

Surmont Project



About the Surmont Project

The Surmont project is an important part of ConocoPhillips' Canada's oil sands portfolio. The project is located in the Athabasca region of northern Alberta, approximately 63 kilometres (35 miles) southeast of Fort McMurray. Surmont uses steam-assisted gravity drainage (SAGD) to recover the oil.

Surmont is operated by ConocoPhillips Canada and is a 50/50 joint venture with Total E&P Canada. Surmont Phase 1 began commercial oil production in October 2007. Surmont Phase 2, which is expected to begin construction in 2010, has the potential to bring 83,000 barrels per day online when it reaches capacity, for a project total of 110,000 barrels per day.

The Surmont lease has the potential for significant additional future expansions. Over the life of this 40-year project, Surmont will provide many social and economic benefits to the area including employment, training and business opportunities.

ConocoPhillips in the Oil Sands

In addition to Surmont, ConocoPhillips is involved in the FCCL Partnership with Cenovus Energy (formerly EnCana) which includes the Foster Creek, Christina Lake and Narrows Lake projects. Additionally the company has other, 100 percent ConocoPhillips' leases in the Thornbury, Clyden and Saleski areas. The geology in these areas is suitable to in-situ production techniques, including SAGD. ConocoPhillips also has a nine percent interest in Syncrude.

Surmont at-a-glance

Operator:

ConocoPhillips Canada Resources Corp. (50.0%)

Co-venturer:

Total E&P Canada Ltd (50.0%)

Location:

Approximately 63 kilometres (35 miles) southeast of Fort McMurray, Alberta

Production capacity for Phase 1:

27,000 barrels per day

Production capacity for Phase 2:

83,000 barrels per day

Total production capacity for both phases:

110,000 barrels per day

Recovery method:

Steam-assisted gravity drainage (SAGD)



Project Timeline

2003

ConocoPhillips received regulatory approval for the production of 110,000 barrels per day for Surmont Phases 1 and 2 combined.

2004

Construction of the 27,000 bpd Phase 1 facility began.

2007

The first steam at Surmont Phase 1 occurred in early June. Surmont achieved first oil production in October.

2009

ConocoPhillips received approval for the Surmont Phase 2 project from Alberta Environment and the Energy Resources Conservation Board.

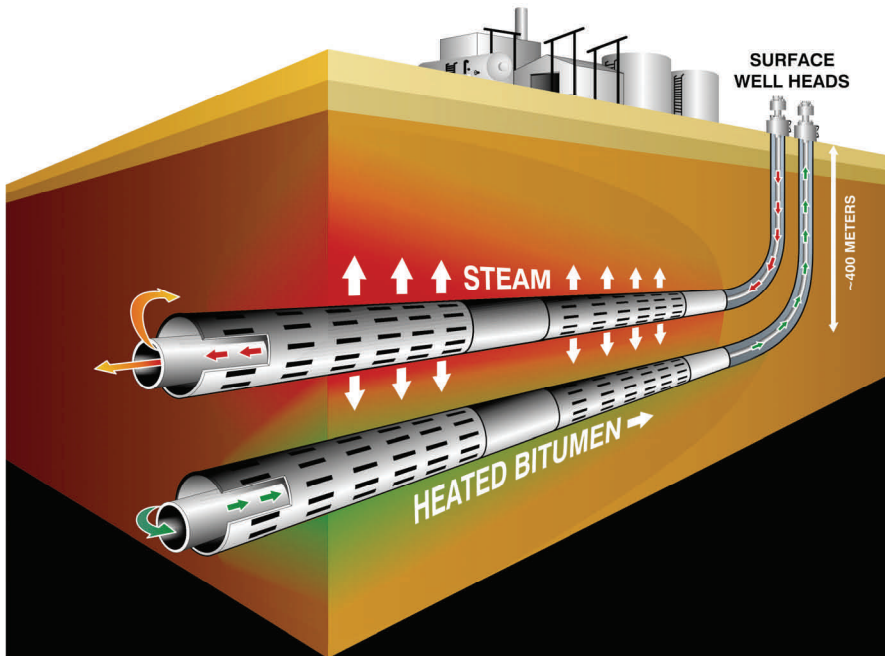
2010

Initial earthworks and construction expected to begin for the 83,000 barrel per day Phase 2.

2015

Phase 2 begins production.

This fact sheet contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. Economic, business, competitive and regulatory factors that may affect ConocoPhillips' business are generally as set forth in ConocoPhillips' filings with the Securities and Exchange Commission (SEC).



Steam-Assisted Gravity Drainage (SAGD)

SAGD is a commonly used method to recover oil in the oil sands region. A pair of horizontal wells is drilled from a central wellpad. In a plant nearby, steam generators powered by natural gas heat non-potable water and transform it into steam. The steam then travels through above-ground pipelines to the wells. It enters the ground via the steam injection (top) well. The steam heats the oil to a temperature at which it can flow by gravity into the producing (bottom) well. The steam injection and oil production happen continuously and simultaneously. The resulting oil and condensed steam emulsion is then piped from the producing well to the plant, where it is separated and treated. The water is recycled for generating new steam and the oil is blended with a lighter oil and sent by pipeline to a nearby terminal to be sold.

Technology and the Oil Sands

ConocoPhillips believes technology is the key to responsible development of the oil sands and we are driving its advancement. Surmont is an exciting opportunity to demonstrate our technology commitment. We plan to use varied technologies to minimize the project's environmental impact while also improving its economics.

About ConocoPhillips

ConocoPhillips is an international, integrated energy company with interests around the world. Headquartered in Houston, the company has approximately 30,100 employees, \$152 billion of assets, and \$142 billion of annualized revenues as of September 30, 2009. For more information, go to www.conocophillips.com.

Contact Us

To find out more about ConocoPhillips in the oil sands or to look for employment opportunities with Surmont visit www.conocophillips.ca. For information about business opportunities, contact the Surmont Phase 2 procurement department at 403-233-3124.

The logo for ConocoPhillips, featuring the company name in a bold, sans-serif font with a red chevron symbol above the 'i' in Phillips.