

INVESTOR RELATIONS  
CONTACTS:

John Colglazier  
Vice President  
832/636-2306

Clay Gaspar  
Manager  
832/636-2541

Wayne Rodrigs  
Manager  
832/636-2305

# GHS Energy Conference

**John Colglazier**  
**VP, Investor Relations and Communications**

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## *Regarding Forward-Looking Statements and Other Matters*

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. While Anadarko believes that its expectations are based on reasonable assumptions as and when made, no assurance can be given that such expectations will prove to have been correct. A number of factors could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this presentation, including the following: Anadarko's ability to meet financial and operating guidance; to achieve its production targets, successfully manage its capital expenditures and to complete, test and produce the wells and prospects identified in this presentation; to successfully plan, secure necessary government approvals, finance, build and operate the necessary infrastructure and LNG plant; to achieve its production and budget expectations on its mega projects; and the legislative and regulatory changes, such as the delays in processing and approval of drilling permits, exploration plans and oil response plans that may impact the Company's Gulf of Mexico and International offshore operations resulting from the Deepwater Horizon events. Other factors that could impact any forward-looking statements are described in "Risk Factors" in the company's 2011 Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and other public filings and press releases. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. Anadarko undertakes no obligation to publicly update or revise any forward-looking statements.

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# Our Proven Strategy and Deep Portfolio

- Identify and Commercialize Resources
- Explore in High-Potential, Proven Basins
- Employ a Global Business Development Approach
- Ensure Financial Discipline and Flexibility



# 5 Years of Differentiating Results

## Predictable, Repeatable Growth

- 144 MBOE/d Sales Volume Growth – 6% CAGR
- 1.5 BBOE Reserve Adds for \$15/BOE

## Efficiency Improvements

- 20+% Reduction in LOE/BOE
- 50+% Improvement in Shale Drilling Times

## Industry-Leading Exploration

- ~70% Deepwater Exploration/Appraisal Success Rate

## High-Graded Portfolio

- \$15+ Billion of Monetized Assets
- Added 5 BBOE of Net Risked Resources

## Financial Discipline

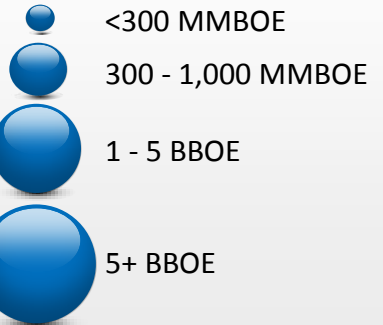
- \$2+ Billion of Free Cash Flow



# Focused on Sustainable Growth and Value

- Volumes Growth with Focus on Returns
- Reserves Growth at Competitive Costs
- Exploration Creates Differentiating Value
- Capital-Efficient Allocation

**13+ BBOE\***  
Net Risked Resources

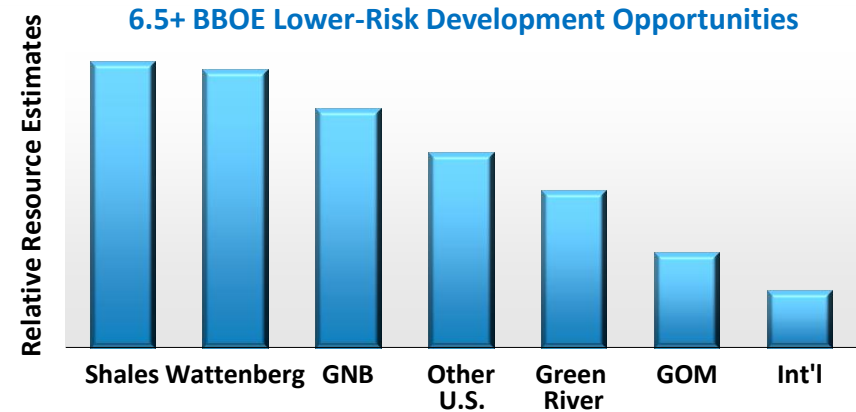


\*As of March 2012

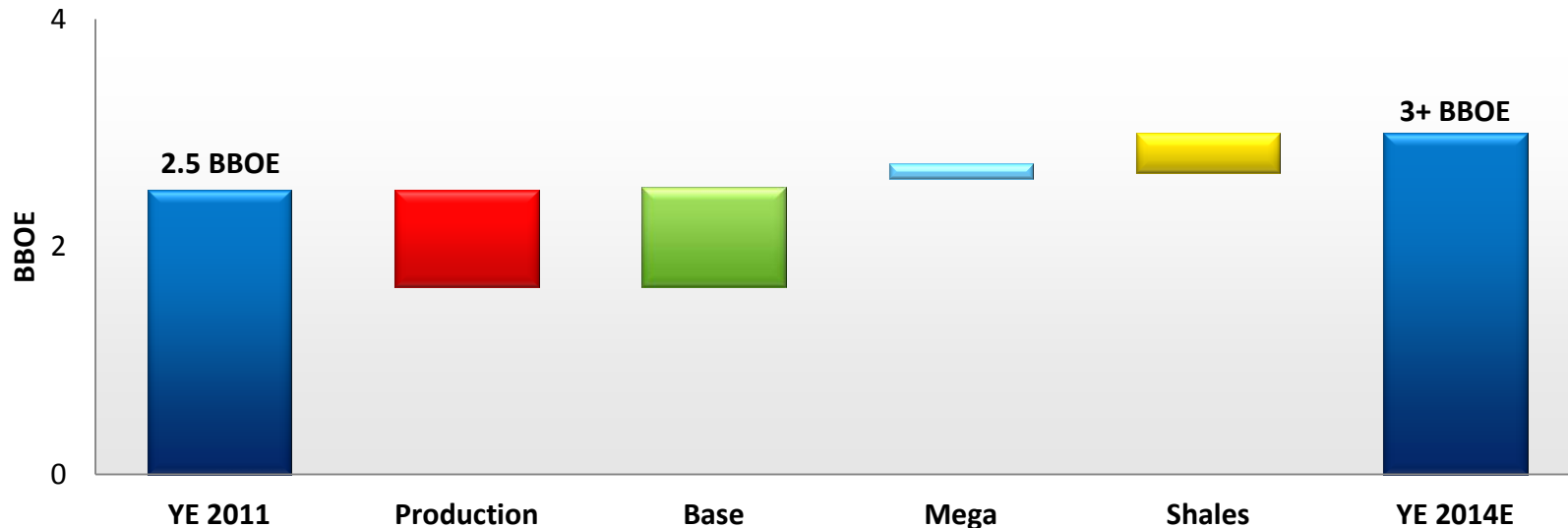


# Predictable Reserves Generator

- Clear Path to 3+ BBOE by YE 2014
- Transparent Reserves Pipeline
- Accelerating Reserve Replacement
- Increasing Liquids Composition

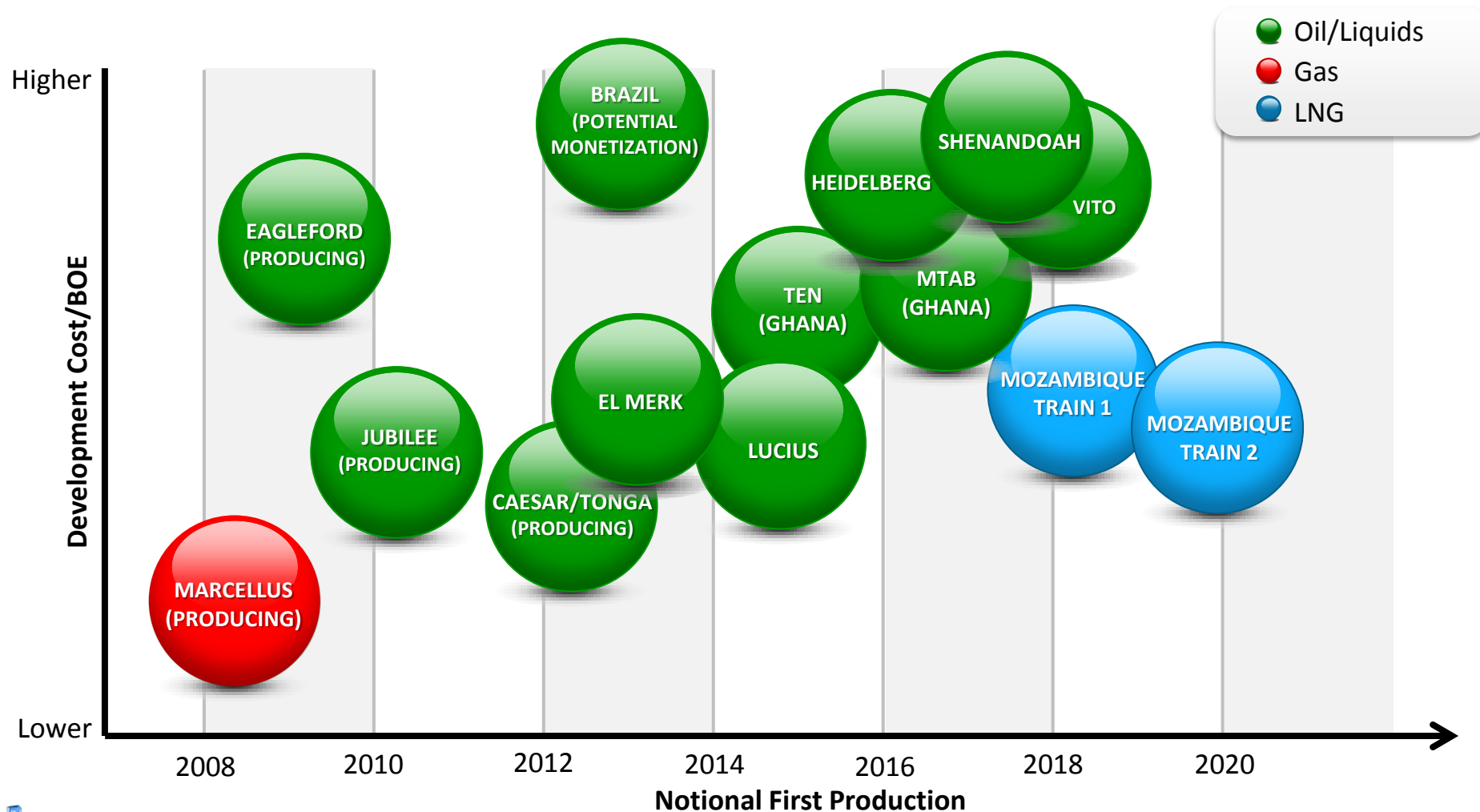


## 3+ BBOE of Proved Reserves by Year-End 2014



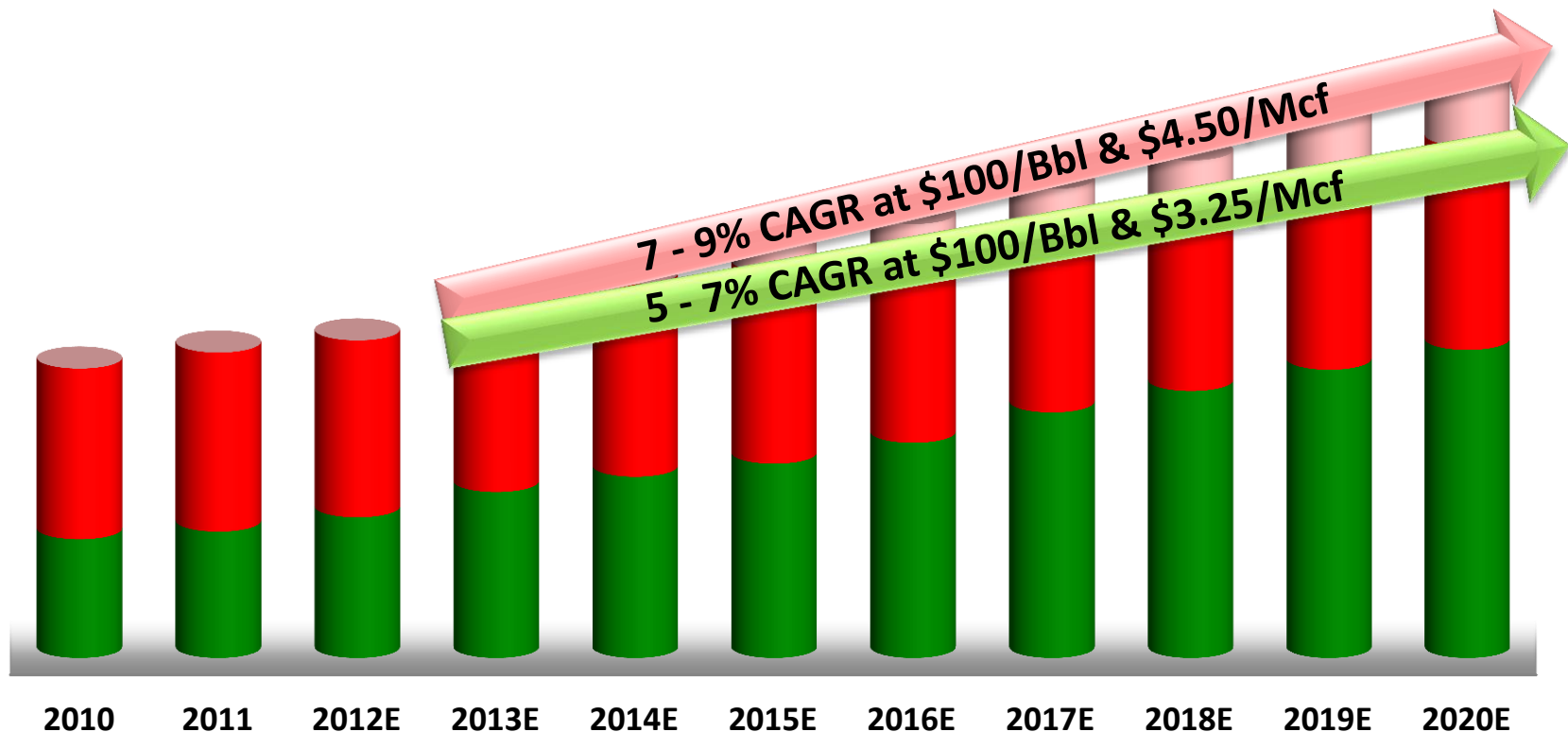
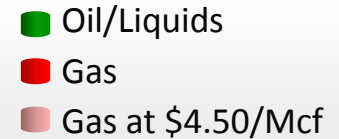
# Consistent Conversion of Discoveries to Cash

## 4+ BBOE High-Margin Net Resources Discovered 2004 - 2011



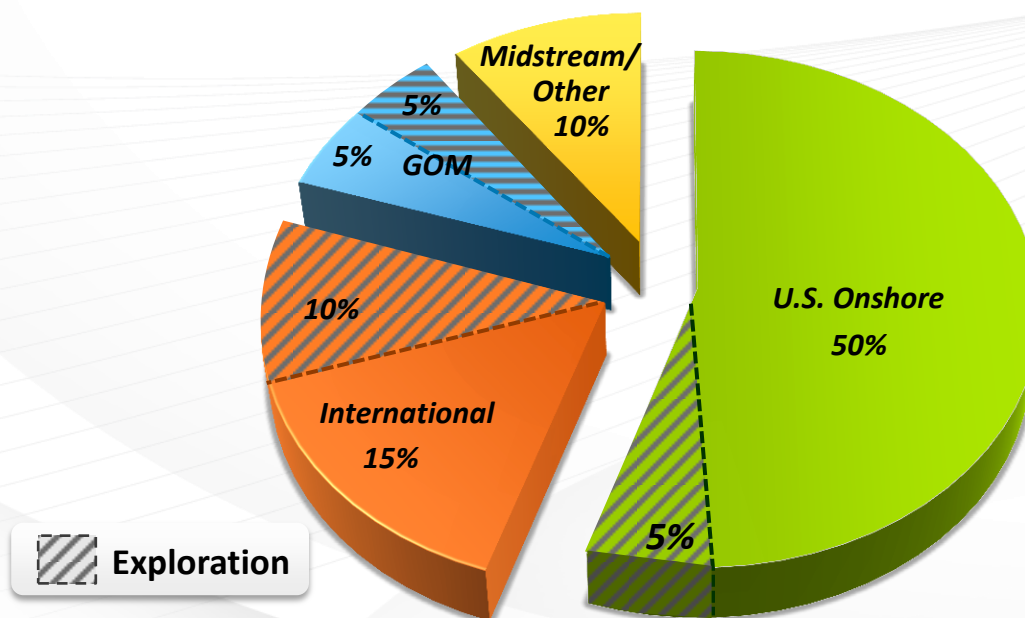
# Delivering Growth and Value Today and into the Next Decade

- Capital Allocated for Value, Not Solely Growth
- Line-of-Sight Liquids Growth and Reserve Additions
- Option Value with HBP Dry Gas Projects



# 2012 Expectations

	2012 Guidance
Sales Volumes (MMBOE)	258 - 262
Capital* (Billions)	\$6.6 - \$6.9
Reserve Replacement	150+%



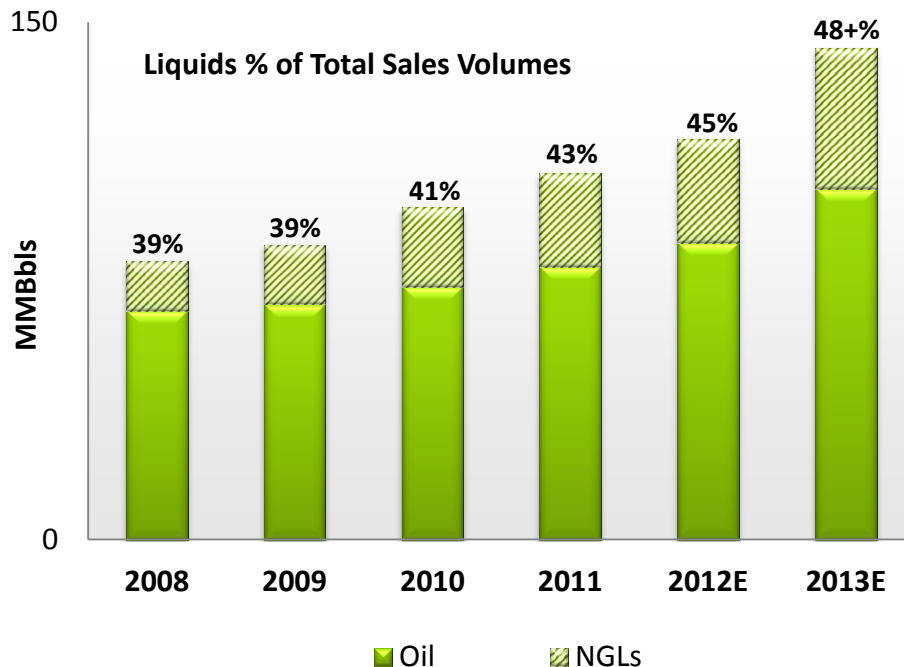
\* Excludes Western Gas Partners, LP (WES)



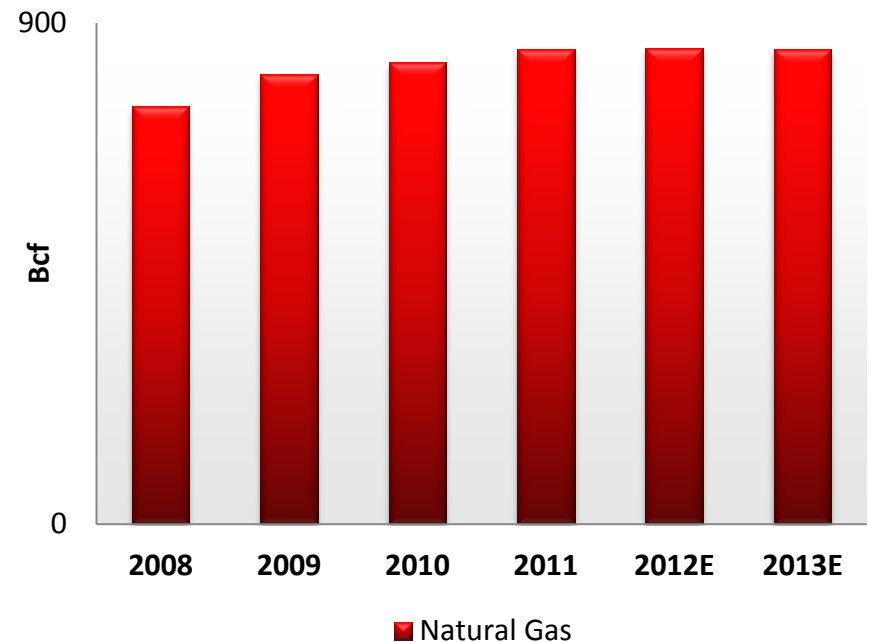
# Delivering Value in Today's Price Environment

- Rapidly Advancing Toward an Equalized Product Mix
- Reducing Dry Gas Activity in Current Price Environment
- Focus on High Margins and Cash Generation

## Liquids Sales Volumes



## Natural Gas Sales Volumes



# Exercising Financial Discipline

- **\$3 Billion in Cash at the End of 1Q12**
- **Generated \$130+ Million of Free Cash Flow in 1Q12**
- **Net Debt/Capital Ratio Reduced to 38%**
- **\$400 Million JV in Salt Creek and Sold South Texas Assets and Pompano**

	Consolidated Net Debt to Capital
March 31, 2012	38%

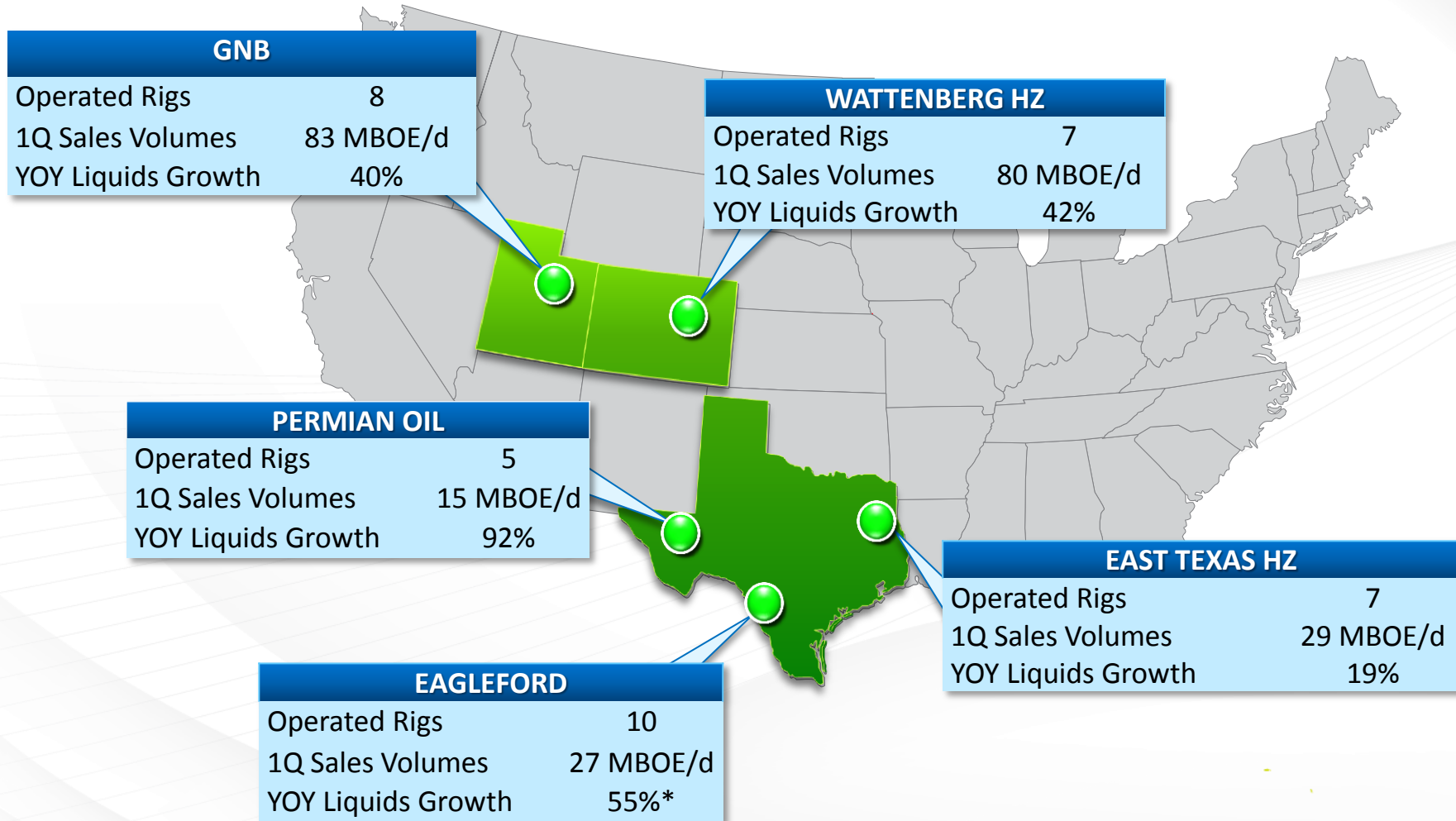
*Based on March 2012 Strip Pricing*

<i>Path to 25 - 35% Leverage Target During 2012</i>	
2012 Operations and Monetizations	~36%
2012 Effects of Algeria TPE Resolution*	~32%
Potential Other Monetizations	TBD

*\* Pro-forma for Full \$1.8 Billion Recoupment Equates to ~30% Net Debt to Capital*



# U.S. Onshore Growth Plays: 50% Liquids Growth YOY



\* ~130%, Adjusting for Change in Revenue Interest Associated with the \$1.6 Billion Joint Venture in Eagleford



# 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

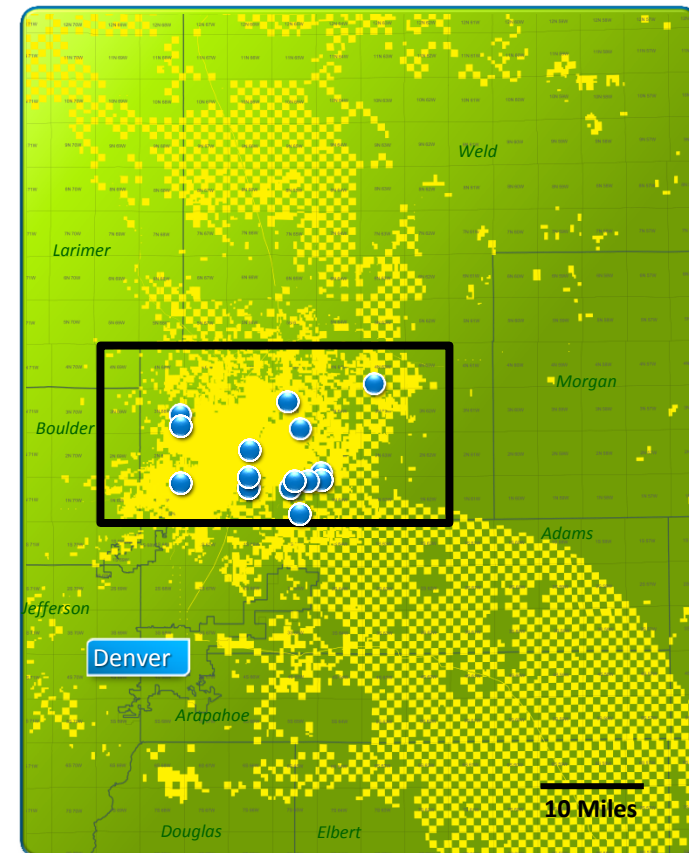
## ■ Enhanced Returns

- Mineral Interest Ownership
- Midstream Value Uplift

## ■ Positioned to Deliver Today

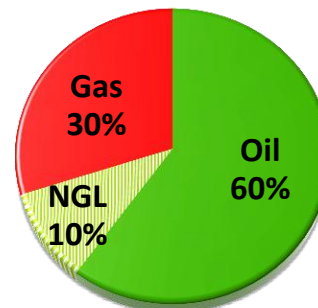
- Infrastructure in Place
- \$400 Million in Cash Flow Above Capital Expenditures in 2011
- Wattenberg Field Producing 80+ MBOE/d Net

~350,000 Net Acres in Core Wattenberg



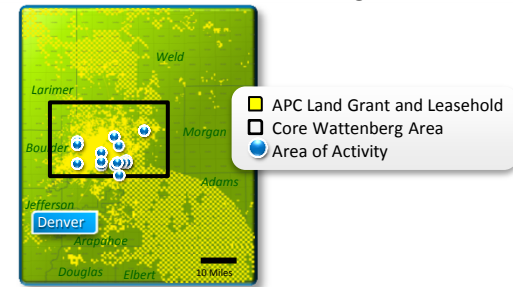
- APC Land Grant and Leasehold
- Core Wattenberg Area
- Area of Activity

Sales-Volumes Mix



# Wattenberg HZ: Premier Land Position and Mineral Ownership

~350,000 Net Acres in Core Wattenberg

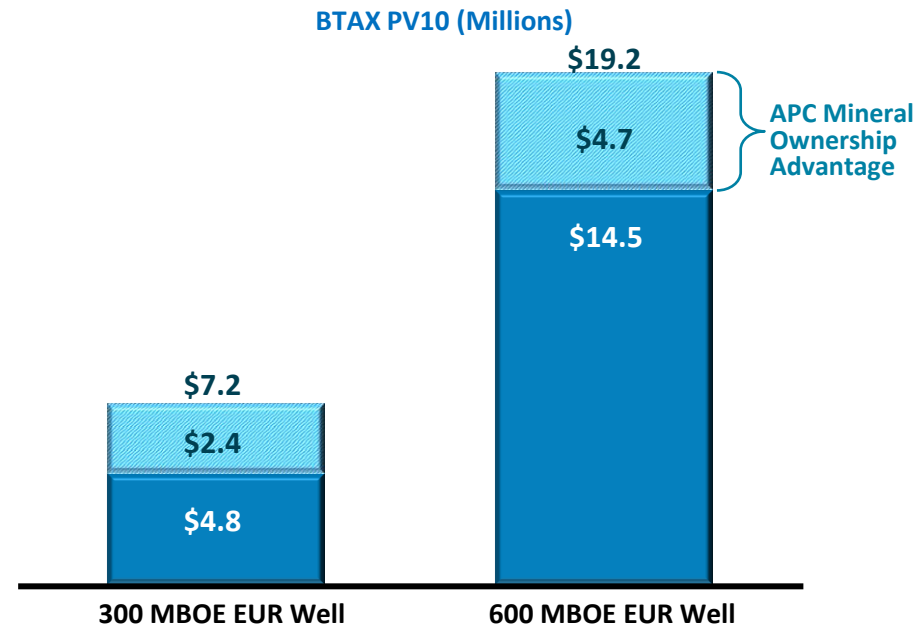
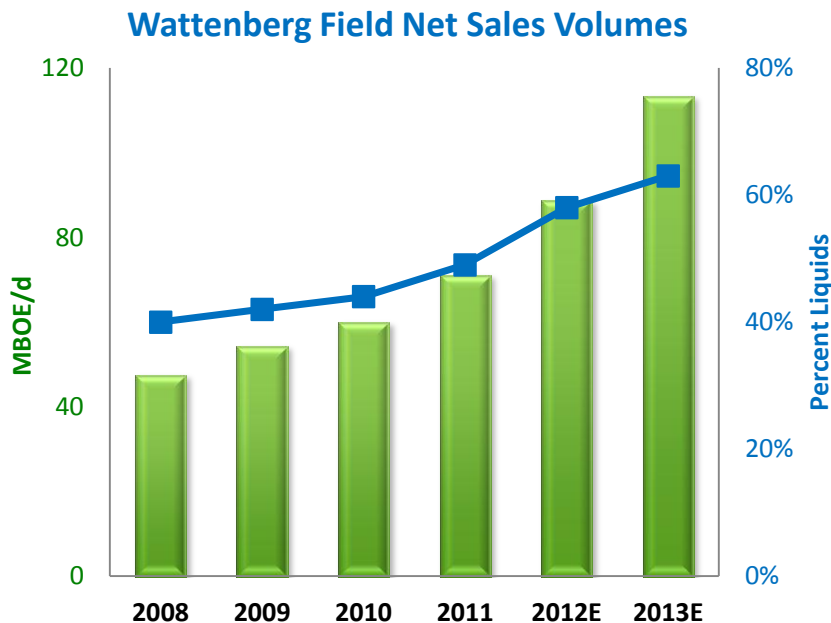


## Mineral Ownership Supercharges Economics

- 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

### Anadarko Economics Enhanced by Land Grant Position



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



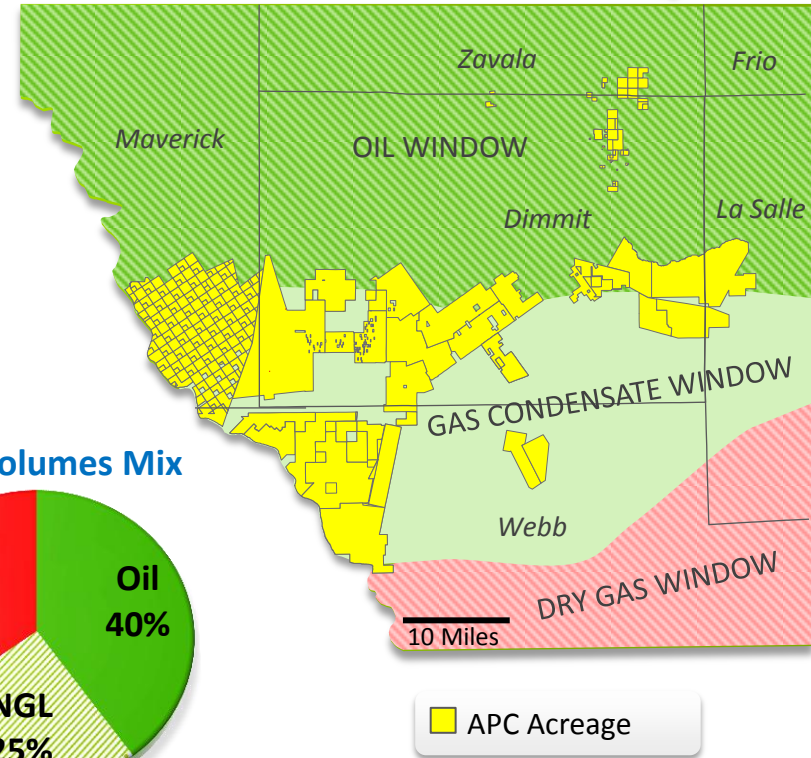
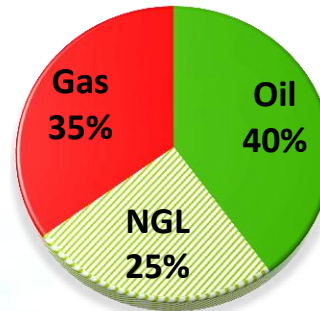
# Eagleford: Premier Liquids-Rich Growth Engine

- **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**



# East Texas HZ: Growing Liquids

## ▪ 300+ MMBOE Net Resources

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

## ▪ Outstanding Economics

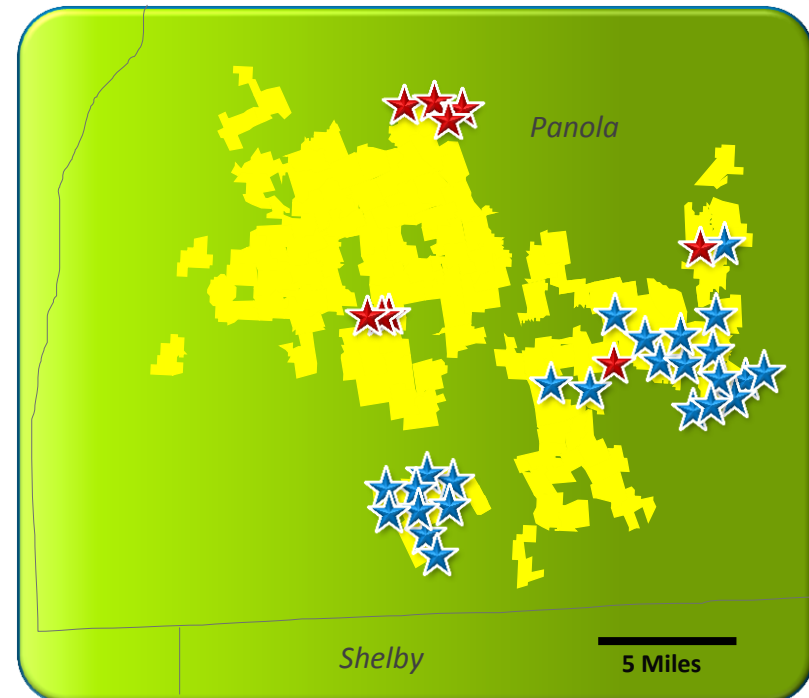
- 35+% Liquids
- 50 - 90+% ROR

## ▪ HBP Liquids-Rich Opportunity

- Established Operations Base
- Existing Midstream Infrastructure

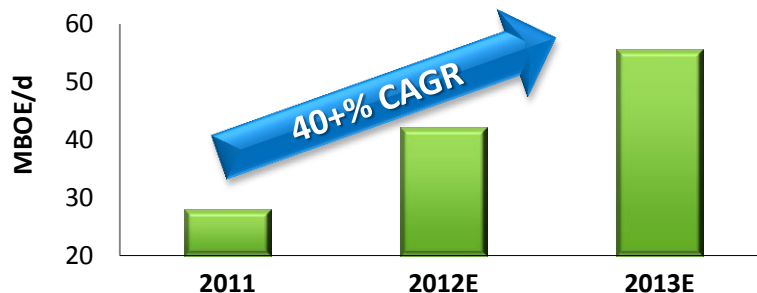


~116,000 Net Acres



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

Net Sales Volumes



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



# Building Upon Exploration Momentum in 2012

- Deliver 800+ MMBOE of Net Risked Resources
- ~25 High-Impact Deepwater Exploration/Appraisal Wells
- Active Onshore U.S. Exploration Program
- Deep, Multi-Year Inventory of Identified Prospects
- Leveraging Returns and Managing Risk Through Farm-Outs



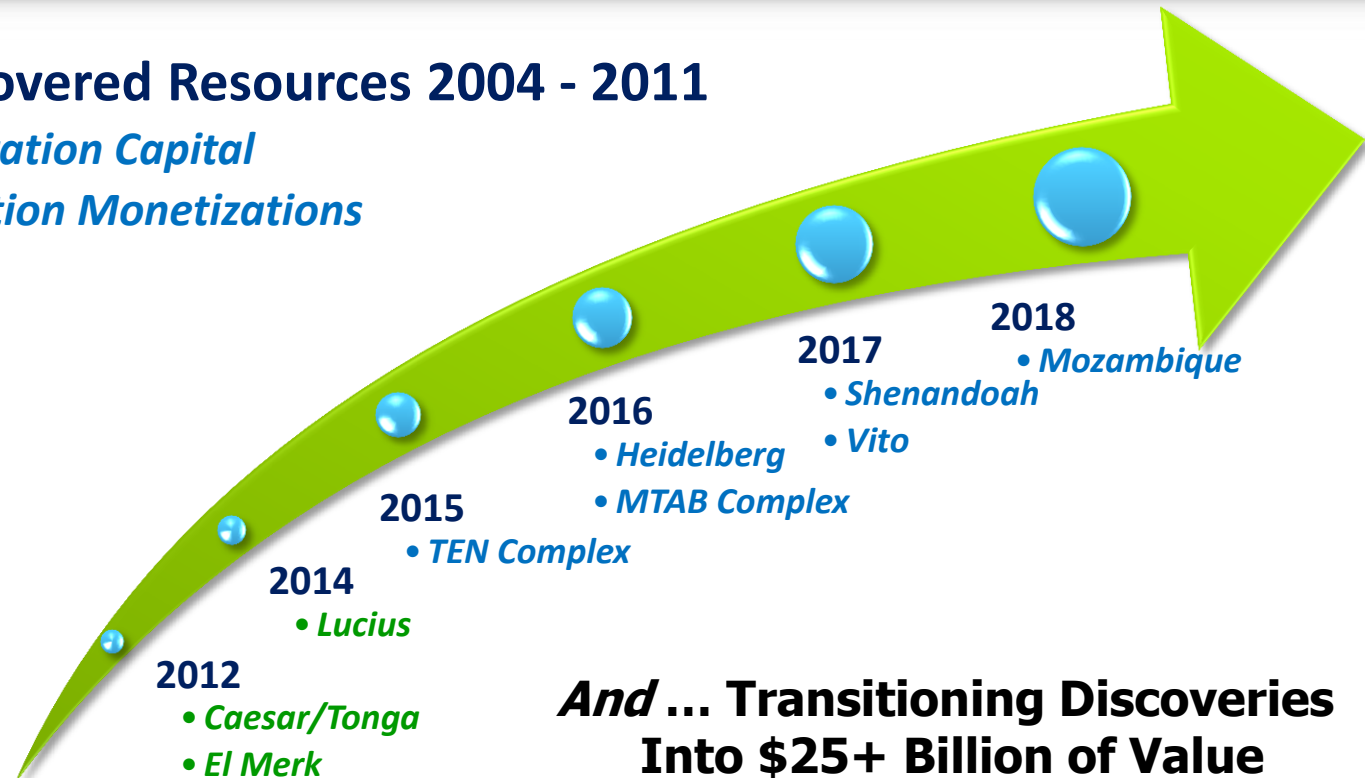
## Planned 2012 Activity



# Creating Value Through Exploration

## 4+ BBOE Net Discovered Resources 2004 - 2011

- \$7.5 Billion Exploration Capital
- \$8 Billion Exploration Monetizations



**And ... Transitioning Discoveries Into \$25+ Billion of Value**

UNDER APPRAISAL

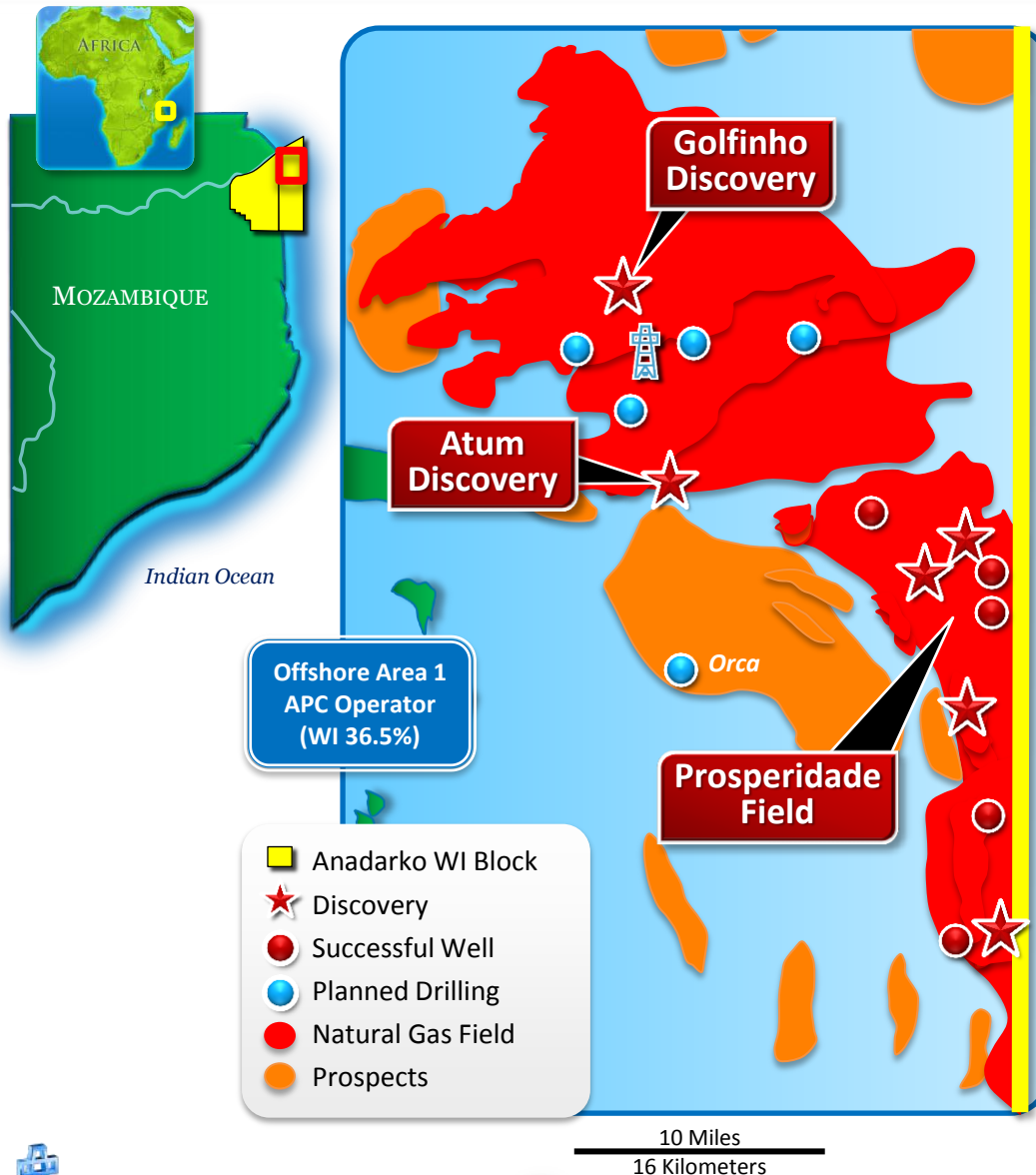
Heidelberg	Shenandoah
Brazil	TEN
MTAB	Vito
Mercury	Paon
Mozambique	

*Sanctioned  
Appraising*

*Notional First Sales Date*



# Mozambique: Discovered 30 - 60+ TCF Recoverable Resources



## ■ Prosperidade

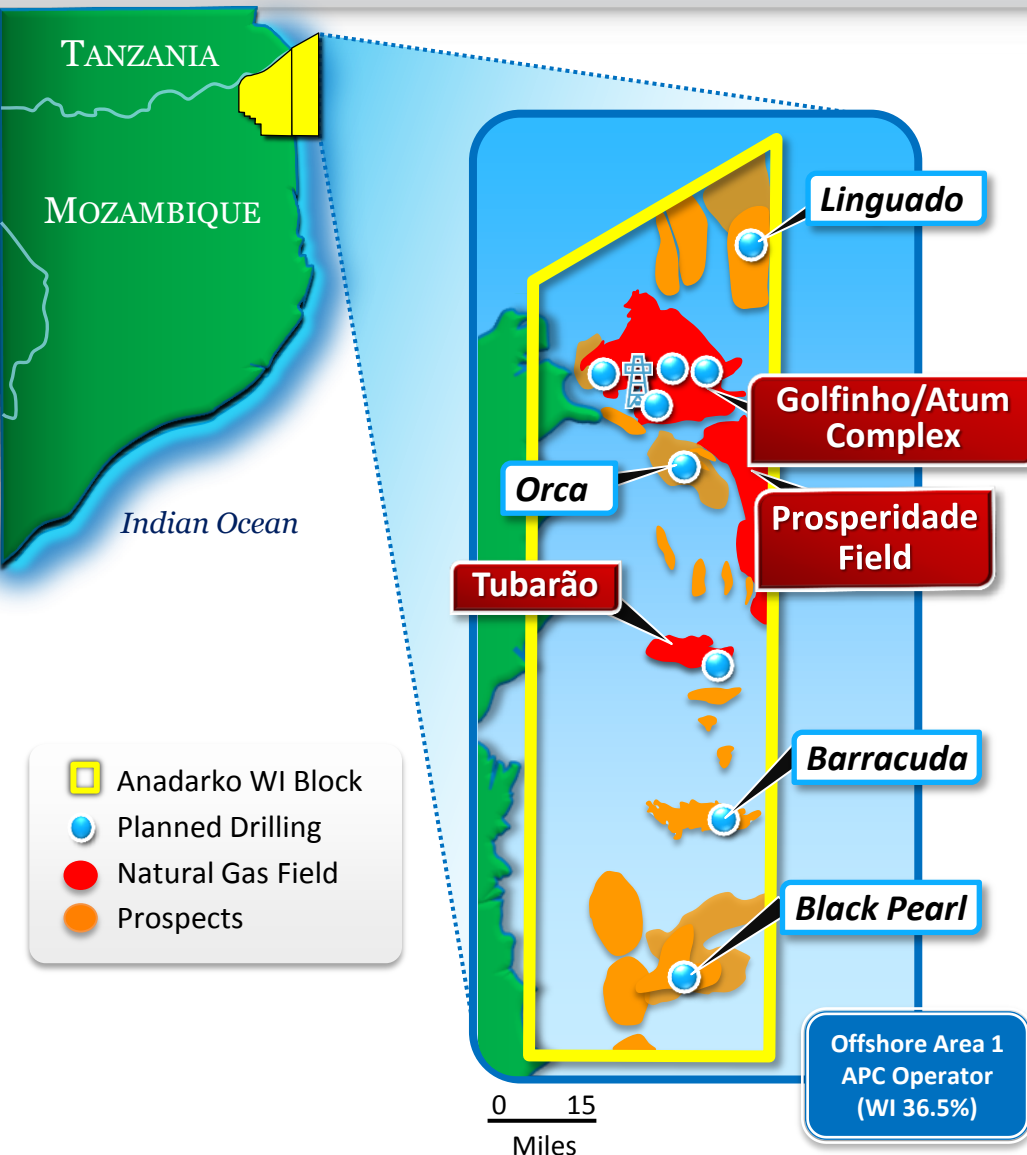
- *17 - 30+ Tcf Recoverable Resources*
- *Three Successful Flow Tests*
  - ~100 MMcf/d Facility Constrained
  - Up to 200 MMcf/d Well Design
- *Appraisal Drilling Complete*

## ■ Golfinho/Atum

- *10 - 30+ Tcf Recoverable Resources*
- *Accelerated Appraisal Plan*
- *Commercial Advantages*



# Mozambique: Advancing a Giant Resource



## ■ Focused on Commercialization

- Reserve Certification Expected in 2013
- Progressing Initial 2-Train LNG Facility
- Anticipate 1<sup>st</sup> Sales in 2018
- Designed for Expansion

## ■ Significant Additional Resource Potential

## ■ Planned Exploration Drilling

- Black Pearl
- Barracuda
- Orca
- Linguado



# Ghana: Significant Cash Flow and More to Come

## ■ Jubilee: Delivering Significant Cash

- *Advancing Toward Capacity*

## ■ TEN: Moving Toward Sanction

- *Ntomme Oil Discovery*
- *Successful Enyenra-4 Down-Dip Test*
- *Recent 20+ MBOPD DST*
- *Target 2012 POD Submission*

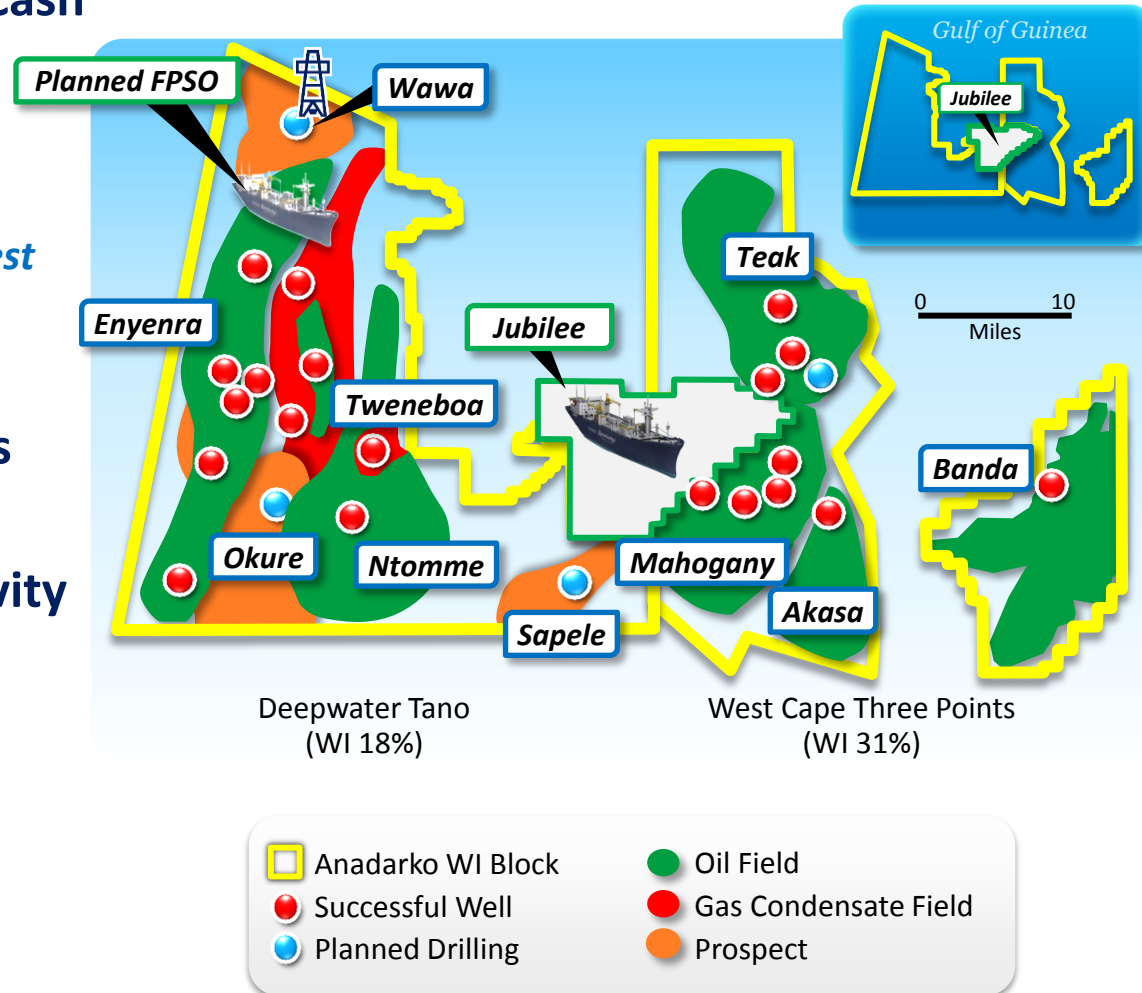
## ■ MTAB: Evaluating Dev. Options

- *Appraisal Drilling and DSTs*

## ■ Planned 2012 Exploration Activity

- *Drilling Wawa*
- *Drill Okure and Sapele*

~0.6 MM Gross Acres



# West Africa: Capitalizing on the Cretaceous Trend

~7.5 MM Gross Acres

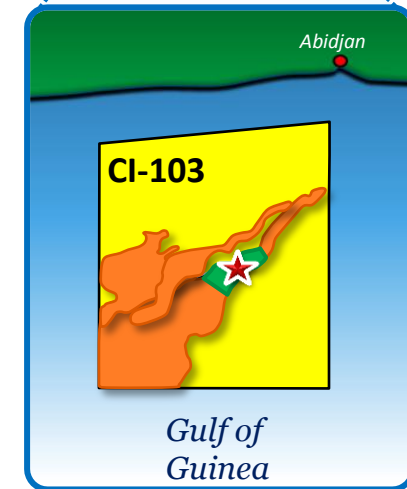


## ■ Côte d'Ivoire

- *Paon Discovered 100 Feet of High-Quality Oil*
- *Planned Appraisal Program*
- *Significant Exploration Potential*
- *Recently Acquired 2 New Blocks*

## ■ Sierra Leone/Liberia

- *Incorporating Data into Geologic Model*



# Gulf of Mexico: Resuming Activity in 2012

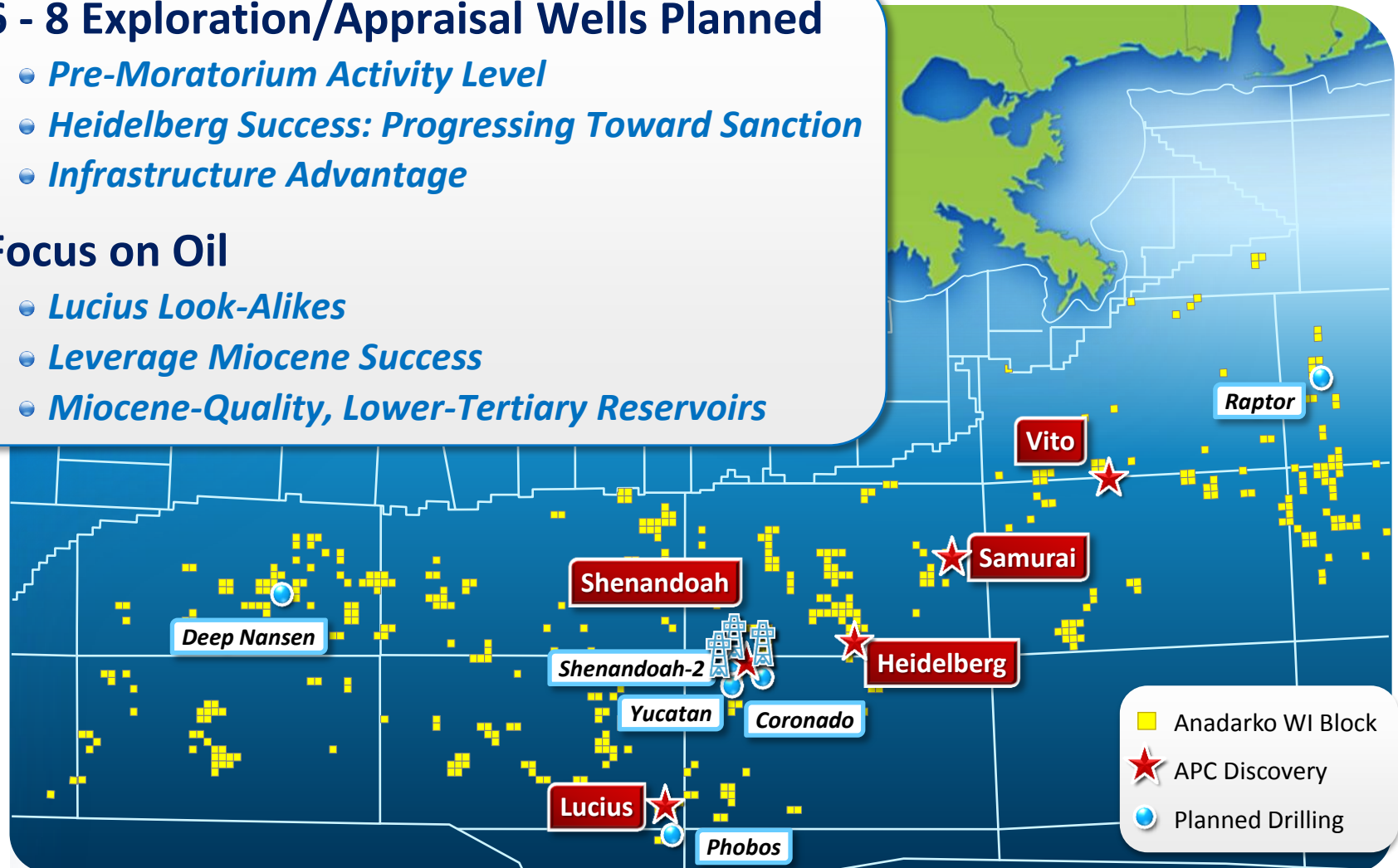
~3 MM Gross Acres

## ▪ 6 - 8 Exploration/Appraisal Wells Planned

- *Pre-Moratorium Activity Level*
- *Heidelberg Success: Progressing Toward Sanction*
- *Infrastructure Advantage*

## ▪ Focus on Oil

- *Lucius Look-Alikes*
- *Leverage Miocene Success*
- *Miocene-Quality, Lower-Tertiary Reservoirs*



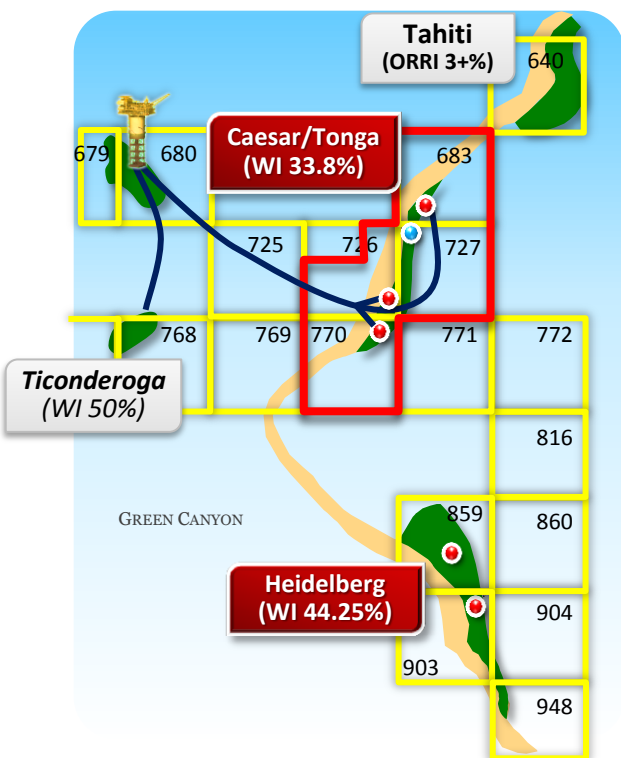
# Advancing GOM Mega-Projects

## Caesar/Tonga: Producing 45 MBOE/d

- 200 - 400 MMBOE Resource
- Plan to Drill 4<sup>th</sup> Well in 2012

## Heidelberg: Initiating Pre-FEED

- 200+ MMBOE Resource

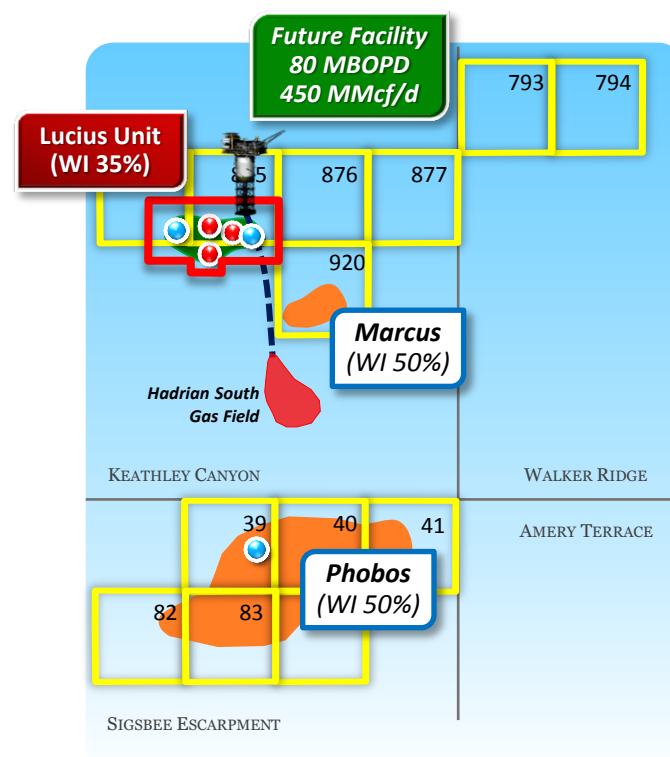


## Lucius: Sanctioned

- 300+ MMBOE Resource
- Capital-Efficient Project
- First Production Planned in 2014

## 2012 Drilling Plan

- 2 Lucius Delineation Wells
- Phobos



# Value-Focused Growth

- **Deliver Predictable, Repeatable, Value-Focused Growth**
- **Leverage Midstream as a Competitive Advantage**
- **Convert Discoveries to Cash and Advance the Next Generation of Mega Projects**
- **Create Differentiating Value through Continued Exploration Success**

