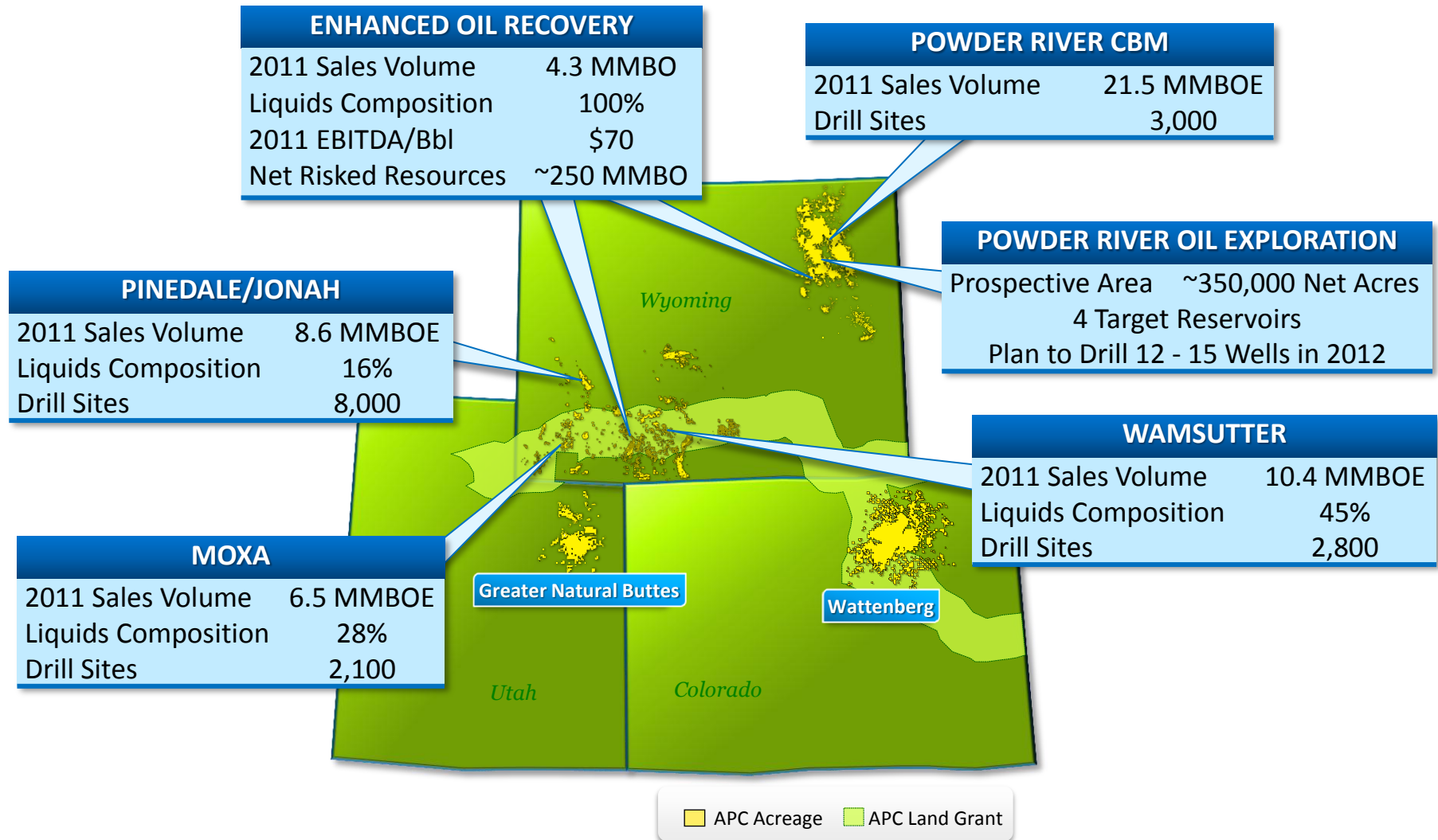
■ Green River Oil Formation

- *First Horizontal Planned for 2Q12*
- *20+ Vertical Tests Planned in 2012*

Blackhawk Accretive Impact



Rockies: Option Value on 15,000+ Additional Drill Sites



Driving Growth and Value in 2012

- **Constantly Improving Safety and Environmental Performance**
- **Deploying Capital to Highest-Value Opportunities**
- **Driving Continued Operational-Efficiency Gains**
- **Capturing Margin-Enhancing Opportunities**
- **Leveraging Competitive Midstream Advantages**
- **Advancing Mega Projects**



15 Minute Break

