



NEWS

ANADARKO WINS RIGHTS TO EXPLORE OFFSHORE INDONESIA

LONDON, Nov. 2, 2004 – Anadarko Petroleum Corporation (NYSE:APC) announced today that its subsidiary, Anadarko Indonesia Company, has been awarded exploration and production rights to North East Madura III Block in Indonesia's fourth licensing round.

The approximate 1 million acre offshore block is 50 miles north of Madura Island and 150 miles northeast of Java in water depths of approximately 150 to 250 feet. Anadarko will operate the block with a 100 percent working interest.

Under terms of the standard Production Sharing Contract to be entered into with BPMIGAS by year end, Anadarko will undertake a six-year exploration phase and 20-year production phase. During the initial three-year work program Anadarko plans to acquire a minimum of 2,560 square kilometers of 3D seismic and drill six exploration wells.

"Exploration for oil and gas in Indonesia is a growth opportunity for Anadarko," said Anadarko Senior Vice President, Exploration and Production, Bob Daniels. "Following our analysis of an extensive 3-D seismic survey covering most of the block, as well as our in-depth regional evaluation, we are encouraged by its potential and we look forward to pursuing additional exploration and production opportunities in Indonesia to complement this acreage."

Anadarko Petroleum Corporation's mission is to deliver a competitive and sustainable rate of return to shareholders by developing, acquiring and exploring for oil and gas resources vital to the world's health and welfare. As of year-end 2003, the company had 2.5 billion barrels of oil equivalent of proved reserves, making it one of the world's largest independent exploration and production companies. Anadarko's operational focus extends from the deepwater Gulf of Mexico, up through Texas, Louisiana, the Mid-Continent, western U.S. and Canadian Rockies and onto the North Slope of Alaska. Anadarko also has significant production in Algeria, Venezuela and

Qatar, and smaller production or exploration positions in several other countries. For more information about how Anadarko is bringing excellence to the surface, please visit: www.anadarko.com.

This news release 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. Anadarko believes that its expectations are based on reasonable assumptions. No assurance, however, can be given that its goals will be achieved. A number of factors could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this release. While Anadarko makes these forward-looking statements in good faith, neither Anadarko nor its management can guarantee that the anticipated future results will be achieved. See Regulatory Matters and Additional Factors Affecting Business in the Management's Discussion and Analysis included in the company's 2003 Annual Report on Form 10-K.

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