

XTO Energy Inc

Investor Presentation
June

XTO Energy: Positioned as a GROWTH COMPANY

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Long-lived production supports growth

- Decline-curve management
- Measured drilling pace
- Improving hydrocarbon recovery

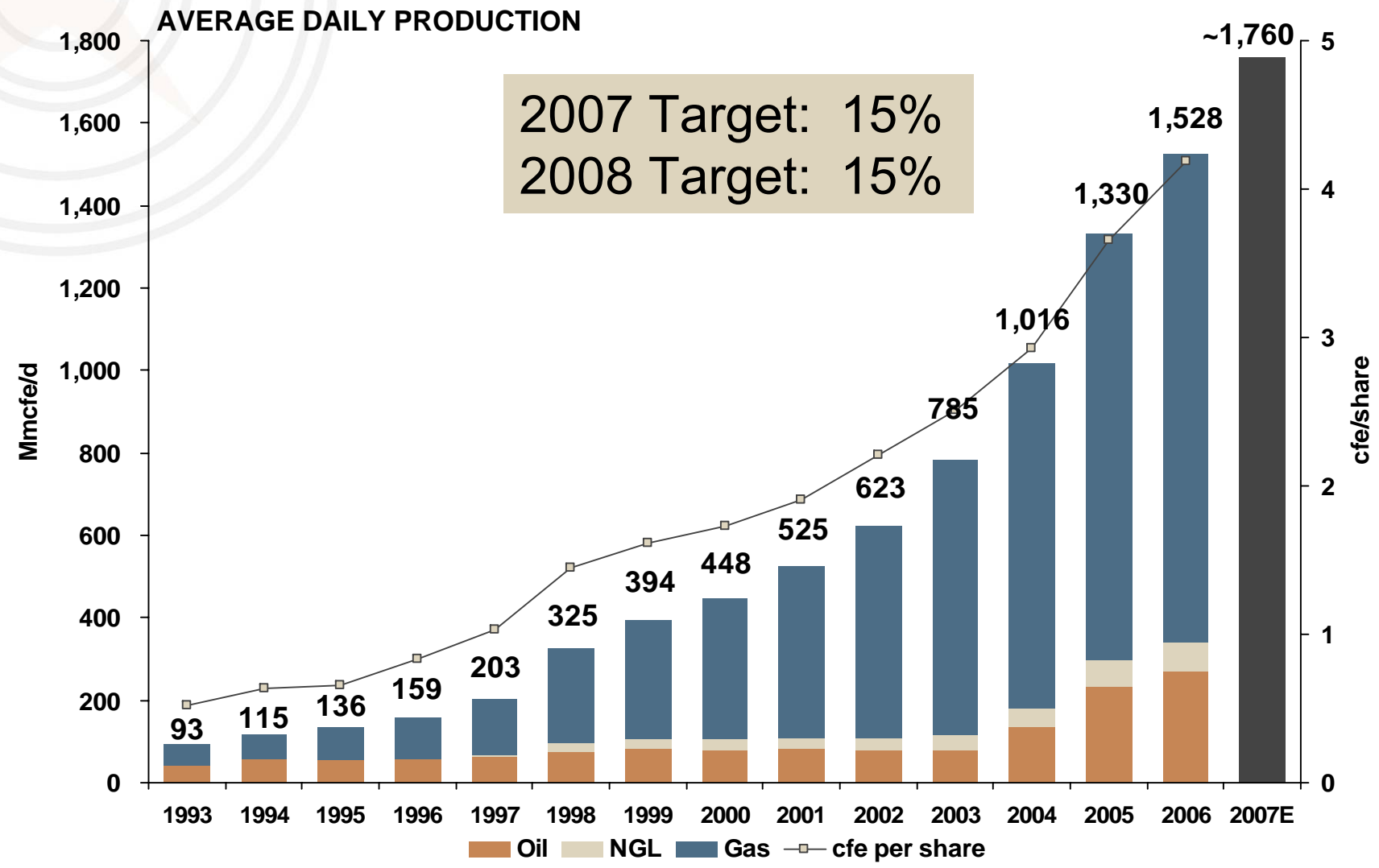
Prolific inventory for the future

- Low-risk repeatable development wells
- Visibility to schedule growth
- High economic return projects

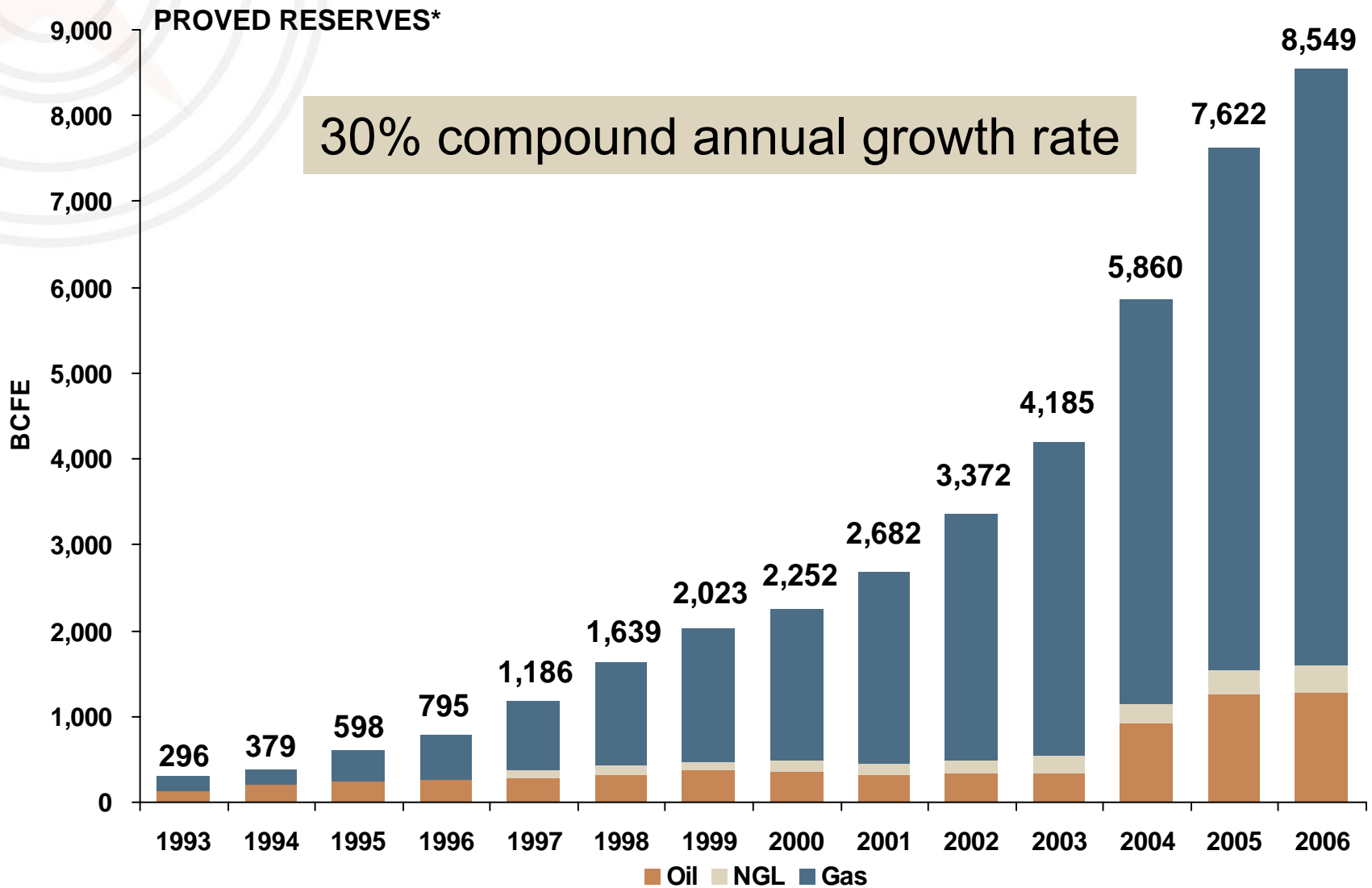
Free cash-flow grows value

- Utilizing commodity hedges
- >70% of cash-flow available above maintenance
- Accelerating strong investment returns

A Strategy of Measured PRODUCTION Growth



A Strategy of Measured RESERVE Growth

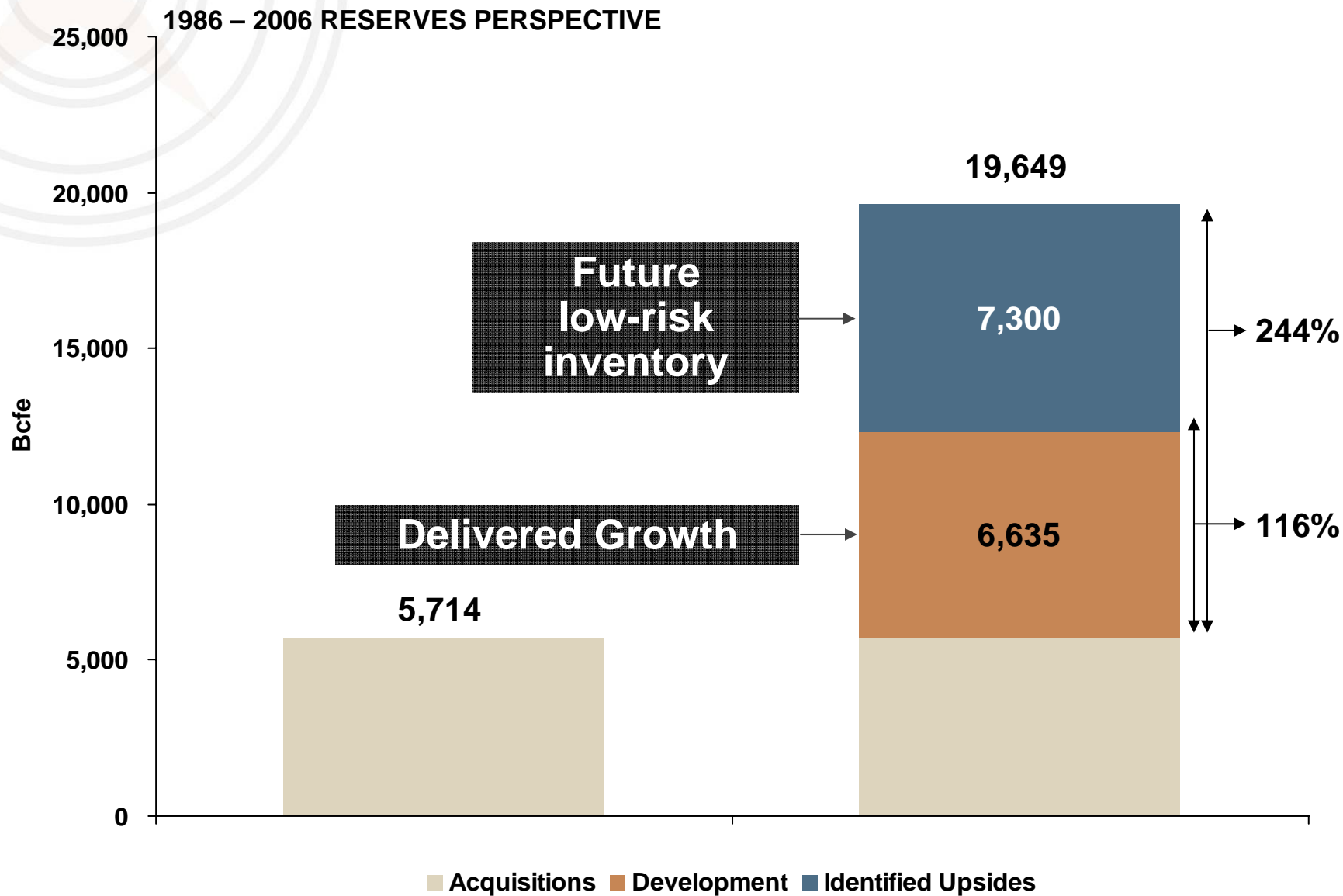


* Proved reserves for each year-end are 100% outside engineered by Miller & Lents

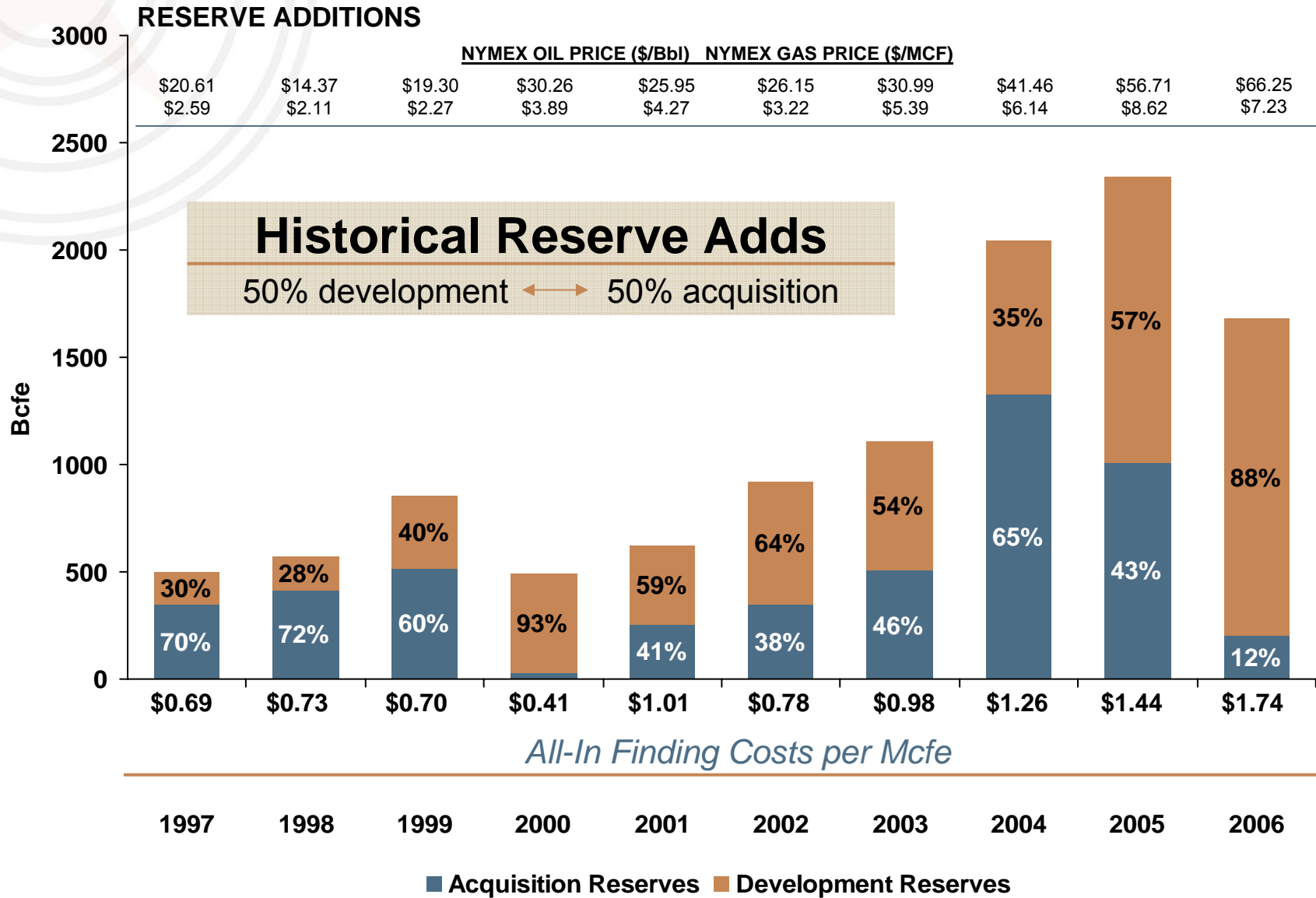
A Good Acquisition Company Must be a GREAT Development Company

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Acquire and Exploit Strategy

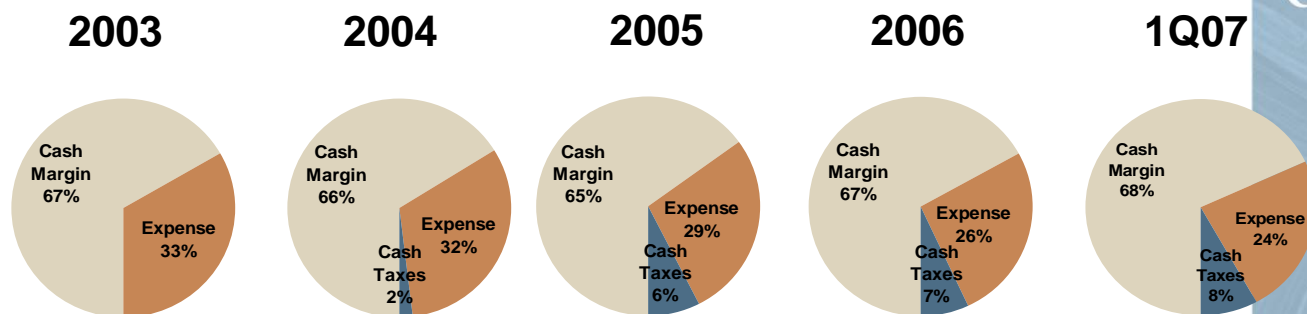


Performance Highlights

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**CASH MARGIN
REVENUES = 68%**



Revenue (\$MM):	\$1,190	\$1,948	\$3,519	\$4,576	\$1,169	
Net Income (\$MM):	\$322	\$582	\$1,160	\$1,543	\$406	
Op. Cash Flow (\$MM):	\$792	\$1,286	\$2,276	\$3,078	\$794	
Annual ROCE:	15.0%	17.2%	21.1%	20.6%	19.2%	
Daily Production	785	1,016	1,330	1,528	1,602	
Production Growth / Share:	16.7%	17.4%	20.0%	14.3%	--	
EOP Market Cap (\$B):	\$5.3	\$9.2	\$16.0	\$17.5	\$20.2	
EOP Share Price:	\$16.33	+53% \$25.51	+56% \$42.25	+66% \$47.05	+11% \$54.81	+16.5%
Realized Prices						
Natural Gas:	\$4.07	\$5.04	\$7.04	\$7.69	\$7.37	
Oil:	\$28.59	\$38.38	\$47.03	\$60.96	\$66.62	
Cash Margin / Mcfe	\$2.77	\$3.46	\$4.69	\$5.52	\$5.51	

XTO's Hedging Positions

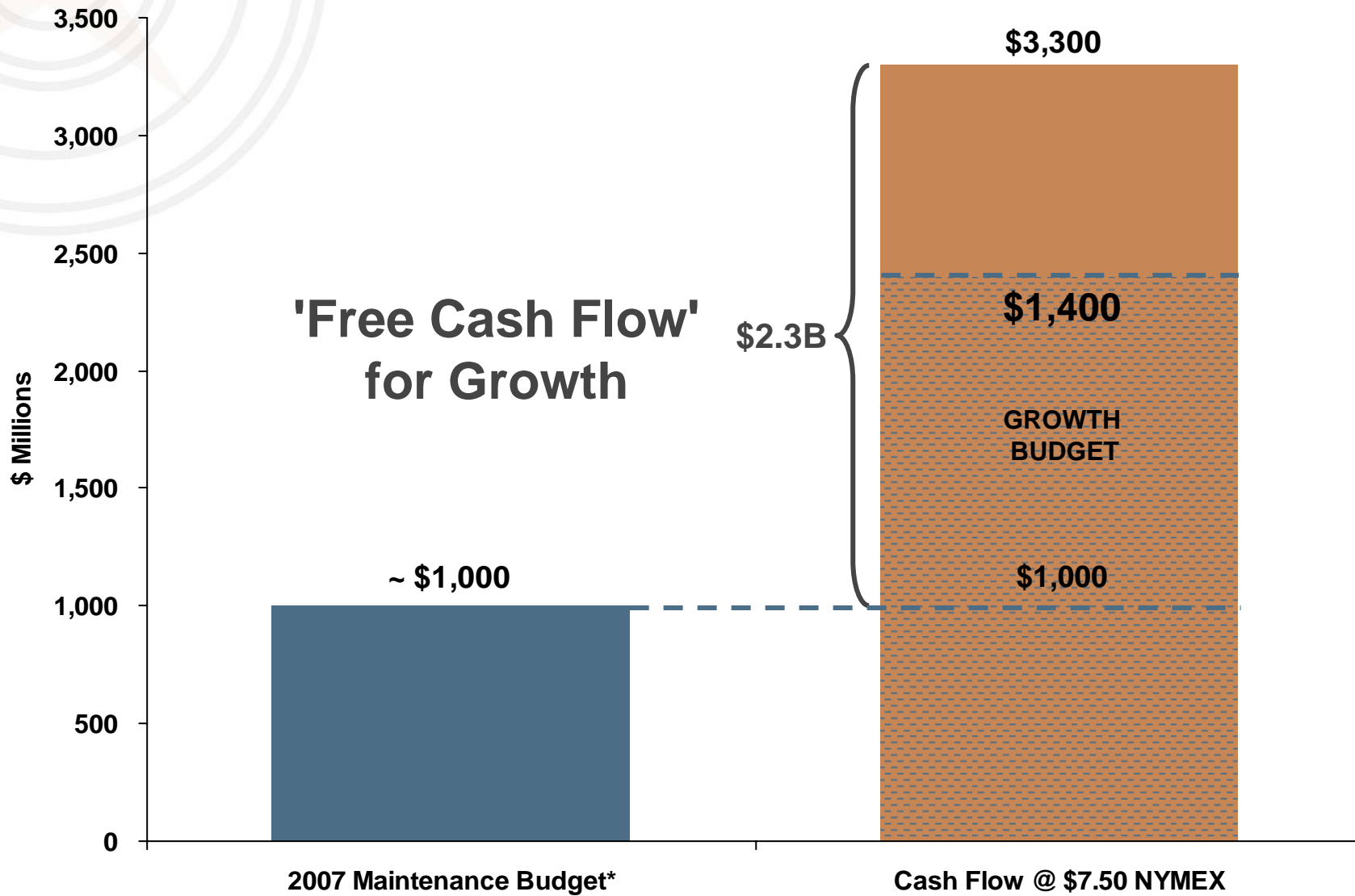
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Production:	MCF or BBLs per day	NYMEX Price per MCF or BBLs
Natural Gas		
June – Dec 2007	900,000	\$ 9.19
Jan – Dec 2008	400,000	\$ 8.80
Oil		
June – Dec 2007	37,500	\$74.40
Jan – Dec 2008	22,500	\$74.26

> 65% Hedged in 2007 @ \$9.83/Mcfe

2007 'Free Cash Flow' Perspective



* To maintain flat production and reserves

Building on Trend-ology

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The XTO Advantage

Hand-picked property acquisitions

Extensive hydrocarbon columns

Technical innovation

Grow at a measured pace

'Bolt-on' and expand



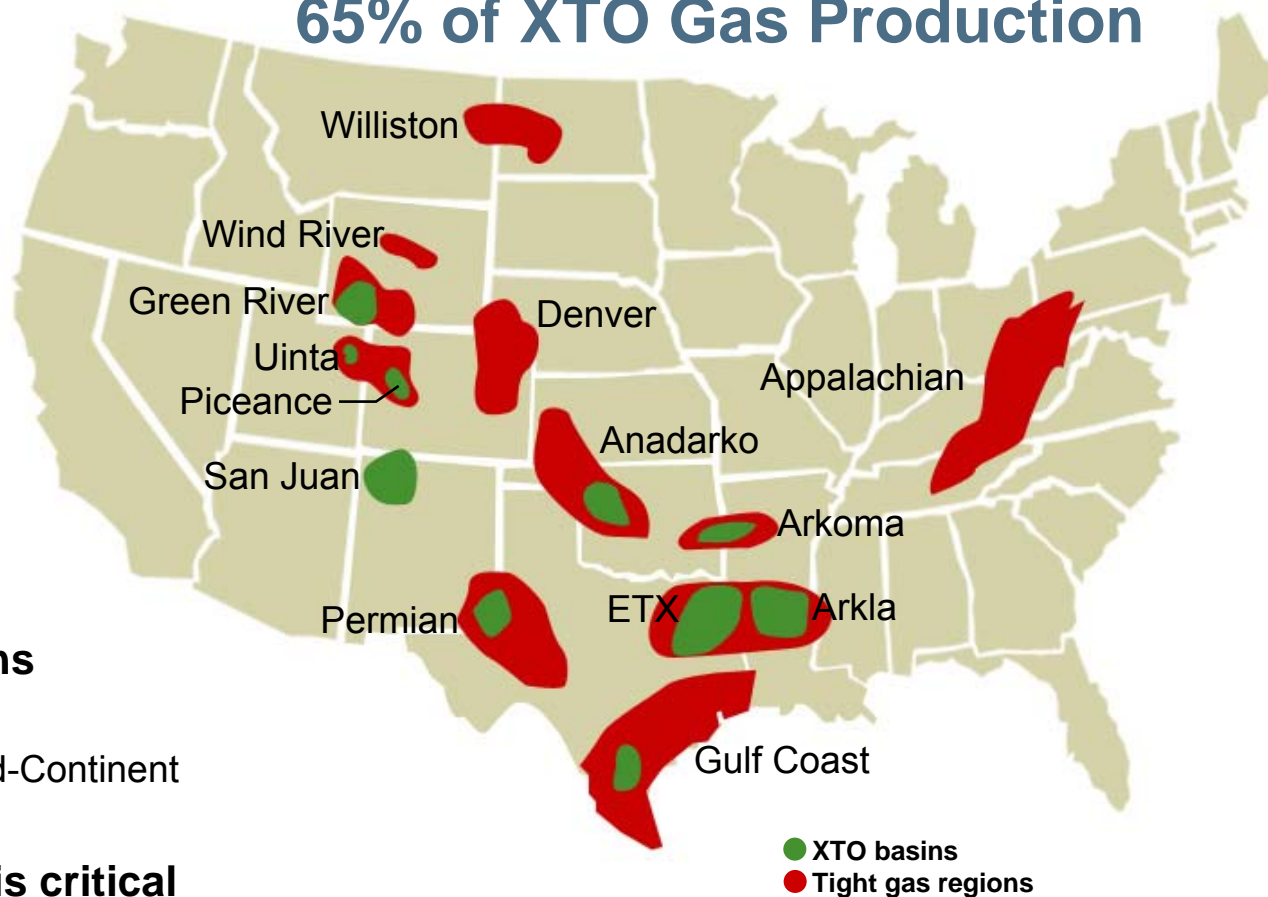
The Properties

- **Tight Gas**
- **Shale Gas**
- **Coal Bed Methane**
- **Tight Oil**
- **Long-lived conventional**

The Plan

- **Budget of \$2.4 B**
- **70 - 80 operated rigs**
- **Drill ~ 1,150 wells**
- **Acquire 'bolt-ons'**

65% of XTO Gas Production



Built growth positions

- Freestone Trend
- Arkoma Basin/Mid-Continent
- San Juan Basin

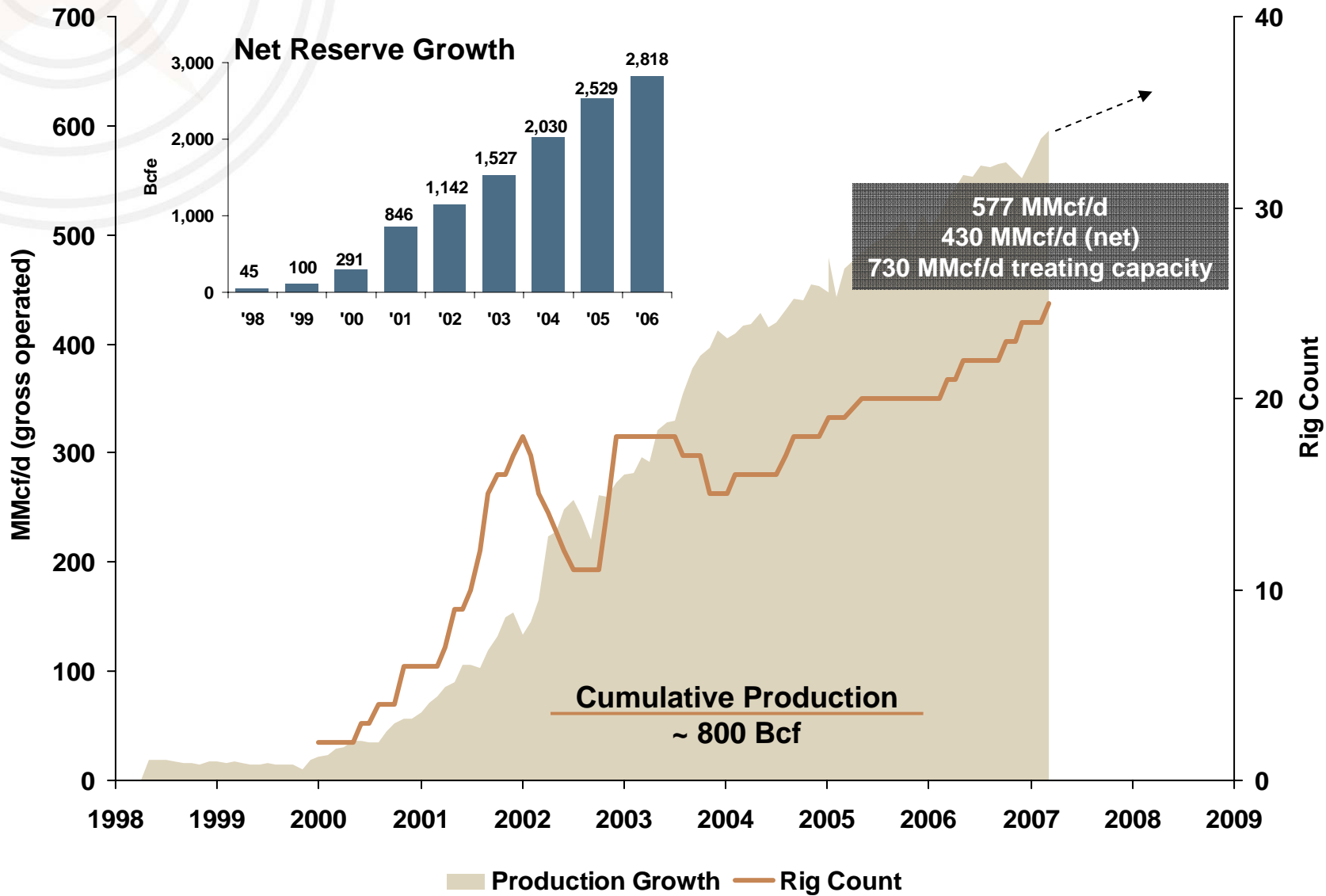
Technical expertise is critical

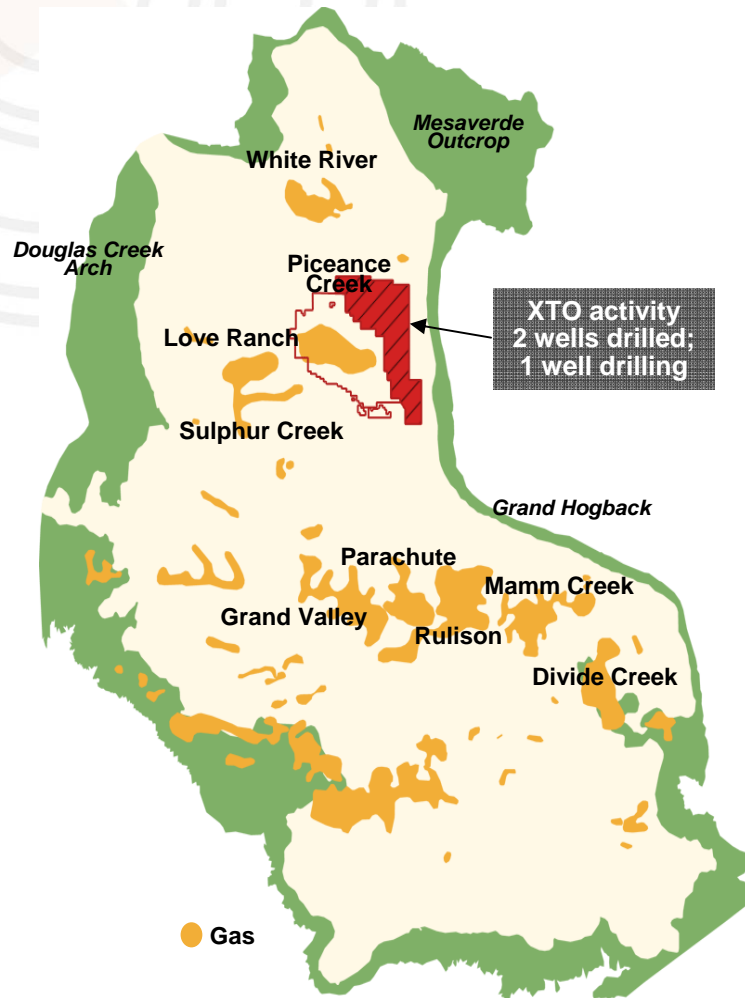
- Enhancing recovery
- Discovering new reserves

Expanding to new regions

- Piceance Basin: 2 - 4 Tcfe target

Eastern Region Freestone Trend





Overview:

- 70,000 acre farm-in
- XTO operates with 50% working interest
- GIP 400 Bcfe per 640 acres

Ongoing Evaluation:

- Gas filled column \pm 4,000 ft.
- Net pay: 850 - 1,000'
- Deeper drilling to 14,000 - 16,000'
- Current well cost: \$9 - 10 MM
- Potential reserves: 3 - 6 Bcfe/well

ACTION: Testing well performance to establish reserve targets and cost model

Shale Gas Basins

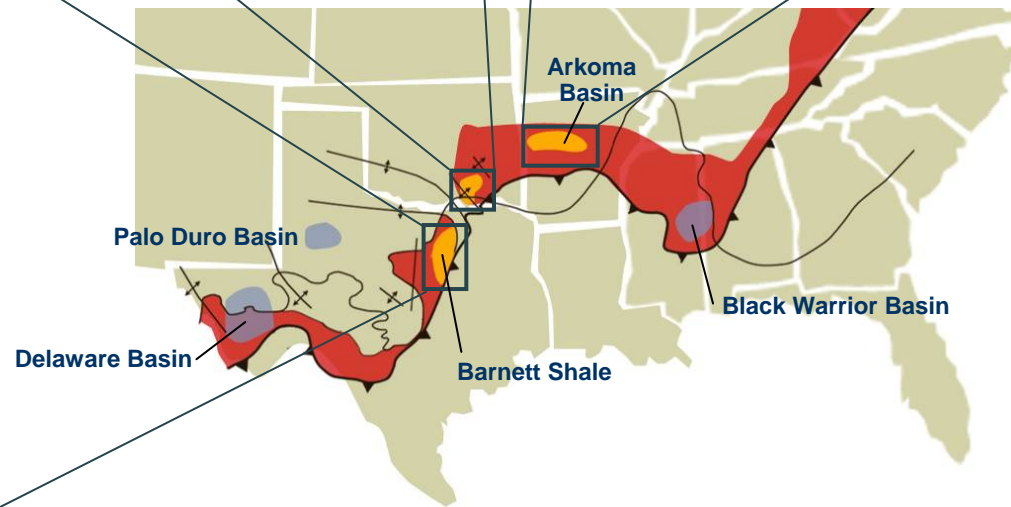
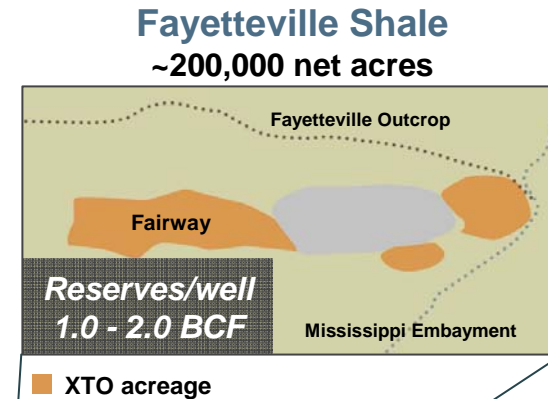
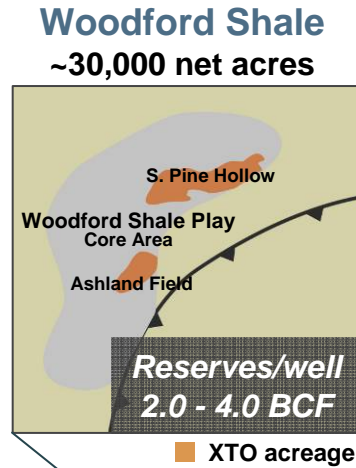
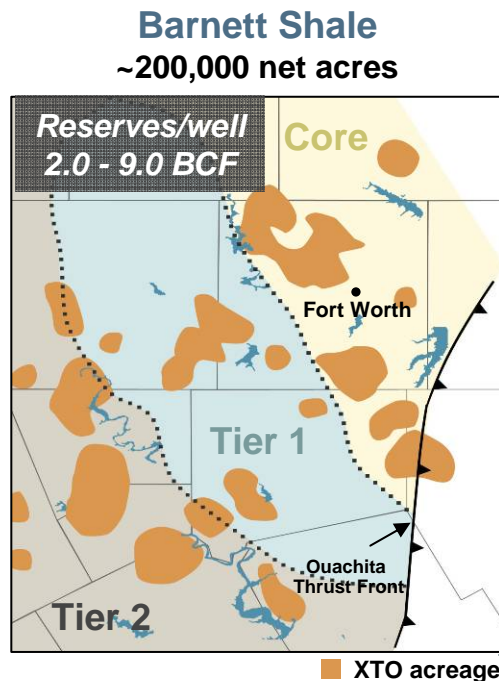
▪ XTO is a **BIG** producer in the Barnett

- Production > 350 MMcf/day (gross)
- Core Area outperforms
 - 40-acre spacing planned
 - Potential for further downspacing
- "Tight-gas" play analogy
- Believe it will be the SJB of shales

17% of XTO Gas Production

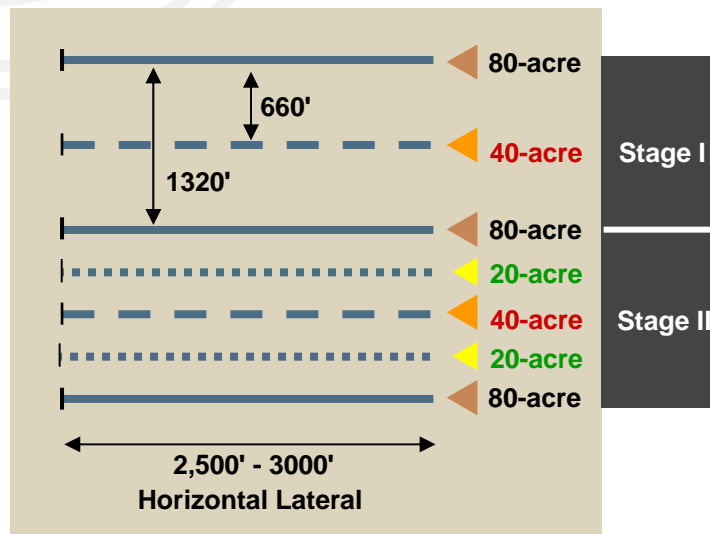
▪ **Fayetteville and Woodford Shales:**

- 20 wells planned for 2007
- Performance improving



CORE AREA DEVELOPMENT

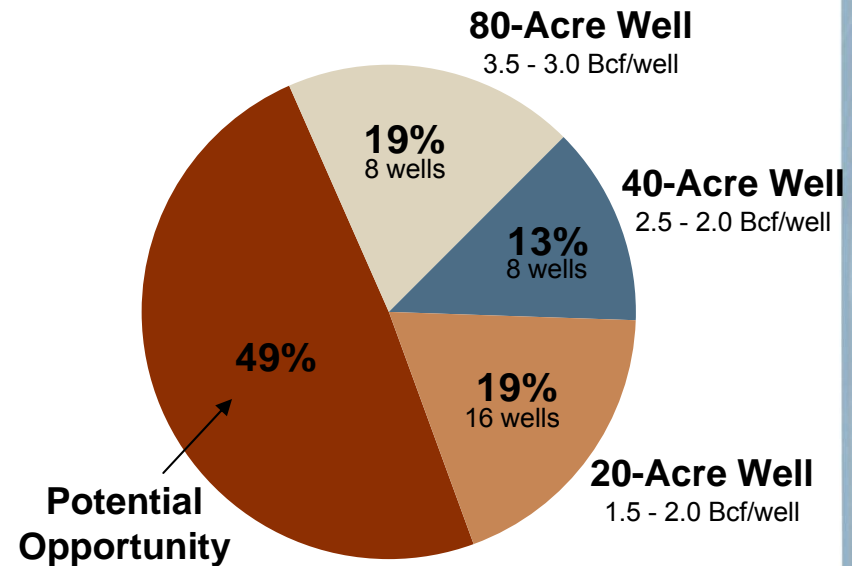
Drilling Spacing Diagram



- **Development Plan**
 - Initial wells at 75 to 90 acres
 - Successful 40-acre spacing
 - Potential 20-acre spacing
- **Target recovery: ~ 50% of GIP**

Recovery of Natural Gas

GIP 150 Bcfe per
640-acre section



Improving Ultimate Recovery

- Better well performance
- Re-Frac
- Tighter well spacing

A Hometown Growth Engine for XTO

Barnett Shale Trend Economic Projections

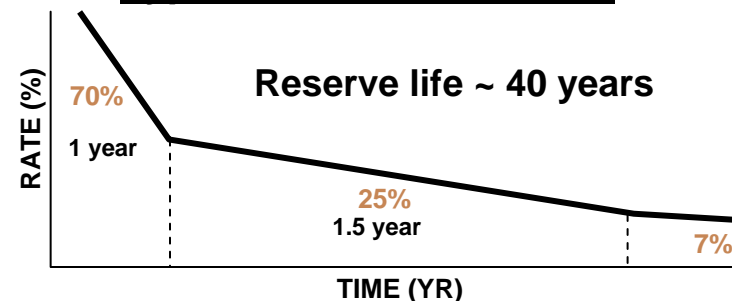
	Well Class	Well Cost (\$MM)	Initial Rate (MMCFPD)	Reserves (BCFE)	ROR*	ROI*	PV-10* (\$MM)
Core	1	2.6	4.0	4.0 – 5.0	110%	8	8
	2	2.6	2.5	2.5 – 3.5	60%	5	4
Non-Core	1	2.0	1.5	1.5 – 3.0	55%	5	3
	2	1.7	1.0	1.0 – 1.5	26%	3	1.1

Current inventory of 1,800 to 2,000 new wells

Additional inventory potential

- Continued leasing
- 40-acre spacing - Tier 1
- 20-acre spacing - Core
- Re-frac stimulations
- Tier 2 success

Typical Production Profile



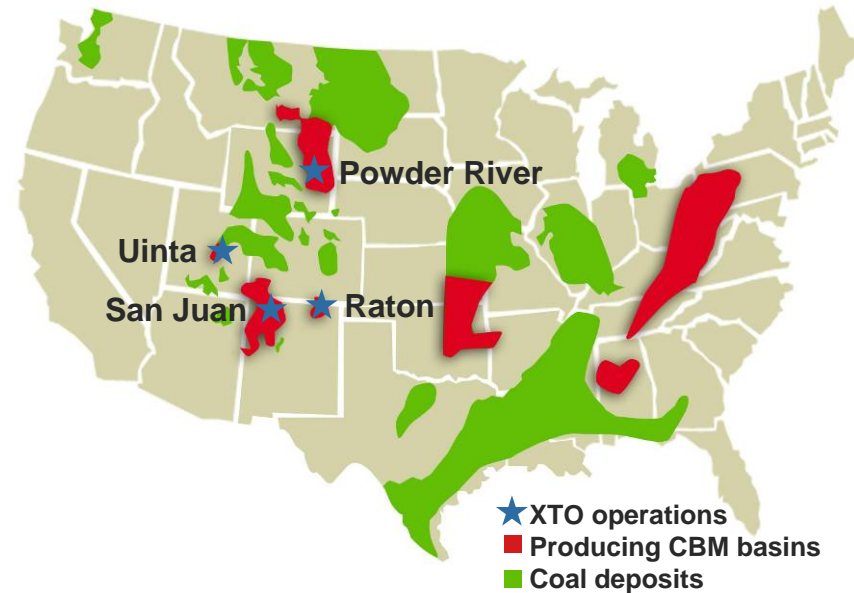
* \$8.00/MCF NYMEX flat price, ROI is undiscounted

Coal Bed Methane Basins

XTO to **GROW** from 170 MMcf/d to 300+ MMcf/d

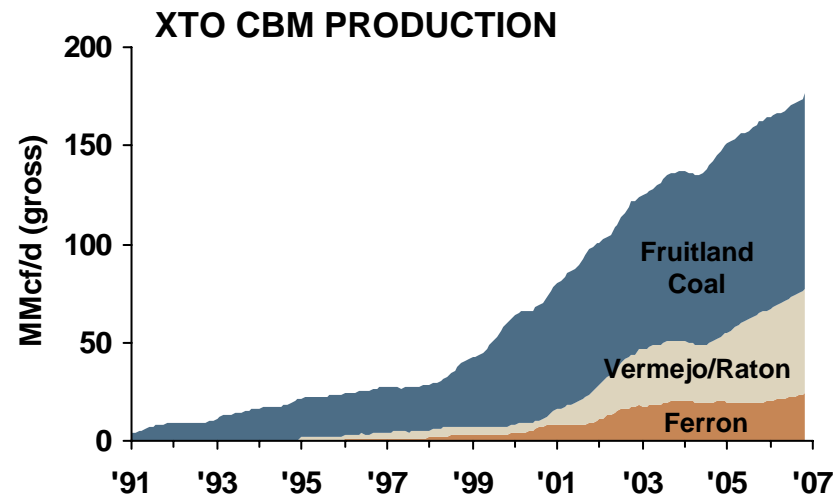
- **Focusing on Rockies**
 - Higher gas content and better deliverability
- **Large hydrocarbon resource**
 - Low F&D cost
- **Fine-tuning technical expertise**
 - Better frac's, better recovery
- **CBM Production profile:** build for 1 - 2 years and plateau for 2 - 5 years

10% of XTO Gas Production



Regional Performance		
Area	Well Cost (000's)	Reserves BCF/well
SJB	\$450	1.1
Raton*	\$600	1.1
Uinta	\$1,000	1.7
PRB	\$180	0.5

* 100% W.L./ 100% NRI



'Tight Oil' Properties

▪ ENHANCING RECOVERY

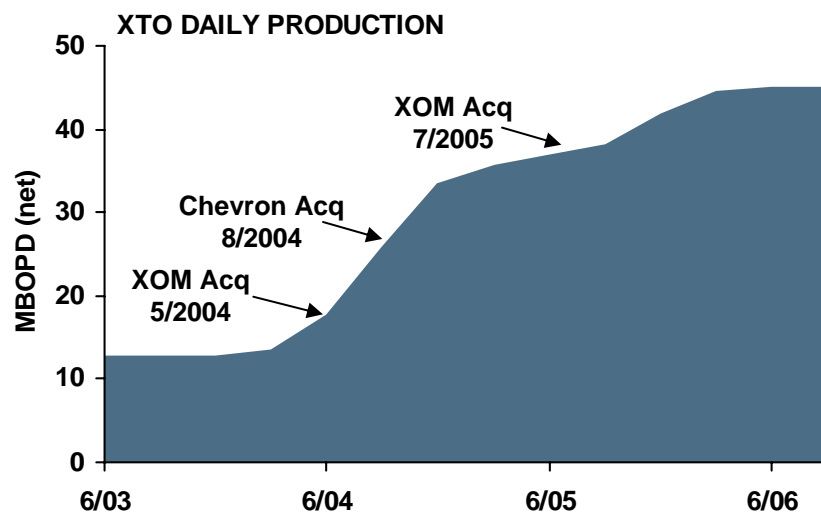
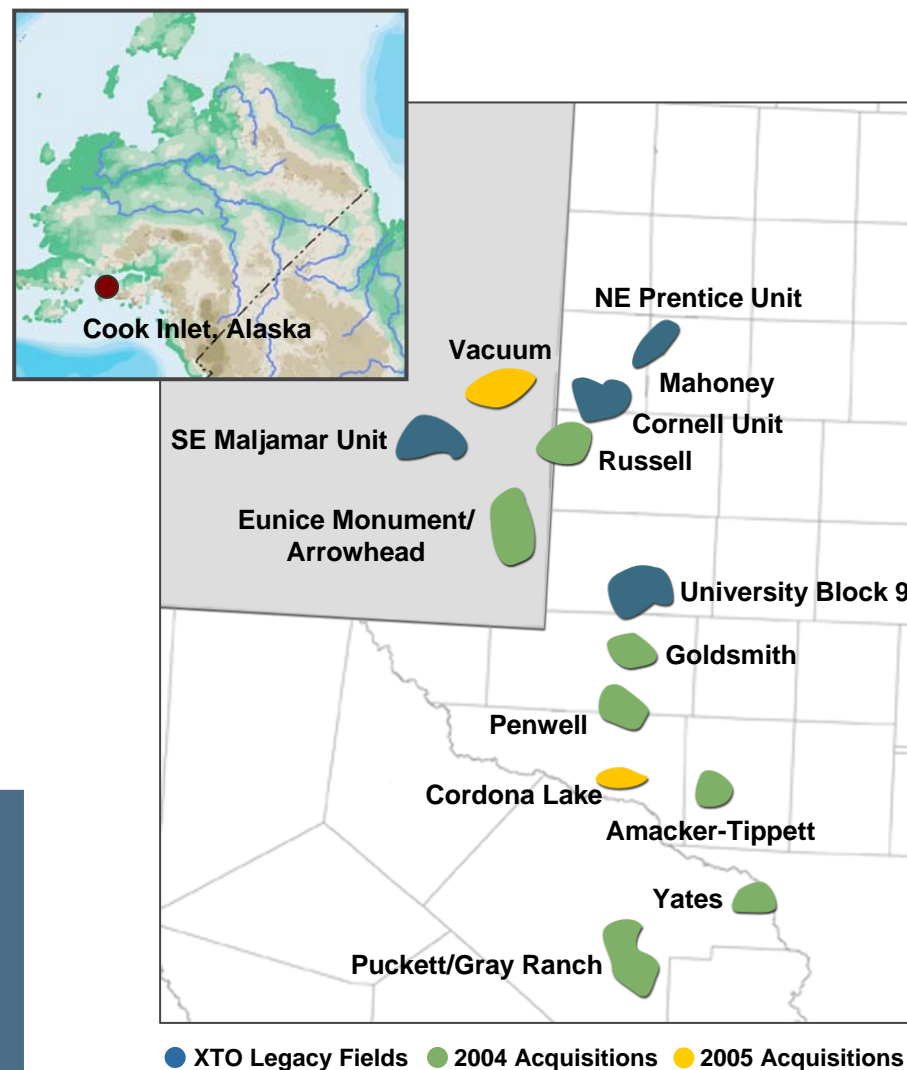
- Optimizing waterfloods, CO₂
- Horizontal drilling
- Better completion techniques

▪ Revitalizing quality reservoirs

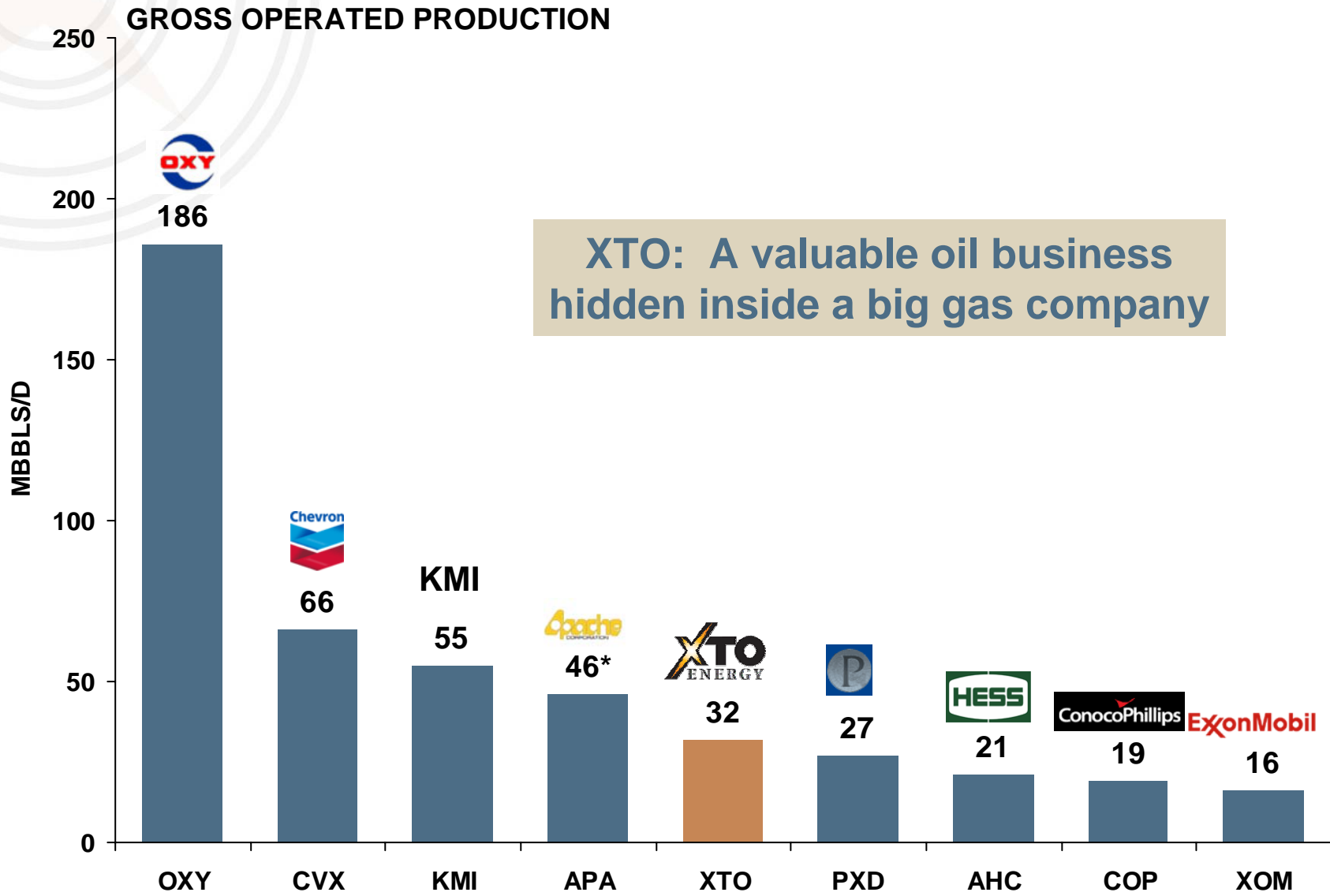
- Reserves up 200 - 500%

▪ Improving operational efficiency

▪ New reserves from new pay zones



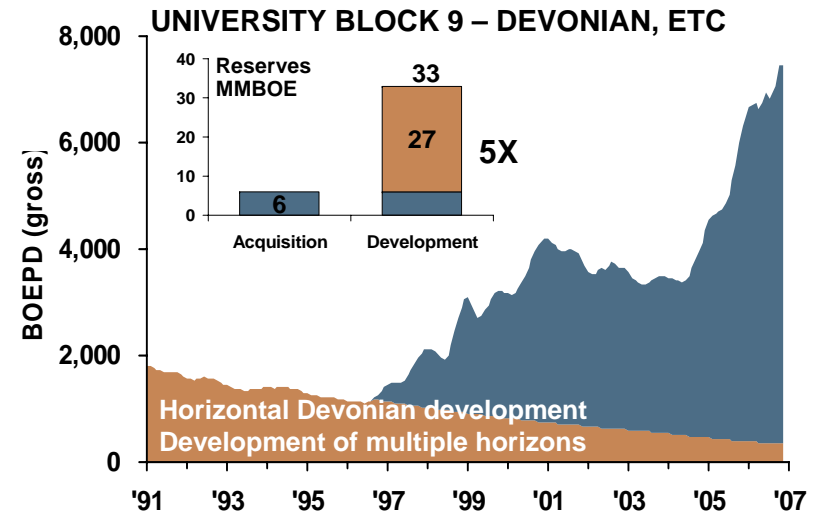
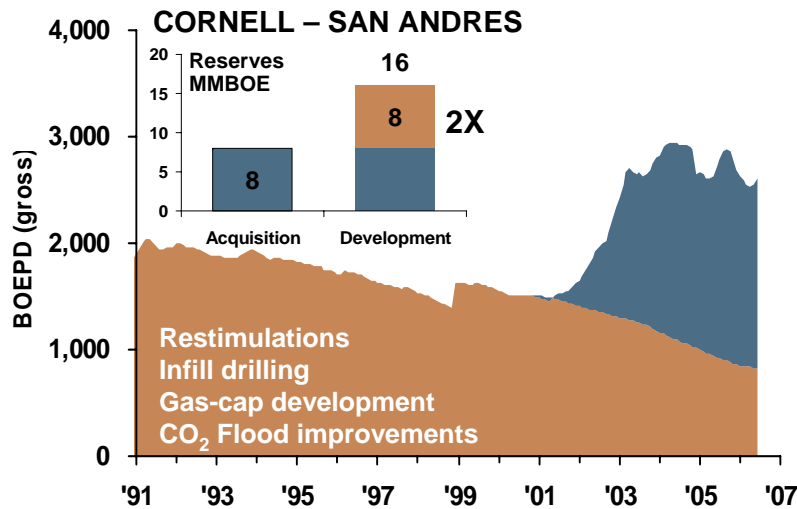
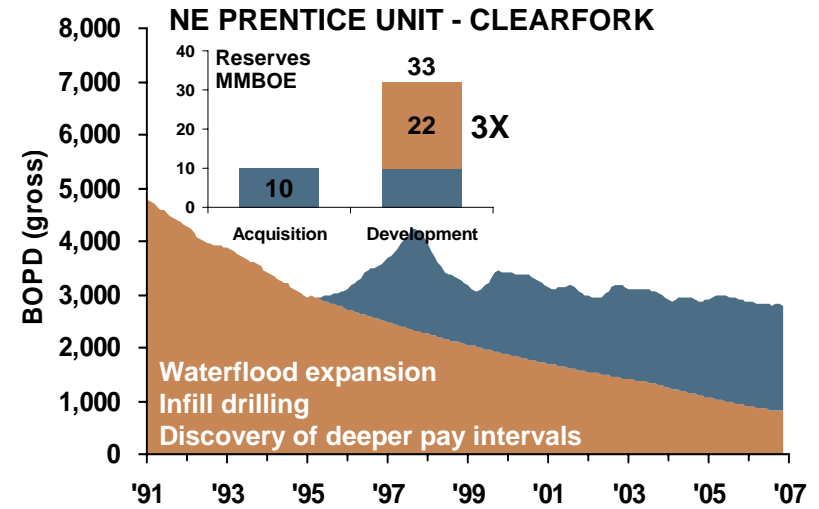
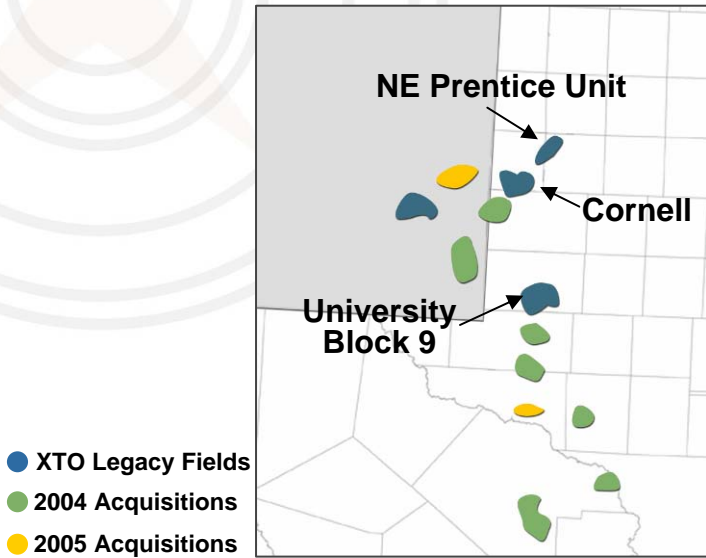
Top Permian Basin Oil Producers



XTO: A valuable oil business hidden inside a big gas company

* Includes acquired production from APC
Source: IHS Energy Data

'Tight Oil': High-Impact Development



2007 Inventory for Development

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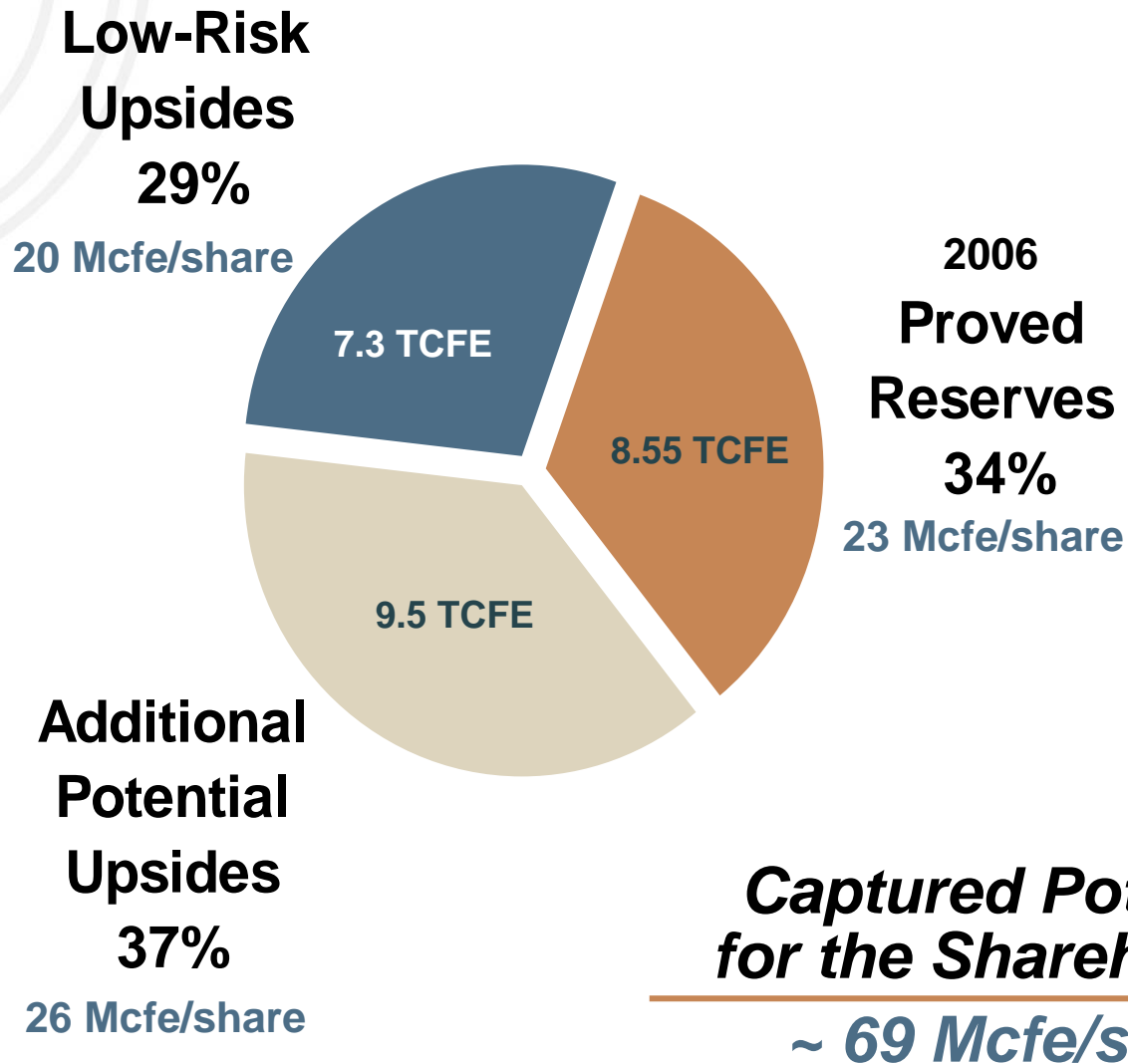
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AREA	Drill Well Inventory	Estimated XTO Reserve Potential (BCFE, net)	Estimated F&D Cost (\$/Mcfe)
Eastern Region/Freestone	1,800 - 2,100	3,900	\$.80 - 1.70
Barnett Shale	1,800 - 2,000	3,200	\$.80 - 1.80
Arkoma/Fayetteville/Woodford	700 - 800	800	\$1.00 - 1.90
San Juan, Raton & Uinta	950 - 1,100	800	\$.50 - 1.00
Permian	1,050 - 1,150	750	\$1.30 - 1.90
Eastern Region/Other	450 - 550	500	\$1.20 - 1.70
Total	6,750 – 7,700	9,950*	

Unbooked Low Risk Upsides: 7.3 TCFE

* Includes proved undeveloped reserves of ~2,650 Bcfe

Growth for the Future: Reserves & Potential



TIGHT GAS:

Expanding the Resource Potential

Increasing Potential

East Texas: Freestone Trend **+ 2 – 3 TCFE**

- Selective down spacing to 20-acre wells
- Expanding horizontal well program
- Further delineation and expanded acreage

Piceance Basin **+ 2 – 4 TCFE**

- Development on 20-acre spacing
(50% - 100% of acreage prospective)

Captured Opportunities **4 – 7 TCFE**

SHALE GAS:

Expanding the Resource Potential

Increasing Potential

Barnett **+ 2 – 3 TCFE**

- 20-acre spacing in the CORE
- Increasing success in Tier 1
- 40-acre well spacing in Tier 1
- Tier 2 potential

Other Basins **+ 1 – 2 TCFE**

- Expanding development acreage in the Fayetteville
- Expanding success in the Woodford/Caney

Captured Opportunities **3 – 5 TCFE**

XTO Energy: Built for Performance

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Economic vitality:

- 5-year ROCE: 17%
- 5-year ROE: 29%
- 5-year cash margins/revenue: 60+%
- 5-year net income/revenue: 30+%

Growth company

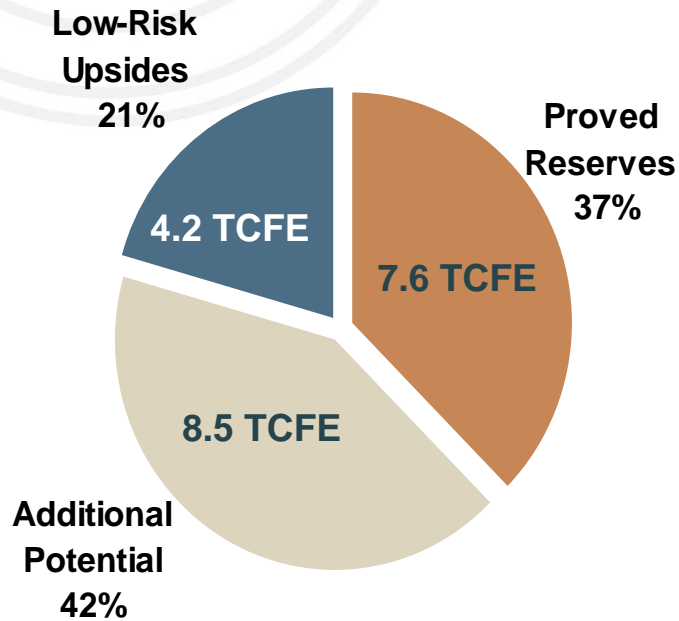
- 5-year production growth/share: 16%
- Free cash flow
- Visible, economic inventory for growth

Dynamic leadership

- Conviction of owners
- Track-record of delivering returns
- Entrepreneurial culture

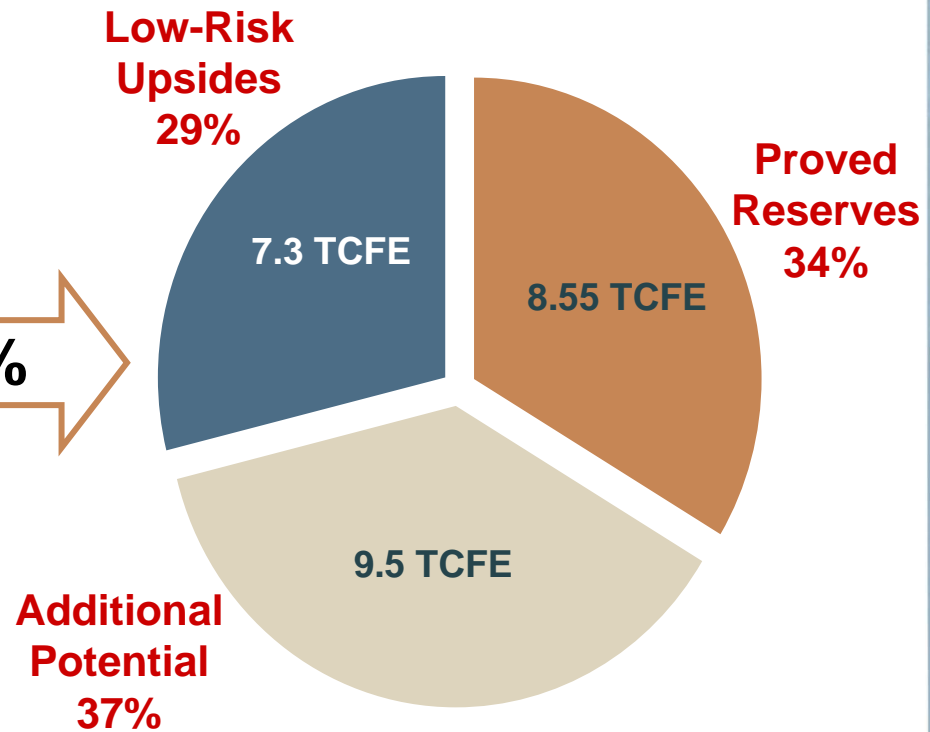
Building Future Value in Captured Resource

2006 Resource



**20.3 Tcfe
Captured Inventory**

2007 Resource

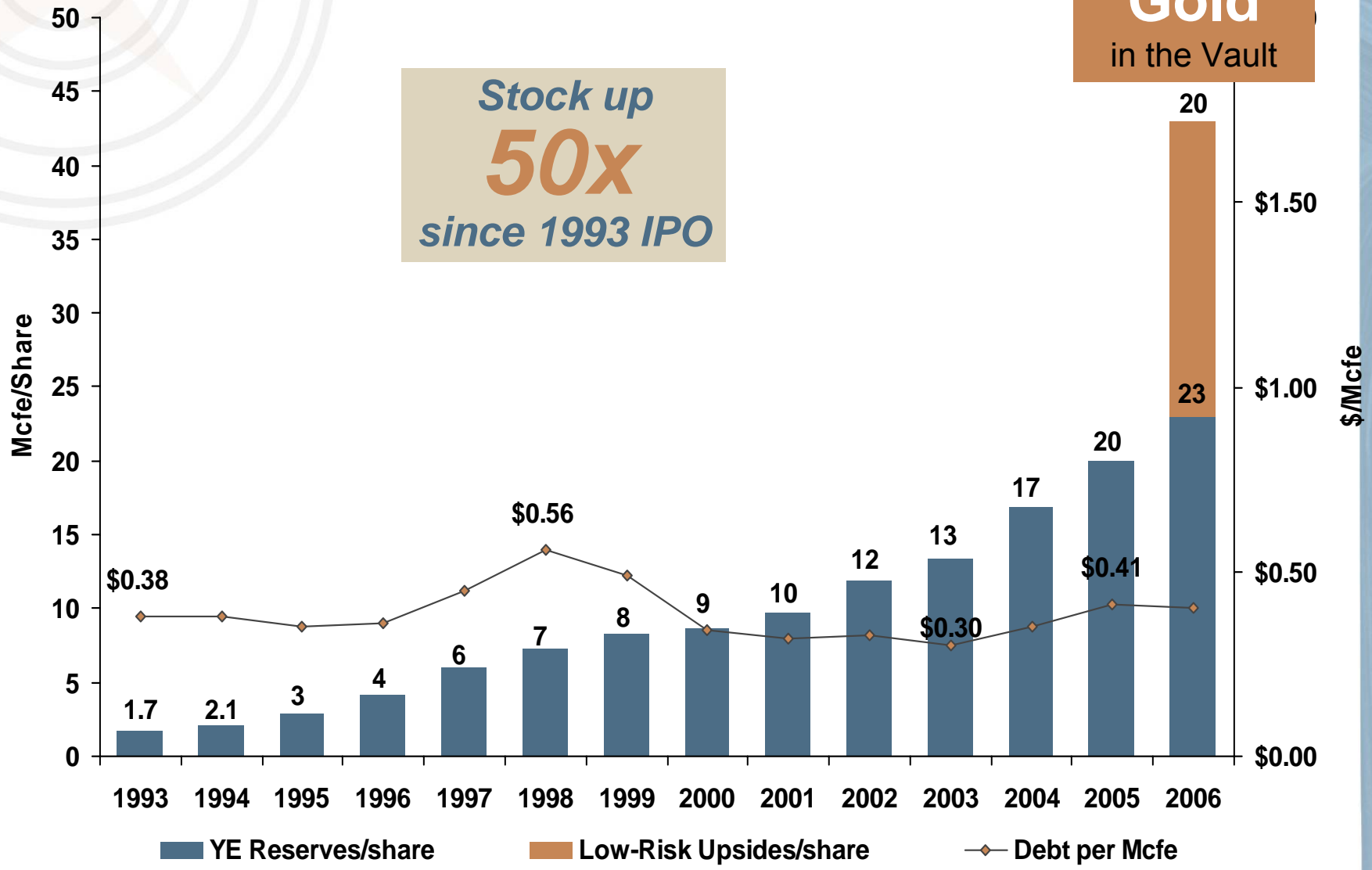


**25.3 Tcfe
Captured Inventory**

Building Shareholder Value Every YEAR

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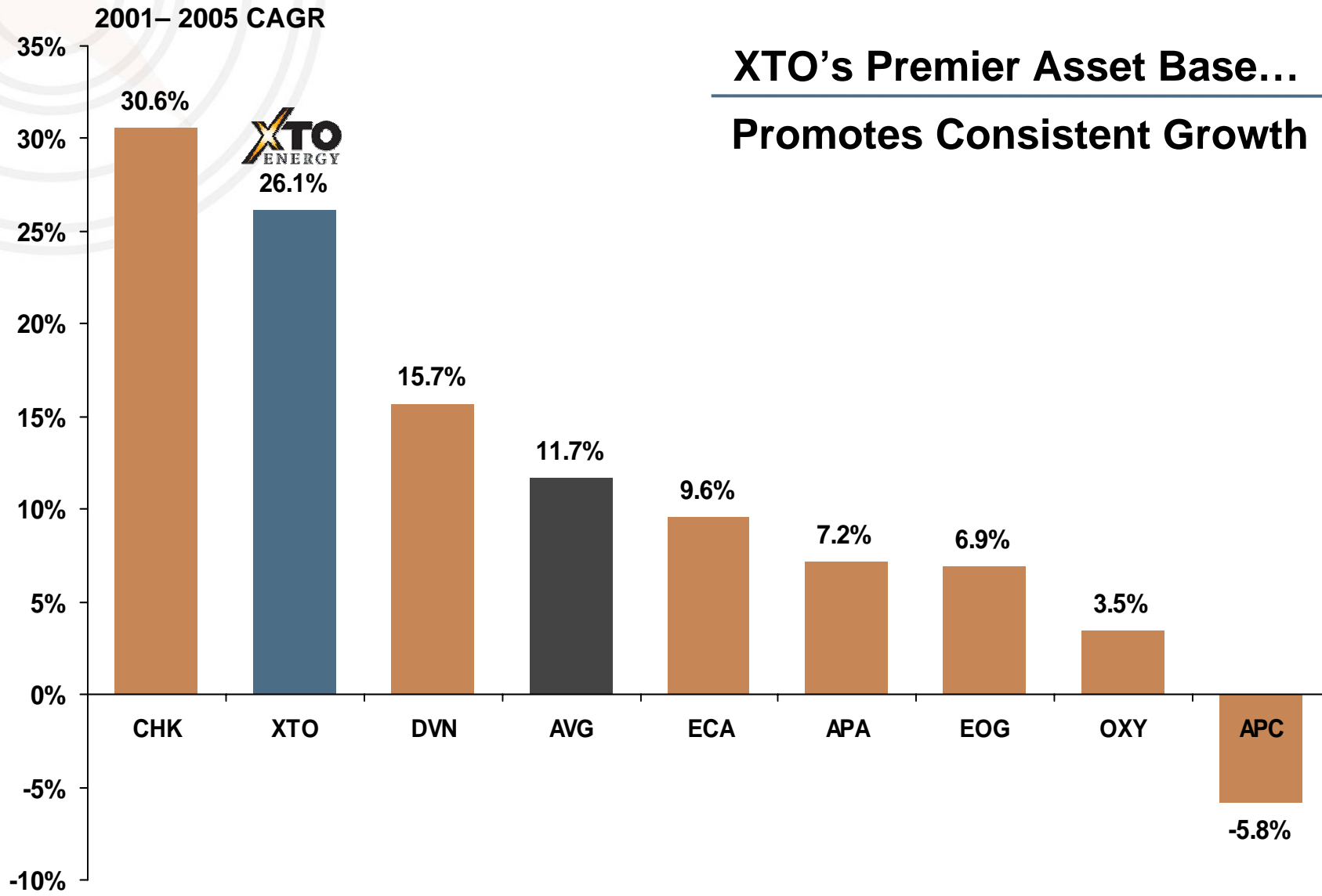


Appendix

Leading Production Growth

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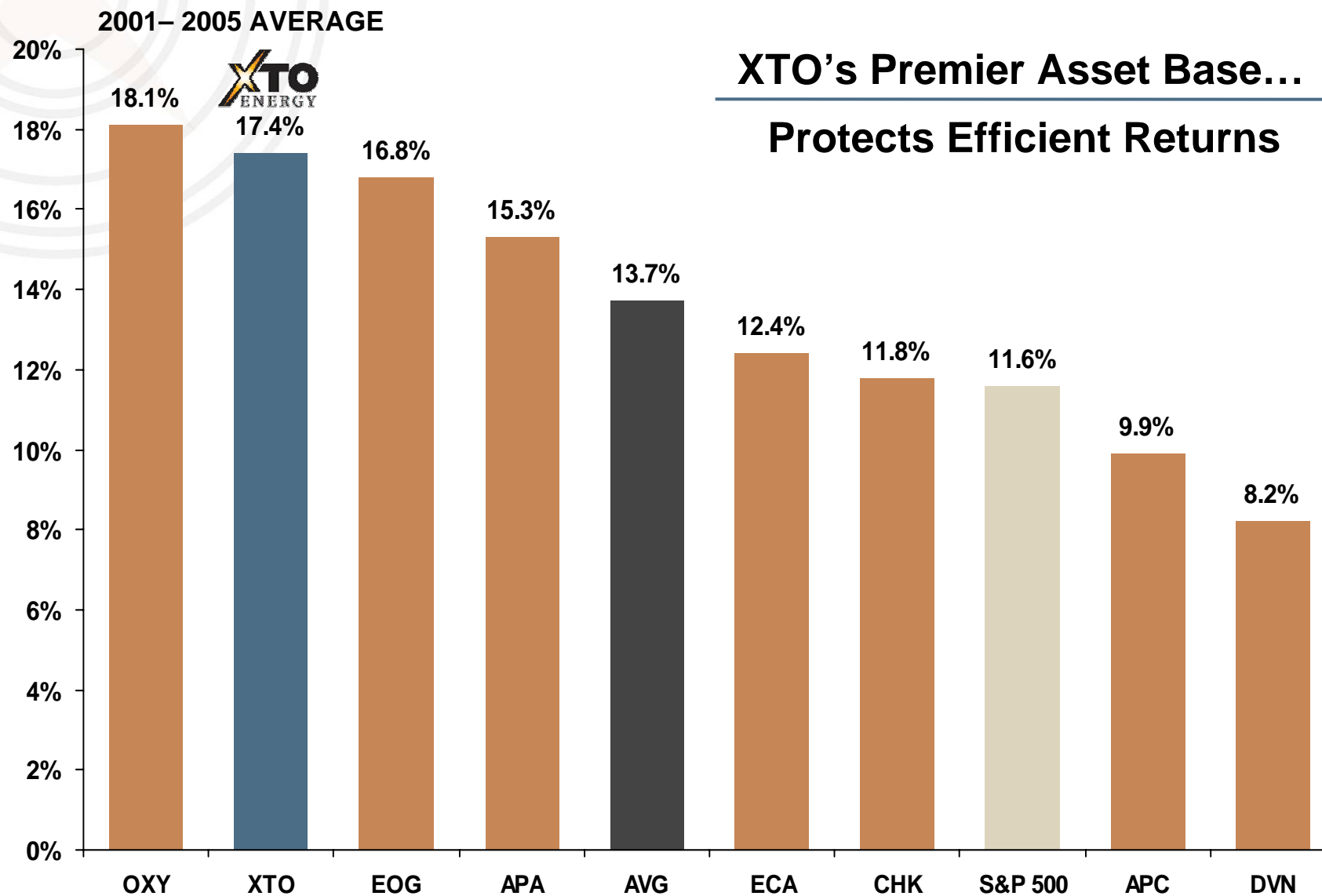
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XTO's Premier Asset Base...
Promotes Consistent Growth

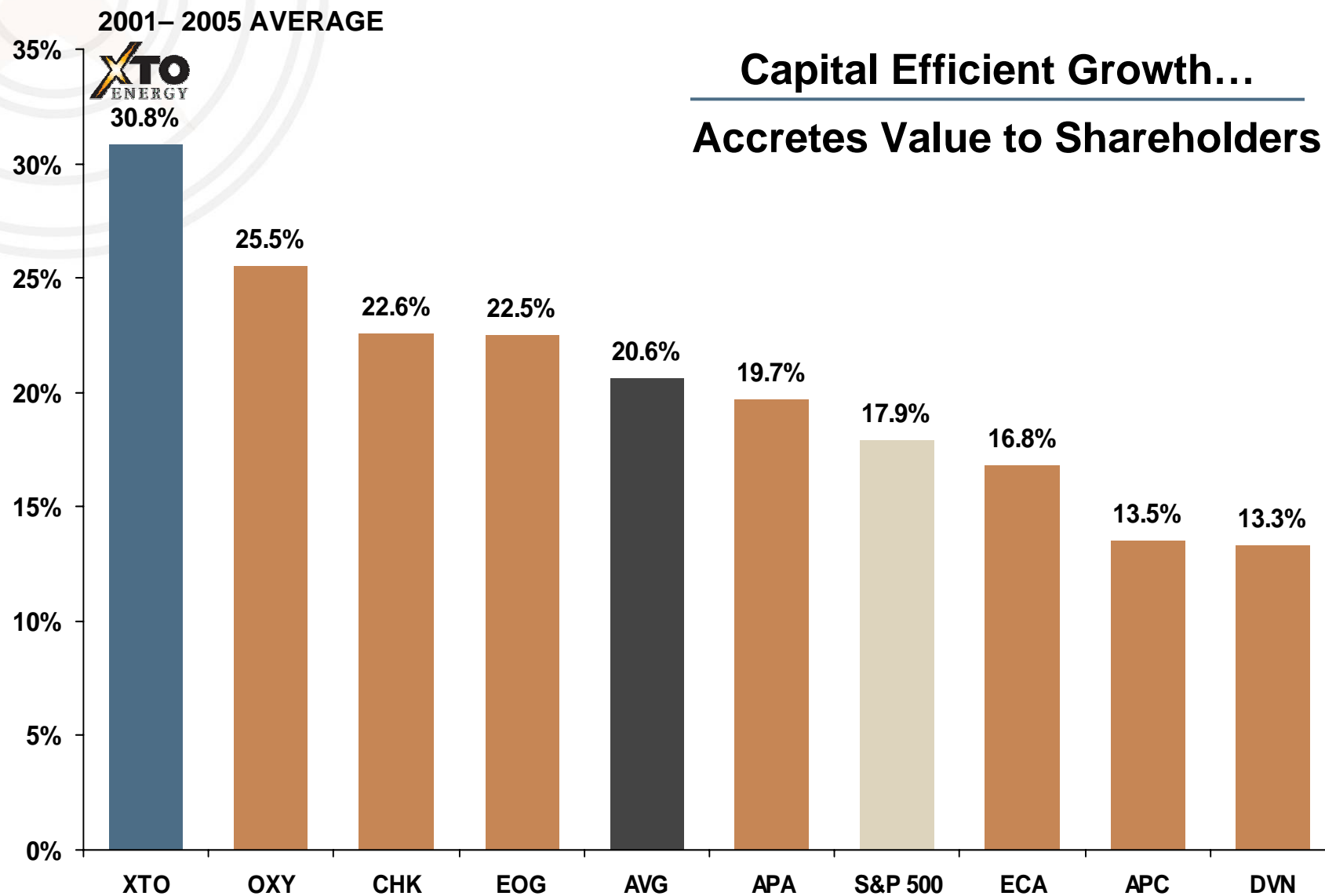
Source: SEC Filings

Leading Return on Capital Employed



Source: SEC Filings

Leading Return on Equity



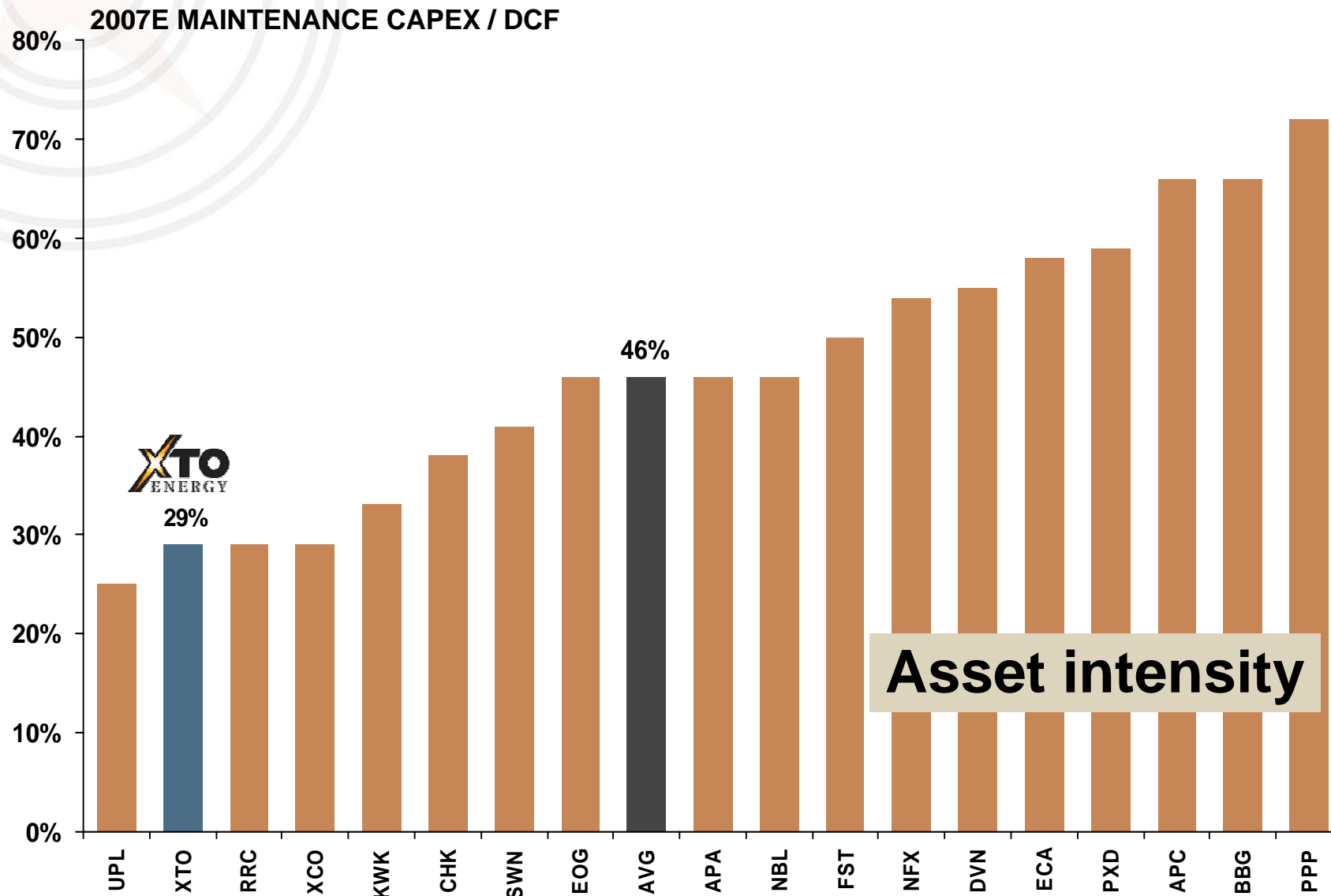
Capital Efficient Growth...
Accretes Value to Shareholders

Source: SEC Filings

Free Cash Flow is King

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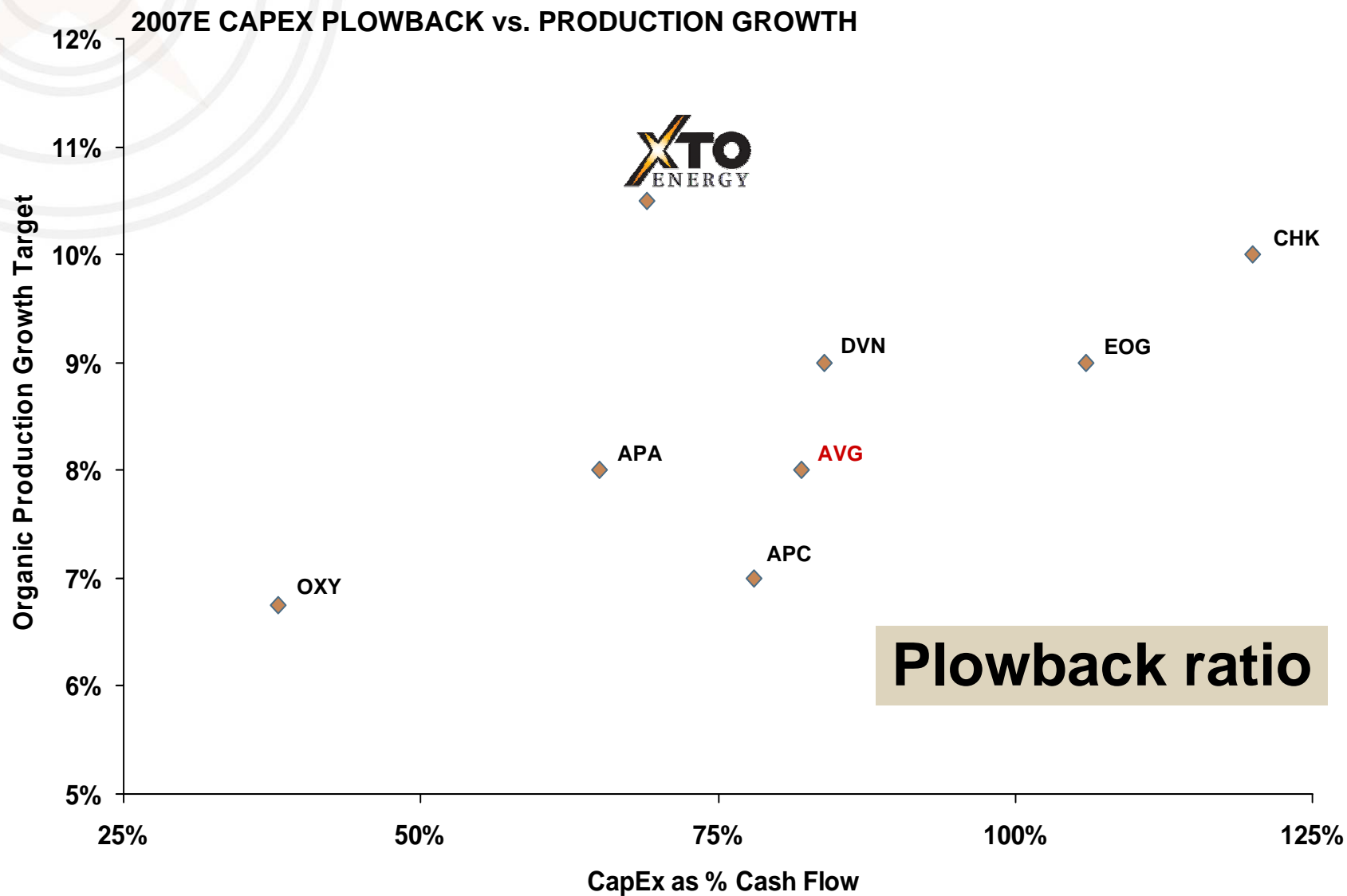


Source: Deutsche Bank, January 2007

Capital Efficient Growth Continues

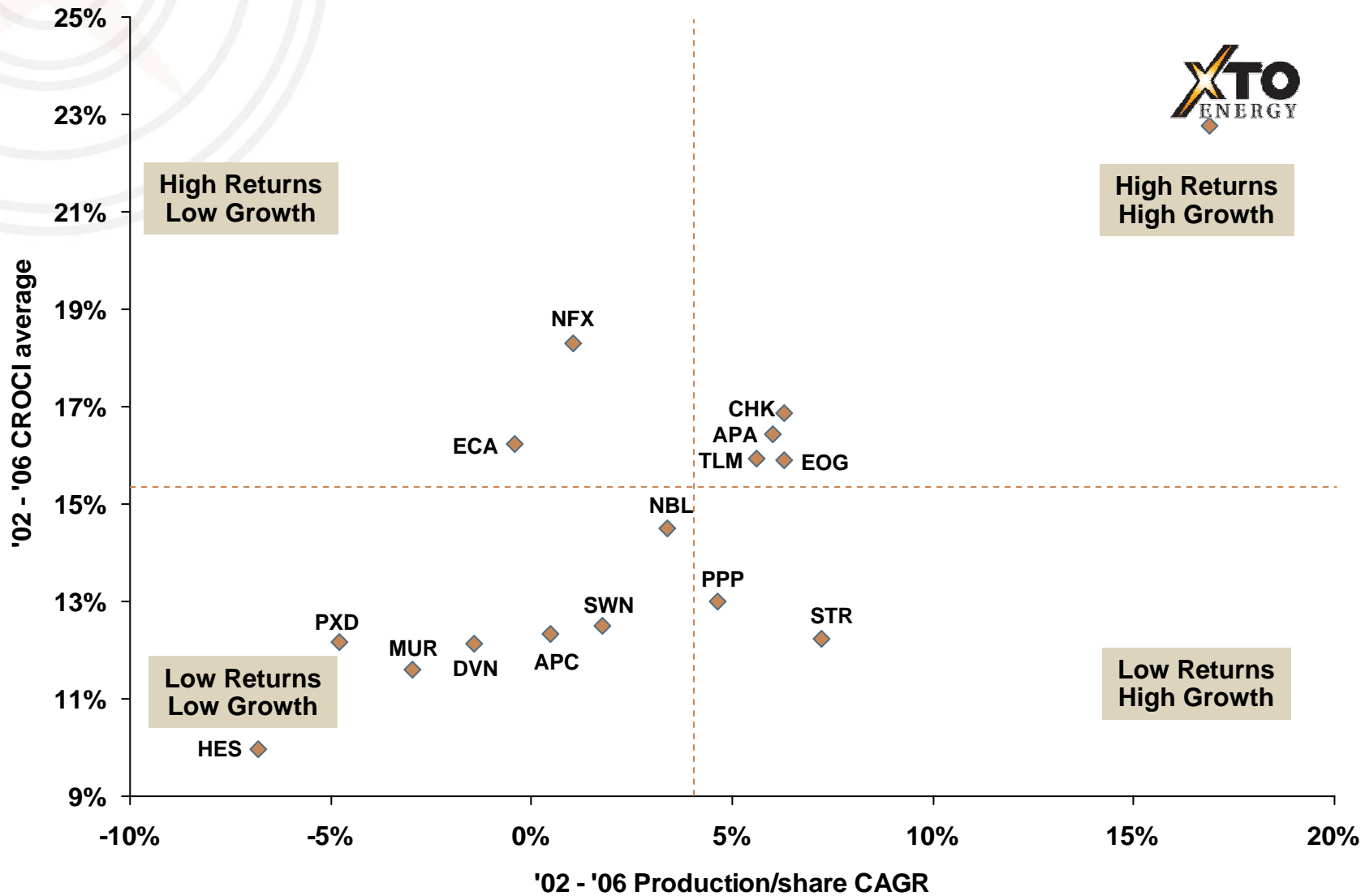
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Source: UBS Research, January 2007

Best in Class: 'Leader in Returns & Growth'

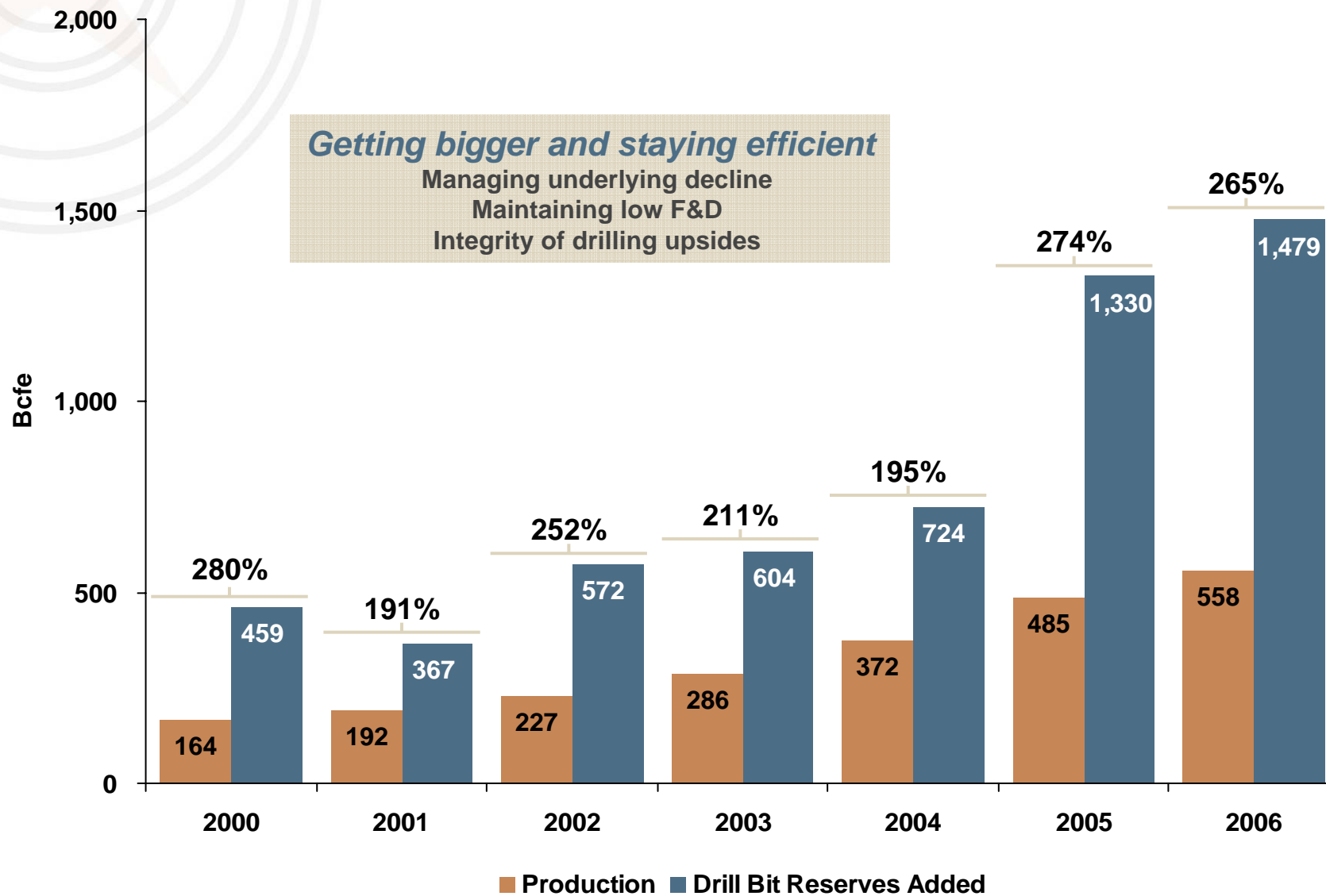


Source: Goldman Sachs, January 2007

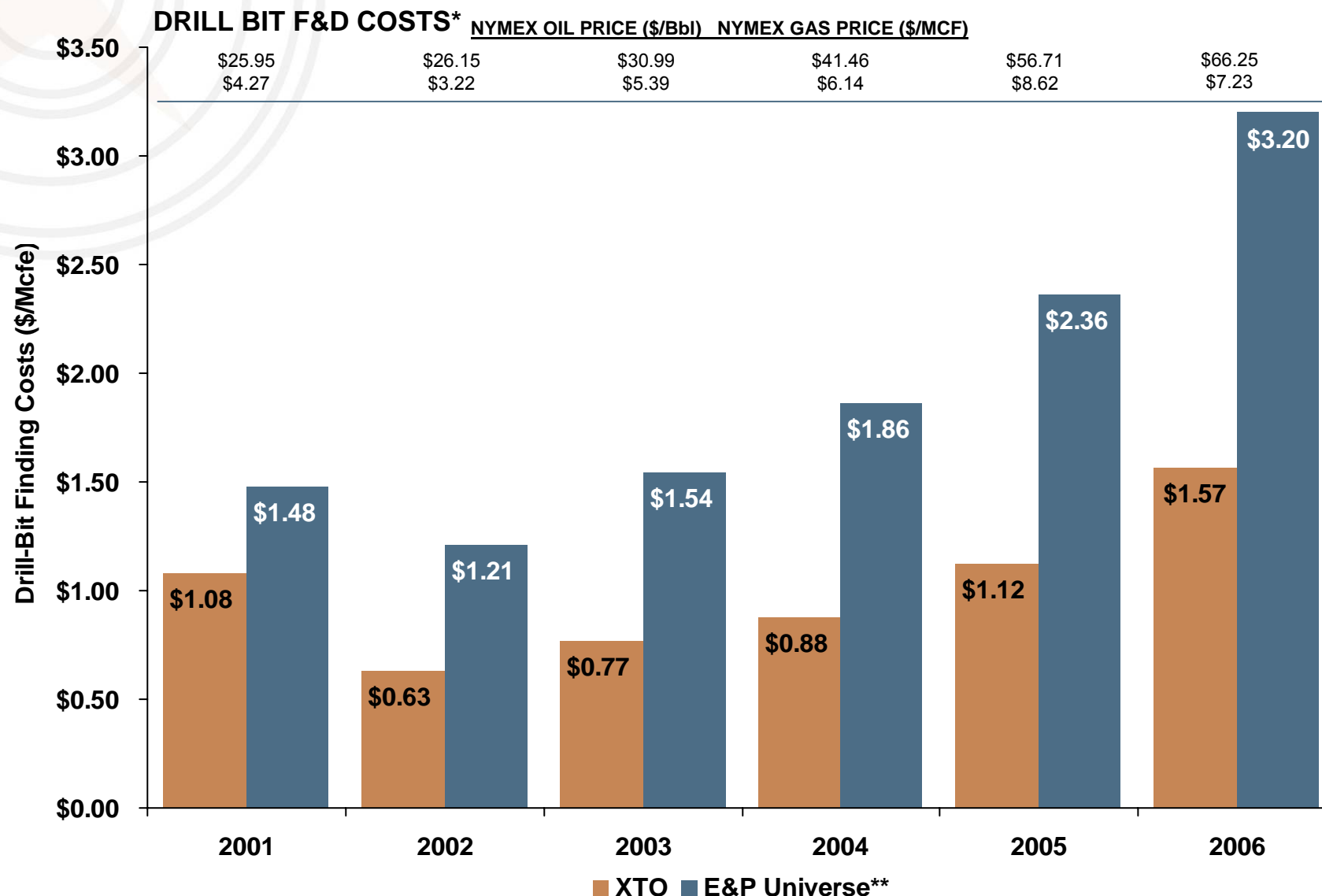
The Efficient Drilling Machine

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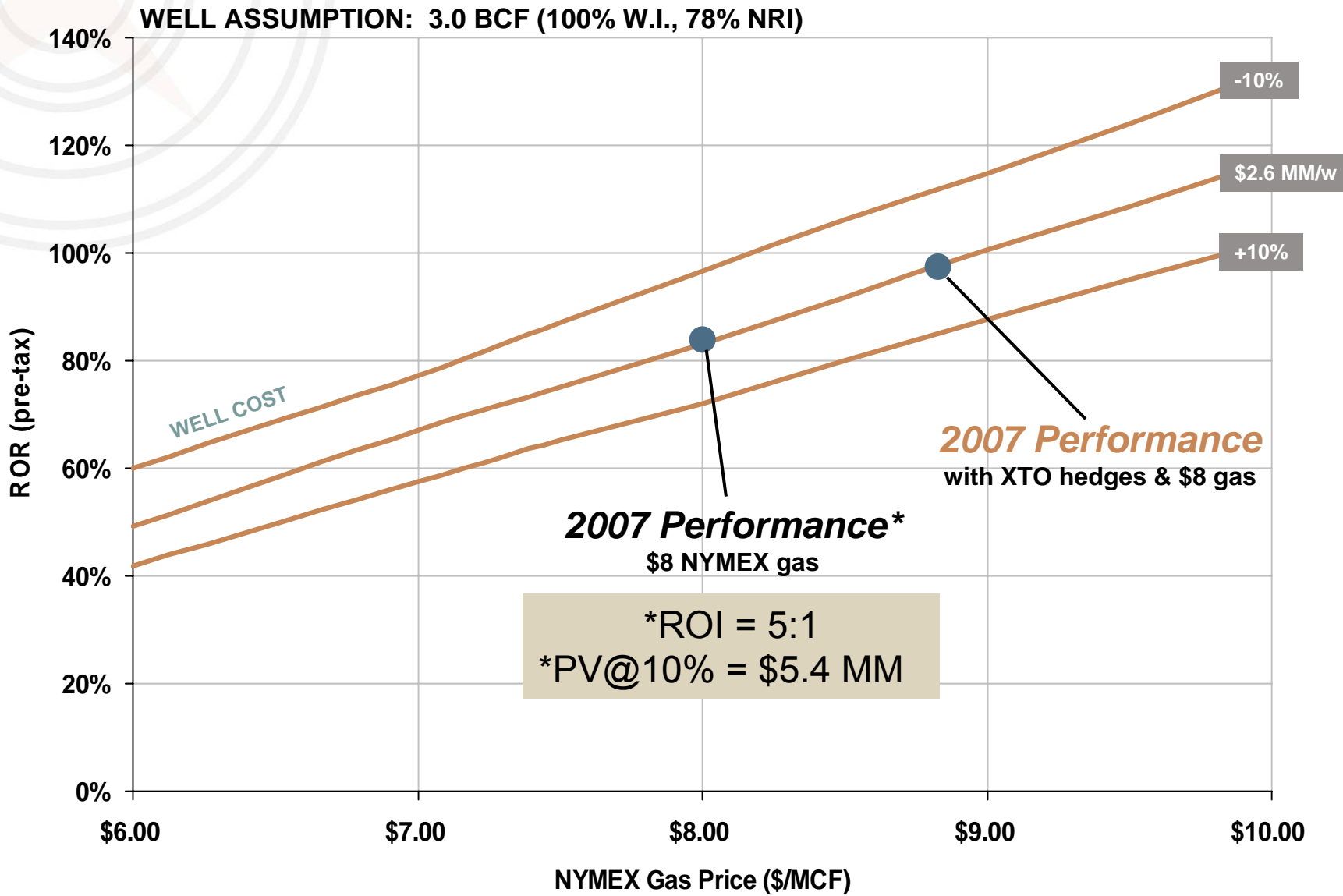
Perpetuating our F&D Advantage



* Costs related to oil & gas exploration and development activities / extensions, additions & discoveries with revisions

** Source: Credit Suisse research

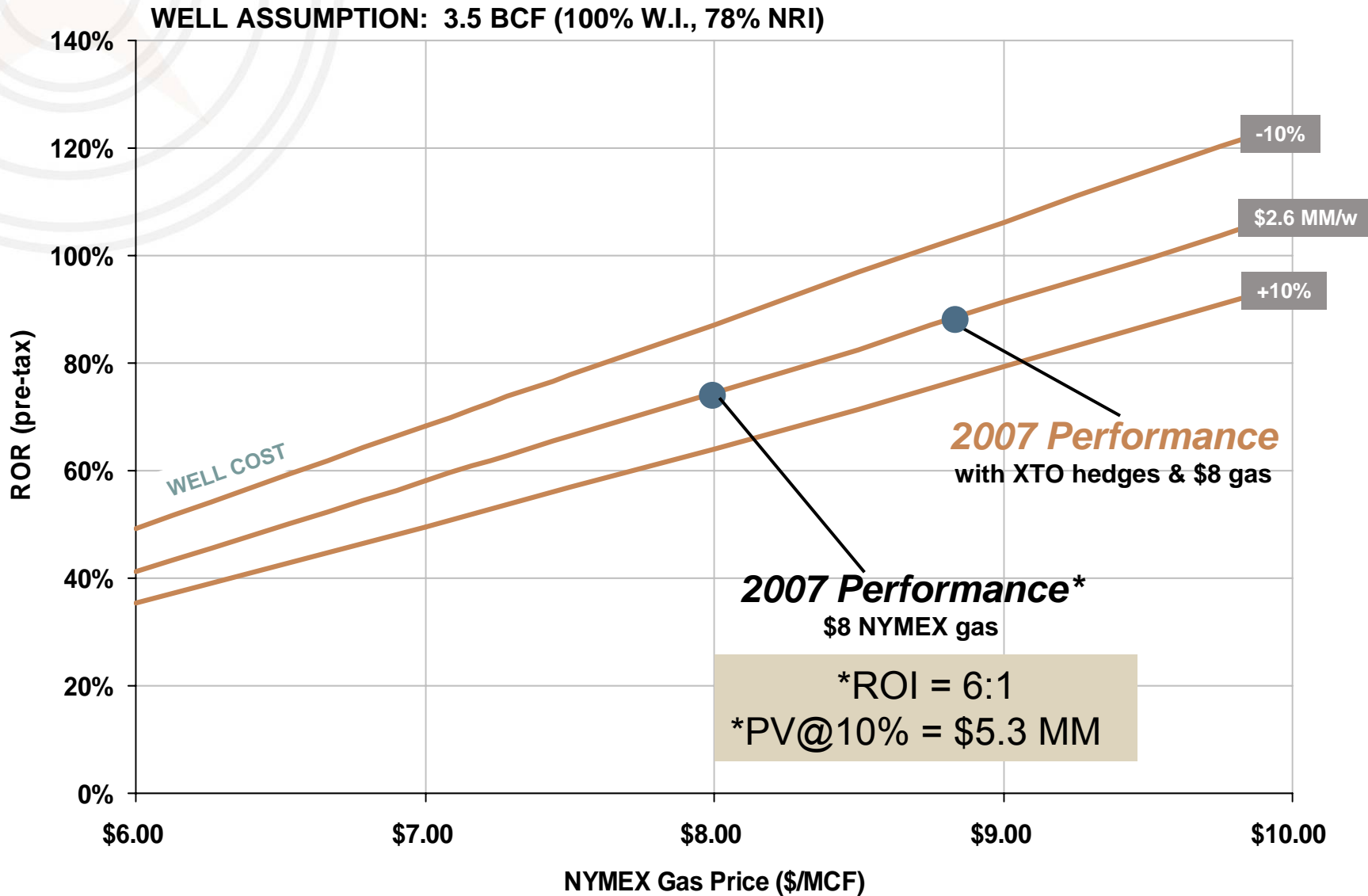
Freestone Trend Drilling Economics



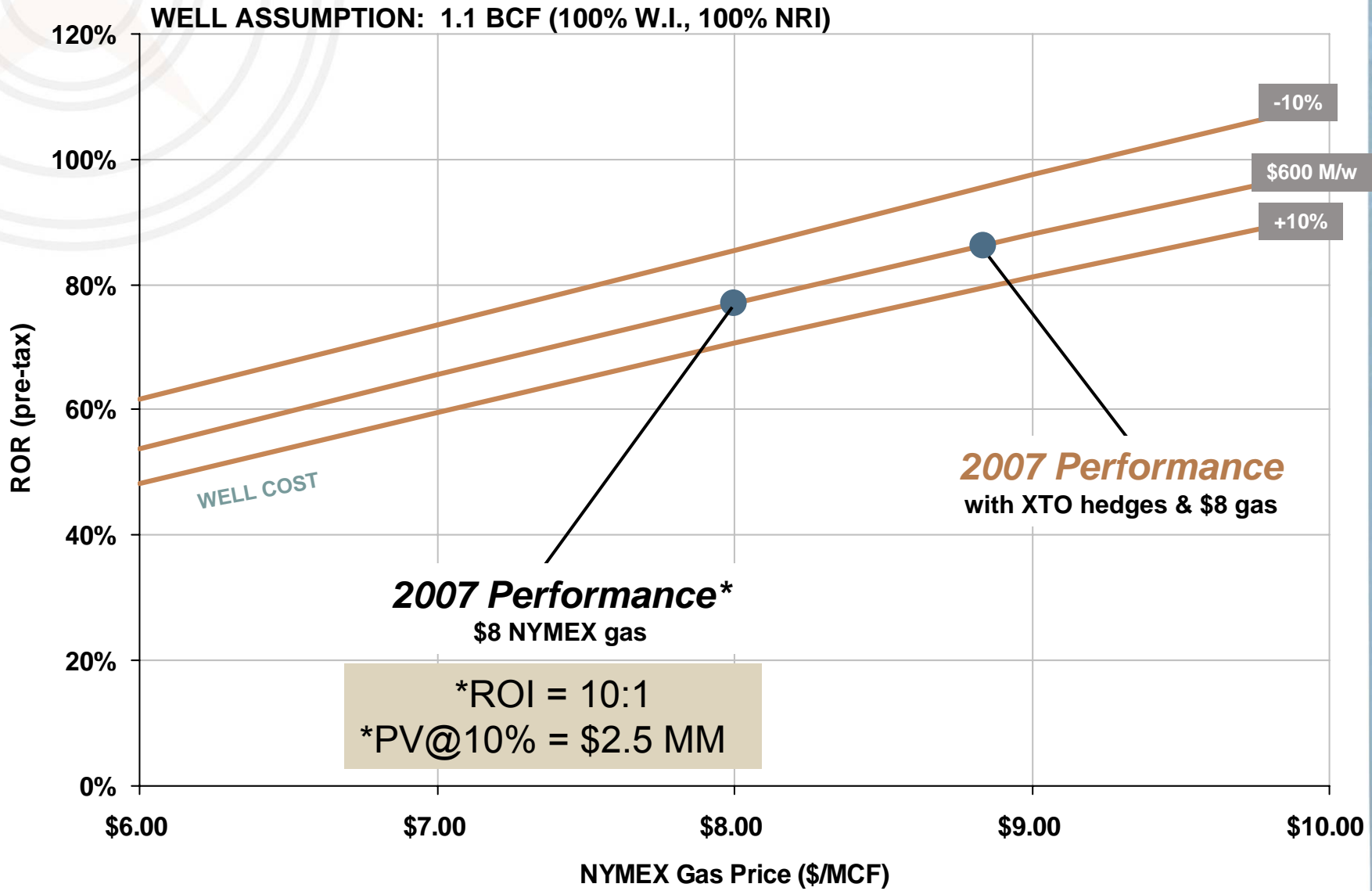
Barnett Shale Drilling Economics

Core Area Wells

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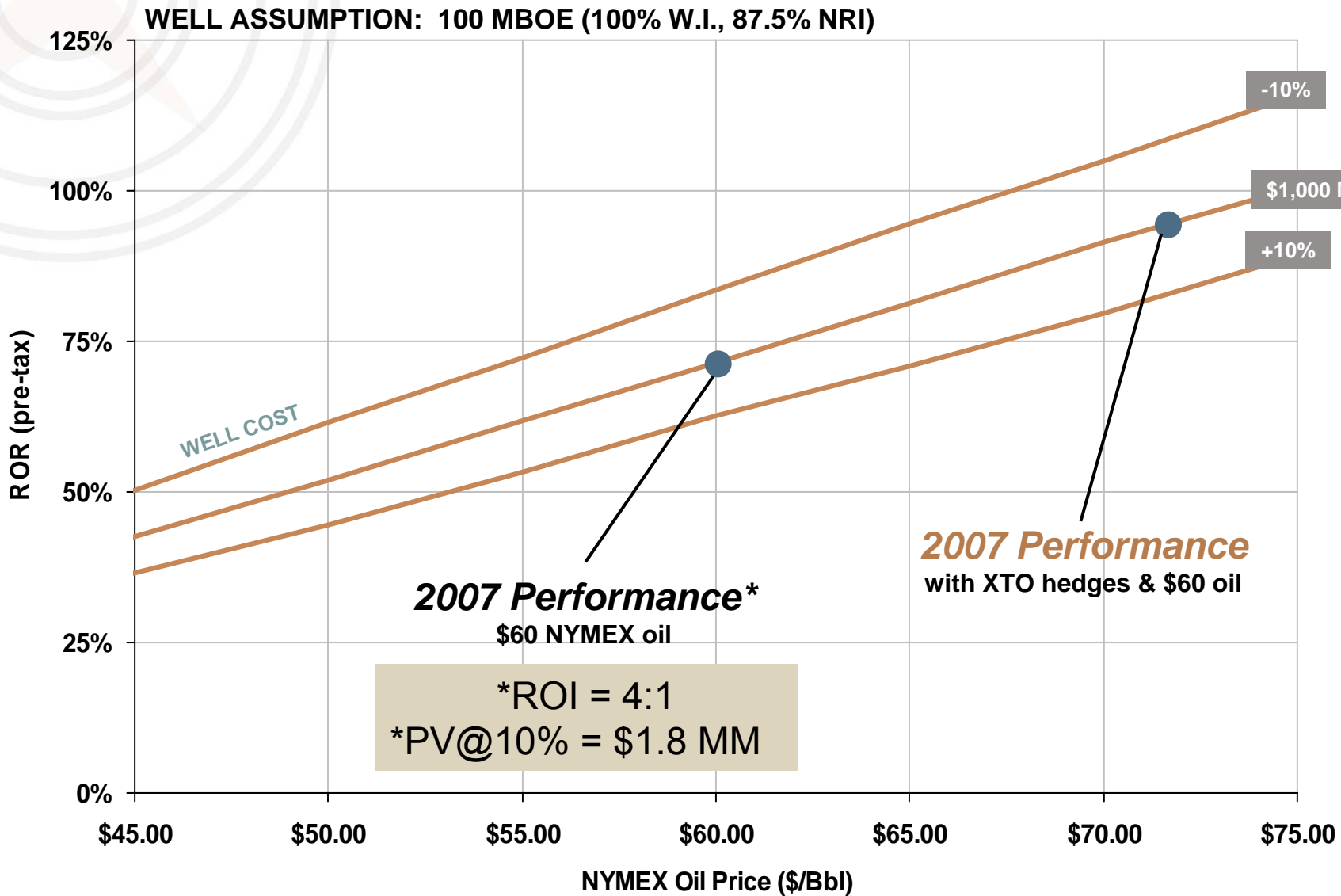


CBM Drilling Economics

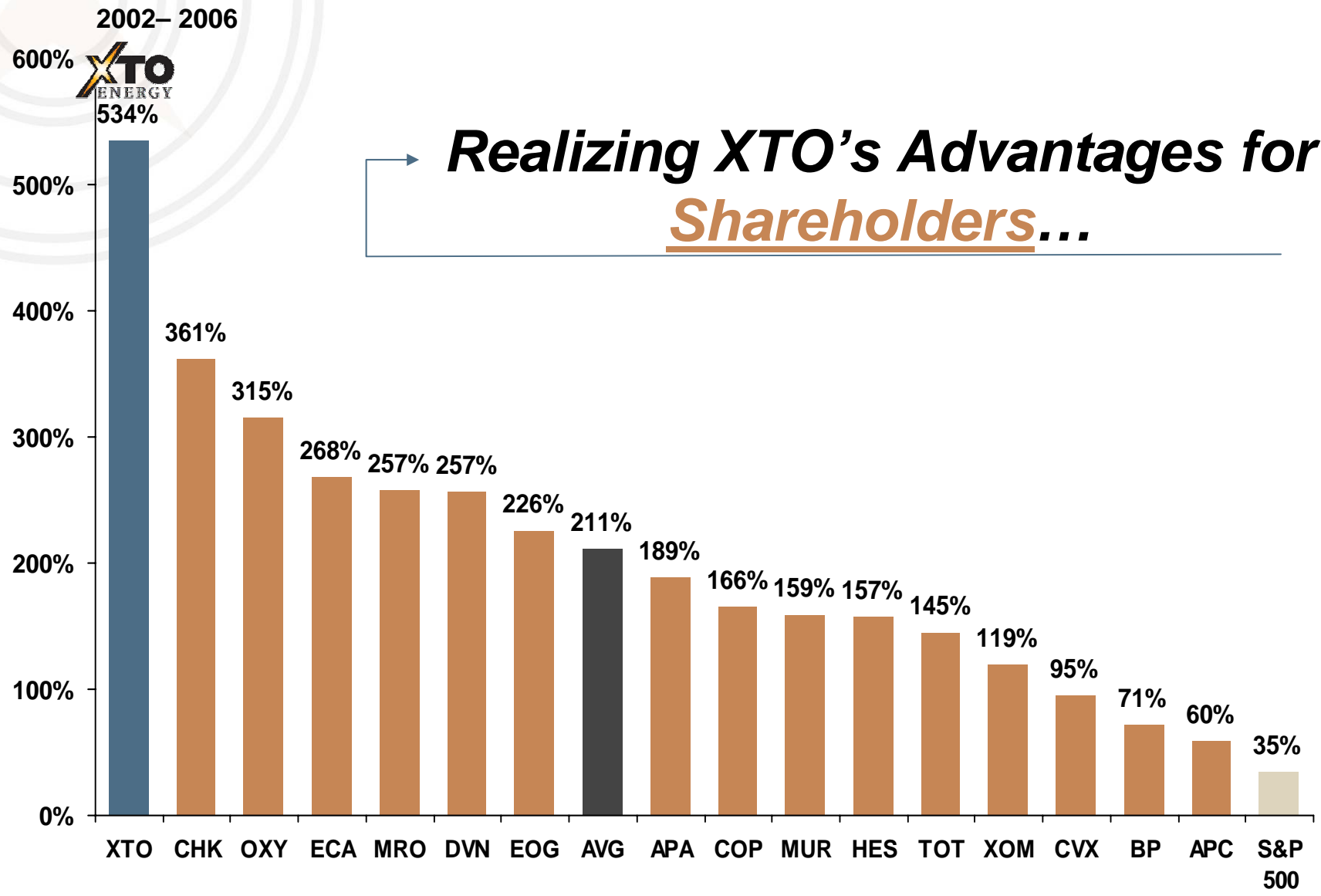


Tight Oil Drilling Economics

'Typical Clearfork Producer'




Total Return to Shareholders



Realizing XTO's Advantages for Shareholders...

Source: Bloomberg



Statements concerning production growth, cash-flow margins, finding costs, future gas prices, reserve potential and debt levels are forward-looking statements. Financial results are subject to audit by independent auditors. These statements are based on assumptions concerning commodity prices, drilling results, production, administrative costs and interest costs that management believes are reasonable based on currently available information; however, management's assumptions and the Company's future performance are both subject to a wide range of business risks and uncertainties, and there is no assurance that these goals and projections can or will be met. In addition, acquisitions that meet the Company's profitability, size and geographic and other criteria may not be available on economic terms. Further information on risks and uncertainties is available in the Company's filings with the Securities and Exchange Commission, which are incorporated by this reference as though fully set forth herein.

This presentation includes certain non-GAAP financial measures. Reconciliation and calculation schedules for the non-GAAP financial measures can be found on our website at www.xtoenergy.com.

Reserve estimates and estimates of reserve potential or upside with respect to the pending acquisition were made by our internal engineers without review by an independent petroleum engineering firm. Data used to make these estimates were furnished by the seller and may not be as complete as that which is available for our owned properties. We believe our estimates of proved reserves comply with criteria provided under rules of the Securities and Exchange Commission.

The Securities and Exchange Commission has generally permitted oil and gas companies, in their filings made with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation test to be economically and legally producible under existing economic and operating conditions. We use the terms reserve "potential" or "upside" or other descriptions of volumes of reserves potentially recoverable through additional drilling or recovery techniques that the SEC's guidelines may prohibit us from including in filings with the SEC. These estimates are by their nature more speculative than estimates of proved reserves and accordingly are subject to substantially greater risk of being actually realized by the company.

