The operating numbers presented in this Fact Book are calculated on a Pro Forma basis, which includes Conoco’s and Phillips’ operations from January 1, 2002 through August 30, 2002, and ConocoPhillips’ operations from August 31, 2002 through December 31, 2002.
Contents

Company Profile ........................................... 1
Exploration & Production ................................. 2
Legacy Assets ............................................. 3
Major Projects ............................................ 4
North America .............................................. 4
  Alaska ..................................................... 4
  Canada ................................................... 9
  Arctic Gas .............................................. 10
  Lower 48 States Onshore ............................ 11
  Gulf of Mexico ........................................ 12
South America .............................................. 14
  Venezuela ............................................. 14
  Ecuador ............................................... 15
  Brazil .................................................. 15
Northwest Europe ......................................... 15
  United Kingdom ..................................... 15
  Norway ............................................... 19
  Denmark .............................................. 21
  Russia ................................................ 22
Caspian .................................................... 22
  Kazakhstan .......................................... 22
  Azerbaijan .......................................... 23
Middle East ............................................... 23
  Dubai .................................................. 23
Africa ...................................................... 24
  Nigeria ............................................... 24
  Cameroon ............................................ 25
  Angola ................................................ 25
Asia Pacific ............................................... 26
  China .................................................. 26
  Vietnam .............................................. 27
  Indonesia ............................................ 29
  Malaysia ............................................. 31
  Australia/East Timor ................................. 31

Midstream .................................................. 33
  DEFS ................................................... 33
  ConocoPhillips Assets .............................. 33
Refining & Marketing ................................. 35
  United States ...................................... 36
    Refining ........................................... 36
      East Coast .................................... 36
      Gulf Coast .................................... 37
      Central ......................................... 38
      West Coast .................................... 39
    Marketing ......................................... 40
      Wholesale ....................................... 40
      Retail ........................................... 41
      Transportation .................................. 41
      Lube Oils and Specialty Products .......... 41
  International ....................................... 43
    Europe ............................................. 43
      Refining ........................................ 43
      Marketing ...................................... 44
    Asia Pacific ..................................... 45
      Refining ........................................ 45
      Marketing ...................................... 45

Chemicals ............................................... 46
  Projects ............................................. 50
Emerging Businesses ................................. 50
  Fuels Technology .................................. 50
  LNG/GTL ............................................ 50
  Power Generation ................................... 51
  Emerging Technology .............................. 51
Contact Information ................................. 51
Safe Harbor Statement .............................. 52
Company Profile

ConocoPhillips is the third largest international, integrated oil and gas company in the United States based on market capitalization, proved reserves, and production. Worldwide, it is the sixth largest publicly owned energy company based on oil and gas proved reserves, and the fifth largest refiner.

Headquartered in Houston, Texas, ConocoPhillips operates in more than 40 countries. The company has approximately 57,000 employees worldwide and assets of $77 billion. ConocoPhillips stock is listed on the New York Stock Exchange under the symbol “COP.”

The company has four core activities worldwide:

- Oil and gas exploration and production.
- Petroleum refining, marketing, supply and transportation.
- Natural gas gathering, processing and marketing, including a 30.3 percent interest in Duke Energy Field Services (DEFS).
- Chemicals and plastics production and distribution through a 50 percent interest in Chevron Phillips Chemical Company.

ConocoPhillips is known worldwide for its technological expertise. In addition, the company has emerging businesses under development that contain potential growth opportunities.

<table>
<thead>
<tr>
<th>Transforming Events</th>
<th>Date</th>
<th>Event</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conoco acquired Gulf Canada</td>
<td>July 2001</td>
<td>Conoco acquired Gulf Canada Resources Ltd.</td>
<td>Increased Conoco’s reserves by 40 percent and production by 32 percent, and strengthened the strategic positions in North America and Southeast Asia.</td>
</tr>
<tr>
<td>Formed Chevron Phillips</td>
<td>July 2000</td>
<td>Formed Chevron Phillips Chemical Company Joint Venture.</td>
<td>50 percent ownership in one of the world’s largest producers of commodity and specialty chemicals and plastics.</td>
</tr>
<tr>
<td>Phillips purchased ARCO’s</td>
<td>April 2000</td>
<td>Phillips purchased ARCO’s Alaska business.</td>
<td>Doubled Phillips’ hydrocarbon reserves and increased production by more than 70 percent.</td>
</tr>
</tbody>
</table>
Exploration and production contributes to the company’s integrated strengths by finding, developing, and producing crude oil and natural gas, which are converted into refined products and chemicals. ConocoPhillips explores for and produces oil, natural gas and natural gas liquids (NGL) in 29 countries around the world.

Producing areas include: United States, Norway, United Kingdom, Canada, Venezuela, Indonesia, Nigeria, Vietnam, Australia/East Timor, Dubai, China, Russia and Ecuador.

Exploration is focused in seven areas: NW North America, Gulf of Mexico, Venezuela, United Kingdom and Norway, West Africa, Caspian, and Asia Pacific. Approximately 40 exploration and 18 appraisal wells are planned to be drilled worldwide in 2003. In addition, over 150 onshore exploitation wells will be drilled in North America in 2003, primarily in western Canada and in south Texas.

Facts
(Year-end 2002 numbers, includes equity affiliates)
- Total Reserves: 7.8 BBOE (excludes 0.3 BBOE Canada Syncrude)
- E&P Assets: $33.7 B
- Employees: 10,100

(Year-end 2002 pro forma numbers, includes equity affiliates)
- Five-Year Production Replacement Average: 216%
- Worldwide Crude Oil Production: 964 MBOPD
- U.S. Crude Oil Production: 395 MBOPD
- Worldwide Natural Gas Production: 3500 MMCFD
- U.S. Natural Gas Production: 1581 MMCFD
- Worldwide E&P NGL Production: 69 MBLPD
- U.S. NGL Production: 45 MBLPD

1Includes Canada Syncrude 22 MBOPD.
## Worldwide Proved Reserves

<table>
<thead>
<tr>
<th>Areas</th>
<th>Oil MMBBL</th>
<th>Gas BCF</th>
<th>NGL MMBBL</th>
<th>Total MMBOE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alaska</td>
<td>1,603</td>
<td>2,989</td>
<td>151</td>
<td>2,253</td>
</tr>
<tr>
<td>Canada</td>
<td>91</td>
<td>1,177</td>
<td>35</td>
<td>322</td>
</tr>
<tr>
<td>Lower 48/Gulf of Mexico</td>
<td>220</td>
<td>4,695</td>
<td>174</td>
<td>1,176</td>
</tr>
<tr>
<td>Venezuela</td>
<td>1,271</td>
<td>144</td>
<td>0</td>
<td>1,295</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>163</td>
<td>1,949</td>
<td>6</td>
<td>494</td>
</tr>
<tr>
<td>Norway</td>
<td>751</td>
<td>1,858</td>
<td>40</td>
<td>1,101</td>
</tr>
<tr>
<td>Indonesia</td>
<td>54</td>
<td>1,768</td>
<td>13</td>
<td>361</td>
</tr>
<tr>
<td>Australia/East Timor</td>
<td>110</td>
<td>298</td>
<td>71</td>
<td>230</td>
</tr>
<tr>
<td>Nigeria</td>
<td>107</td>
<td>1,093</td>
<td>15</td>
<td>304</td>
</tr>
<tr>
<td>Other Areas</td>
<td>262</td>
<td>69</td>
<td>0</td>
<td>274</td>
</tr>
<tr>
<td><strong>Total Reserves</strong></td>
<td><strong>4,632</strong></td>
<td><strong>16,040</strong></td>
<td><strong>505</strong></td>
<td><strong>7,810</strong></td>
</tr>
</tbody>
</table>

1 Excludes approximately 272 MMBBL of Canada Syncrude; Petrovera included in Other Areas.

## Worldwide Production

<table>
<thead>
<tr>
<th>Areas</th>
<th>Oil MBOPD</th>
<th>Gas MMCFD</th>
<th>NGL MBLPD</th>
<th>Total MBOEPD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alaska</td>
<td>331</td>
<td>175</td>
<td>24</td>
<td>384</td>
</tr>
<tr>
<td>Canada</td>
<td>64</td>
<td>517</td>
<td>13</td>
<td>163</td>
</tr>
<tr>
<td>Lower 48/Gulf of Mexico</td>
<td>64</td>
<td>1,406</td>
<td>21</td>
<td>319</td>
</tr>
<tr>
<td>Venezuela</td>
<td>65</td>
<td>0</td>
<td>0</td>
<td>65</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>77</td>
<td>826</td>
<td>2</td>
<td>217</td>
</tr>
<tr>
<td>Norway</td>
<td>215</td>
<td>266</td>
<td>7</td>
<td>266</td>
</tr>
<tr>
<td>Indonesia</td>
<td>21</td>
<td>189</td>
<td>0</td>
<td>53</td>
</tr>
<tr>
<td>Nigeria</td>
<td>37</td>
<td>43</td>
<td>2</td>
<td>46</td>
</tr>
<tr>
<td>Other Areas</td>
<td>90</td>
<td>78</td>
<td>0</td>
<td>103</td>
</tr>
<tr>
<td><strong>Total Production</strong></td>
<td><strong>964</strong></td>
<td><strong>3,500</strong></td>
<td><strong>69</strong></td>
<td><strong>1,616</strong></td>
</tr>
</tbody>
</table>

1 Includes Syncrude 22 MBOPD; Petrovera included in Other Areas.

## Legacy Producing Assets

<table>
<thead>
<tr>
<th>Areas</th>
<th>Major Assets</th>
<th>Equity1</th>
<th>Proved Reserves2 MMBOE</th>
<th>Production3 MBOEPD</th>
<th>Production Yrs4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alaska</td>
<td>Prudhoe Bay</td>
<td>36%</td>
<td>2,253</td>
<td>384</td>
<td>16.1</td>
</tr>
<tr>
<td></td>
<td>Kuparuk</td>
<td>55%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Alpine</td>
<td>78%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td>W. C. Conventional</td>
<td>85%</td>
<td>634</td>
<td>179</td>
<td>9.7</td>
</tr>
<tr>
<td></td>
<td>Syncrude</td>
<td>9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lower 48/Gulf of Mexico</td>
<td>San Juan Onshore Texas Ursa</td>
<td>Various</td>
<td>Various</td>
<td>1,176</td>
<td>319</td>
</tr>
<tr>
<td>Venezuela</td>
<td>Petrozuata</td>
<td>50%</td>
<td>1,295</td>
<td>65</td>
<td>54.6</td>
</tr>
<tr>
<td></td>
<td>Hamaca</td>
<td>40%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United Kingdom</td>
<td>Britannia Area</td>
<td>58%</td>
<td>494</td>
<td>217</td>
<td>6.2</td>
</tr>
<tr>
<td></td>
<td>Southern North Sea</td>
<td>40-50%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Norway</td>
<td>Ekofisk</td>
<td>35%</td>
<td>1,101</td>
<td>266</td>
<td>11.3</td>
</tr>
<tr>
<td>Indonesia</td>
<td>West Natuna Sea</td>
<td>40%</td>
<td>361</td>
<td>53</td>
<td>18.7</td>
</tr>
<tr>
<td></td>
<td>Sumatra</td>
<td>54%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nigeria</td>
<td>Onshore OMLs</td>
<td>20%</td>
<td>304</td>
<td>46</td>
<td>18.1</td>
</tr>
</tbody>
</table>

1 Equity numbers reflect working interest on largest assets. 2 Reserves based on end of year 2002. 3 Production based on 2002 pro forma average. 4 Production life is based on simple calculation of reserves divided by 2002 annual production.
North America

Alaska

ConocoPhillips is one of Alaska’s largest oil and gas producers. The company also is the largest owner of state and federal exploration leases with approximately 1.9 million net acres. Approximately 500,000 acres are in the National Petroleum Reserve-Alaska.

ConocoPhillips has a major ownership in North America’s two largest oil fields, Prudhoe Bay and Kuparuk, on Alaska’s North Slope. ConocoPhillips operates Kuparuk and Alpine, another North Slope field. In southern Alaska, the company operates and has a 70 percent interest in the Kenai LNG plant, and also operates the Tyonek platform on the North Cook Inlet field, as well as the Beluga gas field in the Cook Inlet area.

Alaska Production

Average Daily Pro Forma Net Production, 2002

<table>
<thead>
<tr>
<th>Areas</th>
<th>Equity</th>
<th>Operator</th>
<th>Oil MBOPD</th>
<th>Gas MMCFD</th>
<th>NGL MBLPD</th>
<th>Total MBOE/PD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Prudhoe Area</td>
<td>36%</td>
<td>BP</td>
<td>164</td>
<td>7</td>
<td>24</td>
<td>189</td>
</tr>
<tr>
<td>Greater Kuparuk Area</td>
<td>55%</td>
<td>ConocoPhillips</td>
<td>104</td>
<td>2</td>
<td>0</td>
<td>104</td>
</tr>
<tr>
<td>Western North Slope</td>
<td>78%</td>
<td>ConocoPhillips</td>
<td>63</td>
<td>0</td>
<td>0</td>
<td>63</td>
</tr>
<tr>
<td>Cook Inlet Area</td>
<td>33-100%</td>
<td>ConocoPhillips</td>
<td>0</td>
<td>166</td>
<td>0</td>
<td>28</td>
</tr>
<tr>
<td><strong>Total Alaska</strong></td>
<td></td>
<td></td>
<td><strong>331</strong></td>
<td><strong>175</strong></td>
<td><strong>24</strong></td>
<td><strong>384</strong></td>
</tr>
</tbody>
</table>
Greater Prudhoe Area
Interest: 36.2% - 36.5%
Operator: BP
The Greater Prudhoe Area (GPA) is made up of the Prudhoe Bay field, the Prudhoe Bay satellite fields and the Greater Point McIntyre Area fields. In 2002, an agreement was reached among all owners to align ownership among all fields within the GPA. Other interest owners include BP, ChevronTexaco, ExxonMobil and Forest Oil.

Prudhoe Bay Field
The Prudhoe Bay field, covering some 150,000 acres, has more than 1,075 active wells. Drilling is expected to continue for many years. The field reached peak gross production in 1988 at over 1 MMBOPD and has since declined to approximately 600 MBOPD. In 2002, ConocoPhillips Alaska’s net production at Prudhoe Bay averaged 131 MBPD of crude oil and 23 MBPD of NGLs. Prudhoe Bay is the site of the largest waterflood and enhanced oil recovery project in the world, as well as the world’s largest gas processing plant, which processes and reinjects more than 8 BCFD.

Prudhoe Bay Satellites

Greater Point McIntyre Area
Interest: 36.5%
Operator: BP
The Greater Point McIntyre Area (GPMA) is made up of the Point McIntyre, Niakuk, Lisburne, West Beach and North Prudhoe Bay State fields. The fields within the GPMA are generally produced through the Lisburne Production Center and are part of the overall Greater Prudhoe Area. ConocoPhillips Alaska’s net production at GPMA averaged 20 MBPD of crude oil and 1 MBPD of NGL in 2002.

Point McIntyre
Point McIntyre began production in 1993. The field is seven miles north of Prudhoe Bay and extends into the Beaufort Sea. An enhanced oil recovery project, started in 2000, is expected to increase recovery by more than 10 MMBO net.
Niakuk
The 2,000 acre offshore Niakuk field began production in 1994 from an onshore drill site. Permanent production modules became operational in 1995 and waterflooding was started at that time.

Lisburne
Production from the 30,000 acre Lisburne field began in 1986. The field is produced through the Lisburne Production Center at Prudhoe Bay.

Greater Kuparuk Area
Located 40 miles west of Prudhoe Bay on the North Slope, the Greater Kuparuk Area (GKA) includes Kuparuk and four satellite fields: West Sak, Tarn, Tabasco and Meltwater. Palm, a discovery that began production in 2002, is also located in this area. Facilities include the Kuparuk Operations Center and the residence camp. Field installations include three central production facilities that separate oil, gas and water. Gas is used for fuel and recycled as lift gas to assist production and as injected gas for the field-wide enhanced oil recovery program. Other interest owners include BP, ChevronTexaco, ExxonMobil and Unocal.

Kuparuk
Interest: 55.2%
Operator: ConocoPhillips
Kuparuk, the second largest field in North America, covers 170,000 acres and has more than 560 active wells.

In May 2001, the Palm discovery was announced, which extends the Kuparuk field to the west about three miles. Palm will be developed as an extension of the Kuparuk field by expanding the Kuparuk Participating Area and Kuparuk River Unit. Palm production, which began in late 2002, is being developed from a single new pad and processed through Kuparuk field facilities. The drill site produced at 6 MBOPD following startup and is expected to reach peak production in 2004.

Tarn
Interest: 55.3%
Operator: ConocoPhillips
Tarn, which began production in 1998, is located in the southwest corner of the GKA. It is the area’s highest producing satellite with 2002 net production of nearly 16 MBOPD. Tarn production is set on two drill pads with 41 wells.

West Sak
Interest: 55.3%
Operator: ConocoPhillips
The West Sak heavy-oil formation is estimated to contain 16 BBO gross of oil in place. ConocoPhillips has booked 37 MMBO of developed and undeveloped reserves. Net remaining recoverable reserves in the current development areas of 1C and 1D are estimated at 30 MMBO. West Sak has 53 wells, including 25 producers and 28 water injectors. In 2002, the company continued to develop the West Sak reservoir and improved its multi-lateral technology. The 2003 program is scheduled to add an additional producing well and two injectors. Further expansion is being evaluated.

Tabasco
Interest: 55.3%
Operator: ConocoPhillips
Tabasco is a satellite oil field in the western section of the GKA. Like West Sak, Tabasco utilizes a Kuparuk drill site from which nine wells have been drilled, including seven producers and two injectors.

Meltwater
Interest: 55.4%
Operator: ConocoPhillips
Meltwater is a satellite oil field in the southern section of the GKA. The Meltwater discovery was announced in May 2000, and production began in November 2001. To date, there have been 11 wells drilled, including nine producers and two miscible injection wells.

Western North Slope
Alpine
Interest: 78%
Operator: ConocoPhillips
Alpine is ConocoPhillips’ newest major development in Alaska and the largest onshore oil field discovered in North America in the last 15 years. The field began production in the fourth quarter of 2000. The Alpine development produces from a pad area of 97 acres - 0.2 percent of the 40,000 acre field. Directional drilling, zero waste discharge, roadless development and other innovations minimize the Alpine development’s environmental footprint on the Arctic. ConocoPhillips is investigating facility expansions to handle larger volumes of oil from Alpine and other nearby discoveries.

Fiord
Interest: 78%
Operator: ConocoPhillips
Fiord, a satellite accumulation about five miles north of the Alpine field, was discovered in 1999. Development plans are underway and production could begin as early as 2006.

Nanuq
Interest: 78%
Operator: ConocoPhillips
Nanuq, the second Alpine satellite field discovery, lies six miles south of the Alpine field. Startup of this satellite field could begin as early as 2006.
Alaska North Slope Transportation

Trans-Alaska Pipeline System
Interest: 28.2%
Operator: Alyeska Pipeline Service Company
The 800-mile Trans-Alaska Pipeline System (TAPS) transports North Slope oil to the tanker terminal in the ice-free port of Valdez, Alaska. The pipeline carries about 1 MMBD of crude oil and NGL per day. Other TAPS owners include BP, ExxonMobil, Unocal and Williams.

Polar Tankers Inc.
Polar Tankers Inc. (PTI) manages the marine transportation of ConocoPhillips’ Alaska North Slope production. PTI operates five ships in the Alaska trade. In the second quarter of 2002, PTI brought the Polar Resolution into service. This 125,000-deadweight-ton, double-hulled crude oil tanker is the second of five Endeavour Class tankers designed to meet or exceed the requirements of the 1990 Oil Pollution Act and regulations of the International Maritime Organization.

Alaska Exploration

<table>
<thead>
<tr>
<th>License</th>
<th>Equity</th>
<th>Operator</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alpine</td>
<td>78%</td>
<td>ConocoPhillips</td>
<td>Nanuq 3-D seismic acquisition.</td>
</tr>
<tr>
<td>Kuparuk</td>
<td>56%</td>
<td>ConocoPhillips</td>
<td></td>
</tr>
<tr>
<td>Prudhoe</td>
<td>36%</td>
<td>BP</td>
<td>Pavlov prospect will be drilled as a sidetrack of the Prudhoe Bay field.</td>
</tr>
<tr>
<td>McCovey</td>
<td>30%</td>
<td>EnCana</td>
<td>License is held by unit. McCovey well finished in the first quarter of 2003 and was a dry hole.</td>
</tr>
<tr>
<td>NPR-A</td>
<td>60%</td>
<td>ConocoPhillips</td>
<td>Puviaq exploration well to be drilled early in 2003. This will be one of the most remote onshore drilling operations undertaken on the North Slope during the last 20 years. Kokoda prospect is planned for 2004.</td>
</tr>
<tr>
<td>Cook Inlet</td>
<td>70%</td>
<td>ConocoPhillips</td>
<td>Exploration drilling in 2002 was successful at the Cosmopolitan prospect. A sidetrack to the Hansen #1 well will be completed in first quarter 2003.</td>
</tr>
</tbody>
</table>

Six exploration wells and one appraisal well were drilled in the 2002 drilling season. During 2003, five exploration wells are planned.

ConocoPhillips holds 2.5 MM gross undeveloped acres (1.4 MM net) and 0.9 MM gross developed acres (0.4 MM net) on the North Slope and in the Cook Inlet. Of this, approximately 500,000 net acres lie within National Petroleum Reserve-Alaska, one of North America’s most prospective areas.

North Slope Satellite Exploration
Satellite exploration on the North Slope is designed to maximize the value of existing infrastructure. Both Kuparuk and Prudhoe Bay have capacity for satellite field production, including the recent Palm (2001) and Orion discoveries. Palm began producing in December 2002 and Orion is in the process of being brought online. Satellite discoveries made in the last five years are currently producing at rates of 100 MBOPD through Prudhoe and Kuparuk facilities.
Alaska Cook Inlet

North Cook Inlet
Interest: 100%
Operator: ConocoPhillips
The North Cook Inlet field provides ConocoPhillips’ entire share of natural gas feed for the Kenai LNG plant. The field was discovered in the northern waters of Cook Inlet in 1962, and the Tyonek platform began operation in 1968.

Beluga
Interest: 33.3%
Operator: ConocoPhillips
Beluga serves major customers in south central Alaska. Other interest owners include ChevronTexaco and Municipal Light and Power.

Kenai Liquefied Natural Gas (LNG) Plant
Interest: 70%
Operator: ConocoPhillips
For over 30 years, the company’s proprietary LNG technology has been used to convert natural gas from nearby fields into liquefied natural gas. The LNG is loaded on ships and supplied to Japanese utilities. Export authorizations have been secured for Kenai LNG sales through March 2009. ConocoPhillips’ net share of LNG sales averaged 122 MMCFD in 2002. The Kenai LNG plant and two LNG ships are a joint venture between ConocoPhillips and Marathon Oil.
Canada

ConocoPhillips is the fifth largest oil and gas producer in Canada. Key assets include: producing conventional gas acreage in western Alberta and in the western Canada Foothills; a 9 percent ownership in the long life, large scale Syncrude project; operatorship in the Surmont Athabasca oil sands project; and a significant stake in two future gas developments in the Mackenzie Delta.

Western Canada Conventional

The company’s interests in western Canada include conventional oil and gas holdings in Alberta, northeast British Columbia and southwest Saskatchewan. ConocoPhillips owns about 85 percent of the assets it operates in western Canada, as well as 9,000 miles of pipeline and 70 gas processing facilities.

ConocoPhillips’ holdings are segregated into four geographic regions. The north contains a mix of oil and gas, is primarily winter access and contributed 27 percent of 2002 western Canada production. The central is multi-zone, produces primarily gas and contributed 31 percent of production. The south has shallow gas and medium to heavy oil. It contributed 22 percent of 2002 production. The west is primarily gas and has the greatest exploration and development potential of the four regions. It contributed 20 percent of 2002 production.

Syncrude

Interest: 9.03%
Operator: Syncrude Canada Ltd.
Syncrude is a joint venture oil sands project that has operated in northeastern Alberta since 1978. The project mines oil sands, extracts 8 degree API bitumen and upgrades it into a 32 degree API light, sweet, synthetic crude oil called
Syncrude Synthetic Blend. All production is shipped via a dedicated third-party pipeline to the Edmonton area, where custody is turned over to the eight owners for marketing. Pipeline connections exist to take the crude to eastern Canada and much of the northern United States. Current gross production rates are approximately 240 MBOPD, and the Stage 3 expansion project is expected to increase rates to a productive capacity of 370 MBOPD by early 2005.

**Surmont**
Interest: 43.5%
Operator: ConocoPhillips
Surmont is a significant oil sands deposit within the Athabasca region of northern Alberta. Surmont has 5-10 billion barrels of bitumen that are potentially recoverable. The bitumen is too deep to mine and will be extracted using steam assisted gravity drainage. A pilot project has been underway since 1997 to determine reservoir performance. A first phase of development is currently under study.

**Petrovera**
Interest: 46.7%
Operator: Petrovera Resources
Petrovera Resources is a partnership with EnCana. The asset base, located in southwestern Saskatchewan, is concentrated, has a high working interest and contains extensive infrastructure. Petrovera production is primarily heavy oil.

**Canada Exploration**
ConocoPhillips holds exploration acreage in three areas of Canada: offshore eastern Canada, the foothills of western Alberta, and the Mackenzie Delta/Beaufort Sea.

**Offshore Eastern Canada**
ConocoPhillips is the largest equity holder and operator of a large exploration permit south of Newfoundland. A recent resolution of provincial jurisdiction has cleared the way for the first exploration program in this unexplored basin. ConocoPhillips also holds an interest in gas discoveries offshore Labrador.

In 2002, ConocoPhillips and partner/operator ChevronTexaco drilled the Newburn H-23 exploratory well off the coast of Nova Scotia on Exploration License #2359 in a water depth of 3,206 feet. The well was drilled to a total depth of 19,920 feet. Well results are being evaluated.

**Foothills of Western Alberta**
Three successful wells were drilled in the Foothills in 2002: Gregg/Antler 15-18, Solomon 9-27, and Cabin Creek 15-18. The proposed 2003 drill program for the Foothills includes five wells. Two of these will be significant stepouts to evaluate the extension of the play into northeastern British Columbia. ConocoPhillips Canada is the operator and holds a large working interest. ConocoPhillips has more than 300,000 net acres of Foothills leasehold with an additional 200,000 undeveloped acres.

**Mackenzie Delta/Beaufort Sea**
Interest: 75% (Parsons Lake); 43% (Amauligak)
Operator: ConocoPhillips
ConocoPhillips Canada has been one of the principal players in the Beaufort Sea and Mackenzie Delta since the late 1960s, and is the operator of the Parsons Lake and Amauligak developments. ConocoPhillips holds 40 Significant Discovery Licenses and is the operator for 10 of those. Total leasehold is 1,029,655 gross acres and more than 288,000 net acres.

The Parsons Lake natural gas field is located in the Mackenzie Delta, midway between Inuvik and Tuktoyaktuk. Discovered in 1972, the Parsons Lake field contains an estimated potential resource of 1.8 TCF of natural gas.

**Arctic Gas**
ConocoPhillips and its co-venturers are studying the economic viability of transporting natural gas from the Mackenzie Delta in Canada and the Alaska North Slope to North American markets.
Mackenzie Delta Gas
ConocoPhillips is working with three other energy companies, as members of the Mackenzie Delta Producers Group, on the possibility of transporting onshore gas production from the Mackenzie Delta via a Mackenzie Valley pipeline to existing markets. In 2002, progress was made in preparing the necessary regulatory applications and commencing the conceptual engineering. The initial design capacity is expected to be 1.2 BCFD of natural gas, which would be expandable with additional compression. A preliminary information package is expected to be filed with regulators in 2003.

Alaska North Slope Gas
With 36.2 percent of the Prudhoe Bay Unit gas cap and 4.9 percent of the Point Thomson Unit, ConocoPhillips has a net potential resource of approximately 8 TCF of natural gas on the North Slope. Federal and state fiscal and regulatory legislation is being pursued in order to facilitate the pipeline project.

Lower 48 States Onshore
ConocoPhillips onshore Lower 48 effort is primarily focused on delivering natural gas production from the San Juan basin, Panhandle basin, the Lobo trend in south Texas, and oil and gas production from the Permian basin in west Texas. Relatively small positions and production are maintained in other parts of Texas and Oklahoma, the Ark/La/Tex area, and the onshore Gulf Coast of Texas and Louisiana. Finally, the company holds a significant coal bed methane (CBM) acreage position in the Powder River basin in Wyoming and the Uinta basin in Utah.

<table>
<thead>
<tr>
<th>Lower 48 Onshore Production</th>
<th>Average Daily Pro Forma Net Production, 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Areas</td>
<td>Oil MBOPD</td>
</tr>
<tr>
<td>San Juan Basin/Rockies</td>
<td>1</td>
</tr>
<tr>
<td>Permian Basin</td>
<td>28</td>
</tr>
<tr>
<td>South Texas</td>
<td>3</td>
</tr>
<tr>
<td>Mid-America</td>
<td>7</td>
</tr>
<tr>
<td>Total Lower 48 States</td>
<td>39</td>
</tr>
</tbody>
</table>

San Juan Basin/Rockies
ConocoPhillips is the third largest operator in the San Juan basin. Key 2003 initiatives include infill drilling of the Mesa Verde and Lewis Shale conventional gas zones and operating a two rig infill development program in the Fruitland Coal area. This area also includes COP’s coal bed methane production. Through a series of acquisitions in 2000, the company has grown its net coalbed methane position in the Uinta (Utah), Powder River (Wyoming) and Black Warrior (Alabama) basins by approximately 628,000 gross acres.

Permian Basin
ConocoPhillips holds a variety of operated and nonoperated assets including primary recovery (Val Verde basin), secondary recovery (southeast New Mexico and Howard Glasscock fields), and tertiary recovery projects (CO2 floods) operated by others. Plans for 2003 call for continued optimization and continued development of these mature assets.

South Texas
Lobo is a large, low-cost, long-life gas project. As a continuous development with eight rigs, it represents a long-term cash generator for ConocoPhillips.

Mid-America
Mid-America consists of the Upper Texas Gulf Coast, Panhandle and Ark/La/Tex. Over the past few years, the company has expanded its acreage position in the Upper Texas Gulf Coast and seismic coverage of the Wilcox formation. In the Panhandle, development and exploration of approximately one million acres held by production continues. In the Ark/La/Tex area, ConocoPhillips plans to continue its Hosston and Cotton Valley development programs.
Gulf of Mexico

ConocoPhillips is concentrating its deepwater Gulf of Mexico effort around Ursa production, the Magnolia and Princess field developments, and several acreage positions in water depths greater than 1,000 feet. The producing shelf assets consist of three operated fields and 23 nonoperated fields.

Ursa Production and Princess Development
Mississippi Canyon 765, 809, 810, 853, 854
Interest: 16%
Operator: Shell

Ursa, one of the largest fields in the deepwater Gulf of Mexico, began production in March 1999. The field has produced a cumulative volume of 150 MMBOE and is currently producing at a gross rate of 120 MBOEPD. Primary field development will be completed by the end of 2003. The Ursa tension leg platform (TLP), in a water depth of 3,900 feet, is an established infrastructure hub. Ursa began processing 50 MBOEPD net of third-party production from the Crosby satellite field in December 2001.
The Princess development is a northern subsalt extension of the Ursa field. This 170 MMBOE field was discovered in 2000, and first production was achieved in the fourth quarter of 2002 via an extended reach well from the Ursa TLP. A three-well subsea tieback to the Ursa TLP is scheduled to start production in the fourth quarter of 2003. Additional subsea wells may be added pending the results of the first subsea program.

**Magnolia Development**

Garden Banks 783, 784  
Interest: 75%  
Operator: ConocoPhillips

ConocoPhillips and Ocean Energy have initiated development of the Magnolia field in the deepwater Gulf of Mexico. The field is located 165 miles south of the Louisiana coastline in Garden Banks blocks 783 and 784 in a water depth of 4,700 feet. Magnolia was discovered in 1999. Two appraisal wells with four sidetracks have confirmed production potential of up to 150 MMBOE. The field will be developed with eight wells tied back to a TLP, which will be the deepest water TLP built to date. Processing facilities are designed to handle 50 MBOPD and 150 MMCFD gross. First production is scheduled for September 2004. Plateau production of 54 MBOEPD gross is expected in late 2004.

**K2**

Green Canyon 562  
Interest: 18.2%  
Operator: AGIP

The K2 accumulation, discovered in 1999, is located in Green Canyon 562. It is currently being appraised and will be evaluated for project sanctioning in 2003. Estimated resources are 80-140 MMBOE gross. The current development scenario assumes a subsea tieback to Marco Polo (Anadarko, Block GC 608), with first production estimated in late 2004.

**Gulf of Mexico Exploration**

ConocoPhillips has an interest in 391 gross (224 net) blocks in the deepwater Gulf of Mexico. Exploration and appraisal drilling continues with both minibasin and subsalt tests planned for 2003. Two or three exploration wells and three appraisal wells are expected to be drilled in 2003.
South America

Venezuela

ConocoPhillips, with its co-venturers, is currently developing and producing both the Petrozuata and Hamaca projects in the central portion of the huge Orinoco heavy-oil belt in east central Venezuela. In time, both legacy projects will consist of two components: production of the bitumen from the fields within the belt and upgrading the bitumen to syncrude at separate upgrader facilities in Jose on the northeastern coast. Corocoro, a giant discovery in 1998 on the northeastern coast in the Gulf of Paria, has been declared commercial and submitted for development approval. Further exploration potential exists near Corocoro in the Gulf of Paria West acreage.

**Petrozuata**
Interest: 50.1%
Operator: Petrozuata, S.A., with seconded employees of ConocoPhillips and Petroleos de Venezuela, S.A. (PDVSA). Petrozuata is located in the Zuata region of the Orinoco belt and is operating under a 35-year production contract. The first commercial sales of syncrude began in April 2001. The oil is upgraded to a 19-25 degree API syncrude at Jose and shipped to ConocoPhillips’ Lake Charles refinery and one of PDVSA’s refineries.

**Hamaca**
Interest: 40%
Operator: Petrolera Ameriven, with seconded employees from ConocoPhillips and ChevronTexaco
Hamaca is located immediately to the east of Petrozuata and is operating under a 35-year production contract. In 2002, bitumen was produced and blended with naphtha diluent for transportation and sale. The upgrader at Jose is still under construction.

Plans for 2003 include further progress on the construction activities around the upgrader. Approximately 200 wells and the upgrader are expected to be online by the end of 2004, with commercial production projected to be 60 MBOPD net.

**Corocoro**
Interest: 50%
Operator: ConocoPhillips
Corocoro is a large oil and gas field discovered in 1999 and appraised with four wells in 2001. A declaration of commerciality was sent to the government in October 2002, and approval is anticipated in 2003. Phase I will include developing 240 MMBO gross via a 24-slot platform with accommodations; a barge-based production facility with capacity of 60 MBOPD; a mooring dock and bridge system; and a 14-mile export pipeline to a floating storage offtake (FSO) vessel. The Venezuela government has rights to increase their interest on this project, which would reduce ConocoPhillips’ 50 percent interest. Corocoro is the only discovery on the “Apertura” bid round blocks. Exploration plans for 2003 include two to three wildcat wells.

### Venezuela Production

<table>
<thead>
<tr>
<th>Areas</th>
<th>Equity</th>
<th>Operator</th>
<th>Oil MBOPD</th>
<th>Gas MMCFD</th>
<th>NGL MBLPD</th>
<th>Total MBOEPD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petrozuata</td>
<td>50%</td>
<td>Petrozuata</td>
<td>57</td>
<td>0</td>
<td>0</td>
<td>57</td>
</tr>
<tr>
<td>Hamaca</td>
<td>40%</td>
<td>Petrolera Ameriven</td>
<td>8</td>
<td>0</td>
<td>0</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total Venezuela</strong></td>
<td></td>
<td></td>
<td><strong>65</strong></td>
<td><strong>0</strong></td>
<td><strong>0</strong></td>
<td><strong>65</strong></td>
</tr>
</tbody>
</table>

### Venezuela Exploration

<table>
<thead>
<tr>
<th>License</th>
<th>Equity</th>
<th>Operator</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gulf of Paria West</td>
<td>50%</td>
<td>ConocoPhillips</td>
<td>ConocoPhillips holds 375,000 acres in Gulf of Paria West surrounding the Corocoro discovery. Partners are AGIP Venezuela and Overseas Petroleum.</td>
</tr>
</tbody>
</table>
**Ecuador**

ConocoPhillips has a 14 percent nonoperating interest in producing fields in the Oriente basin in Ecuador in the area collectively referred to as Block 16. Repsol YPF, S.A., is the operator of the Block 16 area. Average pro forma net production was 3.2 MBOPD for 2002. Net production for 2003 is expected to increase to over 8 MBOPD with the completion of a trans-Andean heavy-oil pipeline. The pipeline completion is anticipated in the second half of 2003.

**Brazil**

ConocoPhillips operates two deepwater blocks acquired in Brazil’s third bid round in 2001: one block in the Espíritu Santo basin and one in the Pará-Maranhão basin.

### Brazil Exploration

<table>
<thead>
<tr>
<th>License</th>
<th>Equity</th>
<th>Operator</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>BM-ES-11</td>
<td>70%</td>
<td>ConocoPhillips</td>
<td>In December 2002, a deal was approved by ANP (Brazil’s governing body) to farmout a 30 percent interest to Statoil.</td>
</tr>
<tr>
<td>Pama-3</td>
<td>65%</td>
<td>ConocoPhillips</td>
<td>In November 2002, a deal was approved by ANP to farmout 35 percent interest to Petrobras. In 2003, 3-D seismic will be acquired to further assess the potential on this block.</td>
</tr>
</tbody>
</table>

**Northwest Europe**

**United Kingdom**

ConocoPhillips’ objective in the U.K. is to maintain the existing production level over the next several years by pursuing existing field development, satellite accumulations near existing production, and new field developments. The effort will largely be focused in the Southern North Sea and Central North Sea areas.

### United Kingdom Production

<table>
<thead>
<tr>
<th>Areas</th>
<th>Equity</th>
<th>Operator</th>
<th>Oil MBOPD</th>
<th>Gas MMCFD</th>
<th>NGL MBLPD</th>
<th>Total MBOEPD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Britannia</td>
<td>59%</td>
<td>ConocoPhillips &amp; ChevronTexaco</td>
<td>14</td>
<td>348</td>
<td>2</td>
<td>74</td>
</tr>
<tr>
<td>Alba</td>
<td>23%</td>
<td>ChevronTexaco</td>
<td>14</td>
<td>3</td>
<td>0</td>
<td>15</td>
</tr>
<tr>
<td>J-Block</td>
<td>~ 35%</td>
<td>ConocoPhillips</td>
<td>14</td>
<td>96</td>
<td>0</td>
<td>30</td>
</tr>
<tr>
<td>MacCulloch</td>
<td>40%</td>
<td>ConocoPhillips</td>
<td>12</td>
<td>4</td>
<td>0</td>
<td>13</td>
</tr>
<tr>
<td>Armada</td>
<td>11%</td>
<td>BG</td>
<td>2</td>
<td>44</td>
<td>0</td>
<td>9</td>
</tr>
<tr>
<td>Miller</td>
<td>30%</td>
<td>BP</td>
<td>6</td>
<td>8</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>Rotliegendes</td>
<td>~ 50%</td>
<td>ConocoPhillips</td>
<td>0</td>
<td>197</td>
<td>0</td>
<td>33</td>
</tr>
<tr>
<td>Carboniferous</td>
<td>40-60%</td>
<td>ConocoPhillips</td>
<td>0</td>
<td>93</td>
<td>0</td>
<td>16</td>
</tr>
<tr>
<td>Other</td>
<td>Various</td>
<td>Various</td>
<td>15</td>
<td>33</td>
<td>0</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total United Kingdom</strong></td>
<td></td>
<td></td>
<td><strong>77</strong></td>
<td><strong>826</strong></td>
<td><strong>2</strong></td>
<td><strong>217</strong></td>
</tr>
</tbody>
</table>

Other includes: Banff, Statfjord U.K., Gryphon, Galleon, Hewett, R-Block, Everest CATS, Thistle/Don and Janice (sold in 2002).
Central North Sea

**Britannia**
Interest: 58.7%
Operator: ConocoPhillips/ChevronTexaco
Britannia is one of the largest gas and gas condensate fields to be developed in the North Sea in recent years. Commercial production began in August 1998. Oil is delivered through the Forties pipeline to the Grangemouth refinery in Scotland. Gas is transported through Britannia's own gas line to St. Fergus, Scotland. Britannia has an estimated production span of 30 years, and development drilling is expected to continue through 2005. In December 2002, cumulative gas production from the Britannia field reached 1 TCF.

First production for Britannia satellites (Brodgar and Callanish) development phase 1 is targeted for 2006. Britannia facilities will be utilized to extend Britannia’s production plateau with additional production from the satellites. This project is presently in the engineering phase with possible development sanction in late 2003. Equity interest is approximately 79 percent.

**Alba**
Interest: 23.4%
Operator: ChevronTexaco
The Alba field was discovered in 1984 while appraising the deeper Britannia gas condensate accumulation. The first phase, comprising the Alba Northern Platform (ANP), the floating storage unit (FSU) for oil export, and the Northern Area drilling program, achieved first oil in 1994. In 2001, the Alba extreme south development was sanctioned as a two-phase subsea tieback to the existing Alba Northern Platform. Drilling of the first phase began in November 2001, and first production was achieved in October 2002. The second phase is expected to be brought online in late 2004.

**J-Block (Judy/Joanne & Jade)**
Interest: Approximately 35%
Operator: ConocoPhillips
Commercial oil production from Judy/Joanne began in April 1997, with gas sales beginning in January 1997. After being processed on the Judy platform, gas is transported through the CATS pipeline and liquids are exported to Teesside through the Norpipe system. During 2002, three successful Judy/Joanne development wells were drilled - two in the Judy pre-Cretaceous reservoir and one in the Joanne Chalk reservoir.

Also in 2002, the Jade field came onstream. Production began in February and reached peak rates in July. The Jade development consists of a normally unmanned platform tied back to the Judy platform.

**MacCulloch**
Interest: 40%
Operator: ConocoPhillips
The MacCulloch field is located in block 15/24b, approximately 23 miles north of the Britannia field. It began production in August 1997. The wells are tied back to two subsea manifolds and then to a leased floating production storage offtake (FPSO). Oil and gas are exported to the Piper B platform by pipeline. Successful development drilling in 2002 and better than anticipated reservoir performance have resulted in sustained production levels of 14 MBOPD net. The focus of 2003 activity is to interpret the 4-D seismic data acquired in 2002 to evaluate both the drainage efficiency of existing wells and the potential for additional infill drilling.

**Banff**
Interest: 31.7%
Operator: ConocoPhillips
The Banff field is located in block 29/2a. First production commenced in January 1999 and was restarted in April 2001, following a six month dry-dock and refit of the leased Ramform Banff FPSO. Oil is exported by tanker, and gas is exported via the CATS system. The latest well drilled in 2002 doubled oil production to current levels of around 7.3 MBOPD net.

**Armada**
Interest: 11.5%
Operator: BG Group
The Armada complex consists of gas/condensate fields Hawkins, Drake and Fleming. The three fields were discovered in 1980, 1982 and 1987, respectively, and came onstream in 1997. All of the fields are developed via a single platform with extended reach wells.

**Miller**
Interest: 30%
Operator: BP
The Miller oil field was discovered in 1983. Oil export is via South Brae through the Forties pipeline to Cruden Bay, with gas export via a dedicated line to the Miller receiving facility at St. Fergus, Scotland. A gas injection project expected to come onstream in October 2003 will enhance oil production and may be extended to a field-wide gas injection plan.

**Gryphon**
Interest: 25%
Operator: Kerr McGee
Gryphon came on production in 1993. The field has been developed using a large FPSO connected to a subsea wellhead system. Shuttle tankers offload the oil for export to international markets, and the gas is transported via the SAGE pipeline system.
Southern North Sea

**Rotliegendes/LOGGS/VTS**

Interest: 20% - 50%
Operator: ConocoPhillips

ConocoPhillips maintains a significant position in the Rotliegendes portion of the southern North Sea, with a 50 percent equity position in numerous fields and a lesser position in several others. The Lincolnshire Offshore Gas Gathering System (LOGGS) complex was built in 1988 and acts as a hub receiving gas from the V-fields, Audrey, Ganymede, Jupiter, Callisto, Europa, NW Bell, Vampire and Viscount fields, as well as the third-party fields Ann, Allison and Anglia.
V-fields gas development involves the exploitation of four accumulations (North Valiant, South Valiant, Vanguard and Vulcan). The gas is commingled offshore and forwarded to the Theddlethorpe Gas Terminal (TGT) via the LOGGS 36-inch pipeline. Other than the central complex, the field facilities are normally unmanned and include both platform and subsea developments.

The Viking complex dates from 1972 with the Viking Bravo hub undergoing redevelopment in 1998. The Viking area consists of the "Old Viking" satellites, Victor, Phoenix and the Vixen development. The gas is commingled offshore and forwarded to TGT via the Viking Transportation System (VTS) 28-inch pipeline. Other than the central complex, the field facilities are normally unmanned and include both platform and subsea developments.

The Hewett field was discovered in 1967 and first produced in 1969. The North Hewett D fields first produced in 1976. The complex is about 20 miles off the coast of East Anglia. Hewett area gas is transported by pipeline to the Bacton terminal for processing.

**Carboniferous/CMS**

Interest: 40% - 59.5%
Operator: ConocoPhillips
ConocoPhillips maintains a significant position in the carboniferous portion of the southern North Sea. The Caister-Murdoch system (CMS) consists of two platforms installed in 1993. CMS was expanded in 1996 and 2002 to tie in additional fields and provide offshore compression. The system acts as a hub for the Murdoch, Caister, Boulton, Hawksley and Murdoch K fields and provides third-party transportation to the Schooner and Ketch fields. The gas is commingled offshore and is forwarded to TGT via the CMS 26-inch pipeline. Other than the central complex, the field facilities are normally unmanned and include both platform and subsea developments. The Hawksley and Murdoch K fields were placed onstream in 2002 as part of the CMS III development project. Additional drilling is planned for the MacAdam, Boulton H and Watt fields in 2003.

**Atlantic Margin**

**Clair**
Interest: 24%
Operator: BP
Clair, with potential resources of about 4 BBO in place, is one of the largest undeveloped oil discoveries in Europe. It extends over 32,500 acres across five blocks in the west of Shetland area. Phase 1 development will target a core area of the field where much of the appraisal has been concentrated. First production is planned for late 2004, with peak production of 17 MBOEPD net expected by 2005. Oil offtake will be through a dedicated trunk line to Sullom Voe Terminal on Shetland Island.

**Onshore U.K. Facilities**

**Bacton Gas Terminal**
Interest: 19%
Operator: ConocoPhillips
Located 25 miles north of Great Yarmouth, England, in the southern part of the U.K. North Sea, the Bacton Gas Terminal receives and processes all the sweet and sour gas produced from the Hewett fields as well as third-party gas from the Thames and LAPS fields. The facility’s capacity is 1.2 BCFD of gas. From the Bacton plant, gas is transported to the nearby TRANSCO reception terminal, then into the national gas network. Other interest owners are Agip U.K., Centrica Resources, ExxonMobil and Tullow Exploration.

**Teesside Oil Terminal**
Interest: 29.26%
Operator: ConocoPhillips
Designed to stabilize and store crude oil for further shipment, the terminal is capable of handling 810 MBOPD. The facility also fractionates NGL into ethane, propane and butane.

**Theddlethorpe Gas Terminal**
Interest: 50%
Operator: ConocoPhillips
Located near the village of Theddlethorpe in Lincolnshire, England, in the southern part of the U.K. North Sea, the Theddlethorpe Gas Terminal (TGT) receives and processes the gas produced through the LOGGS, VTS and CMS transportation systems as well as third-party volumes from the Pickerill field offshore and the Saltfleetby field onshore. The facility’s capacity is 2.4 BCFD of gas. From TGT, gas is delivered either into the national gas network or into a private pipeline system owned by Powergen. Condensate produced during gas recovery is stabilized, stored, then exported via pipeline to the ConocoPhillips Humber refinery.

**Interconnector Pipeline**
Interest: 10%
Operator: Interconnector (U.K.) Limited
The pipeline runs from Bacton U.K. to Zeebrugge in Belgium and has been fully operational since October 1998.

Up to 745 BCF per year of natural gas can be transported from the U.K. through the 146-mile, 40-inch diameter subsea pipeline to the reception terminal at Zeebrugge. The pipeline has the capability to reverse flow.
United Kingdom Exploration

<table>
<thead>
<tr>
<th>License</th>
<th>Equity</th>
<th>Operator</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jade NW well</td>
<td>33%</td>
<td>ConocoPhillips</td>
<td>Well spud in the fourth quarter 2002 and drilling operations carried into 2003.</td>
</tr>
<tr>
<td>Jade Deep</td>
<td>33%</td>
<td>ConocoPhillips</td>
<td>Exploration extension of development well drilled in the second quarter 2002 and completed as a new reservoir discovery. Currently producing gas/condensate.</td>
</tr>
<tr>
<td>Islay well</td>
<td>50%</td>
<td>ConocoPhillips</td>
<td>Gas discovery. Well results are being evaluated.</td>
</tr>
</tbody>
</table>

In 2003, ConocoPhillips expects to complete drilling the Valkyrie and Jade NW exploration wells. The 204/17-A exploration well is planned for second quarter, and the 15/30-L MacAllan appraisal well in the Britannia area is planned for mid-year.

Norway

ConocoPhillips has a strong production and exploration position in Norway that is focused on maintaining the current production level. The main effort is on further development of the Ekofisk field and the immediate area. In addition to the Ekofisk area, ConocoPhillips has ownership in several prolific partner-operated assets: Heidrun, Oseberg area, Troll and the Tampen area, which includes Huldra, Njord and Grane fields. Grane is Norway’s largest undeveloped oil field and is expected to commence production in late 2003. A consistent exploration drilling effort will also continue on some of the more prospective offshore acreage blocks attained in recent bid rounds.

Norway Production

<table>
<thead>
<tr>
<th>Areas</th>
<th>Average Daily Pro Forma Net Production, 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Oil MBOPD</td>
</tr>
<tr>
<td>Ekofisk</td>
<td>104</td>
</tr>
<tr>
<td>Heidrun</td>
<td>39</td>
</tr>
<tr>
<td>Statfjord</td>
<td>27</td>
</tr>
<tr>
<td>Eldfisk &amp; Embla</td>
<td>17</td>
</tr>
<tr>
<td>Huldra</td>
<td>5</td>
</tr>
<tr>
<td>Troll</td>
<td>6</td>
</tr>
<tr>
<td>Oseberg</td>
<td>7</td>
</tr>
<tr>
<td>Others</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total Norway</strong></td>
<td><strong>215</strong></td>
</tr>
</tbody>
</table>

Others includes: Visund, Njord.

Ekofisk Area

Interest: 35.11%
Operator: ConocoPhillips

The Ekofisk complex is located 200 miles offshore Stavanger, Norway in the North Sea. Since first production in 1971, technology has been used to increase production and extend the economic life of the field. The 1998 completion of a field redevelopment called Ekofisk II significantly reduced operating costs. Water injection is used to maintain reservoir pressure, and long reach horizontal drilling is currently improving the recoverable reserves. Ekofisk oil is exported to Teesside in the U.K. and the gas is exported to Emden in Germany.
In March 2003, ConocoPhillips and the co-venturers approved a plan for further development and growth of the Ekofisk Area. The growth project aims to increase the recovery of oil and gas by adding proved reserves of 64 MMBOE net to ConocoPhillips and increase the area’s processing capacity and reliability.

The Eldfisk field, which produces through the Ekofisk II infrastructure, consists of the Alpha and Bravo production platforms. A water injection project was initiated in 1997 and has increased production and reserves.

The Embla field has produced since 1993 through an unmanned satellite wellhead platform, tied back to Eldfisk Alpha platform and controlled from an Eldfisk platform.

**Statfjord Norway**
Interest: 15.2% (10.33% Norwegian sector, 4.84% U.K. sector)
Operator in Norwegian field: Statoil
Operator in U.K. field: ConocoPhillips
Statfjord field (Statfjord Unit) was discovered in 1973 and straddles the boundary between the Norwegian blocks 33/12 and 33/9 and U.K. block 211/15. It was developed with three integrated platforms supported by gravity base structures featuring concrete storage cells. Each platform is tied to a buoy for loading stabilized oil into tankers. The production started on Statfjord A in 1979, and on Statfjord B and Statfjord C in 1982 and 1985, respectively. Oil and gas from the Snorre, Sygna, Statfjord East and Statfjord North fields are processed on and exported from the Statfjord installations. A water-alternating-gas injection program was initiated in 1997 and completed in 2002.

**Heidrun**
Interest: 24.3%
Operator: Statoil
The Heidrun field is located in the Norwegian Sea and is an integrated upstream/downstream development. In addition to the field facilities, it includes a double-hulled tanker, a 152-mile gas pipeline and a methanol plant with a design capacity of 2,300 tons of methanol per day. ConocoPhillips discovered and developed Heidrun, with operatorship turned over to Statoil in 1995. Acquisition of an additional 6 percent working interest from the government was effective in May 2002. Key active projects for 2003 include the drilling of nine development wells and commissioning of the produced water reinjection plant and sulfate reduction plant.

**Huldra**
Interest: 23.3%
Operator: Statoil
Huldra is a gas field located north of the Oseberg area. The field is developed with an unmanned wellhead platform remotely controlled from Veslefrikk. Condensate is transported in a pipeline to Veslefrikk B for processing and transport to Sture through the Oseberg Transportation System. Gas is transported in a pipeline to Heimdal for processing and transport through Statpipe/Norpipe or Vesteråld.

**Oseberg Area**
Interest: 2.4%
Operator: Norsk Hydro
The Oseberg Area is located west of Troll and is comprised of three units: Oseberg, Oseberg East and Oseberg South. Twelve development wells were drilled in 2002, with seven planned for 2003.

**Troll**
Interest: 1.6%
Operator: Statoil/Hydro
Troll is one of the largest offshore gas fields in the world and covers nearly 300 square miles. Troll consists of Troll East and Troll West. Troll East is a large, dry gas reservoir, while Troll West contains both oil and gas. The field is developed with a large concrete gas production platform (Troll A), two floating oil/gas production platforms (Troll B and C), and an onshore gas processing facility at Kollsnes. Production drilling is ongoing on Troll West to further develop the oil reservoirs.

**Njord**
Interest: 15%
Operator: Norsk Hydro
Njord is located in the Norwegian Sea 74 miles south of Heidrun. Facilities include a drilling, accommodation and production platform producing oil via flexible risers linked to the subsea wellheads. Oil is transported via a 1.5 mile pipeline to a remote controlled storage tanker where it is offloaded to shuttle tankers for delivery.

**Visund**
Interest: 9.1%
Operator: Norsk Hydro
Visund is located in the Tampen area in the northern North Sea. The field is developed with a floating production and drilling unit, and the oil export pipeline is routed through Gullfaks A. Net reserves are estimated at about 25 MMBO.

**Grane**
Interest: 6.4%
Operator: Norsk Hydro
Grane is located about 124 miles west of Stavanger and is currently the largest undeveloped oilfield in the North Sea. It will be developed using an integrated processing/drilling quarters platform. Stabilized oil will be transported via pipeline to the Sture onshore terminal. The project is expected to startup in late 2003. The platform will have a production capacity of 214 MBPD (14 MBPD net), and plateau is expected in 2005. The pre-drilling operation was completed in early 2003.
Norway Facilities

Norpipe Oil Pipeline System
Interest: 35.1%
Operator: ConocoPhillips
The 220-mile North Sea pipeline carries crude oil from Ekofisk to a large terminal and NGL processing facility at Teesside, England. The pipeline also serves several fields in Norway and the United Kingdom, including the J-Block development in the U.K. sector, along with a development operated by Shell.

Norwegian Continental Shelf (NCS) Gas Transportation
Interest: 2.6%
Operator: Gassco A/S
ConocoPhillips is part of a joint venture called Gasled that owns and operates the gas transportation infrastructure on the NCS.

Norway Exploration

<table>
<thead>
<tr>
<th>License</th>
<th>Equity</th>
<th>Operator</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>PL268</td>
<td>40%</td>
<td>ConocoPhillips</td>
<td>License was awarded in 2001. The 34/6-1 well tested the Akkar project and was plugged and abandoned.</td>
</tr>
<tr>
<td>PL269</td>
<td>40%</td>
<td>ConocoPhillips</td>
<td>License was awarded in 2001. The 35/1-1 well tested the Sturlason prospect and was plugged and abandoned. One firm and one option well remain on the block.</td>
</tr>
<tr>
<td>PL254</td>
<td>20%</td>
<td>BP</td>
<td>The 6404/11-1 well tested the Havsule prospect and was plugged and abandoned.</td>
</tr>
<tr>
<td>PL104</td>
<td>11%</td>
<td>Norsk Hydro</td>
<td>The 30/9-205 well tested the Oseberg South prospect and resulted in a discovery.</td>
</tr>
</tbody>
</table>

ConocoPhillips has exploration interests in 26 licenses in Norway. The Oseberg South prospect in PL104 was an oil discovery and is under evaluation.

Six exploration wells are planned for 2003, including two in deepwater. In the North Sea, the Tommeliten Alpha well in PL044 will be drilled in the first quarter of the year. Three wells are planned for the PL203 area. The two deepwater wells in PL281 and PL264 are planned for mid-year in the Norwegian Sea.

PL203/PL088 Area (Exploration)
Interest: 20%
Operator: Marathon
Three wells will be drilled in 2003: Kneler (PL203) exploration well, followed by Boa (PL088) and Gekko or Kameleon East (PL203) appraisal wells.

Denmark

Emden Natural Gas Terminal (Germany)
Interest: 16%
Operator: ConocoPhillips
A 274-mile natural gas pipeline connects Ekofisk to this terminal on the German coast. These facilities began operation in 1977, with a capacity of 3.5 BCFD.

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ConocoPhillips has exploration interests in three licenses in Denmark. Gas discovery Svane-1, in PL04/98 of the Denmark Central Graben area, was completed in 2002, and seismic data is currently being reprocessed.
Caspian
Kazakhstan

ConocoPhillips acquired a 7.14 percent interest in 10.5 blocks in the Caspian Sea offshore Kazakhstan in 1998. In 2002, the company increased its share to 8.33 percent. The blocks are covered by a production sharing agreement with the...
Kazakhstan government. The initial production phase of the contract is for 20 years, with options to extend the agreement another 20 years.

The first exploratory well, Kashagan E-1, was completed as a discovery in 2000. In 2001, a step-out well was drilled as well as the initiation of five appraisal wells on the eastern side of Kashagan. A declaration of commerciality was made in June of 2002, which enables the preparation of a development plan for the Kashagan field. The partner companies are preparing a development plan for the potential recovery of seven billion to nine billion barrels of oil from the field.

In June 2002, ConocoPhillips and its co-venturers, in conjunction with the government of the Republic of Kazakhstan, declared Kashagan to be commercial. Appraisal drilling and testing of appraisal wells was ongoing through 2002 and continues into 2003. As of early 2003, four Kashagan appraisal wells have been drilled, and the co-owners have prepared and submitted a development plan to the Republic of Kazakhstan.

In October 2002, the partners announced a new hydrocarbon discovery in the Kalamkas-1 well, which offsets Kashagan. Three additional exploratory tests are planned for 2003.

### Azerbaijan

In the south Caspian Sea offshore Azerbaijan, ConocoPhillips has a 20 percent interest in the Zafar Mashal prospect. The first well is planned to be drilled in late 2003 or early 2004.

<table>
<thead>
<tr>
<th>Caspian Exploration 2002 Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>License</td>
</tr>
<tr>
<td>Kazakhstan NCPSA</td>
</tr>
<tr>
<td>Azerbaijan Zafar Mashal</td>
</tr>
</tbody>
</table>

### Middle East

ConocoPhillips currently has production from Dubai and is a 50 percent equity owner of a production services contract (PSC) for gas processing in Syria. The Syria PSC is described in the Midstream portion of the Fact Book.

### Dubai

Interest: 32.5%
Operator: ConocoPhillips
In Dubai, United Arab Emirates, ConocoPhillips has operated four fields since 1973. ConocoPhillips is using horizontal drilling techniques and advanced reservoir drainage technology to enhance the efficiency of the offshore production operations and improve recovery rates.
Africa
Nigeria

ConocoPhillips Nigeria has held a 20 percent ownership in production licenses since 1965 with co-venturers Nigerian National Petroleum Company and Nigerian Agip Oil Company. Pro forma production averaged over 37 MBOEPD net in 2002 from fields in four oil mining leases (OML). Ten pump stations, the Obiafu/Obrikom NGL plant and the Brass River tanker loading terminal support production. ConocoPhillips also holds an 80 percent interest in the Ukpokiti field, which began production in 1997.

Brass River - OML 60, 61, 62, 63
ConocoPhillips has a 20 percent interest in four OMLs that produce both oil and natural gas. These licenses are valid through 2027. Extensive 3-D seismic surveys cover over 60 percent of the licenses and plans are underway to expand the coverage in 2003. An active exploration program continues on the four licenses.

• Obiafu/Obrikom Field: Five of eight planned infill wells have now been drilled. The remaining three wells are awaiting reservoir performance results from the gas injection.

• Samabri-Biseni Field: This field is unitized with Shell Petroleum Development. First production from the first phase of development is expected in late 2003, and a production peak of approximately 45 MBOPD gross is expected in 2005.

• Akri-Oguta Field: Shell Petroleum Development Company (SPDC) JV and Nigeria Agip Oil Company (NAOC) JV have jointly produced from the reservoir through independent field development. Management consent was obtained from both companies to unitize the entire unit area in June 2002. The initial expected total combined gross resource is estimated at 300 MMBO with gross production of 60 MBOPD in 2005.

Bonny Island LNG
ConocoPhillips supplies up to 76 MMCFD net of feedstock gas for three trains at a Nigerian LNG plant on Bonny Island, in which the company does not hold an interest. Facility expansion is underway to facilitate and increase feed gas

Nigeria/Cameroon

ConocoPhillips Acreage

60 miles

Lagos

OML 100

OML 60

OML 61

OML 62

OML 63

OPL 318

OPL 220

Brass River Terminal

Coco Marine No. 1

NIger R.

NIGER DELTA

CAMEROON

NIGERIA

ATLANTIC OCEAN

PH 077

60 miles

60 miles

60 miles
delivery to Nigerian LNG 4 and 5. At Obiafu/Obrikom, a further facilities upgrade will be carried out to process the increased gas production rate of 311 MMCFD. Net reserves added due to Nigerian LNG trains 4 and 5 will be 88 MMBOE.

### Nigeria Production

#### Average Daily Pro Forma Net Production, 2002

<table>
<thead>
<tr>
<th>Areas</th>
<th>Equity</th>
<th>Operator</th>
<th>Oil MBOPD</th>
<th>Gas MMCFD</th>
<th>NGL MBLPD</th>
<th>Total MBOEPD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brass River</td>
<td>20%</td>
<td>Agip</td>
<td>28</td>
<td>43</td>
<td>2</td>
<td>37</td>
</tr>
<tr>
<td>OML 60, 61, 62, 63</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ukpopiti</td>
<td>80%</td>
<td>ConocoPhillips</td>
<td>9</td>
<td>0</td>
<td>0</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total Nigeria</strong></td>
<td></td>
<td></td>
<td><strong>37</strong></td>
<td><strong>43</strong></td>
<td><strong>2</strong></td>
<td><strong>46</strong></td>
</tr>
</tbody>
</table>

#### OML 60, 61, 62, 63

This shallow water field (OML 108) began production in 1997, using a converted tanker as a FPSO.

### Nigeria Exploration

#### OML 60, 61, 62, 63 Onshore

- **Equity**: 20%
- **Operator**: Agip
- **Activity**: Three successful onshore exploratory wells drilled in 2002 were the Obama Deep, Kwale 15 and Kwale 16.

#### OPL 220 Deepwater

- **Equity**: 47.5%
- **Operator**: ConocoPhillips
- **Activity**: The Chota 2 appraisal well was spud in November 2002, and successfully flowed oil during a drill stem test of a Middle Miocene reservoir pay interval. A maximum flow rate of 4.49 MBOPD of 30 degree API gravity oil and 0.2 MMCF of gas per day were tested. The well was drilled to a depth of 11,692 feet in 3,557 feet of water. This well was an appraisal well on the Chota structure, discovered in 1998. OPL 220 covers over 598,000 acres.

#### OPL 318 Deepwater

- **Equity**: 50%
- **Operator**: ConocoPhillips
- **Activity**: ConocoPhillips entered into a production sharing contract on OPL 318, deepwater Nigeria, on June 14, 2002. OPL 318 comprises 640,000 acres. The acquisition of 3-D seismic is planned to begin in 2003.

### Cameroon

ConocoPhillips holds a 50 percent interest in license PH 077 which covers 2,830 square miles in the Doula basin offshore Cameroon. In 2001, licenses PH 061 and PH 063 were consolidated with additional acreage into license PH 077. On December 18, 2002, ConocoPhillips announced that the Coco Marine No. 1 exploration well, drilled in 75 feet of water, successfully flowed oil during a drill stem test of a Lower Tertiary reservoir. A 3-D seismic survey is being acquired to fully assess the potential of this acreage.

### Angola

ConocoPhillips holds a 20 percent interest in deepwater Block 34 offshore Angola. Results of the initial exploratory well on the block were announced in May 2002 to be noncommercial, resulting in an impairment on the block. An additional 1,300 square miles of 3-D seismic was acquired in the southern half of the license in the fourth quarter of 2002, providing full 3-D seismic coverage over the block. A further exploratory test is planned in late 2003/2004.
Asia Pacific
China

ConocoPhillips initiated production from the Peng Lai field (PL) in Bohai Bay in December 2002 as part of the effort to increase production in China. Further phases of development and exploration in Bohai Bay are expected. Production from the Xijiang field in the South China Sea continues.

Bohai Bay
Interest: 49%
Operator: ConocoPhillips
The Bohai Phase I and II development projects are located in the 1.9 million acre Block 11/05 in China’s Bohai Bay. Phillips China Inc. drilled the PL19-3-1 discovery well in May 1999, followed by six successful appraisal wells. The Phase I development consists of one 24-slot wellhead platform and a FPSO facility. Development drilling will continue until mid-2003. Daily net production rates are 9.5 MBOPD and are expected to reach 17.5 to 20 MBOPD in 2003. China National Offshore Oil Corporation Ltd. is the only partner in the Phase I development.

Current plans for Phase II incorporate the Phase I platform, and add several new production platforms and a new, larger FPSO.
Xijiang Development

Xijiang 24-3, 24-1  Xijiang 30-2
Interest: 24.5% 12.3%
Operator: ConocoPhillips  ConocoPhillips

The Xijiang development consists of three oil fields located approximately 80 miles from Hong Kong in the South China Sea and had an average daily net production of 12 MBOPD in 2002. First production was in 1994, and to date over 200 MMBO gross have been produced. Development consists of two, manned 24-slot platforms and a FPSO.

An efficient exploitation program and limited unscheduled downtime allowed Xijiang to produce 30.6 MMBO gross in 2002, its highest annual production since 1998. The exploitation program will continue in 2003.

China Coal Bed Methane

Interest: 47.5%
Operator: ConocoPhillips

ConocoPhillips has been active in CBM exploration in China since 1994. A pilot test program in the Hedong block was abandoned in mid-2002 as noncommercial. The company holds interests in two other CBM blocks – the Qinan and Shouyang. A three-well program is currently underway in the Qinan block and evaluation will continue into 2003.

China Exploration

In 2003, two or three exploration wells are expected to be drilled in Bohai Bay, and one exploration well is planned for Xijiang.

Vietnam

ConocoPhillips is the largest acreage holder of any foreign energy company in Vietnam with interest in six blocks and a total acreage position of 6 million gross acres (3.2 million net).

The company has significantly increased its production, exploration acreage and facilities in Vietnam over the last several years. Rang Dong field increased its production in 2002, and progress continues on developing the large, recently discovered fields. First production started through the Nam Con Son pipeline in 2002.

Rang Dong
Interest: 36%
Operator: Japan Vietnam Petroleum Company

Rang Dong field is located in Block 15-2 in the Cuu Long basin and had an average daily pro forma net production of 8 MBOPD. In 2002, production began from two new wellhead platforms, increasing net production from the field to over 12 MBOPD.

A successful appraisal step-out well, Rang Dong-12X, was drilled in the central part of the field in late 2001 and tested at a rate of 9.3 MBOPD. A development plan for this area of the field is now being evaluated. Plans are also in place for the addition of two more wellhead platforms in 2003. All platforms produce into the Rang Dong 1 vessel, a 950,000 barrel capacity FPSO. Gas sales will commence in 2003 via the Bach Ho pipeline.

Su Tu Den
Interest 23.3%
Operator: Cuu Long Joint Operating Committee

The Su Tu Den field on Block 15-1 in Vietnam was discovered in 2000 with the drilling of the Su Tu Den 1 well. In 2001, the partners in Block 15-1 declared the southwest portion of Su Tu Den field commercial after a successful appraisal program. In addition, an appraisal well in the northeast portion of Su Tu Den was successfully drilled in 2002.

The Su Tu Den Phase I development project was approved in December 2001. A FPSO and a wellhead platform will be utilized, and initial development will start in the southwest portion of the field. Initial production is expected in early 2004.

An exploration discovery was also made on the nearby Su Tu Vang prospect in the third quarter of 2001. The potential commerciality of Su Tu Vang and the northeast portion of Su Tu Den are currently being evaluated.

Vietnam Facilities

Nam Con Son Pipeline
Interest: 16.3%
Operator: BP

A 16.33 percent interest in the Nam Con Son pipeline was acquired from Statoil Vietnam AS in December 2001. The 700-MMCFD, 242-mile transportation pipeline system connects gas supplies from the Nam Con basin to gas markets in southern Vietnam. The pipeline consists of a 230-mile offshore segment connecting the Block 06-1 central platform to the Dinh Co Gas Plant. A second, 12-mile segment delivers dry gas from the Dinh Co Gas Plant to the Phu My Gas Distribution Center.
Vietnam Exploration

### ConocoPhillips Acreage

**Vietnam Exploration**

<table>
<thead>
<tr>
<th>License</th>
<th>Equity</th>
<th>Operator</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Block 5-3</td>
<td>50%</td>
<td>BP</td>
<td>Nam Con Son basin block in 400 feet of water. Acquired from Statoil in December 2001. Two discoveries have been made on the block. A new 3-D seismic survey was acquired in 2001 and is still being interpreted.</td>
</tr>
<tr>
<td>Block 15-1</td>
<td>23%</td>
<td>Cuu Long Joint Operating Company</td>
<td>Phased development and appraisal drilling of Su Tu Den and Su Tu Vang continues. The Su Tu Trang prospect will be drilled in 2003.</td>
</tr>
<tr>
<td>Block 15-2</td>
<td>36%</td>
<td>Japan Vietnam Petroleum Company</td>
<td>Cuu Long basin block covers over 400,000 acres and includes the Rang Dong field and the offset Phuong Dong discovery. A Phuong Dong appraisal well is scheduled for 2003.</td>
</tr>
<tr>
<td>Block 16-2</td>
<td>40%</td>
<td>ConocoPhillips</td>
<td>Cuu Long basin block covers 700,000 acres. In late 2001, the first wildcat on the block was drilled and plugged as noncommercial. A second exploratory well is planned for 2003.</td>
</tr>
<tr>
<td>Blocks 133, 134</td>
<td>70%</td>
<td>ConocoPhillips</td>
<td>Blocks 133 and 134 were the first acreage acquired by ConocoPhillips in Vietnam. Seismic and geologic studies are underway to evaluate hydrocarbon potential.</td>
</tr>
</tbody>
</table>

**Vietnam**

- **Ho Chi Minh City**
- **Su Tu Den**
- **Su Tu Vang**
- **Bach Ho Pipeline**
- **Bach Ho**
- **Rang Dong**
- **Dai Hung**
- **Moc Tinh**
- **Hai Thach**
- **Lan Tay**
- **Cuu Long Basin**
- **Nam Con Son Basin**

**SOUTH CHINA SEA**
Indonesia

ConocoPhillips is the largest foreign leaseholder in Indonesia with 19 exploration and production licenses comprising roughly 20 million acres. The company has a history of over 40 years in Indonesia, with core areas in the Natuna Sea, East Java and South Sumatra. Recent exploration success has been realized on the Bukit Tua, Jenggolo, Payang, Kerisi and NE Hui prospects, along with successful appraisals in Block B, Suban field, and in the Pangkah block. For 2003, four appraisal wells and five exploration wells are planned.

**Indonesia Production**

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<tr>
<td>Block B</td>
<td>40%</td>
<td>ConocoPhillips</td>
<td>11</td>
<td>44</td>
<td>0</td>
<td>18</td>
</tr>
<tr>
<td>Corridor PSC</td>
<td>54%</td>
<td>ConocoPhillips</td>
<td>3</td>
<td>129</td>
<td>0</td>
<td>25</td>
</tr>
<tr>
<td>Other</td>
<td>Various</td>
<td>ConocoPhillips</td>
<td>7</td>
<td>16</td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total Indonesia</strong></td>
<td></td>
<td></td>
<td><strong>21</strong></td>
<td><strong>189</strong></td>
<td><strong>0</strong></td>
<td><strong>53</strong></td>
</tr>
<tr>
<td>License</td>
<td>Equity (%)</td>
<td>Operator</td>
<td>Activity</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>South Natuna Sea Block B PSC</td>
<td>40%</td>
<td>ConocoPhillips</td>
<td>Block was awarded October 1968 with original acreage of 39,700 square miles. After statutory relinquishments, the area was reduced to 4,300 square miles and a license extension was granted in January 1998 until 2028. Block is located in 300 feet of water. Belida/Sembilang oil production of 40 MBOPD and active Belanak and gas development ongoing and expects first oil in 2005. In 2002, the Diskus-1, Lepu-1, and Kakap-2 wells were drilled and plugged and abandoned. No exploration is planned for 2003.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ketapang PSC</td>
<td>50%</td>
<td>ConocoPhillips</td>
<td>Block was acquired in June 1998 and comprises 1,300 square miles in 100-200 feet of water. Four exploration wells have been drilled: two oil and two gas discoveries. Bukit Tua was a 2001 discovery; two appraisal wells are planned for 2003.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pangkah PSC</td>
<td>22%</td>
<td>Amerada Hess</td>
<td>Block was acquired in May 1996 and comprises 1,100 square miles in 10-200 feet of water. Six wells have been drilled including Ujung Pangkah discovery. The Bubur Mondung exploratory well is planned for 2003.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kakap PSC</td>
<td>31.25%</td>
<td>ConocoPhillips</td>
<td>Block was awarded in 1975 and covers 800 square miles in 290 feet of water. Partners are Premier, Singapore Petroleum and Pertamina. A 3-D seismic acquisition in the northern portion of the block is planned for 2003.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nila PSC</td>
<td>65%</td>
<td>ConocoPhillips</td>
<td>Block was awarded in November 2001 and covers 2,000 square miles in 300 feet of water. ConocoPhillips acquired 978 miles of 2-D seismic data in 2002 and anticipate drilling Frangipani and Terai prospects in 2003. Partner is Inpex Natuna.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tobong PSC</td>
<td>65%</td>
<td>ConocoPhillips</td>
<td>Block was awarded in November 1998 and covers 1,300 square miles in 300 feet of water.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corridor PSC</td>
<td>54%</td>
<td>ConocoPhillips</td>
<td>Block was awarded in December 1983 and covers 1,000 square miles onshore South Sumatra. The North Sambar exploration well is planned for 2003, as well as the acquisition of additional 3-D seismic on the block.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sakakemang PSC-JOB</td>
<td>70%</td>
<td>Pertamina</td>
<td>Block was awarded in November 2001 and covers 1,000 square miles onshore South Sumatra. The North Sumpal exploratory well is planned for 2003.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corridor TAC</td>
<td>60%</td>
<td>ConocoPhillips</td>
<td>Block was awarded in October 1968 and covers 200 square miles onshore South Sumatra.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>South Jambi B PSC</td>
<td>45%</td>
<td>ConocoPhillips</td>
<td>Block was awarded in January 1990 and covers 600 square miles onshore South Sumatra.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tungkal PSC</td>
<td>100%</td>
<td>ConocoPhillips</td>
<td>Block was awarded in August 1992 and covers 900 square miles onshore South Sumatra.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Banyumas PSC</td>
<td>50%</td>
<td>Coparex</td>
<td>Block was awarded in May 2001 and covers 2,000 square miles onshore central Java. 2-D seismic acquisition in 2002-2003.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Warim PSC</td>
<td>80%</td>
<td>ConocoPhillips</td>
<td>Block was awarded in May 1987 and covers 6,000 square miles onshore in central Irian Jaya. ConocoPhillips has been involved in exploration of this area for more than 30 years under three PSCs.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Block A PSC</td>
<td>50%</td>
<td>ConocoPhillips</td>
<td>Block was awarded in September 1961 and covers 1,803 acres in North Sumatra. Partner is ExxonMobil.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
West Natuna Block B
Interest: 40%
Operator: ConocoPhillips
West Natuna Block B consists of two mature oil fields (Belida and Sembilang) and 15 gas fields in various phases of development. The largest development in the PSC is the Belanak field and regional production hub, which is scheduled for first production late in 2004. It consists of two wellhead platforms, an FPSO with capacity of 400 MMCFD and an FSO for LPG storage. Gas is sold under two long-term contracts, one to SembGas in Singapore and one to Petronas in Malaysia. The Singapore gas contract is sourced by production from the West Natuna Group consortium consisting of Block B, Kakap and Premier’s Block A PSC.

Corridor Block PSC (Sumatra)
Interest: 54%
Operator: ConocoPhillips
The Corridor Block PSC in Sumatra currently has gas sales of 160 MMCFD to Caltex from the Grissik Gas Plant. Caltex II gas sales are expected to add around 15 MMCFD by 2003, increasing to 80 MMCFD by 2006. A large gas discovery at Suban is being delineated and will be the focus of a major marketing initiative to Malaysia.

Indonesia Exploration
In 2002, eight exploration and appraisal wells were drilled in Indonesia. The NE Hiu-1 exploration well was successful, as was the Suban 8 appraisal well. Two exploration wells began drilling late in 2002 and carried into 2003.

Malaysia
ConocoPhillips acquired a 40 percent interest in Sabah blocks G and J in the fourth quarter of 2000. Two of four commitment wells were drilled in 2001, a third commitment well was drilled in 2002, and a final commitment well is planned for 2003.

Australia/East Timor
ConocoPhillips holds a significant acreage position in the Timor Sea and is currently developing the first phase (gas recycle) of the Bayu-Undan field, targeting first production in 2004. Plans for the second phase of the Bayu-Undan project (LNG export) are underway.

Athena (WA-17-L) and Perseus
Interest: 50%
Operator: Woodside
A cooperative field development agreement between the Athena (WA-17-L) and Perseus fields was executed in February 2001 and resulted in average monthly net sales of approximately 65 MMCFD of gas in 2002.

Bayu-Undan Development
Interest: 63.3%
Operator: ConocoPhillips
The Bayu-Undan gas condensate field in the Timor Sea Joint Petroleum Development Area (JPDA), formerly the Zone of Cooperation, was discovered in 1995. Nine successful appraisal wells have been drilled, confirming the presence of a large gas and condensate field. The field, some 300 miles northwest of Darwin, Australia, in 240 feet of water, is estimated to hold gross recoverable resources of 400 MMB of condensate and 3.4 TCF of natural gas.

<table>
<thead>
<tr>
<th>Areas and East Timor Production</th>
<th>Average Daily Pro Forma Net Production, 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Areas</td>
<td>Equity</td>
</tr>
<tr>
<td>Australia: Athena</td>
<td>50%</td>
</tr>
<tr>
<td>Athena (WA-17-L) and Perseus</td>
<td></td>
</tr>
<tr>
<td>Elang/Kakatua/Kakatua North</td>
<td>57%</td>
</tr>
<tr>
<td>(JPDA 91-12)</td>
<td></td>
</tr>
<tr>
<td>Total Australia and East Timor</td>
<td>4</td>
</tr>
</tbody>
</table>
Bayu-Undan is being developed in two phases. The first phase is a gas recycle project, in which gas liquids will be extracted from the production stream and the dry gas will be reinjected into the reservoir. Development drilling and the offshore construction started in May 2002. Production from the first phase is expected to start in 2004 and provide an average rate of 33 MBPD net combined condensate and LPG. Peak production is expected at approximately 50 MBPD net.

In March 2002, ConocoPhillips announced that it had signed a Heads of Agreement (HOA) with The Tokyo Electric Power Company, Incorporated (TEPCO) and Tokyo Gas Co., Ltd. (Tokyo Gas). Under the HOA, TEPCO and Tokyo Gas will purchase 3 million tons per year of LNG for a period of 17 years, committing nearly 100 percent of the natural gas reserves of the Bayu-Undan field. Shipments would begin in 2006 from an LNG facility near Darwin, Australia.

**Greater Sunrise**

(ZOCA 95-19, 96-20; NT/P 55; NT/RL 2)

Interest: 30%

Operator: Woodside

The Greater Sunrise fields are located in the Timor Sea, straddling the international border between the J PDA and Australian waters. Greater Sunrise is operated by Woodside and contains an estimated 7.7 TCF of natural gas and 300 MMB gross of condensate.

During 2002, the Sunrise joint venture conducted a thorough review of a proposal based on piping gas 312 miles to shore for sale in Darwin and elsewhere in Australia and an alternative proposal to supply LNG to North America from a floating LNG facility. The results are still being evaluated.
**Midstream**

The Midstream business is conducted through a 30.3 percent interest in Duke Energy Field Services (DEFS), and through company-owned assets. These assets include natural gas gathering and processing operations and NGL fractionation and marketing businesses. The business consists of purchasing raw natural gas from producers and gathering the gas through extensive pipeline systems. The gas is then processed to extract NGL for fractionation, with the remaining residue gas being marketed to utilities, industrial users and gas marketing companies. The individual fractionation products include ethane, butane, propane and natural gasoline, which are marketed as chemical feedstock, fuel or refinery blend stock. Total NGL extracted in 2002 was 156 MBPD, with 133 MBPD of NGL fractionated.

**DEFS**

DEFS is one of the largest natural gas and gas liquids gathering, processing and marketing companies in the United States. It supplies a substantial portion of its NGL to ConocoPhillips and Chevron Phillips Chemical Company under a supply agreement that continues to the end of 2014. At the end of 2002, DEFS owned and operated 60 NGL extraction plants and owned an equity interest in 11 others. Its gas gathering and transmission systems included 60,000 miles of pipeline. The assets are located primarily in the Gulf Coast area, west Texas, Oklahoma, the Texas Panhandle, the Rocky Mountain area and western Canada. In 2002, DEFS’ gross raw natural gas throughput averaged 7.4 BCFD and NGL extraction averaged 392 MBPD, of which ConocoPhillips’ share was 2.2 BCFD and 119 MBPD, respectively.

In 2002, DEFS significantly increased its presence in the eastern Gulf of Mexico with the acquisition of a one-third interest in Discovery Producer Services. Discovery serves both shallow and deepwater producers with gathering lines, processing facilities, a fixed leg platform and a large interstate pipeline. DEFS’ growth was aided by its position as general partner of TEPPCO Partners, L.P., a master limited partnership. The partnership is involved in petroleum transportation, storage and marketing, petrochemical and NGL transportation and natural gas gathering. In addition to receiving TEPPCO distributions, which rose significantly in 2002, DEFS is paid to operate and commercially manage TEPPCO’s gas gathering systems. During 2002, significant TEPPCO activity included the following:

- Acquired the 800-mile Chaparral NGL pipeline that extends from New Mexico to east Texas
- Acquired the 170-mile Quanah system, which is a west Texas NGL gathering system
- Purchased the Val Verde system in New Mexico, which gathers and treats coal seam gas
- Undertook a major capacity expansion of its Jonah system, which collects gas from the Green River basin of southwestern Wyoming.

**ConocoPhillips Assets**

Outside of DEFS, ConocoPhillips owns and operates other midstream assets including gas gathering systems, processing plants, fractionators and storage facilities in the United States, Canada, Trinidad and Syria.

In the United States and Canada, ConocoPhillips has eight wholly owned and operated gas processing plants, two partially owned and operated plants, and smaller equity interests in two additional processing plants. The total combined net inlet capacity is almost 3 BCFD of raw natural gas. Most of the processed liquids are fractionated into separate components and marketed. The company also has interests in seven fractionation facilities with a net capacity of 249 MBPD. Natural gas and NGL storage caverns are located in Louisiana, Texas and Canada.

In Syria, ConocoPhillips also owns a 39 percent equity interest in Phoenix Park Gas Processors Limited, a joint venture with the National Gas Company of Trinidad and Tobago Limited and Pan West. Phoenix Park processes gas in Trinidad and markets NGL throughout the Caribbean and into the U.S. Gulf Coast. The facilities include a gas processing plant and a NGL fractionator. The company’s share of NGL extracted has averaged 10 MBPD since the merger closed in August 2002.

In Syria, ConocoPhillips has a 50 percent interest in a service contract, called DezGas, with Total. The contract calls for gathering and processing up to 175 MMCFD of natural gas, recovering the NGL, and transporting the processed gas to the existing Syrian national grid.
ConocoPhillips is the largest refiner in the United States, with crude oil processing capacity of just under 2.2 MMBPD; and the fifth largest refiner in the world, with crude oil processing capacity of about 2.6 MMBPD.

ConocoPhillips’ refining and marketing operations are comprised of the global refining, marketing and transporting of petroleum products, related specialty businesses, as well as downstream technology. These businesses upgrade crude oil and other feedstocks into higher-value petroleum products; including gasoline, diesel, jet fuel, lubricants, coke and other specialty products.

The company’s products are sold at some 17,000 branded retail and wholesale outlets around the world, primarily under the brands Conoco, Phillips 66, 76 in the United States and Jet, Jiffy and ProJet in Europe and Southeast Asia. In addition, ConocoPhillips markets under the Exxon and Mobil brands in the northeastern United States.

ConocoPhillips owns or leases transportation assets — pipelines and terminals, marine and inland vessels, railcars and trucks — to bring crude oil and feedstock to its refineries and to carry refined products to the market.

**Facts**
(Year-end 2002 data unless indicated)
- U.S. Refineries: 12 refineries in all regions
- International Refineries: 6 refineries in 5 countries
- Crude Processing Capability: 2.6 MMBPD
- Key Products: Gasoline, diesel fuel, jet fuel, LPG, base oils, lubricants, solvents, aviation gasoline, and premium and fuel grade petroleum cokes
- R&M Assets: $23.2 billion
- Employees: 15,700

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**Worldwide Refining & Marketing**

1 Excludes those marketing assets held for sale and reported in discontinued operations.
2 Excludes 26,300 retail store employees.
United States
ConocoPhillips divides its North American refining and marketing into four regions. Each region contains assets that are integrated by location, transportation and markets.

U.S. Refining & Marketing

Refining
East Coast Region

<table>
<thead>
<tr>
<th>Refinery</th>
<th>Crude and Other Charge Capacity (BPD)</th>
<th>Gasoline Production Capacity (BPD)</th>
<th>Distillate Production Capacity (BPD)</th>
<th>Nelson Complexity</th>
<th>Other Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bayway</td>
<td>285,000</td>
<td>140,000</td>
<td>100,000</td>
<td>8.1</td>
<td>Propane, chemical feedstocks</td>
</tr>
<tr>
<td>Trainer</td>
<td>185,000</td>
<td>100,000</td>
<td>57,000</td>
<td>7.9</td>
<td>Propane, fuel oil</td>
</tr>
<tr>
<td>Total</td>
<td>470,000</td>
<td>240,000</td>
<td>157,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Bayway Refinery
Located on the New York Harbor in Linden, New Jersey, Bayway has a crude oil processing capacity of 250 MBPD. Crude oil is supplied to the refinery by tanker, primarily from the North Sea and West Africa. The facility distributes its refined products to East Coast customers through pipelines, barges, railcars and trucks. Production changes seasonally to meet demand. Gasoline, mainly reformulated, is in higher demand during the summer, while in winter, the refinery optimizes operations to increase heating oil production. A 775 million-pound-per-year polypropylene plant became operational in March 2003.

Trainer Refinery
The Trainer refinery is located in Trainer, Pennsylvania, about 10 miles southwest of the Philadelphia airport on the Delaware River. The refinery has a crude oil processing capacity of 180 MBPD. The Bayway and Trainer refineries are operated in coordination with each other by sharing crude oil cargos, moving feedstocks between the facilities and sharing personnel. Both Trainer and Bayway refineries make a large percentage of clean products, including reformulated gasoline and low-sulfur diesel for local markets. Refined products are distributed to customers in Pennsylvania, New York and New Jersey via pipelines, barges, railcars and trucks.

Gulf Coast Region

<table>
<thead>
<tr>
<th>Refinery</th>
<th>Crude and Other Charge Capacity (BPD)</th>
<th>Gasoline Production Capacity (BPD)</th>
<th>Distillate Production Capacity (BPD)</th>
<th>Nelson Complexity</th>
<th>Other Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alliance</td>
<td>255,000</td>
<td>100,000</td>
<td>115,000</td>
<td>8.9</td>
<td>Propane, propylene, chemical feedstock, petroleum coke</td>
</tr>
<tr>
<td>Lake Charles</td>
<td>280,000</td>
<td>87,000</td>
<td>111,000</td>
<td>10.1</td>
<td>Benzene, propylene, lube oil feedstock, LPGs, petroleum coke</td>
</tr>
<tr>
<td>Sweeny</td>
<td>250,000</td>
<td>113,000</td>
<td>86,000</td>
<td>12.3</td>
<td>Aviation gasoline, various solvents, petroleum coke, chemical feedstocks, propylene</td>
</tr>
</tbody>
</table>

Total 785,000 300,000 312,000

Alliance Refinery
The Alliance refinery, located in Belle Chasse, Louisiana, on the Mississippi River, is about 25 miles south of New Orleans and 63 miles north of the Gulf of Mexico. The refinery has a crude oil processing capacity of 250 MBPD. Alliance receives domestic crude oil by pipeline and international crudes via the Louisiana Offshore Oil Port. The refinery's location, configuration and product slate are well suited to supply motor fuels into the southeastern United States. The majority of the refined products are distributed to customers through the Colonial and Plantation pipeline systems.

Lake Charles Refinery
The Lake Charles refinery is located in Westlake, Louisiana. The refinery has a crude oil processing capacity of 252 MBPD. The majority of the refinery's crude is heavy-sour from Venezuela and Mexico. A significant amount of this crude comes from ConocoPhillips' own synthetic crude production project, Petrozuata, in Venezuela. The majority of the refined products are distributed to customers by major common carrier pipelines and through the refinery's marine terminal.

The Lake Charles facilities also include a specialty coker and calciner that manufactures graphite and anode petroleum cokes for the steel and aluminum industries, and provides a substantial increase in light oils production by breaking down the heaviest part of the crude barrel to allow additional production of diesel fuel and gasoline.

The Lake Charles refinery supplies feedstocks to Excel Paralubes, Penreco and Venco, all joint ventures that are part of the company's specialty businesses function within refining and marketing.
Sweeny Complex
The Sweeny refinery is located in Old Ocean, Texas, about 65 miles southwest of Houston. The refinery has a crude oil processing capacity of 215 MBPD. The refinery primarily receives crude oil through ConocoPhillips and jointly owned terminals on the Gulf Coast, including a deepwater terminal at Freeport, Texas. Refined products are distributed throughout the midwest and southcentral United States through pipelines, barge and railcar. A NGL fractionator and olefins plants are located at the Sweeny complex and operated by the refinery on behalf of Chevron Phillips Chemical Company.

ConocoPhillips and PDVSA have a limited partnership that operates a 58 MBPD delayed coker and related facilities at the Sweeny refinery. ConocoPhillips is the operator of, and holds a 50 percent interest in, the Merey Sweeny, L.P. Under the terms of the agreements, PDVSA supplies the refinery up to 165 MBPD of Venezuelan Merey or equivalent crude oil.

Central Region

<table>
<thead>
<tr>
<th>Refinery</th>
<th>Crude and Other Charge Capacity (BPD)</th>
<th>Gasoline Production Capacity (BPD)</th>
<th>Distillate Production Capacity (BPD)</th>
<th>Nelson Complexity</th>
<th>Other Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Billings</td>
<td>64,000</td>
<td>35,000</td>
<td>22,000</td>
<td>11.5</td>
<td>Propane, petroleum coke, aviation gasoline, clarified oil resid</td>
</tr>
<tr>
<td>Borger Complex</td>
<td>177,000</td>
<td>91,000</td>
<td>54,000</td>
<td>13.6</td>
<td>Various solvents, aviation gasoline, LPG fuels, EP mix, carbon black oil</td>
</tr>
<tr>
<td>Ponca City</td>
<td>195,000</td>
<td>105,000</td>
<td>74,000</td>
<td>8.5</td>
<td>Propane, propylene, carbon black oil, petroleum coke</td>
</tr>
<tr>
<td>Wood River</td>
<td>292,000</td>
<td>155,000</td>
<td>75,000</td>
<td>8.3</td>
<td>Propane, chemical feedstock, asphalt</td>
</tr>
<tr>
<td>Total</td>
<td>728,000</td>
<td>386,000</td>
<td>225,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Billings Refinery
The Billings refinery is located in Billings, Montana. The refinery has crude processing capacity of 60 MBPD. The refinery processes a mixture of Canadian heavy, high-sulfur crude plus domestic high-sulfur and low-sulfur crudes, all delivered by pipeline. A delayed coker converts heavy, high-sulfur residue into higher-value light oils. Finished petroleum products from the refinery are delivered via company-owned pipelines, rail and trucks to markets in Montana, Nebraska, Washington, Colorado, Wyoming, North Dakota, Idaho, Utah and South Dakota.

Borger Complex
The Borger refinery is located in Borger, Texas, in the Texas Panhandle about 50 miles north of Amarillo. It includes a refinery and a NGL fractionation facility, as well as certain Chevron Phillips Chemical Company petrochemical operations. The crude oil processing capacity is 148 MBPD, and the NGL fractionation capacity is 95 MBPD. The refinery receives crude oil and NGL feedstocks through ConocoPhillips’ pipelines from West Texas and the Texas Panhandle. The Borger refinery can also receive foreign crude oil from the Gulf of Mexico via ConocoPhillips’ Seaway and O pipeline systems. Borger manufactures a full slate of motor fuels as well as upgrading some streams to higher-value solvents. Pipelines move the refined products from the refinery to West Texas, New Mexico, Arizona, Colorado, Kansas, Nebraska and the Chicago area.

Ponca City Refinery
ConocoPhillips’ refinery located in Ponca City, Oklahoma, has a crude oil processing capacity of 194 MBPD. Both foreign and domestic crudes are delivered by pipeline from offshore Gulf of Mexico, Canada and local production. The refinery’s facilities include fluid catalytic cracking, delayed coking and hydrodesulfurization units, which enable it to produce high ratios of gasoline and diesel fuel from crude oil. Finished petroleum products are shipped by truck, rail and company-owned and common carrier pipelines to markets throughout the mid-continent region.
Wood River Refinery
The Wood River refinery is located in Roxana, Illinois, about 15 miles north of St. Louis, Missouri, on the east side of the Mississippi River. It is the company’s largest refinery, with a crude oil processing capacity of 286 MBPD. The facility receives crude oil from a wide variety of sources including the Gulf of Mexico, Canada, and domestic crude oils via pipeline. Through an off-take agreement, a significant portion of its light oil production is sold to a third party at the refinery gate for delivery into Midwest markets. Remaining refined products are distributed to customers in the Midwest by pipeline, truck, barge and railcar.

West Coast Region

<table>
<thead>
<tr>
<th>Refinery</th>
<th>Crude and Other Charge Capacity (BPD)</th>
<th>Gasoline Production Capacity (BPD)</th>
<th>Distillate Production Capacity (BPD)</th>
<th>Nelson Complexity</th>
<th>Other Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Los Angeles Area</td>
<td>145,000</td>
<td>70,000</td>
<td>61,000</td>
<td>14.2</td>
<td>Petroleum coke</td>
</tr>
<tr>
<td>San Francisco Area</td>
<td>113,000</td>
<td>50,000</td>
<td>33,000</td>
<td>9.4</td>
<td>Petroleum coke, butane</td>
</tr>
<tr>
<td>Ferndale</td>
<td>95,000</td>
<td>43,000</td>
<td>23,000</td>
<td>7.7</td>
<td>Fuel oil, asphalt feedstock</td>
</tr>
<tr>
<td>Total</td>
<td>353,000</td>
<td>163,000</td>
<td>117,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Los Angeles Area Refinery
The Los Angeles Area refinery is composed of two linked facilities located about five miles apart in Carson and Wilmington, California, about 15 miles southeast of Los Angeles International airport. Carson serves as the front end of the refinery by processing crude oil, and Wilmington serves as the back end by upgrading products. The refinery has a crude oil processing capacity of 132 MBPD. The refinery receives crude oil via pipeline from California and foreign and domestic crude oil by tanker through company-owned and third-party terminals in the Port of Los Angeles. The refinery produces California Air Resources Board (CARB) gasoline. In 2000, ConocoPhillips was one of the first companies to use ethanol to meet federally mandated oxygenate requirements in California, three years ahead of the date required by the state. Refined products are distributed to customers in southern California, Nevada and Arizona by pipelines and trucks.

San Francisco Area Refinery
The San Francisco Area refinery is composed of two facilities linked by a 200-mile pipeline. The Santa Maria facility is in Arroyo Grande, California, while the Rodeo facility is in the San Francisco Bay area. The refinery’s crude oil processing capacity is 109 MBPD. Both the Santa Maria and Rodeo facilities have calciners to upgrade the value of the coke that is produced. The refinery receives crude oil from central California via pipeline and foreign crude oil by tanker. Intermediates are pipelined from Santa Maria to the Rodeo facility for upgrading to finished products. The refinery produces CARB gasoline using ethanol. Pipelines, railcars, trucks and barges distribute refined products into local, central California and western Nevada markets.

Ferndale Refinery
The Ferndale refinery in Ferndale, Washington, is about 20 miles south of the United States-Canada border on Puget Sound. The refinery has a crude oil processing capacity of 92 MBPD. In the first quarter of 2003, the refinery started up a new fluidized catalytic cracking unit that will improve the conversion of crude oil to finished products. The refinery receives crude oil primarily from the Alaskan North Slope, with secondary sources supplied by Canada or the Far East. Ferndale operates a deepwater dock that is capable of taking in full tankers bringing North Slope crude oil from Valdez, Alaska. The refinery is also connected to the Transmountain crude oil pipeline that originates in Canada. Most refined products are distributed by pipeline and barge to major markets in the northwest United States.

Nelson Complexity Factor or Index
The Nelson Complexity Factor provides insight into a refinery’s complexity, replacement costs and the relative value addition capacity.

The Factor calculation considers the variety and capacity of the different processing units within a refinery. The higher a refinery’s Nelson Complexity Factor, the greater its secondary conversion capacity and capability to produce higher-value products.
Marketing

In the United States, ConocoPhillips markets gasoline, diesel fuel, motor oils and convenience products, with 400 company owned retail outlets and another 12,600 outlets owned primarily by independent wholesale marketers. ConocoPhillips places a strong emphasis on the wholesale channel of trade because of its lower capital requirement and higher return on capital. These operations are strategically served by the company’s refineries and transportation systems and feature several strong brands – primarily the Conoco, Phillips 66, and 76 brands. In addition, ConocoPhillips has the right to use the Exxon and Mobil brands in certain areas.

ConocoPhillips is also recognized as a leader in manufacturing and marketing aviation fuels, lubricants and specialty products. Its lubricants, petroleum coke, waxes, solvents and pipeline flow improvers are sold to commercial, industrial and wholesale buyers worldwide.

Wholesale

ConocoPhillips has wholesale marketing operations in the United States, particularly with the Conoco, Phillips 66, and 76 brand names in the central and western regions of the United States. Wholesale marketing primarily sells product by partnering with independently owned marketer stations using the ConocoPhillips brands. In addition, the wholesale group sells aviation gasoline and jet fuel through independent dealers and marketers at 547 branded bases.

The Conoco brand appears at 3,900 outlets.

Phillips 66 brand appears at 6,000 stations.

The 76 brand is featured at 1,400 stations.

Fuel is sold by ConocoPhillips under the Exxon brand in seven northeastern states and Arizona. Mobil brand fuels are sold at ConocoPhillips outlets in eight eastern states.

1Excludes stations held in discontinued operations.

U.S. Gasoline Brands and Market Share

Market Share*

- >15%
- 5-15%
- <5%

*Market share based on all ConocoPhillips stations (continued and discontinued operations) as a percentage of total stations in region.
Retail
At December 31, 2002, in its continuing operations, ConocoPhillips owned and operated approximately 400 convenience stores under the Phillips 66, Conoco and 76 brands in 12 states. The company-operated retail operations are focused in the Central and West Coast regions. All the Phillips 66 branded outlets market merchandise through the Kicks 66 brand convenience stores.
ConocoPhillips also participates in a 50/50 joint venture that owns and operates 96 Flying J truck and travel plazas.

Transportation
ConocoPhillips owns or leases thousands of miles of pipeline systems to provide strategic, timely and environmentally safe delivery and storage of crude oil, refined products and NGL. These assets include some 95 product, crude and LPG terminals; coke exporting facilities, an impressive fleet of innovative, environmentally sound marine and inland vessels; 7,300 railcars that move products and support refinery operations; and 525 trucks that distribute fuels to the marketplace.

In the United States, the company owns or has an interest in 31,500 miles of pipeline. ConocoPhillips operates approximately 14,000 miles of pipeline that move about 3 MMBPD of crude oil, refined products and NGL to and from the company’s domestic refineries or to other locations for third-party shippers.

ConocoPhillips’ transportation assets in the United States also include some 82 refined product terminals that receive shipments by pipeline, marine or rail transport, store the products and then send them where they are needed.

Including the marine support for Alaska upstream, the company operates 12 marine vessels and has another 10 on long-term charter. In addition, the company owns or leases seven push boats, each associated with two barges. These vessels, which deliver about 2 MMBPD of crude oil and refined products, include 17 double-hulled tankers, four double-bottomed tankers, a deepwater drillship and a floating production and storage vessel.

Lube Oils and Specialty Products

Finished Lubricants
ConocoPhillips manufactures and markets four major brands of lubricants in the United States, including Phillips 66, 76, Conoco and Kendall. These lubricants are sold directly to industrial users and through marketers, mass merchandise stores, fast lubes, tire stores, automotive dealers and convenience stores. Company trademarks include TropArctic motor oil, Hydroclear and 76 Guardol Lubricants.

Base Oil
The company’s 50 percent Excel joint venture, with a plant in Lake Charles, Louisiana, is one of only a few operators in North America able to produce high-quality hydrocracked base oils. ConocoPhillips has an extensive line of Hydroclear brand consumer and industrial lubricants taking advantage of the crystal clear base oils from this venture.

Petroleum Coke
In addition, the company’s technical expertise in carbon upgrading positions it as a leader in manufacturing and marketing specialty coke and coke products. ConocoPhillips manufactures high-quality graphite and anode coke for use in the global steel and aluminum industries.
### Major Pipeline Systems

<table>
<thead>
<tr>
<th>Equity Interest</th>
<th>Name</th>
<th>Origination/Terminus</th>
<th>Product</th>
<th>Size</th>
<th>Miles</th>
<th>Capacity BPD</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>WA Line</td>
<td>Odessa, TX/Borger, TX</td>
<td>Crude</td>
<td>12-14&quot;</td>
<td>290</td>
<td>108,000</td>
</tr>
<tr>
<td>100%</td>
<td>Line O</td>
<td>Cushing, OK/Borger, TX</td>
<td>Crude</td>
<td>10&quot;</td>
<td>220</td>
<td>48,000</td>
</tr>
<tr>
<td>100%</td>
<td>Coast and Valley System</td>
<td>Central CA/Bay Area, CA</td>
<td>Crude</td>
<td>8-12&quot;</td>
<td>600</td>
<td>85,000</td>
</tr>
<tr>
<td>100%</td>
<td>Los Angeles and Ventura</td>
<td>Ventura, CA/Los Angeles Basin, CA</td>
<td>Crude</td>
<td>8-16&quot;</td>
<td>192</td>
<td>50,000</td>
</tr>
<tr>
<td>50%</td>
<td>Seaway Crude</td>
<td>Sweeny, TX/Cushing, OK</td>
<td>Crude</td>
<td>30&quot;</td>
<td>542</td>
<td>350,000</td>
</tr>
<tr>
<td>100%</td>
<td>MexTex</td>
<td>Gaines, TX/Borger, TX</td>
<td>Crude</td>
<td>8,12&quot;</td>
<td>235</td>
<td>20,000</td>
</tr>
<tr>
<td>100%</td>
<td>Cushing</td>
<td>Cushing, OK/Ponca City, OK</td>
<td>Crude</td>
<td>12&quot;</td>
<td>59</td>
<td>135,000</td>
</tr>
<tr>
<td>100%</td>
<td>Oklahoma Mainline</td>
<td>Wichita Falls, TX/Ponca City, OK</td>
<td>Crude</td>
<td>12&quot;</td>
<td>274</td>
<td>120,000</td>
</tr>
<tr>
<td>100%</td>
<td>Wood River Crude</td>
<td>Wood River, IL/Glenpool, OK</td>
<td>Crude</td>
<td>10&quot;</td>
<td>448</td>
<td>20,400</td>
</tr>
<tr>
<td>100%</td>
<td>Sweeney to Pasadena</td>
<td>Sweeney, TX/Pasadena, TX</td>
<td>Product</td>
<td>12,18&quot;</td>
<td>121</td>
<td>115,000</td>
</tr>
<tr>
<td>100%</td>
<td>Gold Line</td>
<td>Borger, TX/East Chicago, IN</td>
<td>Product</td>
<td>8-16&quot;</td>
<td>961</td>
<td>50,000</td>
</tr>
<tr>
<td>100%</td>
<td>Standish</td>
<td>Cushing, OK/Wichita, KS</td>
<td>Product</td>
<td>18&quot;</td>
<td>148</td>
<td>85,000</td>
</tr>
<tr>
<td>70%</td>
<td>Borger-Denver</td>
<td>McKee, TX/Denver, CO</td>
<td>Product</td>
<td>8,12&quot;</td>
<td>318</td>
<td>42,000</td>
</tr>
<tr>
<td>50%</td>
<td>ATA Line</td>
<td>Amarillo, TX/Albuquerque, NM</td>
<td>Product</td>
<td>6,10&quot;</td>
<td>293</td>
<td>32,000</td>
</tr>
<tr>
<td>50%</td>
<td>Seaway Products</td>
<td>Pasadena, TX/Cushing, OK</td>
<td>Product</td>
<td>16-20&quot;</td>
<td>523</td>
<td>85,000</td>
</tr>
<tr>
<td>33%</td>
<td>SAAL</td>
<td>Amarillo, TX/Amarillo and Lubbock, TX</td>
<td>Product</td>
<td>6&quot;</td>
<td>121</td>
<td>18,000</td>
</tr>
<tr>
<td>33%</td>
<td>El Paso</td>
<td>McKee, TX/El Paso, TX</td>
<td>Product</td>
<td>10&quot;</td>
<td>408</td>
<td>62,000</td>
</tr>
<tr>
<td>33%</td>
<td>Harbor</td>
<td>Woodbury, NJ/Linden, NJ</td>
<td>Product</td>
<td>16&quot;</td>
<td>80</td>
<td>104,000</td>
</tr>
<tr>
<td>16.6%</td>
<td>Colonial</td>
<td>Pasadena, TX/New York, NY</td>
<td>Product</td>
<td>30-40&quot;</td>
<td>5,300</td>
<td>2,200,000</td>
</tr>
<tr>
<td>13.8%</td>
<td>Explorer</td>
<td>Texas Gulf Coast/Chicago, IL</td>
<td>Product</td>
<td>24,28&quot;</td>
<td>1,400</td>
<td>500,000</td>
</tr>
<tr>
<td>100%</td>
<td>Seminole</td>
<td>Billings, MT/Sinclair, WY</td>
<td>Product</td>
<td>8&quot;</td>
<td>335</td>
<td>45,000</td>
</tr>
<tr>
<td>100%</td>
<td>Cheyenne Products</td>
<td>Cheyenne, WY/Sidney, NE</td>
<td>Product</td>
<td>6&quot;</td>
<td>120</td>
<td>24,000</td>
</tr>
<tr>
<td>100%</td>
<td>Wood River</td>
<td>Ponca City, OK/Wood River, IL</td>
<td>Product</td>
<td>10-12&quot;</td>
<td>644</td>
<td>57,000</td>
</tr>
<tr>
<td>100%</td>
<td>Wichita</td>
<td>Ponca City, OK/Wichita, KS</td>
<td>Product</td>
<td>8-10&quot;</td>
<td>129</td>
<td>100,000</td>
</tr>
<tr>
<td>100%</td>
<td>Oklahoma City</td>
<td>Ponca City, OK/Oklahoma City, OK</td>
<td>Product</td>
<td>8&quot;</td>
<td>79</td>
<td>39,000</td>
</tr>
<tr>
<td>100%</td>
<td>East Texas</td>
<td>Greenville, TX/Mount Pleasant, TX</td>
<td>Product</td>
<td>6&quot;</td>
<td>75</td>
<td>16,000</td>
</tr>
<tr>
<td>67%</td>
<td>Kansas City</td>
<td>El Dorado, KS/Kansas City, MO</td>
<td>Product</td>
<td>8-10&quot;</td>
<td>202</td>
<td>44,000</td>
</tr>
<tr>
<td>50%</td>
<td>Pioneer</td>
<td>Sinclair, WY/Salt Lake City, UT</td>
<td>Product</td>
<td>8,12&quot;</td>
<td>305</td>
<td>70,000</td>
</tr>
<tr>
<td>46%</td>
<td>Yellowstone</td>
<td>Billings, MT/Spokane, WA</td>
<td>Product</td>
<td>10&quot;</td>
<td>654</td>
<td>64,000</td>
</tr>
<tr>
<td>100%</td>
<td>Powder River</td>
<td>Douglas, WY/Borger, TX</td>
<td>NGL</td>
<td>6-10&quot;</td>
<td>644</td>
<td>33,000</td>
</tr>
<tr>
<td>100%</td>
<td>Blue Line</td>
<td>Borger, TX/East St. Louis, MO</td>
<td>NGL</td>
<td>8-12&quot;</td>
<td>689</td>
<td>45,000</td>
</tr>
<tr>
<td>50%</td>
<td>Chisholm</td>
<td>Kingfisher, OK/Conway, KS</td>
<td>NGL</td>
<td>8-10&quot;</td>
<td>184</td>
<td>21,000</td>
</tr>
<tr>
<td>20%</td>
<td>Dixie</td>
<td>Mont Belvieu, TX/Apex, NC</td>
<td>NGL</td>
<td>6-12&quot;</td>
<td>1,080</td>
<td>162,000</td>
</tr>
<tr>
<td>50%</td>
<td>Skelly-Belvieu</td>
<td>Skellytown, TX/Mont Belvieu, TX</td>
<td>NGL</td>
<td>8&quot;</td>
<td>624</td>
<td>51,000</td>
</tr>
</tbody>
</table>

1 50% ownership in management company.
International
Europe
ConocoPhillips owns or has an interest in five refineries in Europe, with an aggregate rated crude oil capacity of 386 MBPD net. The company has significant marketing operations in Europe, with Jet outlets and Jiffy convenience stores in 15 countries.

Refining

<table>
<thead>
<tr>
<th>Refinery</th>
<th>Crude and Other Charge Capacity Net (BPD)</th>
<th>Gasoline Production Capacity Net (BPD)</th>
<th>Distillate Production Capacity Net (BPD)</th>
<th>Nelson Complexity</th>
<th>Other Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Humber</td>
<td>234,000</td>
<td>87,000</td>
<td>113,000</td>
<td>13.7</td>
<td>Petroleum coke, benzene, propylene, LPGs, fuel oil</td>
</tr>
<tr>
<td>MiRO</td>
<td>53,000</td>
<td>24,400</td>
<td>25,100</td>
<td>9.8</td>
<td>LPG, bitumen, petroleum coke</td>
</tr>
<tr>
<td>Whitegate</td>
<td>72,000</td>
<td>18,000</td>
<td>30,000</td>
<td>3.9</td>
<td>Straight-run resid</td>
</tr>
<tr>
<td>Czech Refineries</td>
<td>27,000</td>
<td>4,200</td>
<td>6,900</td>
<td>7.0</td>
<td>LPG, avgas, LFO, HFO, bitumen</td>
</tr>
<tr>
<td>Total</td>
<td>386,000</td>
<td>133,600</td>
<td>175,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Humber Refinery**

ConocoPhillips' wholly owned Humber refinery is located in North Lincolnshire, United Kingdom, and has a capacity of 234 MBPD. Crude oil processed at the refinery is supplied primarily from the North Sea and includes lower cost, acidic crudes. The refinery also processes other intermediate feedstocks, mostly vacuum gas oils and residual fuel oil. The refinery's location on the east coast of England provides for cost effective North Sea crude imports and product exports to European and world markets.

The Humber facility is a fully integrated refinery that produces a full slate of light products and minimal fuel oil. The refinery also has two coking units with associated calcining plants, which upgrade the heavy “bottoms” and imported feedstocks into light-oil products and high-value graphite and anode petroleum cokes. Approximately 58 percent of the light oils produced in the refinery are marketed in the United Kingdom, while the other products are exported to the rest of Europe and the United States.

**MiRO Refinery**

The MiRO refinery in Karlsruhe, Germany, is a joint-venture refinery with a crude oil processing capacity of 53 MBPD. The refinery processes crude and other feedstocks supplied by each of the partners in proportion to their respective ownership interests, with each partner receiving their proportionate share of the products to market.

**Whitegate Refinery**

The Whitegate refinery is located in Cork, Ireland. Whitegate is Ireland's only refinery and has a processing capacity of 72 MBPD. Crude oil processed by the refinery is light sweet crude sourced mostly from the North Sea. Refined products are distributed inland via road and sea, as well as being exported to international markets. ConocoPhillips also operates a deepwater crude oil and products storage complex in Bantry Bay, Ireland.

**Czech Refineries**

ConocoPhillips, through its participation in Ceska Rafinerska, A.S. (CRC), has an interest in two refineries in the Czech Republic: one in Kralupy and the other in Litvinov. The other owners of CRC are Unipetrol A.S., Agip Petroli, and Shell Overseas Investment B.V. The refinery at Litvinov has a crude oil processing capacity of 103 MBPD, and the Kralupy refinery has a crude oil processing capacity of 63 MBPD. ConocoPhillips' 16.33 percent ownership share of the combined capacity is 27 MBPD. Both refineries process mostly high-sulfur crude oil, with a large portion being Russian export blend delivered by pipeline. The refineries have an alternative crude supply via a pipeline from the Mediterranean.
The two refineries are operated as a single entity, with certain intermediate streams moving between the two facilities. CRC markets finished products in both the Czech Republic and neighboring markets.

**Marketing**

ConocoPhillips has significant marketing operations in Europe, with 2,100 Jet outlets and Jiffy convenience stores in 13 countries. In early 2002, sites in Belgium that previously carried the SECA brand were rebranded to the Jet name and image. Through ConocoPhillips’ joint-venture operations in Turkey and Switzerland, the company also has an equity interest in another 770 sites marketing under the “Coop,” “Tabas” or “Turkpetrol” brand names.

**Jet/Jiffy:** ConocoPhillips uses the Jet brand to market fuels and other automotive products in 2,100 wholly owned operations in Europe. Jiffy convenience shops accompany 35 percent of those outlets. The largest of the company’s European marketing networks are in Germany and the United Kingdom.
Asia Pacific

ConocoPhillips has a growing presence in the Asia Pacific area, having started up downstream operations in the region in 1993. The company has an interest in a joint-venture refinery in Melaka, Malaysia, as well as a growing retail presence in Thailand and Malaysia, and lubes and coke marketing operations in several countries in the region.

Refining

<table>
<thead>
<tr>
<th>Refinery</th>
<th>Crude and Other Charge Net (BPD)</th>
<th>Gasoline Production Net (BPD)</th>
<th>Distillate Production Net (BPD)</th>
<th>Nelson Complexity</th>
<th>Other Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Melaka Refinery</td>
<td>56,000</td>
<td>13,500</td>
<td>33,000</td>
<td>9.2</td>
<td>Fuel oil</td>
</tr>
</tbody>
</table>

**Melaka Refinery**

The refinery in Melaka, Malaysia, is a joint venture with Petronas, the Malaysian state oil company. ConocoPhillips owns a 47 percent interest in the joint venture. The refinery has a rated crude oil processing capacity of 120 MBPD, of which ConocoPhillips’ share is 56 MBPD. Crude oil processed by the refinery is sourced mostly from the Middle East and the local area. The refinery produces a full range of refined petroleum products. It capitalizes on ConocoPhillips’ proprietary coking technology to upgrade low-cost feedstocks to higher-margin products. Some of the refined products support ConocoPhillips’ retail marketing operations in the Asia Pacific region with the balance of the light-oil share being sold in the regional markets.

**Marketing**

ConocoPhillips owns and operates 137 Jet/Jiffy branded retail sites in Thailand. The first store was opened in 1993, and the operations have grown to achieve the highest market efficiency in Thailand. Product is sourced from local refineries. In 2001, the company opened its first ProJet branded retail site in Malaysia and now has 25 sites in operation. ProJet is a joint venture with a significant Malaysian conglomerate, Sime Darby. The site stores in Malaysia are branded “destina.”

ConocoPhillips also markets finished lubricants in the region, using direct sales or distributors depending on the local markets. These lubricants are mainly distributed under the Hydroclear brand and are blended locally using high-quality base oils sourced from the company’s own Excel joint venture in the United States.

Finally, ConocoPhillips also assists in the marketing of specialty cokes in the region, sourced out of the Humber refinery in the U.K. and the Lake Charles refinery in the United States, as well as marketing Melaka’s fuel coke locally.
Chevron Phillips Chemical Company (CPChem)

On July 1, 2000, ConocoPhillips and ChevronTexaco, combined their worldwide chemicals and plastics businesses, excluding ChevronTexaco’s Oronite fuels and lubricants additives business, to form Chevron Phillips Chemical Company LLC. ChevronTexaco and ConocoPhillips each own 50 percent of CPChem, which is one of the world’s top producers of olefins, polyolefins, aromatics and styrenics.

Headquartered in Houston, Texas, CPChem uses fractionated NGL purchased from DEFS and other sources as one of the primary feedstocks for petrochemicals intermediates such as ethylene and propylene, which are used to produce plastics, specialty chemicals and synthetic fibers.

CPChem, with 32 production facilities and six research and technology centers in eight countries, has the people, assets and technology to pursue chemical opportunities on a global scale.

Facts

(Year-end 2002 average data unless indicated)

- Major Domestic Facilities: Borger, Cedar Bayou, Orange, Pasadena, Port Arthur and Sweeny, Texas; St. James, La.; Pascagoula, Miss.; Marietta, Ohio; Drilling Specialties in Conroe, Texas; Guayama, Puerto Rico; and nine plastic pipe plants and one pipe fittings plant
- Major Overseas Facilities: Kallo-Beveren and Tessenderlo, Belgium; Shanghai, China; Zhangjiagang, China; Al Jubail, Saudi Arabia; Singapore; Yochon, South Korea; and one plastic pipe plant in Mexico
- Assets: $6.1 billion
- ConocoPhillips’ Interest: 50 percent
- Employees: 5,500
## CPChem Petrochemical and Plastics Product Capacities

<table>
<thead>
<tr>
<th></th>
<th>Gross MMLB/Yr</th>
<th>Net MMLB/Yr</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Olefins and Polyolefins</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ethylene</td>
<td>7,600</td>
<td>7,600</td>
</tr>
<tr>
<td>Propylene</td>
<td>2,880</td>
<td>2,880</td>
</tr>
<tr>
<td>HDPE</td>
<td>4,680</td>
<td>4,070</td>
</tr>
<tr>
<td>LDPE</td>
<td>600</td>
<td>600</td>
</tr>
<tr>
<td>LLDPE</td>
<td>410</td>
<td>410</td>
</tr>
<tr>
<td>Polypropylene</td>
<td>810</td>
<td>486</td>
</tr>
<tr>
<td>Normal Alpha Olefins (NAO)</td>
<td>1,250</td>
<td>1,250</td>
</tr>
<tr>
<td>Polylalpha Olefins (PAO)</td>
<td>104</td>
<td>104</td>
</tr>
<tr>
<td>Acetylene Black</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Plastic (Polyethylene) Pipe</td>
<td>544</td>
<td>544</td>
</tr>
<tr>
<td><strong>Aromatics and Styrenics</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benzene</td>
<td>3,250</td>
<td>2,660</td>
</tr>
<tr>
<td>Cyclohexane(^1)</td>
<td>820</td>
<td>575</td>
</tr>
<tr>
<td>Paraxylene</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Cumene</td>
<td>1,100</td>
<td>1,100</td>
</tr>
<tr>
<td>Styrene</td>
<td>2,100</td>
<td>2,100</td>
</tr>
<tr>
<td>Polystyrene</td>
<td>990</td>
<td>990</td>
</tr>
<tr>
<td>K-Resin(^8)</td>
<td>385</td>
<td>339</td>
</tr>
<tr>
<td><strong>Specialty Products</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specialty Chemicals and Plastics</td>
<td>452</td>
<td>452</td>
</tr>
<tr>
<td>Ryton(^2)</td>
<td>29</td>
<td>29</td>
</tr>
</tbody>
</table>

1 Cyclohexane reflected on CPChem production capacity only. If you include exclusive marketing rights to ConocoPhillips’ Sweeny and Borger refinery cyclohexane production, then total gross and net cyclohexane marketing capabilities are 1,680 MM and 1,435 MM lbs., respectively.

2 Ryton™ product capacity limited by compounding capability currently available at Singapore and Kallo-Beveren, Belgium of 9 MM and 20 MM lbs/yr., respectively. Additional compounding capacity (15 MM lbs.) will be up and running at La Porte, Texas late third quarter 2003. Borger, Texas currently capable of producing 22 MM lbs. of “neat” material which is combined with additives/modifiers at compounding operations to provide final product grades.

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### Performance Pipe Division

- Bloomfield, Iowa (pipe fittings)
- Brownwood, Texas
- Fairfield, Iowa
- Hagerstown, Maryland
- Knoxville, Tennessee
- Pryor, Oklahoma
- Reno, Nevada
- Startex, South Carolina
- Waxahachie, Texas
- Williamstown, Kentucky
- Queretaro, Mexico
## CPChem Plants

<table>
<thead>
<tr>
<th>Facility/Location</th>
<th>Segments Served</th>
<th>Product</th>
<th>Approximate Gross Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Houston Chemical Complex, Pasadena, Texas</td>
<td>Aromatics &amp; Styrenics, Olefins &amp; Polyolefins</td>
<td>K-Resin® SBC, High-density polyethylene</td>
<td>270, 2,100</td>
</tr>
<tr>
<td>Sweeny Facility, Old Ocean, Texas</td>
<td>Olefins &amp; Polyolefins</td>
<td>Ethylene</td>
<td>4,100, 1,100</td>
</tr>
<tr>
<td>Borger Facility, Borger, Texas</td>
<td>Specialty Products</td>
<td>Organosulfur chemicals, Ryton™ PPS polymer, Performance and reference fuels, High-purity hydrocarbons and solvents</td>
<td>160, 22, 80, 125</td>
</tr>
<tr>
<td>Cedar Bayou Facility, Baytown, Texas</td>
<td>Olefins &amp; Polyolefins</td>
<td>Ethylene, Propylene, Acetylene Black, NAO, Polyalpha olefins, Linear-low, low- and high-density polyethylene</td>
<td>1,750, 1,000, 18, 1,250, 104, 1,530 (1)</td>
</tr>
<tr>
<td>Orange Chemical Facility, Orange, Texas</td>
<td>Olefins &amp; Polyolefins</td>
<td>High-density polyethylene</td>
<td>900</td>
</tr>
<tr>
<td>Port Arthur Facility, Port Arthur, Texas</td>
<td>Olefins &amp; Polyolefins</td>
<td>Ethylene, Propylene, Benzene, Cyclohexane, Cumene</td>
<td>1,750, 780, 530, 330, 1,100</td>
</tr>
<tr>
<td>Drilling Specialties, Conroe, Texas</td>
<td>Specialty Products</td>
<td>Drilling specialty chemicals</td>
<td>21</td>
</tr>
<tr>
<td>Houston Compounding Facility, La Porte, Texas</td>
<td>Specialty Products</td>
<td>Ryton™ compounds</td>
<td>- (2)</td>
</tr>
<tr>
<td>St. James Facility, St. James, Louisiana</td>
<td>Aromatics &amp; Styrenics</td>
<td>Styrene</td>
<td>2,100</td>
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<tr>
<td>Pascagoula Facility, Pascagoula, Mississippi</td>
<td>Aromatics &amp; Styrenics</td>
<td>Paraxylene, Benzene</td>
<td>1,000, 1,540</td>
</tr>
<tr>
<td>Marietta Facility, Marietta, Ohio</td>
<td>Aromatics &amp; Styrenics</td>
<td>Polystyrene</td>
<td>770</td>
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<tr>
<td>Puerto Rico Facility, Guayama, Puerto Rico</td>
<td>Aromatics &amp; Styrenics</td>
<td>Paraxylene</td>
<td>- (3)</td>
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<tr>
<td>Performance Pipe Division, 10 locations in the United States and one in Mexico</td>
<td>Olefins &amp; Polyolefins</td>
<td>Polyethylene pipe, conduit and pipe fittings</td>
<td>544</td>
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<td>Plastics Compounds &amp; Development Center, Singapore</td>
<td>Specialty Products</td>
<td>Ryton™ compounds</td>
<td>9</td>
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<td>Zhangjiagang, China Facility, Zhangjiagang, China</td>
<td>Aromatics &amp; Styrenics</td>
<td>Polystyrene</td>
<td>220</td>
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<td>Tessenderlo Chemicals Facility, Tessenderlo, Belgium</td>
<td>Specialty Products</td>
<td>Organosulfur chemicals</td>
<td>66</td>
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<tr>
<td>Kallo Compounding Facility, Kallo-Beveren, Belgium</td>
<td>Specialty Products</td>
<td>Ryton™ compounds</td>
<td>20</td>
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### CPChem Plants

<table>
<thead>
<tr>
<th>Facility/Location</th>
<th>Segments Served</th>
<th>Product</th>
<th>Approximate Gross Capacity (million lbs per year)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Joint Venture Facilities:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Qatar Chemical Company Ltd. (Q-Chem) Mesaieed, Qatar</td>
<td>Olefins &amp; Polyolefins Olefins &amp; Polyolefins Olefins &amp; Polyolefins</td>
<td>Ethylene High-density polyethylene NAO</td>
<td>- (2) - (2) - (2)</td>
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<tr>
<td>Chevron Phillips Singapore Chemicals (Private) Limited Singapore</td>
<td>Olefins &amp; Polyolefins</td>
<td>High-density polyethylene</td>
<td>860</td>
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<tr>
<td>Shanghai Golden Phillips Petrochemicals Co. Shanghai, China</td>
<td>Olefins &amp; Polyolefins</td>
<td>High-density polyethylene</td>
<td>300</td>
</tr>
<tr>
<td>Phillips Sumika Polypropylene Company, Pasadena, Texas</td>
<td>Olefins &amp; Polyolefins</td>
<td>Polypropylene</td>
<td>810</td>
</tr>
<tr>
<td>Saudi Chevron Phillips Company Al Jubail, Saudi Arabia</td>
<td>Aromatics &amp; Styrenics Aromatics &amp; Styrenics</td>
<td>Benzene Cyclohexane</td>
<td>1,180 490 (4)</td>
</tr>
<tr>
<td>K R Copolymer Co., Ltd. Yochon, South Korea</td>
<td>Aromatics &amp; Styrenics</td>
<td>K-Resin® SBC</td>
<td>115</td>
</tr>
</tbody>
</table>

(1) Excludes additional capacity of a plant at the facility which is currently undergoing commissioning. (2) Currently undergoing commissioning. (3) Plant currently idled. (4) Excludes additional capacity that becomes operational in the first quarter of 2003.

### Worldwide Chemicals
Projects

Qatar
In June 2001, CPChem and Qatar Petroleum announced plans for the development of a second world-scale petrochemical project in Qatar (Q-Chem II) to produce polyethylene and NAO on a site adjacent to the facility currently under construction in Qatar. In June 2002, CPChem and Qatar Petroleum announced that the project would include the construction of a larger ethane cracker than was previously planned. In connection with this change in the project scope, CPChem and Qatar Petroleum entered into a joint-venture agreement in June 2002 with Atofina and Qatar Petrochemical Company to jointly develop the ethane cracker. Final approval of the Q-Chem II project is anticipated in mid-2004, with startup expected in 2007.

Saudi Arabia
CPChem announced plans in 2002 for a 50 percent owned joint-venture project at Al Jubail, Saudi Arabia (the “Jubail Chevron Phillips project”). The project includes the construction of styrene and propylene facilities on a site adjacent to the existing aromatics complex owned by Saudi Chevron Phillips Company, a 50 percent owned CPChem joint venture. The project also includes the expansion of Saudi Chevron Phillips Company’s benzene facility. This additional benzene capacity will be used to provide feedstock for the new Jubail Chevron Phillips styrene facility. Final approval of the project is anticipated in the fourth quarter of 2003, with operational startup expected in 2006.

Emerging Businesses

Fuels Technology
Researchers in ConocoPhillips’ Fuels Technology Division developed a cost-effective technology called S Zorb™ Sulfur Removal Technology (SRT) that allows refiners to meet or surpass coming world mandates on sulfur content in gasoline and diesel fuel. It not only improves the company’s own environmental performance but also brings in licensing revenues from other refiners who see its value. In 2002, S Zorb technology was honored with international recognition as the most innovative commercial technology of the year at the prestigious Platts/Business Week Global Energy Awards presentations.

Another product developed and licensed by the Fuels Technology Division, called MaxCat Coke Reduction Technology (CRT), improves semi-regenerative catalytic reformer unit operations. Long recognized as the global leader in delayed coking technology, ConocoPhillips has licensed that proprietary technology to 26 coking facilities, which now account for a significant portion of the world’s delayed coking capacity. ConocoPhillips is also the world’s leading producer of petroleum derived coke products.

Another product developed and licensed by the Fuels Technology Division is the ReVAP improved catalyst for hydrofluoric acid alkylation processing. The catalyst significantly reduces operating risk previously associated with alkylation processes, while allowing more operational flexibility. As clean fuels regulations change the composition of gasoline, this technology will increasingly position refiners to comply, using a safe, cost-effective technology.

Liquefied Natural Gas and Gas-to-Liquids
ConocoPhillips is a significant player in the global LNG business, one of the fastest growing segments of the petroleum industry. The company gained prominence in the field with its successful proprietary technology called the Optimized Cascade LNG Process, an efficient, cost effective, safe and reliable process that transforms natural gas into a liquid, thereby allowing gas reserves to be economically transported by ship. The two facilities that use the company’s technology and are currently onstream are the ConocoPhillips liquefaction plant in Kenai, Alaska, and an Atlantic LNG facility in Trinidad.

ConocoPhillips uses the company’s proprietary technology at its liquefaction plant in Kenai, Alaska, and will also use it at its Bayu-Undan project in Darwin, Australia. The company has also
Electrical power generation and supply, an area of high growth potential, is a promising new diversification for ConocoPhillips. It allows the company to gain further advantage from its long history of technical expertise and innovation, effective project management, commercial skills, financial strengths and Upstream/Downstream integration. For optimal effectiveness, power projects are developed in conjunction with existing major E&P and R&M company operations.

In 2002 ConocoPhillips received U.K. government approval to build a 730 megawatt combined heat and power (CHP) plant at Immingham, on land adjacent to the company’s Humber refinery. The facility is expected to be one of the largest, cleanest and most efficient CHP plants in Europe. Its cogeneration technology will reduce carbon dioxide emissions as it supplies steam and electricity to the Humber refinery, while also providing steam for another company’s refinery and sending electricity to the national grid. It will also have the capacity to become a highly efficient and competitive source of power and heat to other companies in the area, which is one of Europe’s major industrial centers.

Emerging Technology
Emerging Technology focuses on developing new business opportunities designed to provide growth options for ConocoPhillips well into the future. Example areas of interest include renewable energy, advanced refining processes, energy conversion technologies and new petroleum-based products.

Contact Information

ConocoPhillips Investor Relations

<table>
<thead>
<tr>
<th>New York</th>
<th>Houston</th>
</tr>
</thead>
<tbody>
<tr>
<td>375 Park Avenue, Suite 3702</td>
<td>P.O. Box 2197</td>
</tr>
<tr>
<td>New York, NY 10152</td>
<td>Houston, TX 77252</td>
</tr>
<tr>
<td>212-207-1996</td>
<td>281-293-2833</td>
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A copy of this report can be obtained by visiting www.conocophillips.com on the Internet and selecting the Investor Information tab. The request can be made under the Company Reports section of that tab.
This Fact Book contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created thereby. Words and phrases such as “is anticipated,” “is estimated,” is expected,” “is planned,” “is scheduled,” “is targeted,” “believes,” “intends,” “objectives,” “projects,” “strategies” and similar expressions are used to identify such forward-looking statements. Forward-looking statements relating to ConocoPhillips’ operations are based on management's expectations, estimates and projections about the company and the petroleum industry in general on the date this Fact Book was prepared. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Further, certain forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements.

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 disruption or interruption of ConocoPhillips’ production facilities due to accidents or political events; unexpected technical difficulties in developing new products and manufacturing processes; 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. 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’ businesses generally as set forth in its filings with the Securities and Exchange Commission (SEC), including its Annual Report on Form 10-K for the fiscal year ended 2002, especially in the Management’s Discussion and Analysis section, its Quarterly Report on Form 10-Q for the third quarter ending September 2002 and its Current Reports on Form 8-K. ConocoPhillips is under no obligation to (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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