ConocoPhillips

Annulus plug update

October 2014

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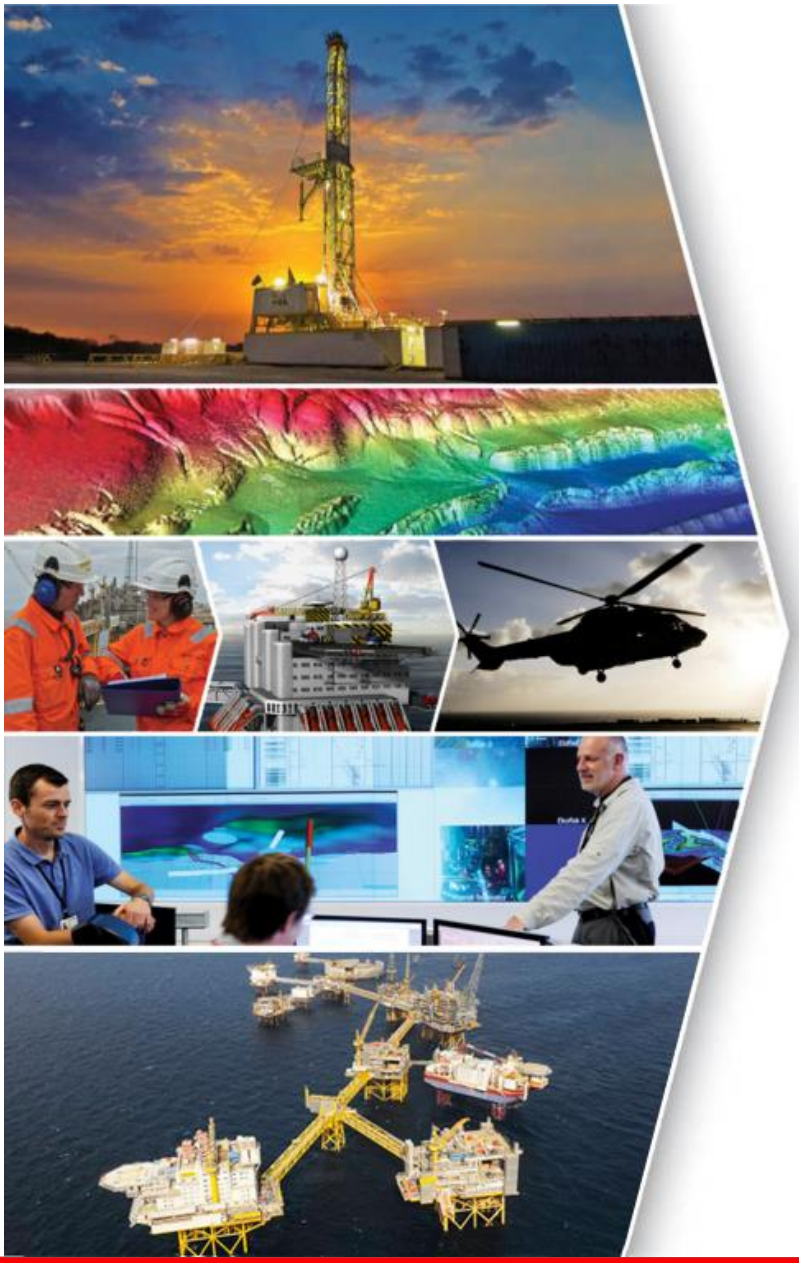
Cautionary Statement



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Use of non-GAAP financial information - This presentation includes non-GAAP financial measures, which are included to help facilitate comparison of company operating performance across periods and with peer companies. A reconciliation of these non-GAAP measures to the nearest corresponding GAAP measure is included in the appendix.

Cautionary Note to U.S. Investors – The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves. We use the term "resource" in this presentation that the SEC's guidelines prohibit us from including in filings with the SEC. U.S. investors are urged to consider closely the oil and gas disclosures in our Form 10-K and other reports and filings with the SEC. Copies are available from the SEC and from the ConocoPhillips website.

We are looking for

Our goal is to set perfect P&A plugs – in one run. And then to do it FASTER.

What we need:

- Big hole – more open area
- Disappearing guns
- Foundation
- Logging

In order to do perfect operations in one run.

Our message to suppliers:

- Need bundling/larger scope per contract
- Will support developments

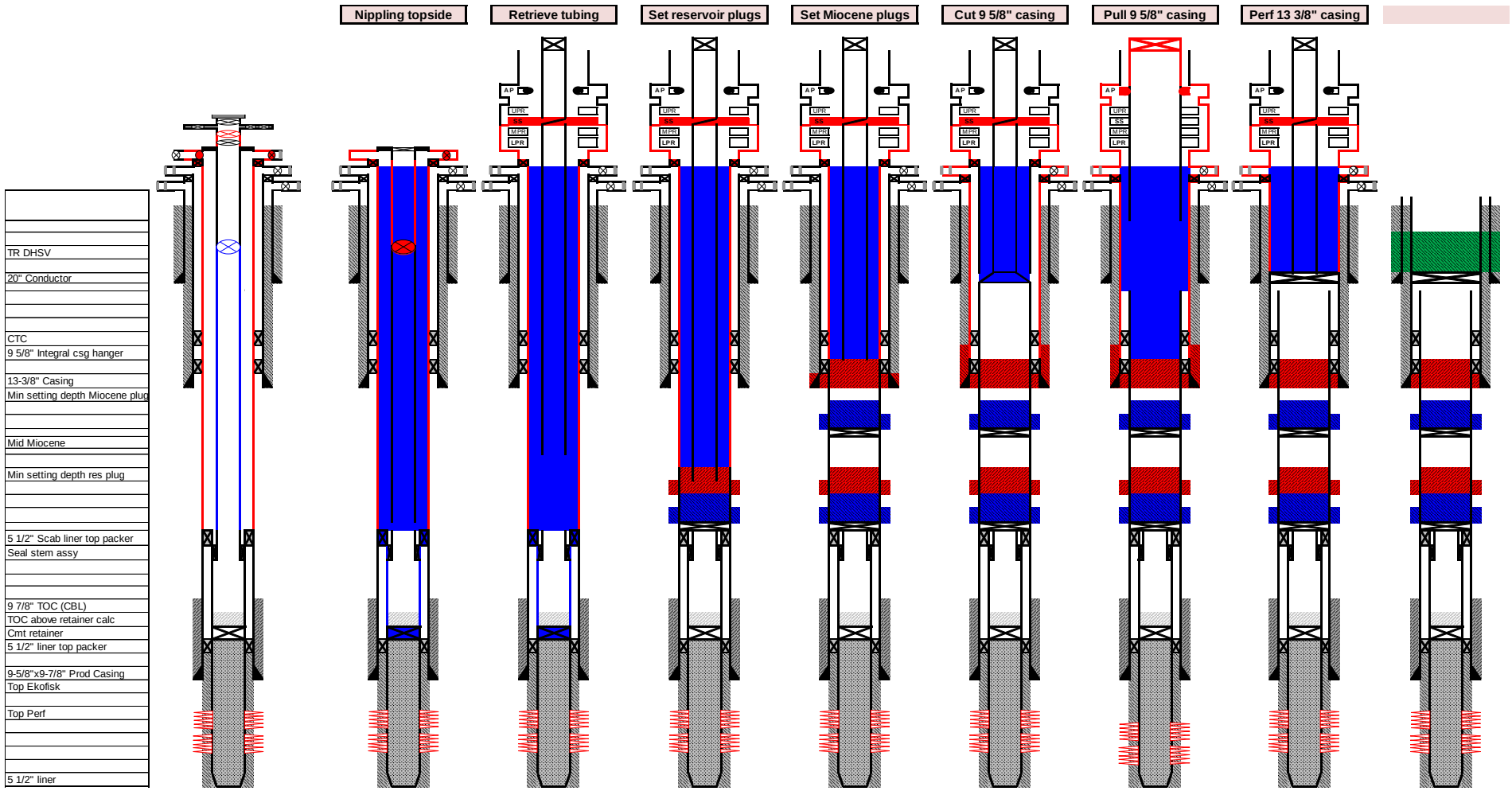
Our message to other operators:

- Cooperation is needed
- Share information openly

ConocoPhillips P&A work

- As of Q4 this year we expect to do both slot recovery and permanent type P&A work for years
- Will have three strings doing permanent P&A work as of mid 2015
- The typical Ekofisk P&A requires 5 plugs and the SOW > 50 days (number refers to a permanent P&A)

Typical Ekofisk P&A



ConocoPhillips – P&A fundamentals

Fundamentals

- Work as per NORSOK guidelines
- Well design in combination with depletion history, drilling practices and the "cross sectional" requirement from the guidelines will normally force an "annulus cement operation"
- Energy/power to remove steel + lift same + clean out annulus => jointed pipe

Options to achieve a cross sectional barrier (today)

- Prove cement bond and fill casing
- Section mill and place cement
- Standard P/W/C (read SPE paper # 148640)
- Jet type P/W/C

Other options (parked/in the future)

- Burn
- Expand
- Creeping shale

Status and forward plans annulus set plugs

Current status for nested strings

- Currently undergoing a field trial
- In the market for dual string cement bond verification tools

Current status jet type P/W/C for single string

- Tested/drilled out & logged
- Status as a contingency solution

Annulus plug

Issues to be considered;

- Foundation
- Read back (washing technique)
- Backcementing (go slow – wash, dilute and place)
- U-tube (during connection)
- Cement volume – going slow leads to higher cement volume
- Cement through top drive

ConocoPhillips funds technology developments

With the ambition to do perfect P&A operations in one run;

- Big hole – more open area
- Disappearing guns
- Foundation
- Logging

Other elements:

- Returns handling
- Fluids
- Step change technology, possibly with Coil, Wireline or other

Questions?

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