



Sweeny Gasification Project

February 8, 2010

CAUTIONARY STATEMENT

FOR THE PURPOSES OF THE “SAFE HARBOR” PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

The following presentation includes 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. You can identify our forward-looking statements by words such as “anticipates,” “expects,” “intends,” “plans,” “projects,” “believes,” “estimates,” and similar expressions. Forward-looking statements relating to ConocoPhillips’ operations are based on management’s expectations, estimates and projections about ConocoPhillips and the petroleum industry in general on the date these presentations were given. 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.

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Sweeny Gasification Project



ConocoPhillips is leading the way toward viable and cost-effective clean energy production through the development of an integrated gasification combined cycle (IGCC) power plant in Sweeny, TX.

Why Sweeny's IGCC Project?

- The Sweeny project would be one of the cleanest fossil fuel power plants in the world, capturing about 85 percent of the CO₂ emissions
- Would provide clean energy to approximately 700,000 Texas households
- Would create 850 new green jobs each year through 2015 and 200 long-term jobs in the years following
- Located near geological formations appropriate for CO₂ sequestration



A Strong Project Development Team

ConocoPhillips

- E-Gas™ Gasification technology
- Large project management and operations experience
- Petroleum coke supplies on site
- Partnership with DOE: The project was selected by the Department of Energy (DOE) to be awarded a \$3 million Cooperative Agreement to share cost in the development of the project



E-Gas™ Technology



The E-Gas™ Technology

- ConocoPhillips E-Gas™ Technology leverages over 30 years of gasification technology development, design and commercial operating experience to provide the industry with an ideal solution for petroleum coke (petcoke) utilization.
- The award-winning, reliable technology would convert petcoke into a clean alternative source of baseload electricity and other high-value products.
- The process will comply with all regulatory standards and has been designed to have a small environmental footprint.
- The Project would capture and store 85 percent of the carbon dioxide generated by the process throughout the life of the project. ConocoPhillips is committed to working with elected officials, regulators and other stakeholders to develop a legal and regulatory framework that will make long-term carbon storage viable.



The E-Gas™ Technology

Advantages of E-Gas™ Technology:

- Clean

Among the cleanest technologies available for converting coal or petroleum coke to electricity, natural gas or other products.
- Versatile

Petcoke can be used to produce synthesis gas and other products such as hydrogen, substitute natural gas (SNG) and chemicals in highly flexible combinations.
- Highly Efficient

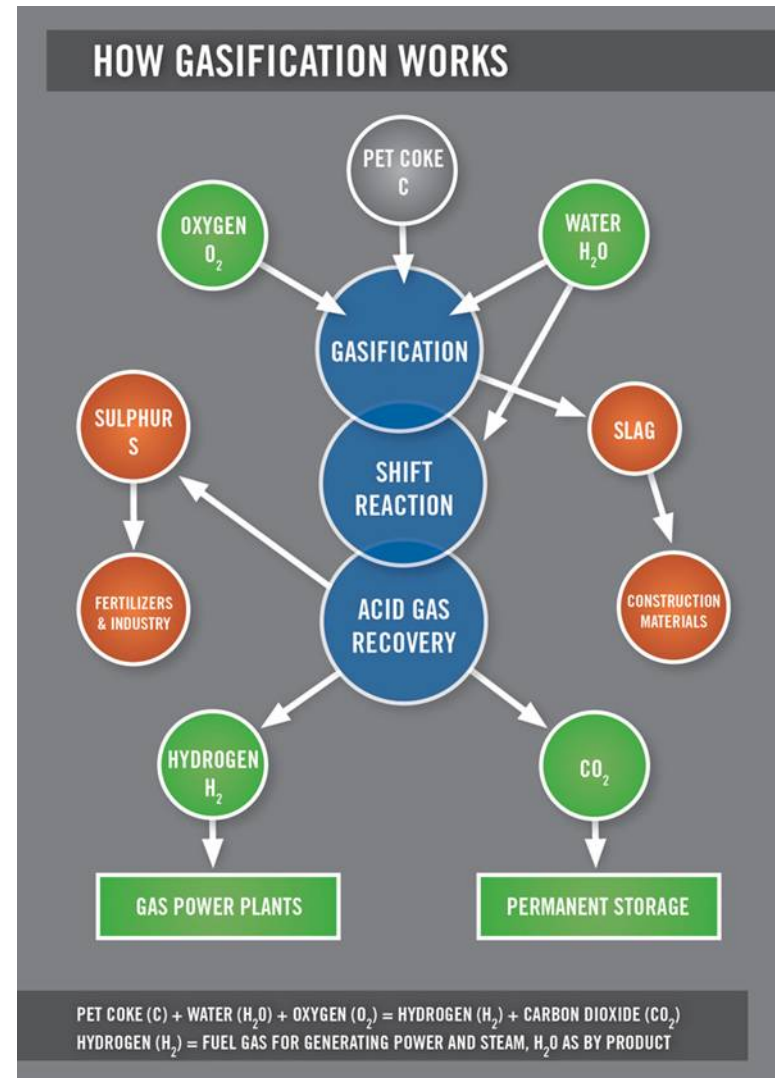
The unique two-stage process can readily capture about 95 percent of the energy stored in feedstocks.
- History of Success

To date, the technology has significant hours of operation and has gasified millions of tons of petroleum coke, bituminous coal and low-rank sub-bituminous coal.

Integrated Gasification Combined Cycle

How it works:

- During the gasification process, petcoke is mixed with water and injected into a pressurized vessel along with a controlled amount of pure oxygen.
- The heat inside the gasifier converts the petcoke, water and oxygen into synthesis gas comprised primarily of hydrogen and carbon monoxide.
- The synthesis gas is converted to a hydrogen rich gas that is fuel for a gas turbine, which converts it to electrical power. Heat from the turbine exhaust is used to generate steam and produce additional electricity.





Project Benefits

Regional Economic Benefits

The Sweeny Gasification Project is a multi-billion dollar investment by ConocoPhillips that would create new green jobs and provide a major economic benefit to the region and the state.

- The project would create about 850 new green jobs each year through 2015, with 200 long-term jobs in the years following.
- It will provide up to \$80 million annually in local and state economic impact through wages, taxes and other benefits.
- The existing infrastructure, work force and carbon dioxide storage options make Sweeny, Texas, an ideal location for this state-of-the-art complex.



Environmental Sustainability

Using ConocoPhillips' proven E-Gas™ technology, the Sweeny Project would create a model to produce clean energy from secure, domestic sources.

- The project would use ConocoPhillips' proven technology to make low-carbon power, which would minimize environmental impacts.
- The project would produce about the same amounts of sulfur dioxide, carbon monoxide and nitrogen oxide emissions as a similar sized conventional natural gas combined cycle power plant and much less than other traditional fossil generation.
- The project would reuse the existing refinery wastewater effluent to provide all process water needs, thus preserving vital water resources in the area.

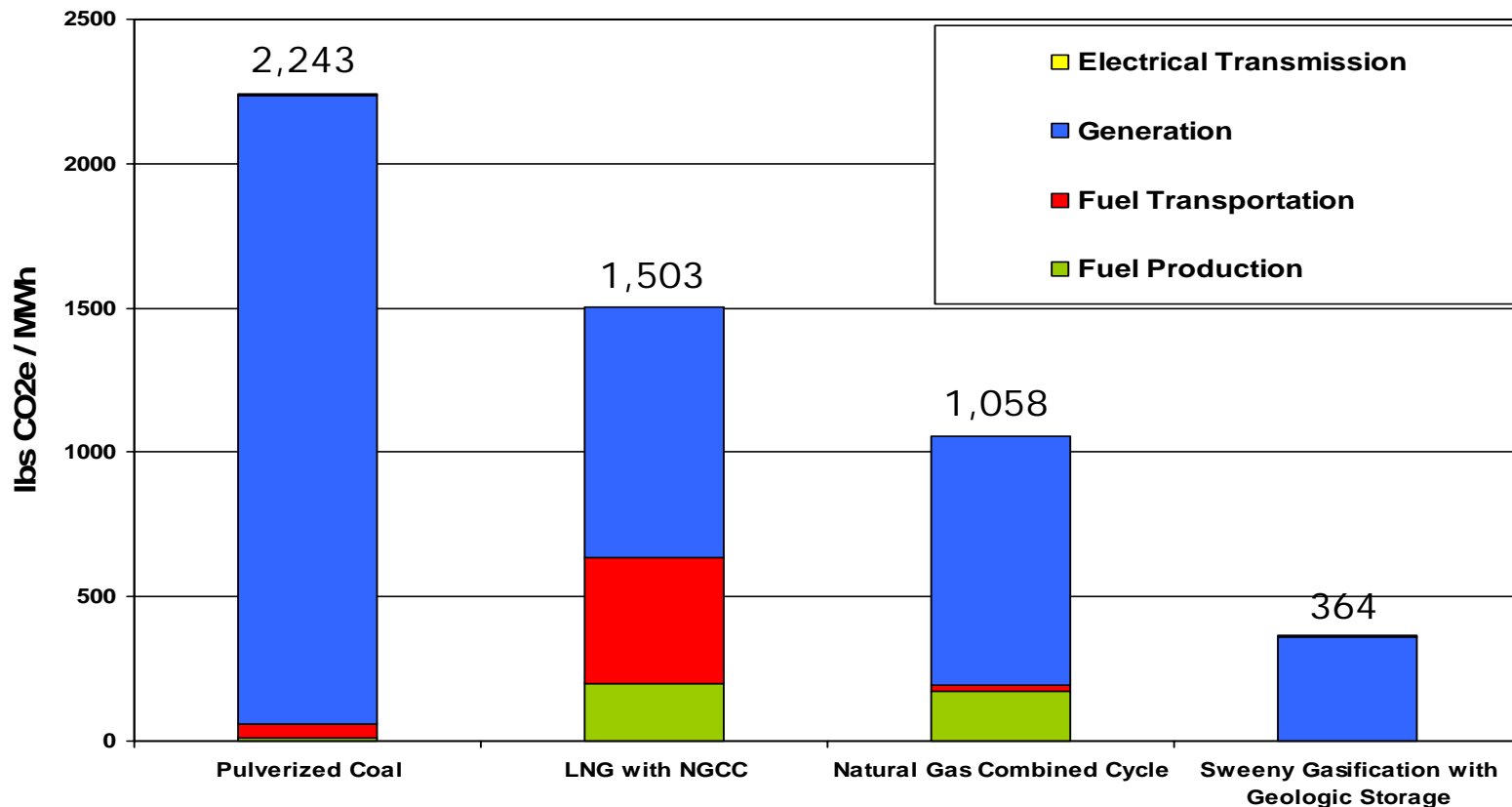
"Gasification can enhance the U.S. and world energy portfolio while creating fewer air emissions and generating less waste than most traditional energy technologies."

-Gasification
Technologies Council

Environmental Sustainability

Using ConocoPhillips' proven E-Gas™ technology, Sweeny Gasification would create a model to produce clean energy.

Greenhouse gas emissions from comparable projects



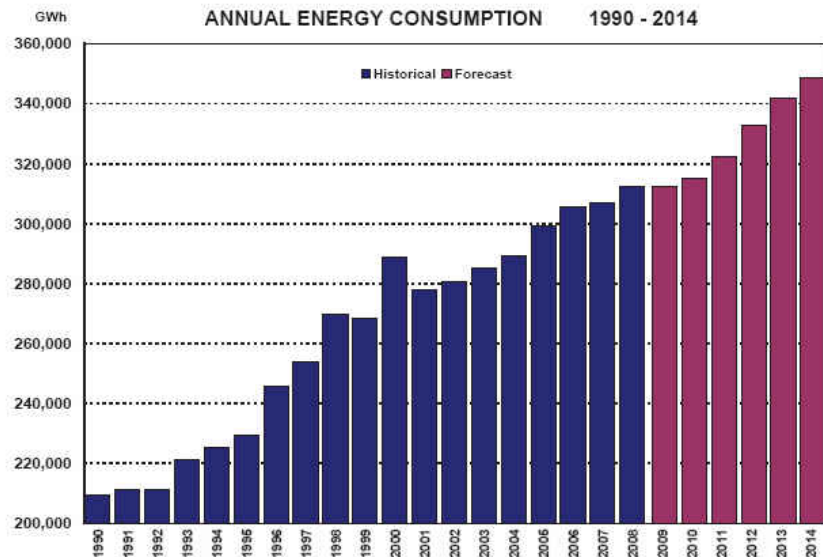
Source: Battelle Memorial Institute study, 2008; Internal ConocoPhillips study 2010

Energy Demands

This plant would help meet the growing demand for electricity in Texas.

- Development of this project would directly address the State of Texas' need for future electricity generation through a revolutionary process that creates approximately 680-megawatt of clean energy.
- The plant would help meet the growing demand for electricity in the Houston Zone of ERCOT by providing power to an additional 700,000 households in the area.

Projected Texas energy consumption expected to increase



Note: The peak in electric consumption in 2000 was due to an exceptionally hot summer.

Source: ERCOT, "Report on Existing and Potential Electric System Constraints and Needs," December 2009 and the Association of Electric Companies of Texas

CO₂ Storage Capability

At ConocoPhillips, we are playing a major role in advancing permanent carbon storage, and the Sweeny Project would serve as an example for other CCS projects in the future.

- Carbon dioxide (CO₂) from the project will be stored underground in depleted oil and gas fields or used for enhanced oil recovery. The CO₂ will be injected into the formations with containment or seals that prevent leakage.
- Monitoring systems would also be used to help ensure permanent storage of the carbon dioxide.
- Transporting and injecting carbon dioxide is a proven technology. Several large-scale carbon storage projects have successfully demonstrated that carbon storage is safe.

According to an IEA study released in 2006, CCS could rank, by 2050, second only to energy efficiency as a greenhouse gas control measure.

-International
Energy Agency

Challenges Facing the Sweeny Project

- Increasing costs and uncertain energy markets
- Federal incentives for clean coal and carbon capture and storage (CCS) are significantly insufficient and are ineffectively structured
- Potential permitting delays
- Lack of climate change regulatory certainty
- Lack of state and federal regulatory certainty for CCS

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For more information please visit:

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