



Anadarko Petroleum Corporation

Company Profile

Publication Date: 3 Jul 2009

www.datamonitor.com

Datamonitor USA
245 5th Avenue
4th Floor
New York, NY 10016
USA

t:+1 212 686 7400
f:+1 212 686 2626
e:usinfo@datamonitor.com

Datamonitor Europe
Charles House
108-110 Finchley Road
London NW3 5JJ
United Kingdom

t:+44 20 7675 7000
f:+44 20 7675 7500
e:eurinfo@datamonitor.com

Datamonitor Germany
Kastor & Pollux
Platz der Einheit 1
60327 Frankfurt
Deutschland

t:+49 69 9754 4517
f:+49 69 9754 4900
e:deinfo@datamonitor.com

Datamonitor Hong Kong
2802-2803 Admiralty Centre
Tower 1
18 Harcourt Road
Hong Kong

t:+852 2520 1177
f:+852 2520 1165
e:hkinfo@datamonitor.com

ABOUT DATAMONITOR

Datamonitor is a leading business information company specializing in industry analysis.

Through its proprietary databases and wealth of expertise, Datamonitor provides clients with unbiased expert analysis and in depth forecasts for six industry sectors: Healthcare, Technology, Automotive, Energy, Consumer Markets, and Financial Services.

The company also advises clients on the impact that new technology and eCommerce will have on their businesses. Datamonitor maintains its headquarters in London, and regional offices in New York, Frankfurt, and Hong Kong. The company serves the world's largest 5000 companies.

Datamonitor's premium reports are based on primary research with industry panels and consumers. We gather information on market segmentation, market growth and pricing, competitors and products. Our experts then interpret this data to produce detailed forecasts and actionable recommendations, helping you create new business opportunities and ideas.

Our series of company, industry and country profiles complements our premium products, providing top-level information on 10,000 companies, 2,500 industries and 50 countries. While they do not contain the highly detailed breakdowns found in premium reports, profiles give you the most important qualitative and quantitative summary information you need - including predictions and forecasts.

All Rights Reserved.

No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of the publisher, Datamonitor plc.

The facts of this profile are believed to be correct at the time of publication but cannot be guaranteed. Please note that the findings, conclusions and recommendations that Datamonitor delivers will be based on information gathered in good faith from both primary and secondary sources, whose accuracy we are not always in a position to guarantee. As such Datamonitor can accept no liability whatever for actions taken based on any information that may subsequently prove to be incorrect.

TABLE OF CONTENTS

Company Overview.....	4
Key Facts.....	4
Business Description.....	5
History.....	7
Key Employees.....	10
Key Employee Biographies.....	11
Major Products and Services.....	17
Revenue Analysis.....	18
SWOT Analysis.....	19
Top Competitors.....	24
Company View.....	25
Locations and Subsidiaries.....	28

COMPANY OVERVIEW

Anadarko Petroleum Corporation (Anadarko) is an oil and gas exploration and production company. The company operates in the US and Algeria. Anadarko is headquartered in The Woodlands, Texas and employs about 4,300 people.

The company recorded revenues of \$14,640 million during the financial year ended December 2008 (FY2008), an increase of 31.5% over FY2007. The operating profit of the company was \$6,385 million during FY2008, a decrease of 13.7% compared with FY2007. The net profit was \$3,260 million in FY2008, a decrease of 13.7% compared with FY2007.

KEY FACTS

Head Office	Anadarko Petroleum Corporation 1201 Lake Robbins Drive The Woodlands Texas 77380 USA
Phone	1 832 636 1000
Fax	1 832 874 3385
Web Address	http://www.anadarko.com
Revenue / turnover (USD Mn)	14,640.0
Financial Year End	December
Employees	4,300
New York Ticker	APC

BUSINESS DESCRIPTION

Anadarko Petroleum Corporation (Anadarko) is an independent oil and gas exploration and production company, with 2.28 billion barrels of oil equivalent (BOE) of proved reserves as of December 31, 2008. The company also markets natural gas, oil, and natural gas liquids (NGLs); and owns and operates gas gathering and processing systems. The company is also engaged in the hard minerals business.

Anadarko operates through three segments: oil and gas exploration and production, midstream, and marketing.

The oil and gas exploration and production segment explores for and produces natural gas, crude oil, condensate, and NGLs. The company's major areas of operation are located onshore in the US, the deepwater of the Gulf of Mexico, and Algeria. Anadarko also has production in China and is executing strategic exploration programs in several other countries, including Ghana and Brazil. Anadarko had proved reserves of 8.1 trillion cubic feet (Tcf) of natural gas and 0.9 billion barrels of crude oil, condensate and, NGLs, as of December 31, 2008. Combined, these proved reserves are equivalent to 2.28 billion barrels of oil or 13.7 Tcf of gas. Anadarko had proved developed reserves of 6.1 Tcf of natural gas and 580 million barrels (MMBbls) of crude oil, condensate, and NGLs, as of December 31, 2008. Proved developed reserves comprised 70% of total proved reserves in 2008.

The company's oil and gas exploration and production business in the US includes the Lower 48 states, Alaska, and the deepwater Gulf of Mexico. Reserves in the US comprised 90% of Anadarko's total proved reserves at year-end 2008. The company's drilling efforts in the US resulted in 2,645 natural gas wells, 149 oil wells, and 19 dry holes, during FY2008. At the end of FY2008, about 75% of the company's proved reserves were located onshore in the Lower 48 states. Anadarko's operation in Alaska is concentrated primarily on the North Slope. Approximately 2% of the company's proved reserves were in Alaska, during FY2008. About 13% of the company's proved reserves were located offshore in the deepwater Gulf of Mexico, where Anadarko owns an average 64% working interest in 596 blocks and has access to an additional 22 blocks through participation agreements. The company holds interests in 26 producing fields and is in the process of developing two additional fields in the area.

The company is also engaged in oil and gas exploration and production in the Sahara desert of Algeria. At the end of FY2008, about 9% of the company's proved reserves were located in Algeria where a total of nine fields discovered by the company were on production.

The company's other international oil and gas production and/or development operations are located primarily in China. The company has exploration acreage in China, Brazil, Ghana, Indonesia, and other areas. Around 1% of the company's proved reserves were located in these other international locations in FY2008.

The midstream segment engages in gathering, processing, treating, and transporting Anadarko's and third party oil and gas production. The company owns and operates natural gas gathering, treating and processing systems in the US. The company invests in midstream (gathering and processing) facilities to complement its oil and gas operations in regions where the company has natural gas production. In addition, Anadarko's midstream business provides gathering, treating, and processing services for third-party customers, including major and independent producers. The company also processes a portion of its gas at various third-party plants. Anadarko has 29 systems in seven states (Wyoming, Colorado, Utah, New Mexico, Kansas, Oklahoma, and Texas) located in major onshore producing basins.

The marketing segment sells most of Anadarko's production, as well as commodities purchased from third parties. The company markets natural gas, oil, and NGLs in the US, and markets oil from Algeria and China. Under this segment, the company manages the sales of Anadarko's natural gas, crude oil, and NGLs. The company also purchases natural gas, crude oil, condensate, and NGLs for resale primarily from partners and producers near Anadarko's production. It sells natural gas under various contracts. The company is also engaged in sales of greenhouse gas emission reduction credits (ERCs) derived from carbon dioxide (CO₂) injection operations in Wyoming.

HISTORY

Anadarko Petroleum Corporation (Anadarko) was founded in 1959 as a subsidiary of Panhandle Eastern Pipe Line (Panhandle). Its creation was a response to a new ruling which set lower price ceilings for oil and gas production properties owned by pipeline companies.

During the 1960s, the company expanded by purchasing the assets of Ambassador Oil. This acquisition covered 600,000 acres in 19 US states. The company also acquired property in Canada.

The company commenced offshore exploration during the 1970s. In collaboration with five other companies, Anadarko acquired drilling rights for nine blocks in the Gulf of Mexico. Production began in 1974, and was part of the growth that led to Anadarko's gross revenue surpassing \$100 million for the first time in 1978.

In 1986, the Panhandle management decided to spin off Anadarko into a separate entity as the price of the common stock was seen as not reflecting Anadarko's performance. In the same year, Anadarko started trading on the New York Stock Exchange.

The company landed its first major exploration deal in 1989 by signing a production sharing agreement with Sonatrach, the national oil and gas enterprise of Algeria. Anadarko commenced development of liquid hydrocarbons in Algeria, in 1991. This was followed by the company securing additional exploration deals in Jordan and Peru, in 1996.

The new millennium saw Anadarko expanding its operating area from several strategic partnerships. Of particular importance in the domestic market was the development of interests in Alaska. In an agreement with ARCO Alaska, the company added 2.2 million acres in that state. Anadarko also entered into joint ventures with energy companies such as ExxonMobil and Texaco for exploration of oil and gas in the Gulf of Mexico. In addition, the company entered into a number of joint ventures in the minerals business of coal and trona mines.

Anadarko merged with Union Pacific Resources, in 2000. This merger nearly doubled its reserves. By the end of 2000, the combined reserves stood at 2 billion barrels, 51% of which were oil and 49% of which were gas.

The company made several acquisitions during the 2000s. In 2001, Anadarko acquired the Canadian companies Berkley Petroleum Corporation and Gulf Stream Corporation. In the next year, Anadarko acquired Houston-based Howell Corporation. In 2003, it purchased the majority of the Gulf of Mexico shelf properties of Amerada Hess Corporation. This acquisition added about 2.5 million BOE to the company's 2003 volumes.

The company was engaged in a number of divestitures and acquisitions, in 2004. It divested certain properties located in the US and Canada. These properties were primarily located in the shallow waters of the Gulf of Mexico, the Western Canadian Sedimentary basin, and the mid-continent region

of the US. Anadarko acquired Northeast Energy, a private company in Canada whose sole project was a proposed LNG receiving terminal on the coast of Nova Scotia, also in 2004.

Anadarko continued to construct a liquefied natural gas (LNG) receiving terminal at Bear Head, Point Tupper in Nova Scotia, US, in 2005. In the same year, Anadarko entered into precedent agreements with a third party in order to secure delivery of natural gas from the Bear Head facility to prospective markets in eastern Canada and the northeastern US.

Further in 2005, Anadarko added 314 million barrels of oil equivalent (MMBOE) of proved reserves. Of this amount, 309 MMBOE were added as a result of successful drilling in the deepwater Gulf of Mexico and oil and gas fields in the US.

The company was awarded the exploration and production rights to Offshore Area 1 in Mozambique's second licensing round in the under-explored Rovuma Basin, in 2006. In the same year, the company entered into an exploration joint venture with Chevron for operating approximately 200,000 net mineral acres Chevron owned within the Delaware Basin in west Texas. Anadarko acquired Kerr-McGee Corporation and Western Gas Resources, also in 2006. In the same year, Anadarko completed the divestiture of its Gulf of Mexico shelf subsidiary to W&T Offshore, for pre-tax proceeds of \$1 billion, after adjusting for net cash flows.

Further in 2006, the company sold its wholly owned subsidiary, Anadarko Canada Corporation, to Canadian Natural Resources for \$4.24 billion, including estimated working capital adjustments. Anadarko's interests in the Mackenzie Delta and other Canadian arctic frontier properties were excluded from this sale.

In the same year, Anadarko signed an agreement whereby integrated oil and gas company Statoil would pay Anadarko \$901 million and acquire Anadarko's interests in and around two deepwater Gulf of Mexico discoveries and one prospect. The company sold its Genghis Khan discovery in the deepwater Gulf of Mexico to the owners of the adjacent Shenzi field for \$1.35 billion, also in 2006.

Later in 2006, the company signed an exploration and production concession contract with the Government of Mozambique for Offshore Area 1 in the Rovuma Basin. Anadarko was awarded the block in Mozambique's second licensing round earlier in the year. In the same year, Anadarko sold its Vernon and Ansley fields, located in Jackson Parish, Louisiana, to EXCO Resources for \$1.6 billion.

In 2007, the company sold its interests in the Elk Basin and Gooseberry area, primarily located in Park County, Wyoming, to Encore Acquisition Company for \$400 million. In the same year, the company sold its interests in the Williston Basin of eastern Montana and western North Dakota to Encore Acquisition Company for \$410 million.

Subsequently in 2007, Anadarko sold its interests in certain natural gas properties in Oklahoma and Texas to EXCO Resources, for \$860 million. In the same year, the company divested 100% of its interest in Anadarko Qatar Energy Company and Anadarko Resources Company, which together

held a 92.5% interest in Blocks 12 and 13 in Qatar, to a subsidiary of Occidental Petroleum Corporation, for \$350 million.

Further in 2007, Anadarko and Chesapeake, a producer of natural gas in the US, entered into a joint venture in the Deep Haley area of the Delaware Basin in West Texas. In the same year, The Atwater Valley Producers Group, of which Anadarko was a member, announced the first production from the Independence Hub, a 105-foot, deep-draft, semi-submersible platform with a two-level production deck.

Later in 2007, the company discovered oil at The Hyedua-1 well, at offshore West Africa. In the same year, the company made an oil discovery at its West Tonga prospect on Green Canyon block 726 in the deepwater Gulf of Mexico.

In March 2008, Anadarko sold its 50% interest in the Peregrino field offshore Brazil and its 25% interest in the BP-operated Kaskida Unit in the deepwater Gulf of Mexico to StatoilHydro, an integrated oil and gas company, for cash proceeds of \$1.8 billion and additional consideration of \$300 million.

In September 2008, Anadarko announced a pre-salt discovery in the BM-C-30 block at the Wahoo prospect offshore in Brazil in the Campos Basin.

In December 2008, Anadarko completed sale of its 50% interest in the Peregrino heavy-oil field offshore Brazil to StatoilHydro and received approximately \$1.4 billion of net after-tax proceeds. In the same month, Anadarko announced another successful appraisal well in the Jubilee field offshore in Ghana.

In February 2009, Anadarko announced a substantial oil discovery at its Heidelberg prospect in Green Canyon block 859 in the deepwater Gulf of Mexico. The discovery well encountered more than 200 feet of net oil pay. In the same month, the company announced another deepwater Gulf of Mexico discovery. The Shenandoah discovery well, located in Walker Ridge block 52, encountered net oil pay approaching 300 feet in the Wilcox formation.

In March 2009, Anadarko announced that the Tweneboa-1 discovery well offshore in Ghana had encountered approximately 70 feet of net pay. The well discovered a light hydrocarbon accumulation in similar-age sands as the nearby, but separate, Jubilee field.

KEY EMPLOYEES

Name	Job Title	Board	Compensation
James T. Hackett	Chairman, President, and Chief Executive Officer	Executive Board	21336877 USD
Robert J. Allison, Jr.	Chairman Emeritus	Non Executive Board	256719 USD
Larry Barcus	Director	Non Executive Board	294719 USD
John R. Butler, Jr.	Director	Non Executive Board	289719 USD
Luke R. Corbett	Director	Non Executive Board	246719 USD
H. Paulett Eberhart	Director	Non Executive Board	308719 USD
Peter J. Fluor	Director	Non Executive Board	255481 USD
John R. Gordon	Director	Non Executive Board	307719 USD
John W. Poduska, Sr.	Director	Non Executive Board	291719 USD
Paula Rospud Reynolds	Director	Non Executive Board	262481 USD
R.A. Walker	Chief Operating Officer	Senior Management	6717560 USD
Robert P. Daniels	Senior Vice President, Worldwide Exploration	Senior Management	
Robert G. Gwin	Senior Vice President, Finance and Chief Financial Officer	Senior Management	
Charles A. Meloy	Senior Vice President, Worldwide Operations	Senior Management	6873210 USD
Robert K. Reeves	Senior Vice President, General Counsel, and Chief Administrative Officer	Senior Management	4669974 USD

KEY EMPLOYEE BIOGRAPHIES

James T. Hackett

Board: Executive Board
Job Title: Chairman, President, and Chief Executive Officer
Since: 2006
Age: 55

Mr. Hackett has been the Chairman of the Board of Directors of Anadarko Petroleum Corporation since 2006. He is also the President and Chief Executive Officer of the company since 2003. Prior to joining the company, he was the Chief Operating Officer of Devon Energy Corporation in the year 2003, following Devon's merger with Ocean Energy. Before that, he was a President and Chief Executive Officer of Ocean Energy from 1999 to 2003 and was its Chairman from 2000 to 2003. Prior to that, he served as the Chief Executive Officer and President of Seagull Energy Corporation from 1998 until 1999 and as its Chairman in the year 1999, prior to its merger with Ocean Energy.

He is also a Director of Fluor Corporation and Halliburton Company. He also serves as the Chairman of the Board of the Federal Reserve Bank of Dallas. He is the former Chairman of Houston Grand Opera, Campaign Chairman, and a member of the board. He also serves as the Vice Chairman of the Board (and as Finance Chairman) of the Baylor College of Medicine; and on the boards of the Business Roundtable and the Trilateral Commission. He is an Adjunct Professor at Rice University.

Robert J. Allison, Jr.

Board: Non Executive Board
Job Title: Chairman Emeritus
Since: 2006
Age: 70

Mr. Allison has been the Chairman Emeritus of Anadarko Petroleum Corporation since 2006 and a Director since 1985. Before that, he was the Chairman of the company from 1986 until 2005. He also served as Chief Executive Officer of the company from 1986 until 2002 and in 2003. He is also a Director of Freeport-McMoRan Copper & Gold.

Larry Barcus

Board: Non Executive Board
Job Title: Director
Since: 1986
Age: 71

Mr. Barcus has been a Non Executive Director of Anadarko Petroleum Corporation since 1986. He is also the Chairman of L.G. Barcus and Sons, a US general contractor, since 1990; and Chairman of First Community Bancshares and Chairman of First Community Bank since 1995.

John R. Butler, Jr.

Board: Non Executive Board
Job Title: Director
Since: 1996
Age: 70

Mr. Butler has been a Non Executive Director of Anadarko Petroleum Corporation since 1996. He was the Chairman of the Society of Exploration Geophysicists Foundation until 2001. Before that, he was the Chairman and Chief Executive Officer of GeoQuest International Holdings, Senior Chairman of Petroleum Information, and Vice Chairman of Petroleum Information/Dwights until 1997.

He is also a Director of BreitBurn Energy Partners since 2006 and a Director of the Houston chapter of the National Association of Corporate Directors. He is a member of the Society of Petroleum Evaluation Engineers, and was the Chairman of the Society of Exploration Geophysicists Foundation until 2001.

Luke R. Corbett

Board: Non Executive Board
Job Title: Director
Since: 2006
Age: 62

Mr. Corbett has been a Non Executive Director of Anadarko Petroleum Corporation since 2006 following Anadarko's acquisition of Kerr-McGee Corporation, where he had served as Chairman and Chief Executive Officer since 1999. He had been with Kerr-McGee since 1985 when he joined the company's exploration and production division as Vice President of Geophysics. He held a wide array of senior executive positions with Kerr-McGee. He also serves on the boards of OGE Energy Corporation and Noble Corporation.

H. Paulett Eberhart

Board: Non Executive Board
Job Title: Director
Since: 2004
Age: 55

Ms. Eberhart has been a Non Executive Director of Anadarko Petroleum Corporation since 2004. She served as the President and Chief Executive Officer of Invensys Process Systems, a process

automation company, from 2007 to 2009. Before that, she was a President of Americas at Electronic Data Systems Corporation (EDS), an information technology and business process outsourcing company, from 2003 until 2004. Prior to that, she was Senior Vice President of EDS and President of Solutions Consulting from 2002 to 2003. She was also a member of the Executive Operations Team and Investment Committee of EDS. She was an employee of EDS from 1978 to 2004.

She is a Certified Public Accountant and also serves as a Director of Advanced Micro Devices.

Peter J. Fluor

Board: Non Executive Board
Job Title: Director
Since: 2007
Age: 61

Mr. Fluor has been a Non Executive Director of Anadarko Petroleum Corporation since 2007. He is also the Chairman and Chief Executive Officer of Texas Crude Energy, a private, independent oil and gas exploration company. He also serves as a Lead Director of Fluor Corporation; and a Director of Cameron International Corporation and The Welch Foundation. He is also a member of the All American Wildcatters Association and the Council of Overseers of the Jesse H. Jones Graduate School of Management at Rice University.

John R. Gordon

Board: Non Executive Board
Job Title: Director
Since: 1988
Age: 60

Mr. Gordon has been a Non Executive Director of Anadarko Petroleum Corporation since 1988. Prior to that, he was a President of Deltec Securities Corporation from 1988 until it was converted into Deltec Asset Management, an investment firm. He is also a Senior Managing Director of Deltec Asset Management.

John W. Poduska, Sr.

Board: Non Executive Board
Job Title: Director
Since: 2000
Age: 71

Mr. Poduska has been a Non Executive Director of Anadarko Petroleum Corporation since 2000. He is a retired business executive. He was the Chairman of Advanced Visual Systems, a provider

of visualization software, from 1992 until 2002. He was a Director at Union Pacific Resources Group from 1995 until 2000. He is also a Director of Novell and Safeguard Scientific.

Paula Rosput Reynolds

Board: Non Executive Board
Job Title: Director
Since: 2007
Age: 52

Ms. Reynolds has been a Non Executive Director of Anadarko Petroleum Corporation since 2007. She is the Vice Chairman and Chief Restructuring Officer of American International Group. Prior to her appointment to this position in 2008, she served as the President and Chief Executive Officer of Safeco Corporation, a property and casualty insurance company, from until its acquisition by Liberty Mutual Group in 2008. Prior to joining Safeco in 2006, she was the Chairman, President, and Chief Executive Officer of AGL Resources, a regional energy services holding company.

She has also previously served as the President and Chief Executive Officer of Duke Energy North America, a subsidiary of Duke Energy; and as a Senior Vice President of Pacific Gas Transmission Company. She is also a Director of Delta Air Lines.

R.A. Walker

Board: Senior Management
Job Title: Chief Operating Officer
Since: 2009
Age: 52

Mr. Walker has been the Chief Operating Officer of Anadarko Petroleum Corporation since 2009. Before that, he was the Senior Vice President of Finance and Chief Financial Officer of the company since 2005. Prior to joining the company in 2005, he served as the Managing Director for the Global Energy Group of UBS Investment Bank. Before that, he held the position of President and Chief Financial Officer of 3TEC Energy Corporation until its sale to Plains Exploration and Production Company. Before that, he worked with Prudential Capital Group. Prior to that, he worked in commercial banking and for an independent oil and gas company.

He is a Director of Temple-Inland. He is currently the Chairman of Western Gas Partners; and serves on the Board of Trustees for the United Way of Greater Houston and the Houston Museum of Natural Science.

Robert P. Daniels

Board: Senior Management
Job Title: Senior Vice President, Worldwide Exploration

Since: 2006
Age: 50

Mr. Daniels has been the Senior Vice President of Worldwide Exploration for Anadarko Petroleum Corporation since 2006. He joined the company in 1985. He has also served as Project Manager of the Ourhoud Development Project in Algeria and as a Manager of US Onshore Exploration.

He serves on the Board of Directors of the Cerebral Palsy Research Foundation and Junior Achievement of Southeast Texas. He is a Trustee of the American Geological Institute Foundation.

Robert G. Gwin

Board: Senior Management
Job Title: Senior Vice President, Finance and Chief Financial Officer
Since: 2009
Age: 46

Mr. Gwin has been the Senior Vice President of Finance and Chief Financial Officer for Anadarko Petroleum Corporation since 2009. Prior to that, he was the Senior Vice President of the company since 2008. Before joining the company in 2006, he was the Chief Executive Officer of Community Broadband Ventures. Before that, he was the Chairman, President, and Chief Executive Officer of Prosoft Learning Corporation. Prior to that, he worked for ten years at Prudential Capital Group in merchant banking roles.

He is also the President, Chief Executive Officer, and a Director of Western Gas Holdings, a subsidiary of Anadarko, which is the general partner of Western Gas Partners.

Charles A. Meloy

Board: Senior Management
Job Title: Senior Vice President, Worldwide Operations
Since: 2006
Age: 49

Mr. Meloy has been the Senior Vice President of Worldwide Operations for Anadarko Petroleum Corporation since 2006. He joined the company in 2006 as Senior Vice President of Deepwater and International Operations. Before that, he had served since 2005 as Vice President of Exploration and Production at Kerr-McGee Corporation, prior to its acquisition by Anadarko. Before that, he was Vice President of Gulf of Mexico Exploration, Production, and Development from 2004 to 2005; was Vice President and Managing Director of North Sea operations from 2002 to 2004; and held several other deepwater Gulf of Mexico management positions at Kerr-McGee beginning in 1999.

His other experiences include working with Oryx Energy Company and its predecessor, Sun Oil Company. He is a member of the Society of Petroleum Engineers and Texas Professional Engineers.

Robert K. Reeves

Board: Senior Management

Job Title: Senior Vice President, General Counsel, and Chief Administrative Officer

Since: 2007

Age: 52

Mr. Reeves has been a Senior Vice President and the General Counsel and Chief Administrative Officer of Anadarko Petroleum Corporation since 2007. He joined the company in 2004 as Senior Vice President, Corporate Affairs and Law and added the role of Chief Governance Officer in 2004. Prior to joining Anadarko, he served as the Executive Vice President, General Counsel, and Secretary for Ocean Energy from 1997 to 2003. Before that, he served as Senior Vice President, General Counsel, and Secretary for Flores & Rucks, a predecessor to Ocean Energy, from 1993 to 1997. Prior to that, he was a partner in the energy section of Onebane Law Firm of Lafayette from 1982 to 1993.

He is a member of the Texas and Louisiana State Bar Associations, the American Bar Association, and the American Corporate Counsel Association. He also serves on the Board of Directors of Key Energy Services, St. Luke's Community Medical Center in The Woodlands, and Family Services of Greater Houston.

MAJOR PRODUCTS AND SERVICES

Anadarko Petroleum Corporation is an independent oil and gas exploration and production company. The company's key products and services include the following:

Oil and gas exploration and production:

- Natural gas
- Crude oil
- Condensates
- Natural gas liquids (NGLs)

Midstream:

- Gathering, processing, treating, and transporting oil and gas production
- Gas processing

Marketing:

- Selling natural gas, crude oil, and NGLs
- Reselling natural gas, crude oil, condensate, and NGLs
- Selling greenhouse gas emission reduction credits (ERCs)

REVENUE ANALYSIS

Overview

Anadarko Petroleum Corporation (Anadarko) recorded revenues of \$14,640 million during FY2008, an increase of 31.5% over FY2007. For FY2008, the US, the company's largest geographic market, accounted for 81.9% of the total revenues.

Anadarko generates revenues through three segments: marketing (54.8% of the total revenues during FY2008), oil and gas exploration and production (43.3%), and midstream (1.8%).

Revenue by segment

During FY2008, the marketing segment recorded revenues of \$8,028 million in FY2008, an increase of 45.9% over FY2007.

The oil and gas exploration and production segment recorded revenues of \$6,345 million in FY2008, an increase of 15.6% over FY2007.

The midstream segment recorded revenues of \$267 million in FY2008, an increase of 32.2% over FY2007.

Revenue by geography

The US, Anadarko's largest geographical market, accounted for 81.9% of the total revenues in FY2008. Revenues from the US reached \$11,988 million in FY2008, an increase of 32.3% over FY2007.

Algeria accounted for 14.7% of the total revenues in FY2008. Revenues from Algeria reached \$2,158 million in FY2008, an increase of 31.5% over FY2007.

Other international regions accounted for 3.4% of the total revenues in FY2008. Revenues from other international reached \$494 million in FY2008, an increase of 14.9% over FY2007.

SWOT ANALYSIS

Anadarko Petroleum Corporation (Anadarko) is an independent oil and gas exploration and production company, with 2.28 billion barrels of oil equivalent (BOE) of proved reserves, as of December 31, 2008. The company's major areas of operation are located onshore in the US, the deepwater of the Gulf of Mexico, and Algeria. Anadarko also has production in China and is executing strategic exploration programs in several other countries, including Ghana and Brazil. The company has significant hydrocarbon reserves that help it to compete better against other players. Intense competition, however, threatens to erode the market share of the company.

Strengths	Weaknesses
Significant hydrocarbon reserves Diversified operations Strong cash position	Lack of scale Costs for complying with environmental requirements of Tronox Over-dependence on the US asset base
Opportunities	Threats
Oil well discoveries Increasing natural gas business	Intense competition Risks associated with conducting business outside the US Governmental regulations Economic or industry downturns

Strengths

Significant hydrocarbon reserves

Anadarko had significant hydrocarbon reserves in FY2008. The company had 2.28 billion barrels of oil equivalent (BOE) of proved reserves and 8.1 trillion cubic feet (Tcf) of natural gas and 0.9 billion barrels of crude oil, condensate, and NGLs, as of December 31, 2008. Combined, these proved reserves are equivalent to 2.28 billion barrels of oil or 13.7 Tcf of gas. Anadarko had proved developed reserves of 6.1 Tcf of natural gas and 580 million barrels (MMBbls) of crude oil, condensate, and NGLs, as of December 31, 2008. Proved developed reserves comprised 70% of total proved reserves in 2008. The company's significant hydrocarbon reserves help it to compete better against other players.

Diversified operations

The company has diversified operations. The oil and gas exploration and production segment explores for and produces natural gas, crude oil, condensate, and NGLs. The company's major areas of operation are located onshore in the US, the deepwater of the Gulf of Mexico and Algeria. Anadarko also has production in China and is executing strategic exploration programs in several other countries, including Ghana and Brazil. The company is also engaged in oil and gas exploration and production in the Sahara desert of Algeria. The company's other international oil and gas production and/or development operations are located primarily in China. Anadarko has exploration acreage in China, Brazil, Ghana, Indonesia, and other areas.

The company's midstream segment is engaged in gathering, processing, treating, and transporting Anadarko's and third party oil and gas production. Anadarko owns and operates natural gas gathering, treating and processing systems in the US. Anadarko's marketing segment is involved in the sales of natural gas, crude oil, and NGLs. The company markets natural gas, oil and NGLs in the US, and markets oil from Algeria and China.

Diversified operations reduce the business risks of the company.

Strong cash position

Anadarko has a strong cash position. Its cash from operating activities has increased from \$2,900 million in FY2006 to \$6,442 million in FY2008. A continuing strong cash position enables the company to repay its debt and manage capital expenditure to meet operational needs and environmental requirements. Sufficient cash balance also provides scope for the company to invest in future expansion plans.

Weaknesses

Lack of scale

Anadarko has a lower scale of operations as compared to its competitors. For instance, the company's revenue and number of employees in FY2008 were \$14,640 million and about 4,300, respectively. In contrast, for the same period, the revenue and number of employees of Chevron Corporation (a competitor of Anadarko) were \$264,958 million and 67,000, respectively, which is significantly higher than that of the company. Further, in FY2008, the revenue and number of employees of Exxon Mobil Corporation (a competitor of Anadarko) were \$459,579 million and 79,900. Lack of scale puts the company at a cost disadvantage against its competitors.

Costs for complying with environmental requirements of Tronox

Anadarko could be liable to pay for the environmental charges relating to Kerr-McGee's former subsidiary Tronox. Prior to the merger, Kerr-McGee spun off its chemical manufacturing business to a newly created and separate company, Tronox. Under the terms of a master separation agreement (MSA), Kerr-McGee agreed to reimburse Tronox for certain qualifying environmental remediation

costs, subject to certain limitations and conditions and up to a maximum aggregate reimbursement of \$100 million. However, Kerr-McGee could be subject to joint and several liability for certain costs of cleaning up hazardous substance contamination attributable to the facilities and operations conveyed to Tronox if Tronox becomes insolvent or otherwise unable to pay for certain remediation costs. As a result of the merger, Anadarko would be responsible to provide reimbursements to Tronox pursuant to the MSA, and could be subject to potential joint and several liabilities, as the successor to Kerr-McGee, if Tronox is unable to perform certain remediation obligations. This could have a negative impact on Anadarko's overall future financial condition.

Further, in January 2009, Tronox and certain of its subsidiaries filed voluntary petitions to restructure under Chapter 11 of the United States Bankruptcy Code. As a result of this filing, third parties may seek to impose liability upon Kerr-McGee that is otherwise attributable to Tronox due to Kerr-McGee's status as the former parent of Kerr-McGee Chemical Worldwide, a predecessor-in-interest to Tronox. In addition, based on the information contained in the Tronox bankruptcy filings, it is also possible that third parties may pursue other claims against Kerr-McGee associated with the separation of Kerr-McGee's former chemical business and the initial public offering of Tronox. Such potential liabilities can have a negative impact on the financial growth of Anadarko.

Over-dependence on the US asset base

Anadarko gets over 80% of its revenues from the US. The company also has quite a large part of its reserves there. Reserves in the US comprised 90% of Anadarko's total proved reserves at year-end 2008. Such an over dependence on the US operations could prove to be problematic for the company in case of any adversity, be it economic or otherwise. This over dependence is likely to put the company at a competitive disadvantage against its competitors like BP, ConocoPhillips, and ExxonMobil Corporation, who have diversified asset bases.

Opportunities

Oil well discoveries

Anadarko made several new discoveries at some of its oil wells in FY2008. For instance, in September 2008, Anadarko announced a pre-salt discovery in the BM-C-30 block at the Wahoo prospect offshore in Brazil in the Campos Basin. This is Anadarko's first operated pre-salt test in Brazil. Anadarko, through a wholly owned subsidiary, holds a 30% working interest and is the operator of BM-C-30 block. Preliminary results at Wahoo, based on wireline logs, indicate at least 195 feet of net pay with similar characteristics to the nearby Jubarte 1-ESS-103A well, which is Brazil's first producing pre-salt field having recently achieved reported initial rates of approximately 18,000 barrels per day of light oil.

Further, in February 2009, Anadarko announced a substantial oil discovery at its Heidelberg prospect in Green Canyon block 859 in the deepwater Gulf of Mexico. The discovery well encountered more than 200 feet of net oil pay in several high-quality Miocene sands. In March 2009, Anadarko

announced that the Tweneboa-1 discovery well offshore in Ghana had encountered approximately 70 feet of net pay. The well discovered a light hydrocarbon accumulation in similar-age sands as the nearby, but separate, Jubilee field. New discoveries could help the company to increase its oil reserves.

Increasing natural gas business

The consumption of natural gas in the US is expected to increase. Total natural gas consumption in the US is projected to increase from around 22.0 trillion cubic feet in 2005 to 26.1 trillion cubic feet in 2030. Much of the growth is expected before 2020, with demand for natural gas in the electric power sector growing from 5.8 trillion cubic feet in 2005 to a peak of 7.2 trillion cubic feet in 2020. Continued growth in residential, commercial, and industrial consumption of natural gas is expected during the period. Since the company is engaged in the exploration and production of natural gas, the increasing demand for natural gas in the US makes it well positioned to drive top-line growth.

Threats

Intense competition

The company faces intense competition in its oil and gas exploration and production industry. Some of its exploration and production competitors have greater financial and other resources than the company. Its competitors include national oil companies, major oil and gas companies, independent oil and gas companies, individual producers, gas marketers, and major pipeline companies. It also competes with participants in other industries supplying energy and fuel to industrial, commercial and individual consumers. Some of its competitors include Apache Corporation, BP, Cabot Oil & Gas Corporation, Chesapeake Energy Corporation, Chevron Corporation, Devon Energy Corporation, ExxonMobil Corporation, Hess, Occidental Petroleum Corporation, and Talisman Energy. Such an intense competition threatens to erode the market share of the company.

Risks associated with conducting business outside the US

The company generates some of its revenues outside the US. Outside the US, Anadarko has operations in Algeria, China, Brazil, Ghana and Indonesia. As a result, the company faces political and economic risks and other uncertainties with respect to its international operations. Political and economic changes in these countries could impact the revenue inflow of the company. Further, in these countries, there could be changes in laws and policies governing operations of foreign-based companies, currency restrictions and exchange rate fluctuations, and renegotiation of contracts with governmental entities. Moreover, in these countries, there could be increases in taxes and governmental royalties. Such instabilities could negatively impact the revenue growth of the company.

Governmental regulations

The company faces several governmental regulations. These regulations are related to environmental protection which includes the amounts and types of substances and materials that may be released into the environment; the issuance of permits in connection with exploration, drilling, and production activities; and the release of emissions into the atmosphere. They also include the discharge and disposition of generated waste materials, offshore oil and gas operations, the reclamation and abandonment of wells and facility sites, and the remediation of contaminated sites. Failure to comply with these regulations could negatively impact the company's financial condition.

Economic or industry downturns

Downturns or weakness in the economy in general or in key industries may adversely affect Anadarko's customers, which may cause the demand for the company's products and services to decline. Many of the company's customers are in industries and businesses that are cyclical in nature and affected by changes in general economic conditions or conditions specific to their respective markets. Product demand in Anadarko's customer's end markets is based on numerous factors such as interest rates, general economic conditions, consumer confidence, and other factors beyond the company's control. Downturns in demand from the key industries the company serves, could adversely affect its financial results.

TOP COMPETITORS

The following companies are the major competitors of Anadarko Petroleum Corporation

Adams Resources & Energy, Inc.
Apache Corporation
BP Plc
ExxonMobil Corporation
Hunt Consolidated Inc.
Abraxas Petroleum Corporation
Enterprise Products Partners L.P.
EOG Resources
Apco Argentina Inc.
Cabot Oil & Gas Corporation
Pioneer Natural Resources Company
Newfield Exploration Company
EXCO Resources, Inc.
Berry Petroleum Company
Arena Resources, Inc.
Ultra Petroleum Corp.
Chevron Corporation
ConocoPhillips
Chesapeake Energy Corporation
Devon Energy
El Paso Corporation
EnCana Corporation
Hess Corporation
Marathon Oil Corporation
Noble Energy Inc
Occidental Petroleum Corporation
Talisman Energy

COMPANY VIEW

An excerpt from the 'Management's Discussion and Analysis of Financial Condition and Results of Operations' section is given below. The statement has been taken from the company's 10-K filing for FY2008:

Overview

Anadarko Petroleum Corporation is among the world's largest independent oil and natural gas exploration and production companies. Anadarko's primary line of business is the exploration, development, production, gathering, processing and marketing of natural gas, crude oil, condensate and NGLs. The Company's major areas of operations are located in the United States and Algeria, with additional activity in Brazil, China, Ghana, Indonesia, Mozambique and several other countries.

Anadarko achieved its key operational objectives in 2008, during a year marked by a downturn in the financial markets and a volatile commodity-price environment that included New York Mercantile Exchange (NYMEX) oil prices rising to highs above \$140 per barrel, and falling to lows under \$40 per barrel. The Company is managing its 2009 capital program consistent with a sustained lower-commodity-price environment. Anadarko ended 2008 with approximately \$2.4 billion of cash on hand and retains the availability of its undrawn \$1.3 billion revolving credit agreement (RCA), along with access to credit markets. Management expects this liquidity position and cash flow from operations to position the Company to meet its 2009 operational objectives and capital commitments.

Operating Highlights

The Company overcame significant weather events and third-party-related infrastructure issues in 2008 to achieve production growth, reserve additions, and production replacement. Significant operational highlights by area include:

United States Onshore

- Achieved record production in the Rocky Mountain region
- Secured additional takeaway and processing capacity in the Rockies region
- Expanded acreage position and began testing prospects in the Haynesville and Marcellus shale plays, located in East Texas and central Pennsylvania, respectively, as well as the Maverick basin in South Texas

Gulf of Mexico

- Announced a successful appraisal well at Tonga West and approved the Caesar/Tonga complex

- All Anadarko-operated facilities successfully weathered two major hurricanes with only minor, localized surface damage; however some production remained curtailed due to third-party pipeline and infrastructure issues
- Restored production to pre-shut-in levels at Independence Hub within 72 hours of Hurricane Ike
- Restored production on June 16, 2008 to nearly a billion cubic feet per day of natural gas at Independence Hub after a ten-week shut-in due to a third-party export pipeline leak

International

- Announced major discoveries and successful appraisal wells offshore Ghana in and near the Jubilee field
- Announced the Company's first pre-salt discovery in the Campos basin offshore Brazil at the Wahoo prospect
- Achieved 1-billion-barrel production milestone in Algeria
- Acquired six blocks in the West Africa Cretaceous trend located in Sierra Leone and Liberia

Financial Highlights

The Company's 2008 financial highlights include:

- Generated \$6.4 billion of cash flow from continuing operating activities compared to \$2.8 billion in 2007 due to higher commodity prices
- Announced a \$5 billion share repurchase program and completed \$600 million of repurchases in the third quarter of 2008
- Completed an initial public offering through the issuance of 20.8 million common units of its formerly wholly-owned midstream subsidiary, WES, for net proceeds of \$321 million
- Closed the divestitures of the Company's interest in the Peregrino field offshore Brazil and the Kaskida discovery in the deepwater Gulf of Mexico for before-tax proceeds of approximately \$1.8 billion
- Reduced year-end debt-to-capital ratio to 39.6%. Reduced debt by \$2.4 billion in 2008, including repayment of the Company's 2006 acquisition financing and approximately \$580 million of floating rate notes due in 2009
- Closed 2008 with \$2.4 billion of cash on hand

- Operated in a volatile commodity-price environment that included NYMEX oil prices rising to highs above \$140 per barrel, and falling to lows under \$40 per barrel

Financial Results

Income from Continuing Operations Anadarko's income from continuing operations for 2008 totaled \$3.2 billion, or \$6.84 per share (diluted), compared to income from continuing operations for 2007 of \$3.8 billion, or \$8.05 per share (diluted). Anadarko had income from continuing operations in 2006 of \$2.5 billion, or \$5.33 per share (diluted). The decrease in income from continuing operations for 2008 compared to 2007 was primarily due to a decrease in gains on divestitures and higher costs and expenses, partially offset by higher natural gas, oil and NGLs sales, including the impact of derivatives, lower interest expense and lower income tax expense. The increase in 2007 income from continuing operations compared to 2006 was primarily due to gains on divestitures and higher sales volumes, partially offset by the impact of lower natural gas and oil and condensate prices, higher costs and expenses, including other taxes related to an Algerian exceptional profits tax, and higher interest expense. In 2008, the higher sales revenues and costs and expenses were due primarily to the impact of higher commodity prices, higher exploration expense related to impairments of unproved properties and higher other taxes related to the higher commodity prices. In 2007, the higher sales volumes and costs and expenses were due primarily to the impact of operations acquired with the third quarter 2006 acquisitions.

Anadarko's sales revenues for 2008 increased when compared to 2007 due to higher oil and condensate, natural gas and NGLs commodity prices and unrealized gains on derivatives, partially offset by lower sales volumes associated with properties that were divested in 2007. The increase in 2007 compared to 2006 was primarily due to higher sales volumes, partially offset by significantly lower natural gas and oil and condensate prices.

The Company's sales revenues for 2008, 2007 and 2006 include \$930 million, \$(1,100) million and \$895 million, respectively, related to net unrealized gains (losses) on derivatives used to manage price risk on natural gas, crude oil, condensate and NGLs sales. The significant fluctuations in unrealized gains (losses) are due primarily to an increase in Anadarko's derivative portfolio as a result of the 2006 acquisition of Kerr-McGee, as well as the discontinuance of hedge accounting effective January 1, 2007. The majority of the unrealized gains recorded in 2006 related to derivatives assumed with the Kerr-McGee acquisition. Any realization of these gains or losses is expected to be substantially offset by the value realized from that portion of the Company's production covered by the derivative instruments.

LOCATIONS AND SUBSIDIARIES

Head Office

Anadarko Petroleum Corporation
1201 Lake Robbins Drive
The Woodlands
Texas 77380
USA
P:1 832 636 1000
F:1 832 874 3385
<http://www.anadarko.com>

Other Locations and Subsidiaries

Anadarko Indonesia Company Level 12th Suite 1201-1206 SCBD Jl. Jend Sudirman Kav 52-53 Jakarta 12190 IDN	Anadarko Algeria Company 1 Harefield Road Uxbridge Middlesex UB8 1YH London GBR
Anadarko Exploracao e Producao Ltda. Rua Victor Civita 77 1st Block 6th floor Barra da Tijuca Rio de Janeiro BRA	Kerr-McGee China Petroleum 16th Floor Towercrest Plaza No. 3 Mai Zi Dian West Road Chaoyang District Beijing 100016 CHN