

08

ANADARKO PETROLEUM CORPORATION
Investor Conference



NYSE:APC | www.anadarko.com

Worldwide Operations

Chuck Meloy

Senior Vice President, Worldwide Operations

Worldwide Operations

Building Momentum

Assets

- Premier North American Resource Basins
- Largest Independent Deepwater Producer in Gulf of Mexico
- Global Presence and Capabilities

2007 Performance

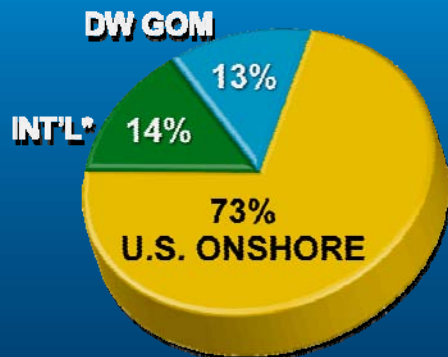
- Exceeded Production and Reserve Guidance
- Executed Major Projects On Time and Under Budget
- Delivered Production Replacement of 119%

Consistency

- ~60% Production from U.S. Onshore Wells
- 5 - 9% Overall Production CAGR
- 120%+ Annual Production Replacement

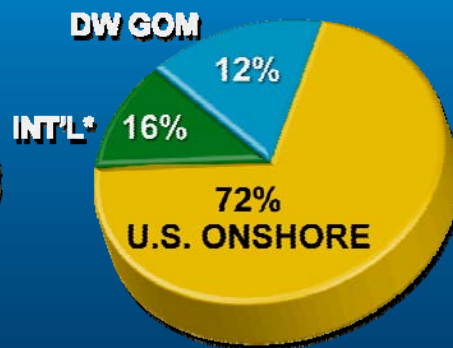
High-Graded Asset Base

YE07
PDP RESERVES



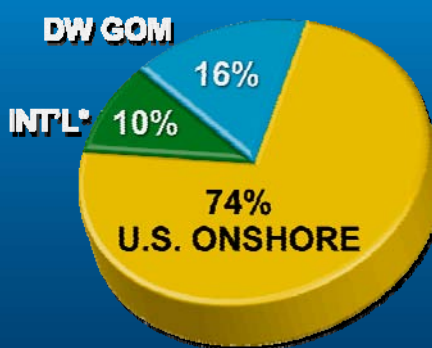
1.6 BBOE

YE07
PUD RESERVES



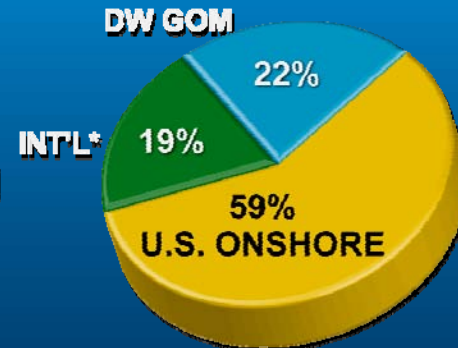
0.8 BBOE

LOWER-RISK
RESOURCES



4.0+ BBOE

2008E
PRODUCTION



~210 MMBOE



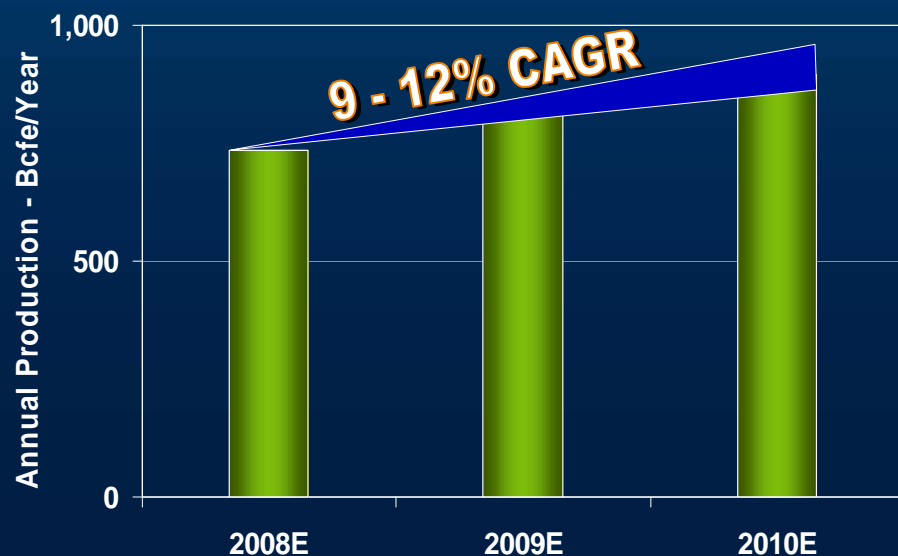
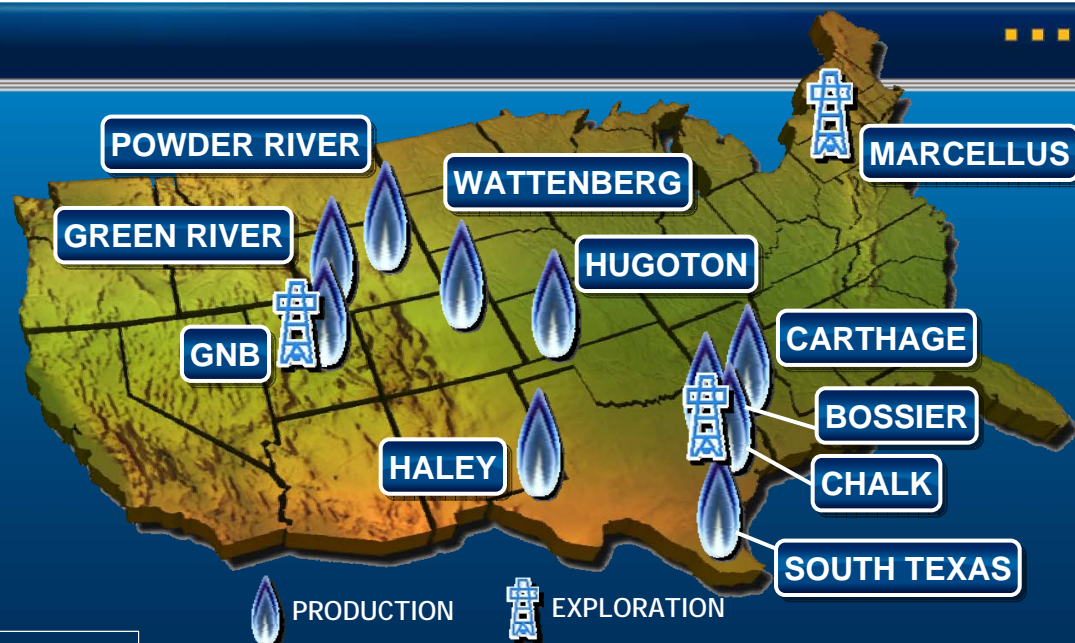
*Includes Alaska

U.S. Onshore Natural Gas

Anadarko's Growth Engine

■ Diversified Portfolio

- Multiple High-Quality Resource Plays
- Outstanding Margins
- Established and Expanding Infrastructure



■ Predictable Growth

■ 5-Year Expectations

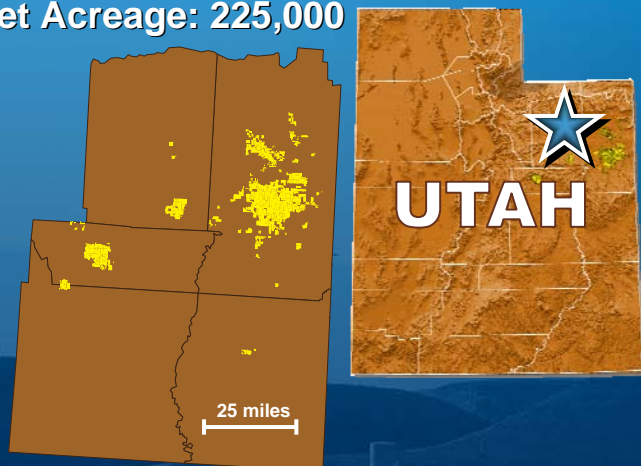
- Drill 11,000 - 13,000 Wells
- Convert 6 - 7 Tcfe to Proved

■ High-Potential Exploration

Greater Natural Buttes (GNB)

An Anchor Asset

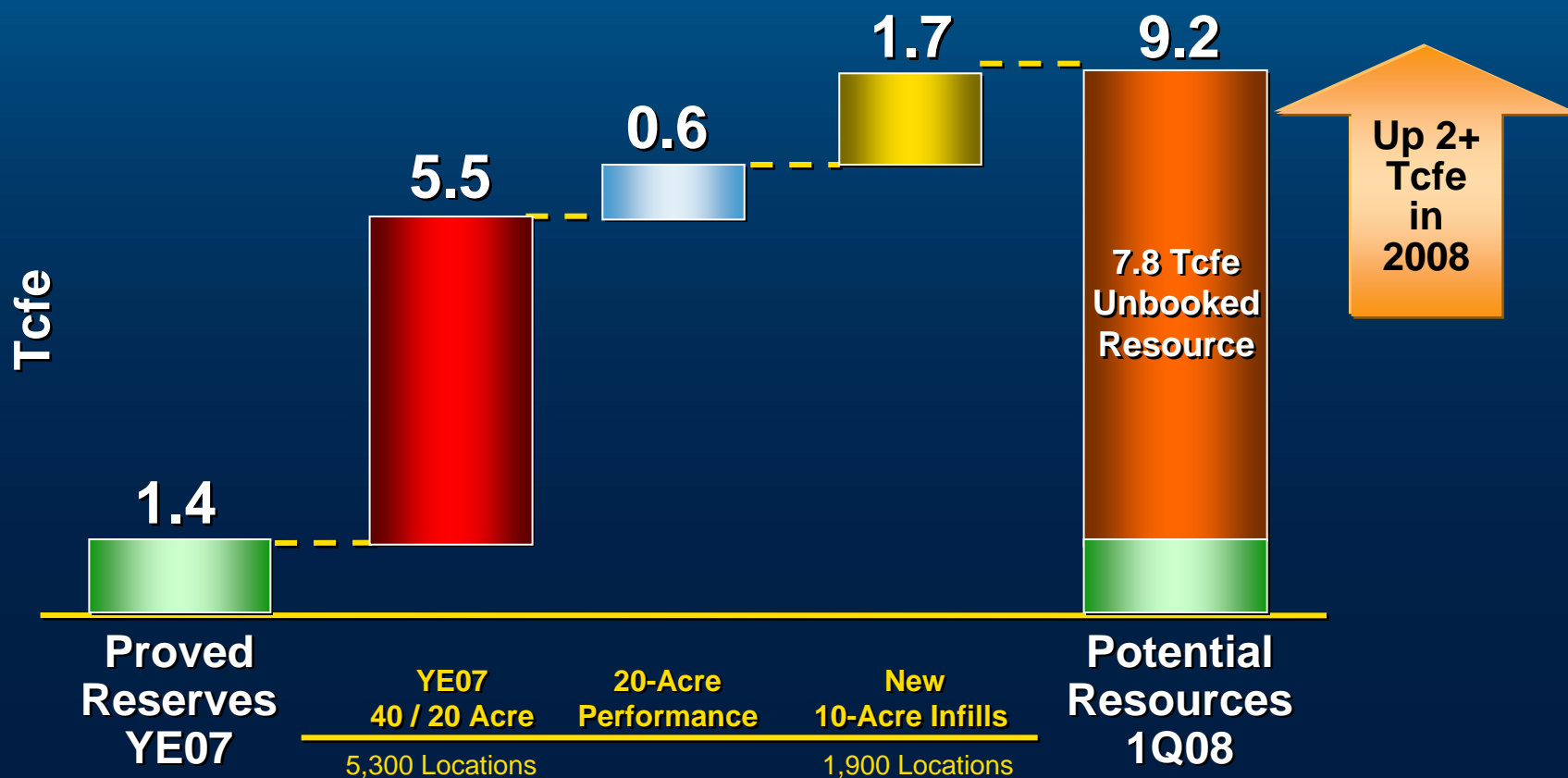
Net Acreage: 225,000



- Increased Total Resources to 9.2+ Tcfe
- 7,600 Locations in Inventory
- 5-Year Expectations
 - Drill 1,800 - 2,200 Wells
 - Convert 2.7 - 3.2 Tcfe to Proved
 - Ramp Up to 15 Operated Rigs
- Continued Expansion of Infrastructure

GNB: Resource Expansion

- Previous Estimates Based Upon 20-Acre Down-Spacing
- 600 Bcfe from Improved 20-Acre Performance
- 1.7 Tcfe of New 10-Acre Resources



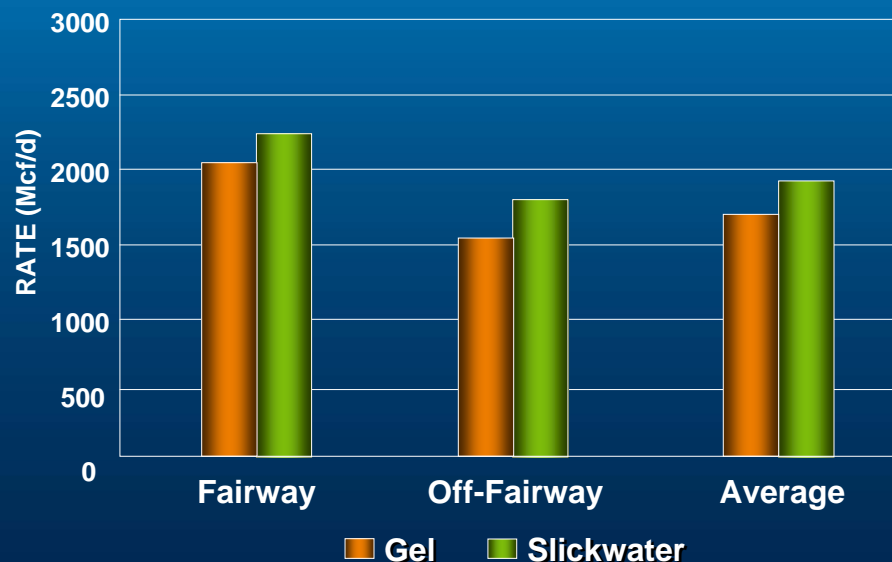
GNB: Reducing Costs and Increasing Recovery

■ ■ ■

Average Frac Costs



Benefits of Slickwater Fracs



Cost Savings

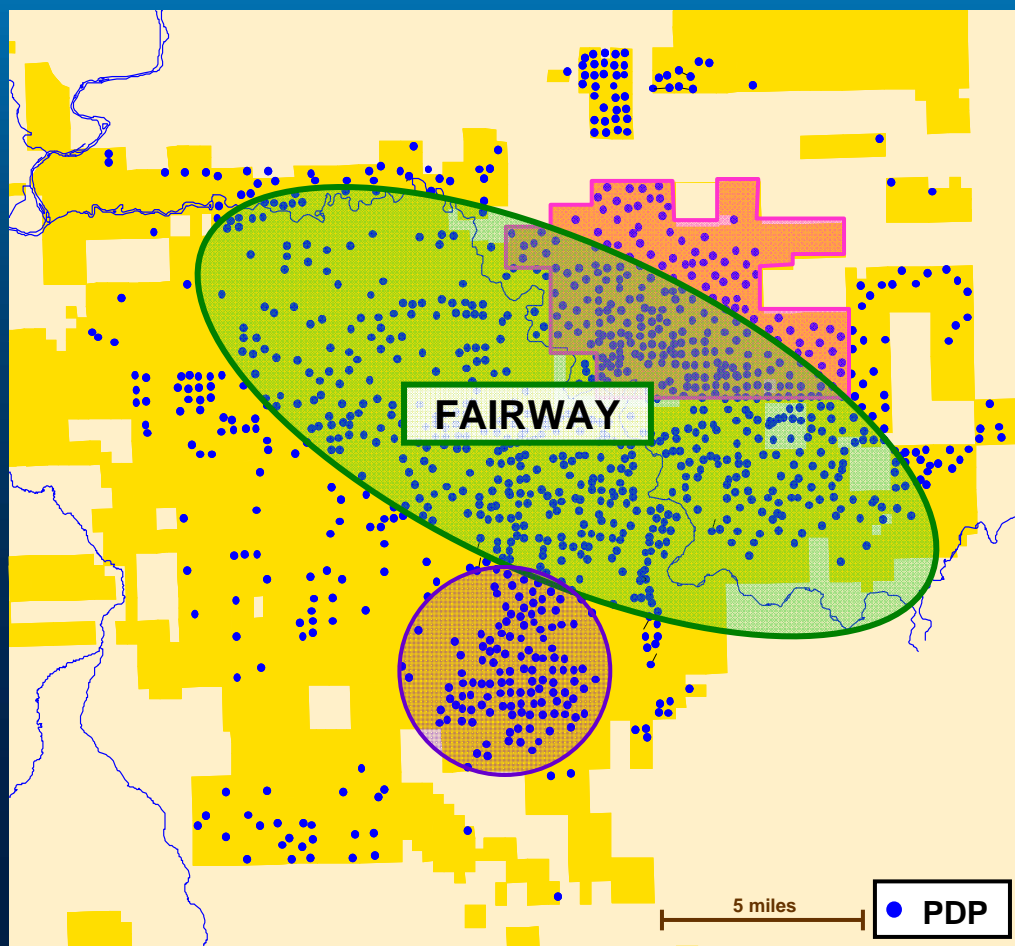
- \$180,000 Savings per Well
- 2008 Program: 196 Wells
- Annual Savings: \$35 Million

Improved Recovery and Economics

- IP Increased 18%
- Reserves Increased 6%
- ROR Increased 10%
- PV10 Increased \$260,000

GNB: Current Development

Existing Mesa Verde Wells

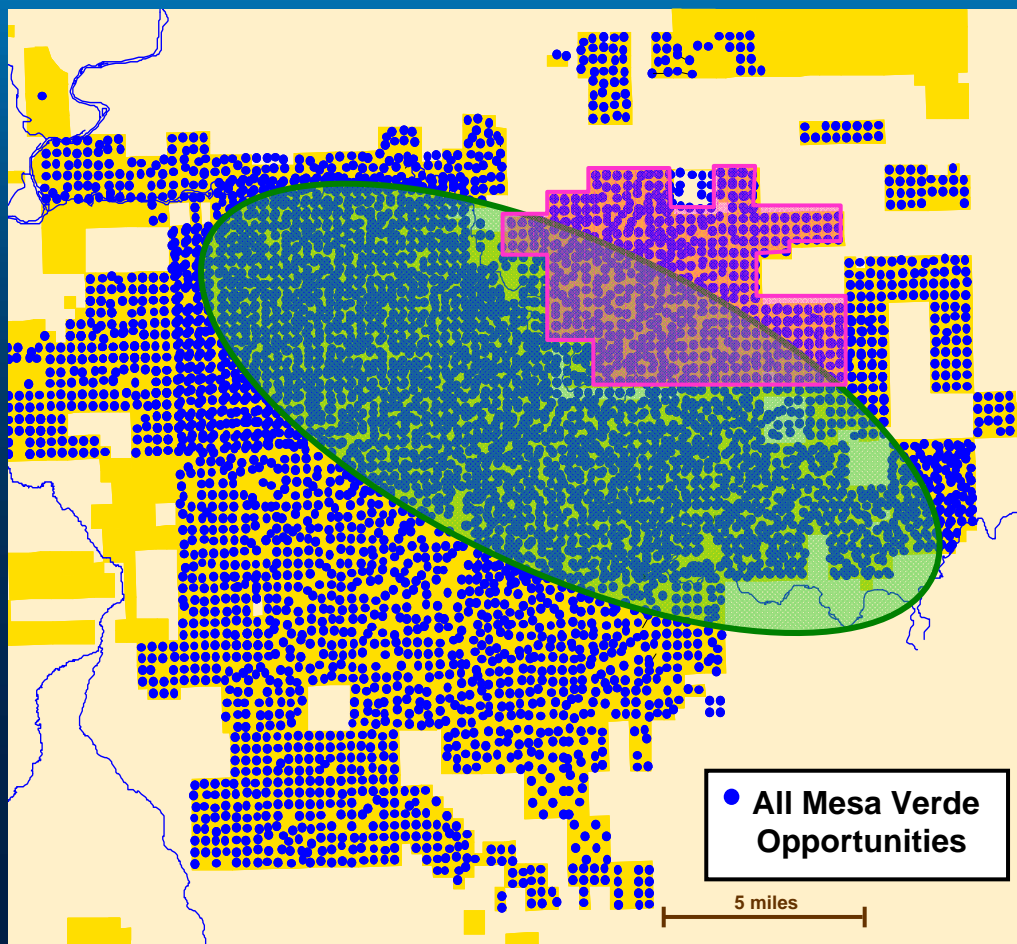


- **Recent Production Record of 272 MMcfe/d**
- **Infrastructure in Place**
 - Chapita Processing Plant
 - Kanda Lateral Pipeline
- **BTAX Economics***
 - Fairway: 86% ROR
 - Off-Fairway: 61% ROR

* Based on Price Deck of \$8/Mcf and \$80/Bbl

GNB: Down-Spacing Opportunities

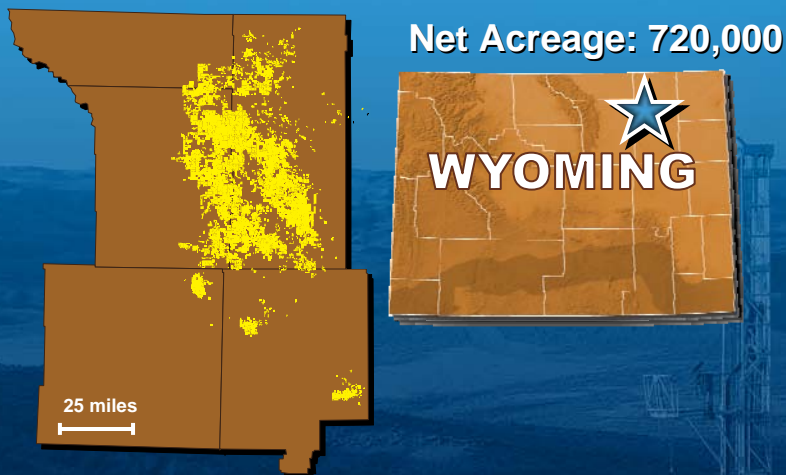
Mesa Verde Infill Development



- Total Resources of 9.2 Tcfe
- 7,600 Locations in Inventory
- Convert 2.7 - 3.2 Tcfe to Proved in 5 Years
- Additional “Deep Potential” in the Blackhawk, Mancos and Dakota Formations

Powder River CBM

Performance Exceeding Expectations

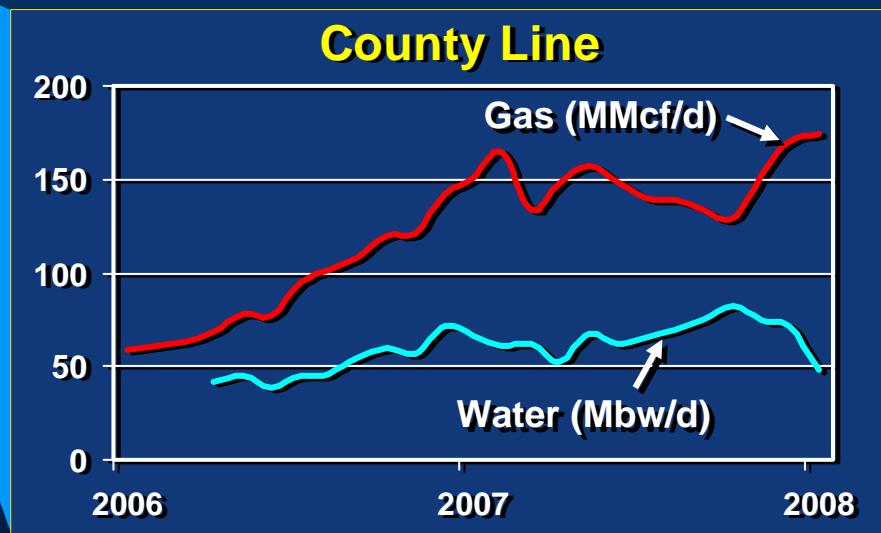
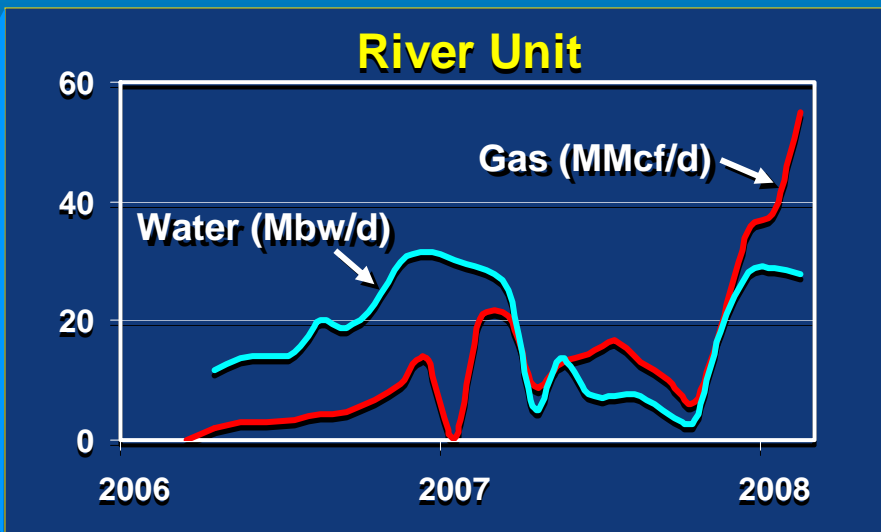
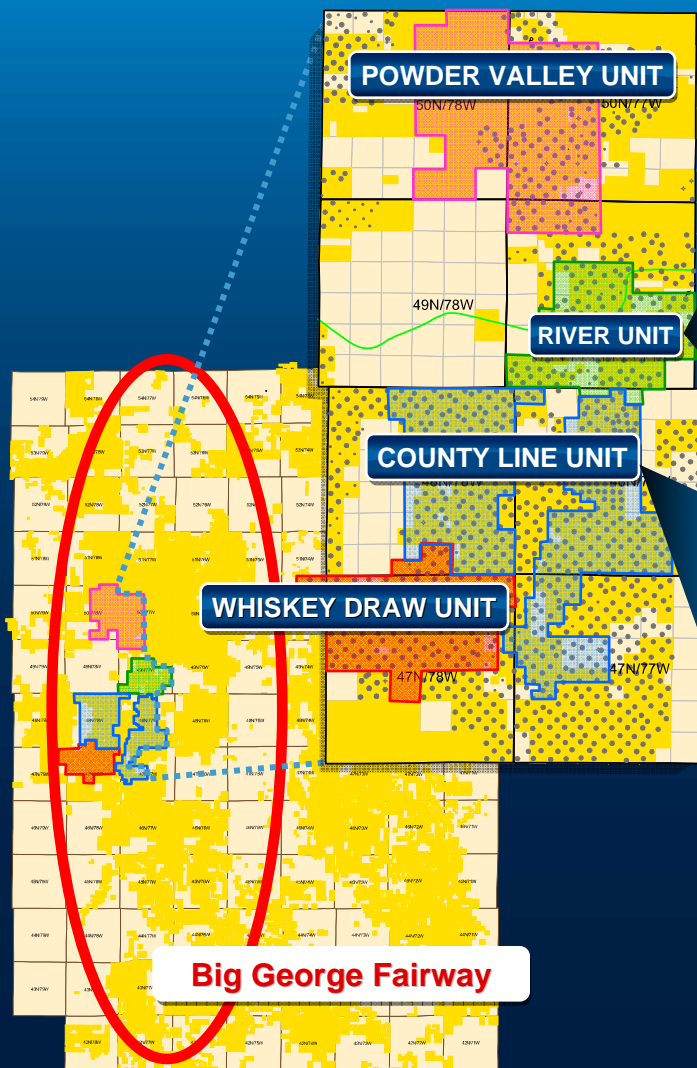


- **Total Resources of 2.3 Tcfe**
- **6,900 Locations in Inventory**
- **5-Year Expectations**
 - Drill 3,700 - 4,500 Wells
 - Convert ~1 Tcfe to Proved
- **Expanding Midstream Assets**



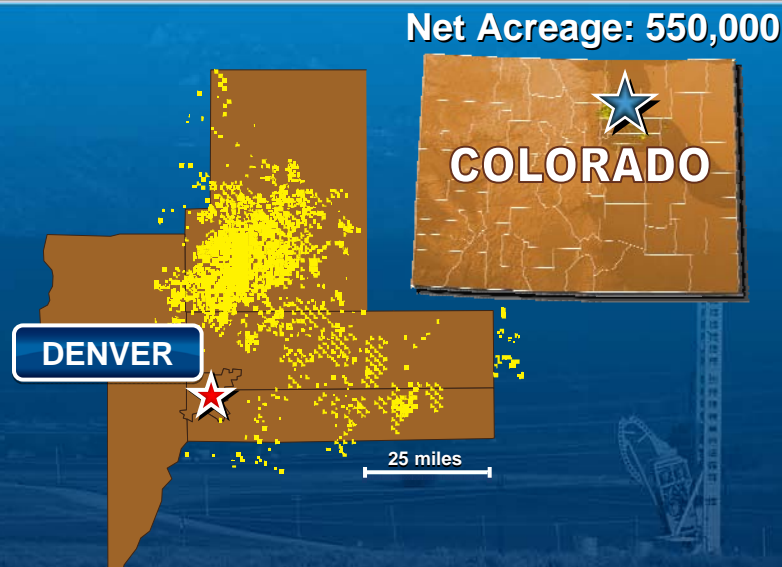
Powder River Basin Production Growth

Performance Exceeding Expectations



Greater Wattenberg Area

Extracting Value Through Innovation



■ **Increased Total Resources to ~3.7 Tcfe**

■ **10,000+ Opportunities**

- 5,000 Locations in Inventory
- 5,000 Re-completes and Re-Fracs / Tri-Fracs

■ **5-Year Expectations**

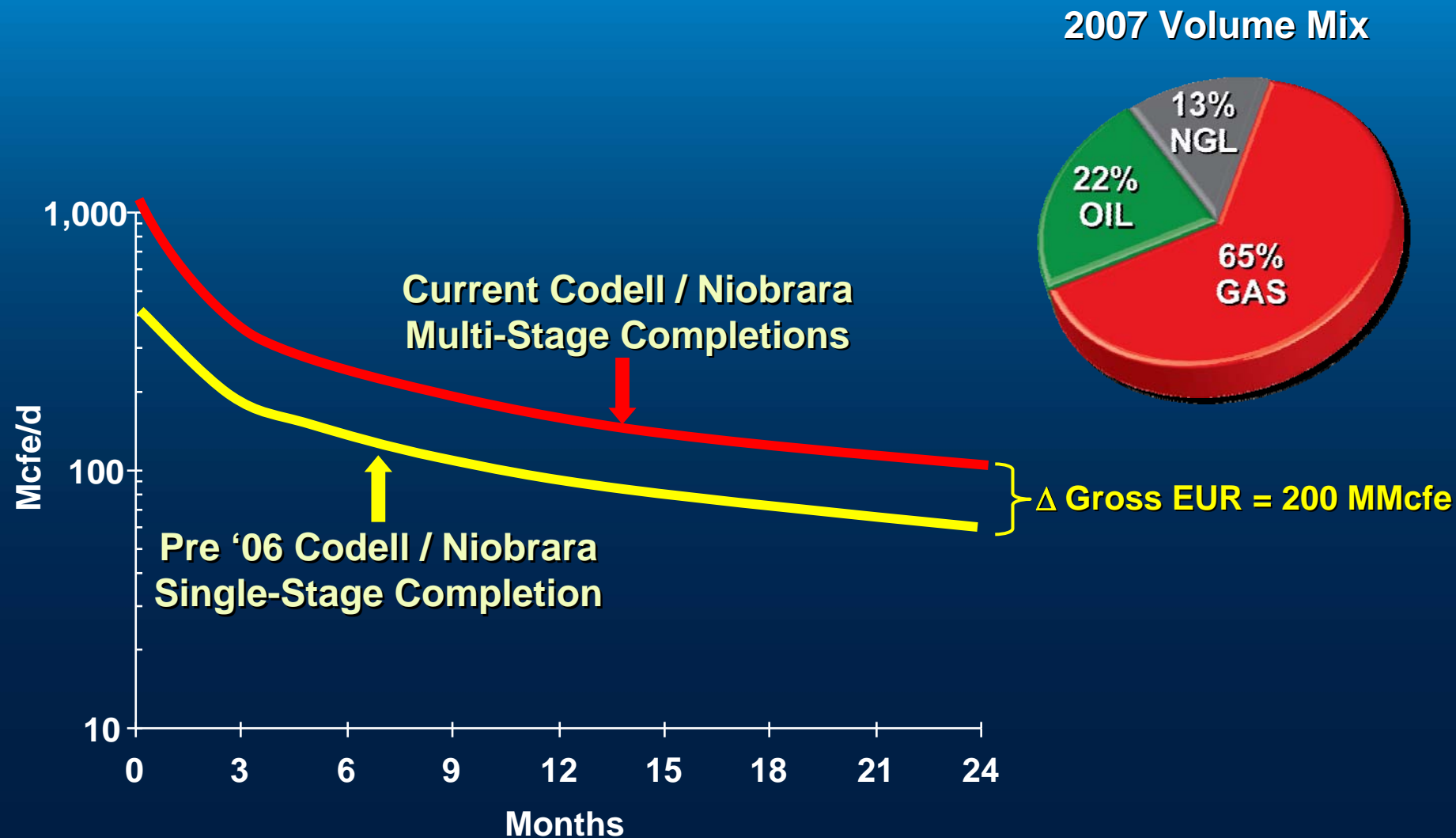
- Drill 2,100 - 2,500 Wells
- Perform ~1,300 Workovers
- Convert 700 - 900 Bcfe to Proved

■ **Expanding Infrastructure**

- Crude Export Line

Greater Wattenberg Area: Type Well

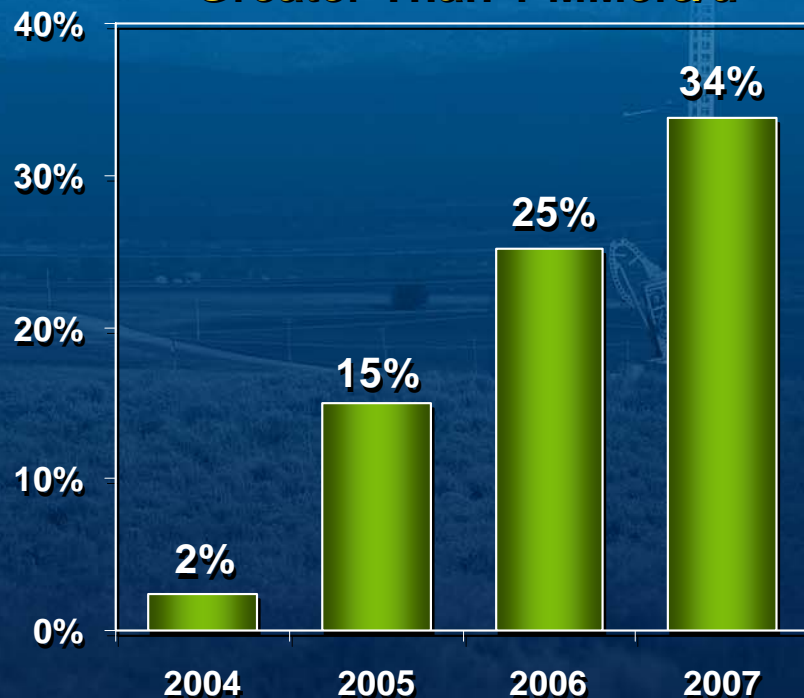
Unlocking the Potential



Greater Wattenberg Area

"1 MMcfe/d Club" is 130+ and Growing

**New Drills with IPs
Greater Than 1 MMcfe/d**



■ Improving Well Economics

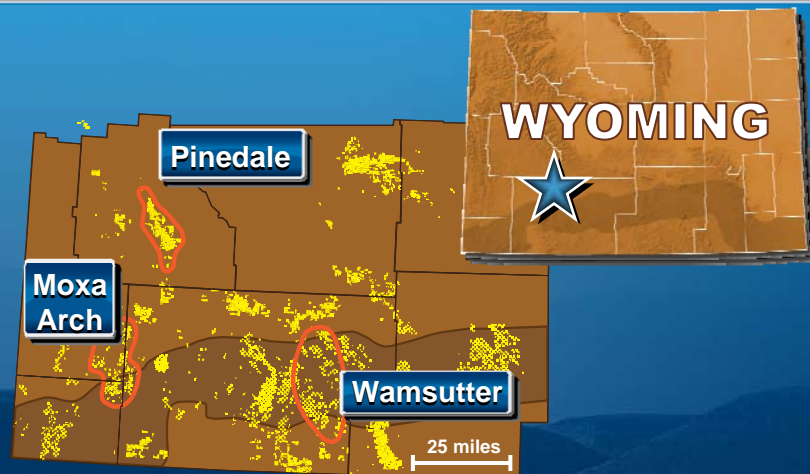
- Optimizing Stimulations: 2 Stage
- Increase IPs by More Than 60%

■ Net Impact: ~370 Bcfe

- Incremental 160 MMcfe Net per Completion
- 2,300 Potential Completions

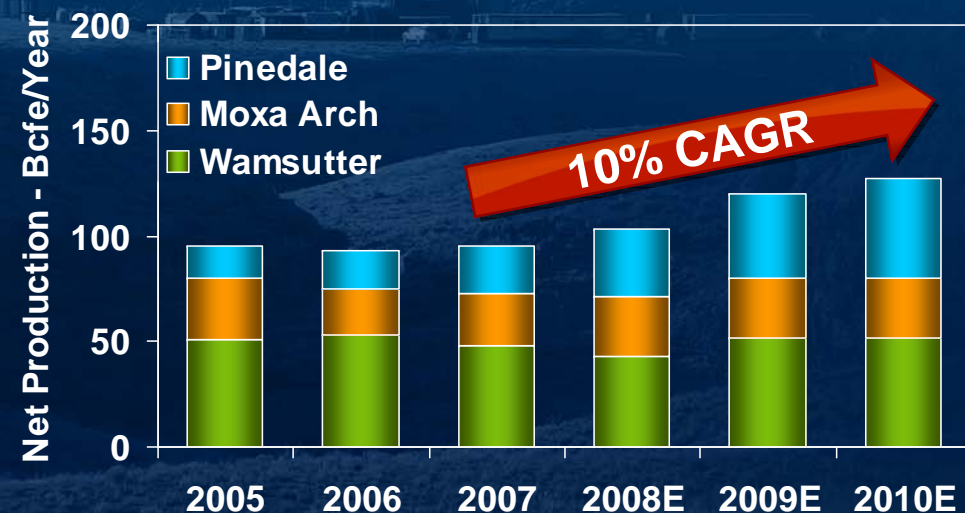
Greater Green River Basin Summary

Pinedale, Wamsutter, Moxa Arch



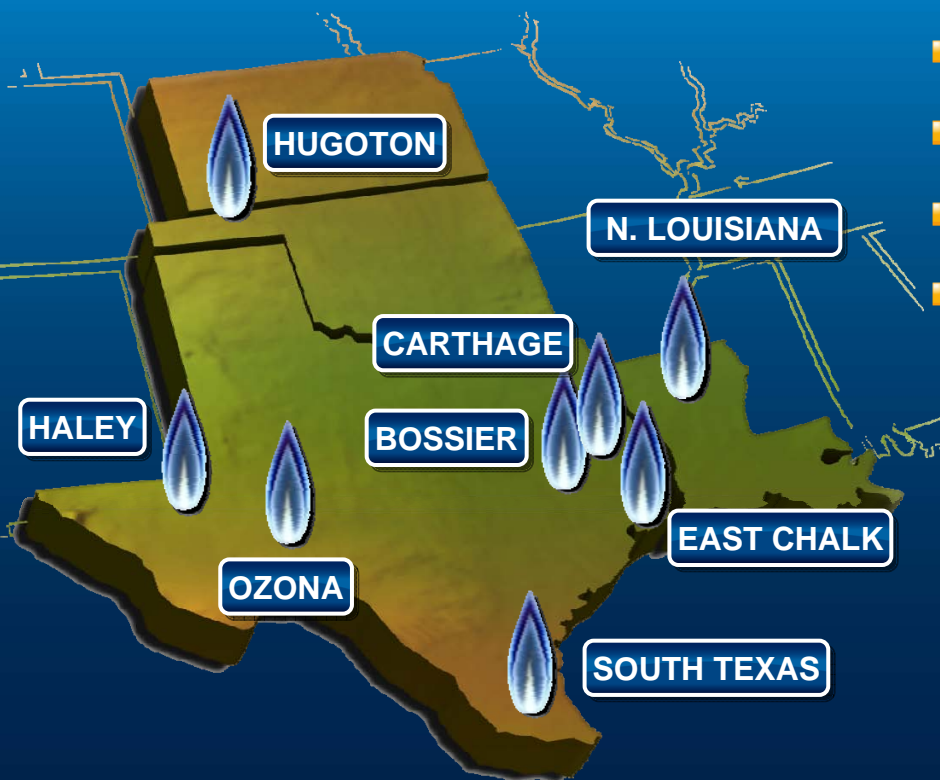
- **Total Resources of 2.8 Tcfe**
- **6,000+ Locations in Inventory**
- **5-Year Expectations**
 - Drill 1,600 - 1,900 Wells
 - Convert 800 - 900 Bcfe to Proved
- **Pinedale**
 - 52.9 Tcf Field OGIP*
 - 30.8 Tcf Recoverable*
 - APC WI 10%
- **Royalty-Enhanced Economics**
 - Wamsutter and Moxa Arch

* Source: UPL March 2008 Investor Presentation



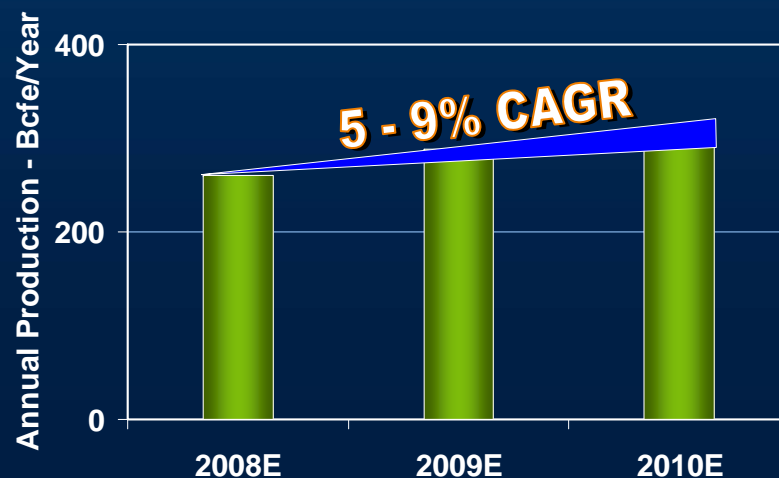
Texas / Mid-Continent

Balance of Stability and Growth



- Large Diversified Asset Base
- Total Resources of 7.7 Tcfe
- 6,000+ Locations in Inventory
- 5-Year Expectations

- Drill 1,800 - 2,200 Wells
- Convert 1 - 1.5 Tcfe to Proved
- Growth Driven by Haley, Carthage, East Chalk and South Texas



U.S. Onshore Summary

Reserve Adds of 6 - 7 Tcfe in 5 Years ■ ■ ■

Asset Area	Conversion Method (s)	5-Year Activity Level (Wells)	5-Year Drilling and Recompletion CAPEX Exposure (\$Billions)	5-Year Reserves Added (Tcfe)
Greater Natural Buttes	40 / 20 / 10 Acre Spacing	1,800 - 2,200	\$3.0 - \$3.7	2.7 - 3.2
Powder River Basin	Field-Wide Development	3,700 - 4,500	\$0.7 - \$0.9	0.9 - 1.0
Wattenberg	New Drills Recompletions Re-Fracs Tri-Fracs	2,100 - 2,500*	\$1.9 - \$2.2	0.7 - 0.9
Green River Basin	Down-Spacing	1,600 - 1,900	\$1.3 - \$1.5	0.8 - 0.9
Texas / Mid-Continent	Down-Spacing and Field Extensions	1,800 - 2,200	\$4.0 - \$5.0	1.0 - 1.5
Totals		11,000 - 13,300	\$10.9 - \$13.3	6.1 - 7.5

* Does Not Include ~1,300 Recompletes and Re-Fracs / Tri-Fracs

U.S. Onshore Exploration

Multi-Play Diversity

Gross Undeveloped Acreage: 3.8 Million

★ 2006 - 2007 DISCOVERY ★ 2008 ACTIVITY

■ 2008 Activity

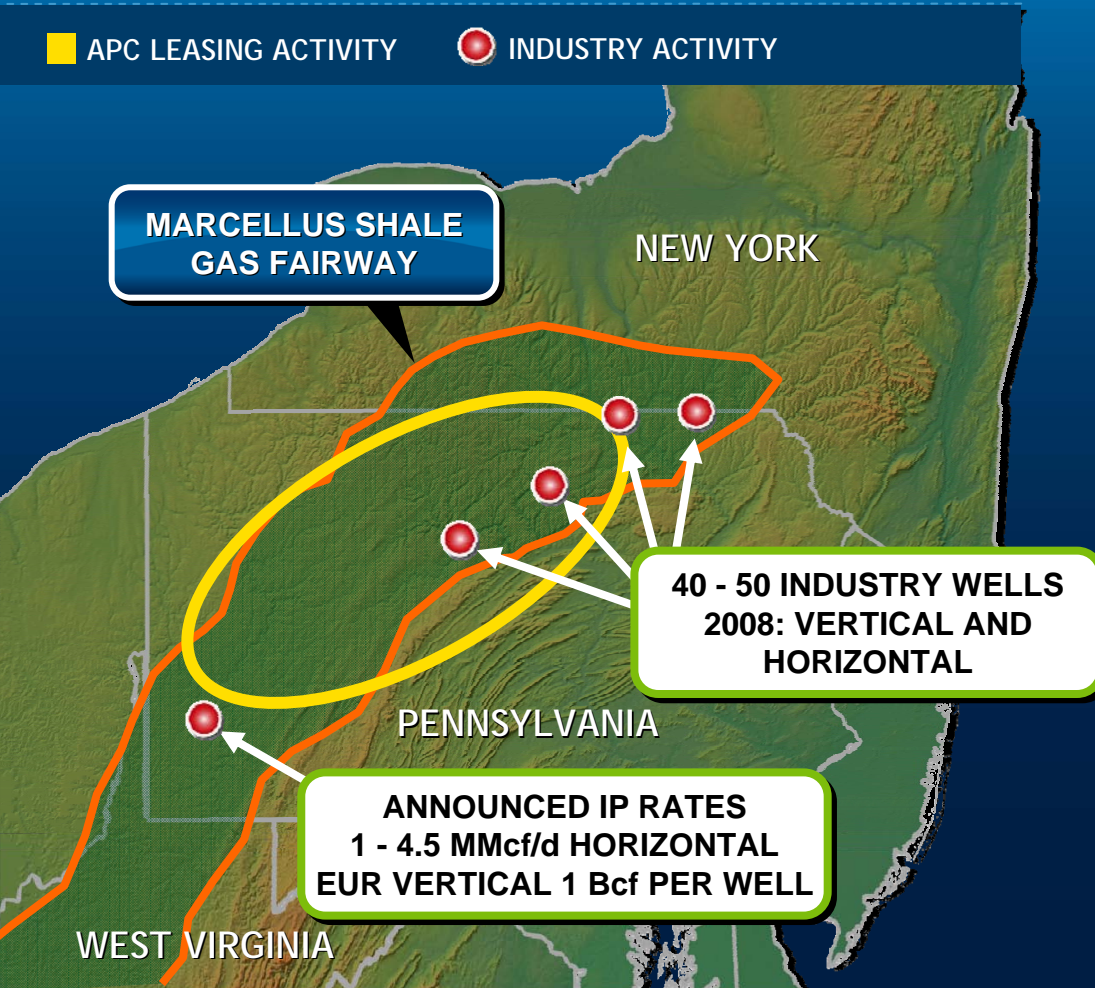
- 20+ Exploration Wells Testing 8 Plays in 6 Basins
- Multi-Tcfe Resource Potential



Marcellus Shale Gas Play

Gross Acreage: 0.5 Million

■ APC LEASING ACTIVITY ● INDUSTRY ACTIVITY



■ Substantial Fairway Acreage Position

● Low Entry Cost

■ 2008 Activity

● Drill 5 - 10 Wells in 5 Pilot Areas

● Continue Leasing Activity

08

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International and Gulf of Mexico Operations

International / Frontier Operations

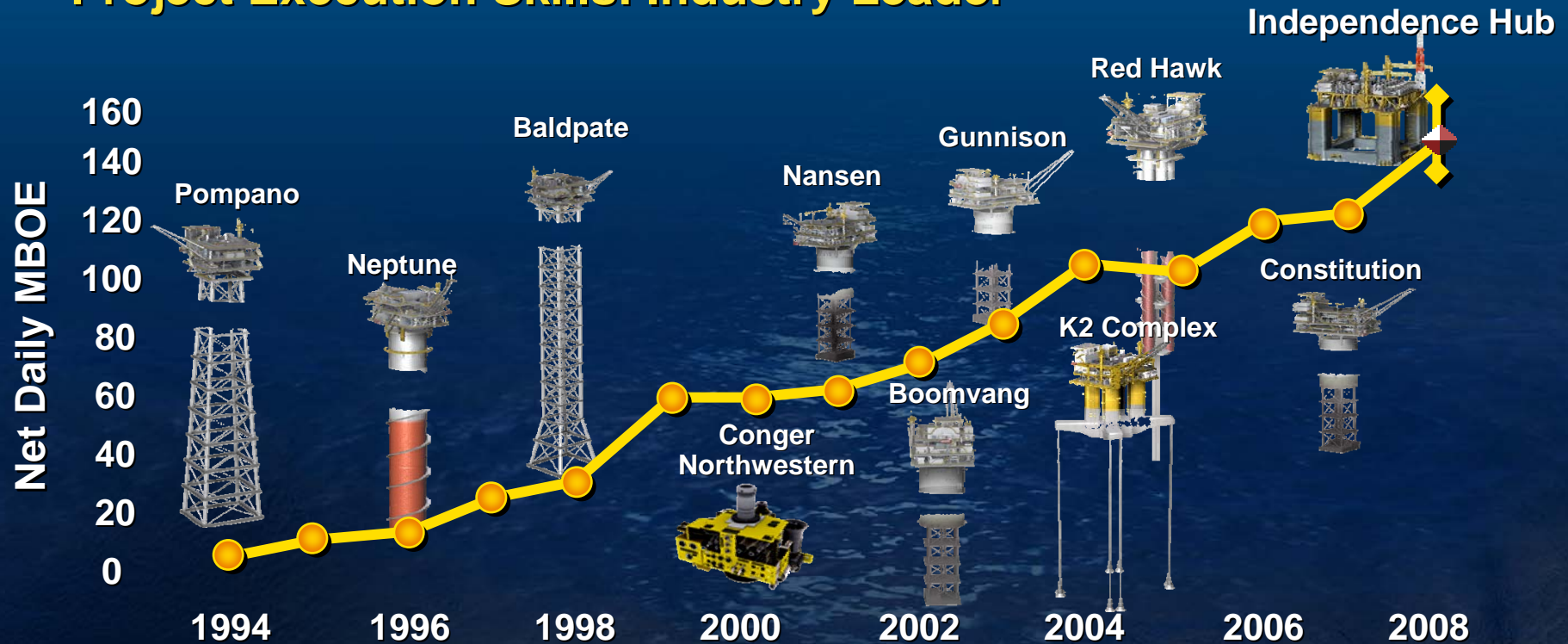
- Material Operations in 4 Areas
- Solid Production Base: ~100 MBO/d Net
- Major New Projects in Algeria and Ghana
- Maintaining Production and Growing Reserves



Gulf of Mexico Development

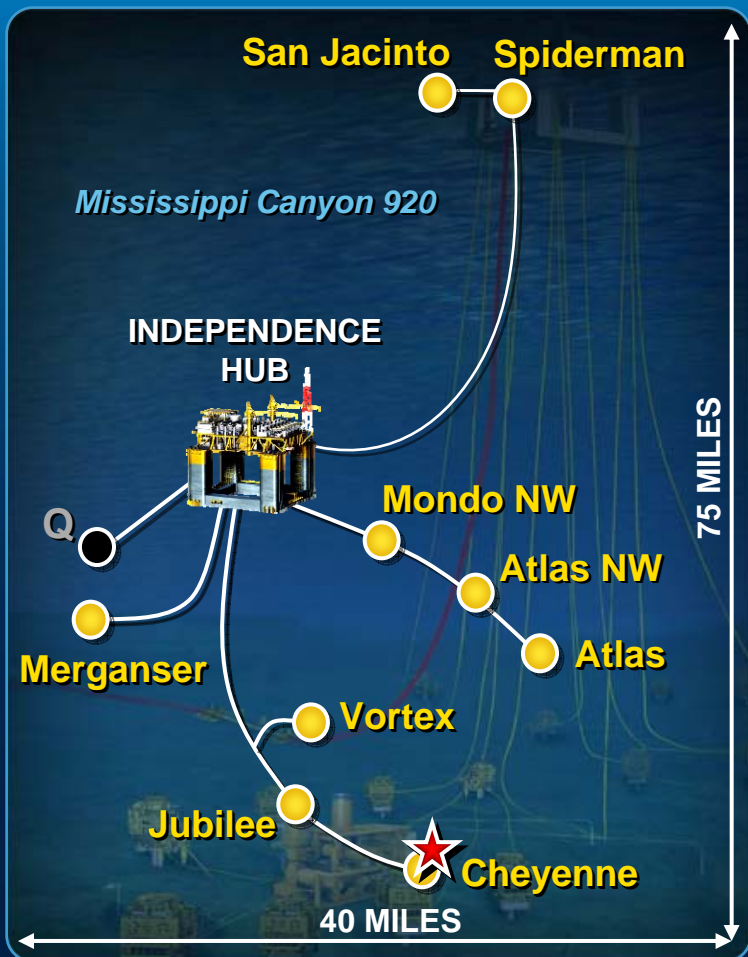
What Defines the Premier Deepwater Position?

- **Exploration Track Record: Discovered 26 Fields**
- **Enabling Infrastructure: 10 Hubs and Over 50 Sub-Sea Wells**
- **Robust Development Pipeline: 6 Ongoing New Developments**
- **Project Execution Skills: Industry Leader**



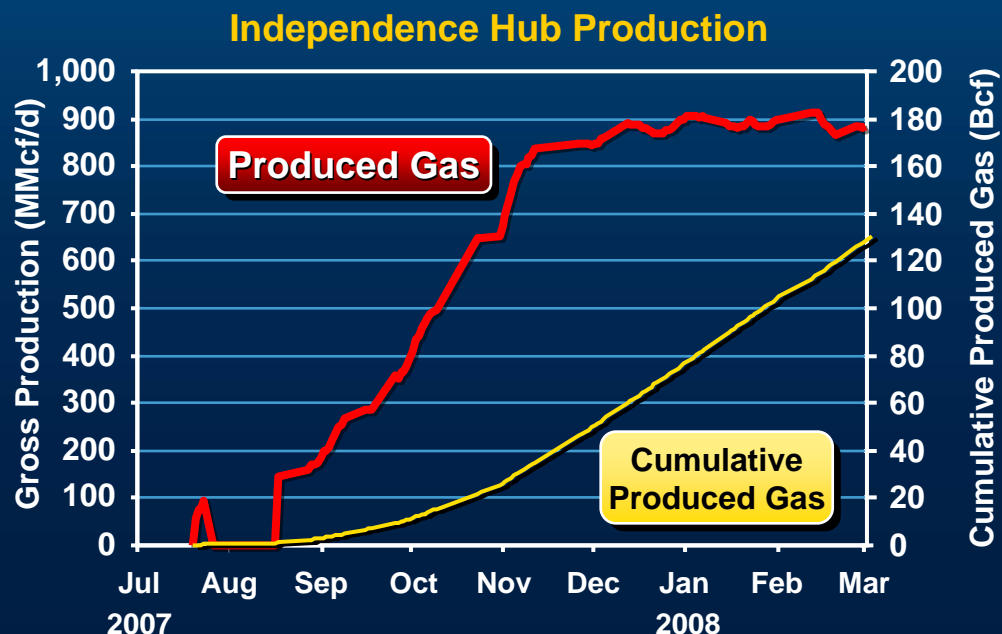
Enabling Infrastructure

Independence Hub - Strong Production Base



● ANADARKO INTEREST ★ RECENT SUCCESSFUL NEW DRILL

- On Time / On Budget
- 850 - 900 MMcf/d Average Flow Rate
- Drilling Additional Wells



Project Execution Skills

Leader in Execution Excellence

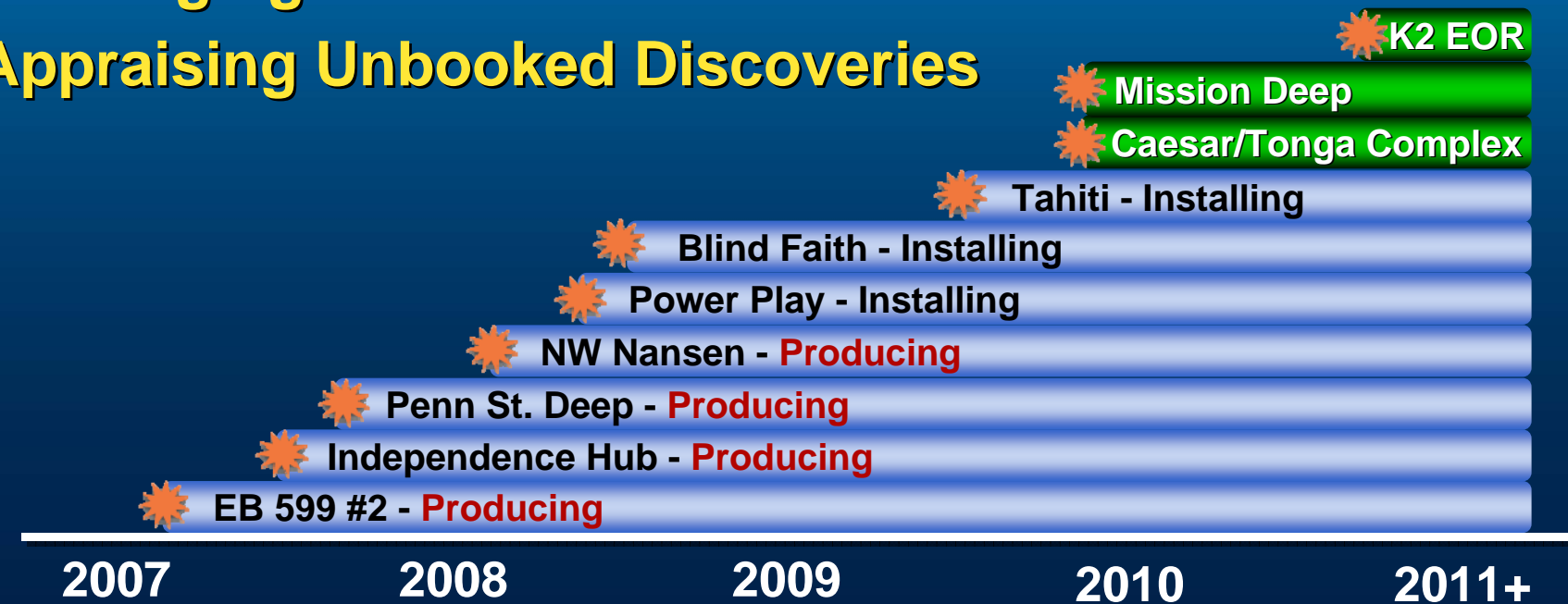


* Compared to Industry Norm

Source: UIBC Independent Project Analysis 2007

Robust Development Pipeline

- Proven History of Success
- Leveraging Infrastructure
- Appraising Unbooked Discoveries



- ★ 1st Production
- Booked Discoveries
- Unbooked Discoveries

Valuable Control of Infrastructure

Accelerating Value - Caesar/Tonga Complex

■ 2008 Key Activities

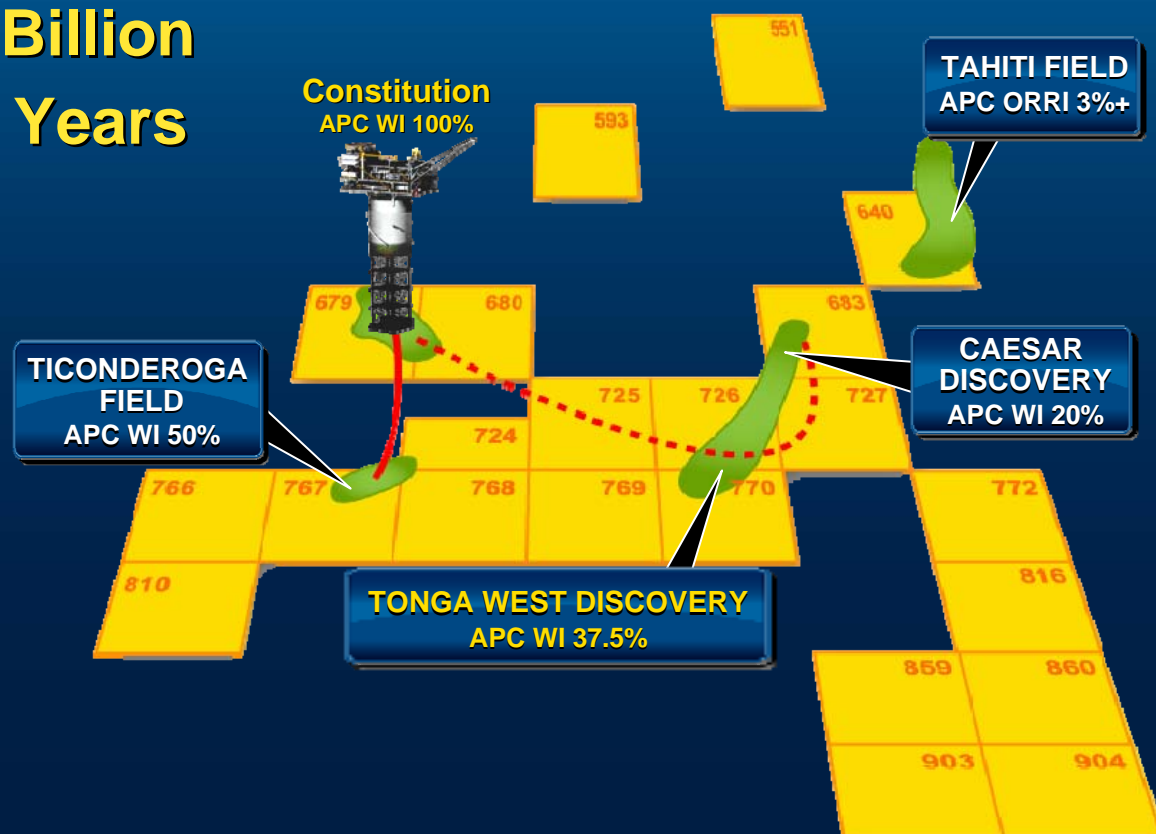
- Sanction Development
- Drill 2 Development Wells

■ Avoided Cost: ~\$1 Billion

■ Accelerate PV by 2 Years

DEEPWATER GULF OF MEXICO

- APC ACREAGE
- - EXPECTED SUBSEA TIEBACK TO CONSTITUTION



Committed to Deliver

Confidence in Execution Over the Next 5 Years

- Visible 5-9% Overall Production Growth
- Drill ~12,000 Lower-Risk U.S. Onshore Wells
- 1+ BBOE of Proved Reserve Adds from U.S. Onshore
- 300+ MMBOE of Proved Reserve Adds from GOM and Int'l

