Opportunities in Canada’s Oil Sands

Ports-to-Plains Energy Summit
James Hand, VP Surmont Phase 2
ConocoPhillips Canada
April 9, 2010
CAUTIONARY STATEMENT
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OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

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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 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, 2008. 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.

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Today’s Presentation

- About the Oil Sands
- COP’s Position
- The Surmont Project
- Oil Sands Technology
- The Transportation Corridor
- Opportunities for a Secure Energy Future
Global Crude Oil Reserves by Country

Includes 170 billion barrels of oil sands reserves

<table>
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<tr>
<th>Country</th>
<th>Other Accessible Reserves</th>
<th>Accessible Oil Reserves</th>
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<tr>
<td>Saudi Arabia</td>
<td>264 billion barrels</td>
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<td>Canada</td>
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<td>Iran</td>
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<td>Iraq</td>
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<td>Kuwait</td>
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<td>Venezuela</td>
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<td>Abu Dhabi</td>
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<td>Russia</td>
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<td>Libya</td>
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<td>Nigeria</td>
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<td>Kazakhstan</td>
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<td>United States</td>
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Source: Oil & Gas Journal Dec. 2008
Significant Source of US Supply

Source: EIA, Jan-Dec 2008
Total Canadian Oil Production

Source: CAPP 2010
The Opportunity

- There are 1.7 trillion barrels of oil in the Canadian Oil Sands
- Over half of this potential resides in the Athabasca McMurray Sandstone
- Only 20% can be mined – the rest is too deep
The Challenge: Viscosity

Viscosity (cP)

Temperature (deg C)

- Bitumen at virgin reservoir conditions
- Peanut Butter
- Ketchup
- Maple Syrup
- Olive Oil
- Cream
- Water
- Typical oil in the ground
- Bitumen under SAGD
SAGD In-Situ Process

- Minimal surface footprint from well pads.
- Uses two horizontal wells.
- Top well injects steam into the reservoir, heating up the bitumen and reducing its viscosity.
- Heated bitumen flows back to surface through bottom well.
- High water recycle rate from steam production.
COP Oil Sands Interests

- Leading land position in the oil sands
- >1 million net acres
- Will produce over 90,000 bbls/day by year-end 2010
- Focused on in-situ development
Asset Overview: Surmont

- 50/50 joint venture with TOTAL E&P Canada
- SAGD recovery process
- Phase 1 first steam June 2007, Currently producing 20,000 bbls/day
- Phase 2 multi-billion dollar mega-project in execution with first steam expected in 2014
- Combined Phase 1&2 plateau of 110,000 bbls/day production
- Future phases could bring peak production to 400,000 bbls/day
Oil Sands Technology

• Water
  • Use less water
  • Recycle more water
  • Use higher salinity water

• Land
  • Disturb less land
  • Use land more efficiently
  • Reclaim land

• GHGs
  • Less steam/bbl of oil
  • Fewer GHGs/bbl of steam
  • Facilitate CCS

Greenhouse Gas Production by Oil Sands Segment

Data source: CERA, 2009
Transportation Corridors
A Secure Energy Future

• Oil sands part of the energy mix and can be developed sustainably.

• Opportunities for North America provided we have a conducive policy environment.

• Investing in technology to minimize the impacts associated with development.

• Opportunities for energy security that include transportation.
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