

This document was produced natively

Ex 12392

Worldwide
Court Reporters, Inc.



Rating Agency Update

Privileged & Confidential
(Contains Non-public Information)

February 20, 2014

2013 Highlights

- **Announced ~\$4.5 Billion in Monetizations in 2013**
- **Achieved ~67% Exploration/Appraisal Success Rate**
- **Generated \$240 Million in Adjusted Free Cash Flow¹**
- **Increased U.S. Onshore Oil Volumes by 25% Over 2012**
- **Reached Milestones at El Merk, Lucius, Heidelberg and TEN Developments**

¹ Includes \$792MM of WES capital investments



2013 Results

- Sales Volumes (MMBOE)
- Sales Volume Growth
- Reserve Adds (MMBOE)
- YE Reserves (MMBOE)
- Reserve Replacement (\$B)¹
- Capital Expenditures (\$B)²
- Operating Cash Flow (\$B)
- F&D (\$/BOE)
- Lease Operating Expense (\$/BOE)
- General & Administrative (\$/BOE)

Initial Guidance

282

5%

–

–

150+%

\$7.2 - \$7.6

\$8.8

~\$15

\$3.90 - \$4.10

\$3.75 - \$4.05

2013 Actual

285

6%

551

2,792

194%

\$7.7

\$8.8

<\$14

\$3.83

\$3.82

¹ Before Effects of Price Revisions

² Excludes \$792MM of WES Capital



Leverage Metrics

	YE 2012	YE 2013	
	<u>Gross</u>	<u>Gross</u>	<u>Net</u>
▪ Debt (\$B)	\$13.3	\$13.6	\$9.9
▪ Debt to EBITDA ¹	1.9x	1.7x	1.2x
▪ Debt to Capitalization	39%	38%	31%
▪ E&P ² Debt (\$B)	\$11.5	\$10.5	\$6.8
▪ E&P Debt per Proved Developed BOE (\$)	\$6.10	\$5.80	\$3.75
▪ E&P Debt per Proved BOE (\$)	\$4.50	\$4.10	\$2.70
▪ EBITDA ¹ Interest Coverage	7.3x	8.5x	
▪ Weighted Average Debt Maturity	13.0yrs	14.0yrs	

¹ EBITDA Excludes Algeria Exceptional Profits Tax Settlement Proceeds and Tronox Contingent Loss

² E&P Debt = Debt – WES Debt – (4 x Anadarko-only Midstream EBITDA)



Privileged & Confidential
(Contains Non-public Information)

2014 OUTLOOK



Financial Summary

Natural Gas (Henry Hub)	3.73	3.25
Oil (WTI)	98.05	90.00
Oil (Brent)	108.70	100.00
NGLs	39.00	37.00

	Actual	Projected
(\$ millions)	2013	2014
Production (MMBOE)	285	295
Income Statement		
Total Revenues	14,581	14,900
EBITDAX	9,403	11,500
Net Income	941	3,200
Cash Flow		
Cash Flow from Operating Activities	8,033	7,700
Asset Sales / Other	730	3,200
Capital Expenditures	8,523	8,800
Free Cash Flow	240	2,100
Capital Structure		
Total Assets	55,529	61,600
Current Portion of Long-Term Debt	500	0
Long Term Debt	13,065	14,098
Total Debt	13,565	14,098
Shareholders' Equity	21,857	24,700



Income Statement

Natural Gas (Henry Hub)	3.73	3.25
Oil (WTI)	98.05	90.00
Oil (Brent)	108.70	100.00
NGLs	39.00	37.00

	Actual	Projected
(\$ millions)	2013	2014
Total Revenue	14,581	14,900
Operating Expense	2,983	3,100
General & Administrative	1,090	1,200
Exploration Expenses	1,329	900
Production Taxes	1,077	1,300
Depreciation & Depletion	3,927	4,200
Other Expense (Income)	842	(1,500)
Operating Profit	3,333	5,700
Interest Expense	686	700
Other Expense (Income)	541	(800)
Income Before Taxes	2,106	5,800
Tax Expense	1,165	2,600
Net Income	941	3,200



Balance Sheet

	Actual	Projected
(\$ millions)	2013	2014
Cash and Cash Equivalents	3,698	5,900
Current Assets - Other	3,158	4,600
Net Fixed Assets (PP&E)	40,929	43,300
Other Non-Current Assets	7,744	7,800
Total Assets	55,529	61,600
Current Liabilities	4,951	6,500
Current Portion of Long-Term Debt	500	0
Long-Term Debt	13,065	14,098
Total Debt	13,565	14,098
Other Long-Term Liabilities	15,156	16,300
Shareholders' Equity	21,857	24,700
Total Liabilities & Equity	55,529	61,600

