COMPELLING GULF OF MEXICO TRANSACTION CATALYZES OIL GROWTH

Sept. 12, 2016
Cautionary Language

Regarding Forward-Looking Statements and Other Matters

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Other than historical facts included in this presentation, all information and statements, including but not limited to information regarding planned capital expenditures, estimated reserves, estimated production targets, drilling and development plans, the timing of production, planned capital expenditures, and other plans and objectives for future operations, are forward-looking statements. We believe that our expectations are based on reasonable assumptions. No assurance, however, can be given that such expectations will prove to have been correct. A number of factors could cause actual results to differ materially from the projections, anticipated results, or other expectations expressed in this presentation, including our ability to realize our expectations regarding performance in this challenging economic environment and meet financial and operating guidance; timely complete and commercially operate the projects and drilling prospects identified in this presentation; reduce our net debt; consummate the transactions described in this presentation and identify and complete additional transactions; achieve further drilling cost reductions and efficiencies; and achieve production expectations on our projects. See “Risk Factors” in our Form 10-K for the year ended December 31, 2015, any subsequent quarterly report on Form 10-Q and any of our other public filings for a discussion of other factors that may cause actual results to vary. We undertake no obligation to publicly update or revise any forward-looking statements.

This presentation has been prepared by us and includes market data and other statistical information from sources believed by us to be reliable, including independent industry publications, government publications or other published independent sources. Some data are also based on our good faith estimates, which are derived from our review of internal sources as well as the independent sources described above. Although we believe these sources are reliable, it has not independently verified the information and cannot guarantee its accuracy and completeness.

Cautionary Note to Investors - The U.S. Securities and Exchange Commission (SEC) permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves that meet the SEC's definitions for such terms. We may use terms in this presentation, such as “resources,” “net resources,” “net discovered resources,” “recoverable resources” “EUR,” and similar terms and quantities of “estimated proved reserves” using underlying management assumptions that the SEC’s guidelines strictly prohibit us from including in filings with the SEC. These quantities may not constitute “reserves” within the meaning of the SEC’s rules. EUR estimates and drilling locations have not been risked by our management. Actual quantities that may be ultimately recovered from our interests may differ substantially. Factors affecting ultimate recovery include the scope of our ongoing drilling program, which will be directly affected by the availability of capital, drilling and production costs, availability of drilling services and equipment, drilling results, lease expirations, transportation constraints, regulatory approvals and other factors; and our actual drilling results, including geological and mechanical factors affecting recovery rates. Such estimates may change significantly as development of our oil and gas assets provide additional data.

U.S. Investors are urged to consider closely the oil and gas disclosures in our Form 10-K for the year ended December 31, 2015, File No. 001-08968, available from us at www.anadarko.com or by writing to us at: Anadarko Petroleum Corporation, 1201 Lake Robbins Drive, The Woodlands, Texas 77380 Attn: Investor Relations. You can also obtain this form from the SEC by calling 1-800-SEC-0330.

Actual quantities that may be ultimately recovered from our interests may differ substantially from the estimates in this presentation. Factors affecting ultimate recovery include the scope of our ongoing drilling program, which will be directly affected by commodity prices, the availability of capital, drilling and production costs, availability of drilling services and equipment, drilling risks, lease expirations, transportation constraints, regulatory approvals and other factors, and actual drilling results, including geological and mechanical factors affecting recovery rates.
Compelling Asset Transaction Catalyzes Oil Growth

- Immediately and Significantly Accretive with Very Attractive Valuation Metrics
- Doubles APC Ownership in Lucius
- Generates ~$3 Billion Incremental GOM FCF\(^1\) (2017-21) at Current Commodity Strip
- Incremental FCF\(^1\) Accelerates Delaware and DJ Growth, More Than Doubling Production by 2021

<table>
<thead>
<tr>
<th>EBITDAX(^1)</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>22-26%</td>
<td>27-31%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PRODUCTION</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRODUCTION</td>
<td>10-12%</td>
<td>11-13%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2017 EBITDAX(^1) MULTIPLE</th>
<th>PROVED RESERVES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.5x</td>
<td>~$13.50 / BOE</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PRODUCTION</th>
<th>2017 EBITDAX(^1)</th>
<th>~$21,000 / BOE</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRODUCTION</td>
<td>2017 EBITDAX(^1)</td>
<td>~$36.00 / BOE</td>
</tr>
</tbody>
</table>

Note: Assumes commodity strip prices as of 9/9/2016

1. See Appendix for non-GAAP definitions and reconciliations
$2 Billion Bolt-On Enhances Premier GOM Position

- Doubles Lucius Ownership to ~49%
- Doubles GOM Production to ~155,000 BOE/d (~85% Oil)
- Adds ~20 Tieback Opportunities: 50+% BTAX ROR at Strip
- Adds 15+ Identified Exploration Prospects
- Provides Significant Additional Portfolio Optionality
Lucius: Doubling Ownership in Our Best-Performing GOM Asset

- Increasing Field EUR to 400+ MMBOE
- Surpassed 100,000 BOPD from 6 Producing Wells
- Acquisition Enhances Value of Tiebacks and Third-Party Opportunities

**WORLD-CLASS RESERVOIR**

- 30+% Porosity
- Up to a Darcy of Permeability
- Up to 60% Recovery Factor

---

Lucius Field Capability
Gross Oil Production Forecast (MBOPD)

---

Pro Forma WI and Blocks

---

Lucius Unit 49% WI

---

Phobos 100% WI

---

Hannibal Prospect 100% WI

---

APC WI Block
APC Discovery Oil Field
Successful Well
Planned Drilling
Subsea Tie Back
U.S. Onshore Activity: Accelerating 2 World-Class Assets

<table>
<thead>
<tr>
<th>DELAWARE BASIN</th>
<th>DJ BASIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>2+ BBOE Net Resources: Wolfcamp A Only</td>
<td>1.5+ BBOE Net Resources</td>
</tr>
<tr>
<td>7,000+ Wolfcamp A Drilling Locations</td>
<td>4,000+ Drilling Locations</td>
</tr>
<tr>
<td>Significant Existing &amp; Expanding Infrastructure</td>
<td>Leveraging Existing Infrastructure</td>
</tr>
<tr>
<td>Expect Upside from Other Zones, Stacked Pay</td>
<td>Minerals-Interest Ownership Benefit</td>
</tr>
<tr>
<td>Breakeven BTAX PV-10 Price &lt;$35/Bbl*</td>
<td>Breakeven BTAX PV-10 Price &lt;$30/Bbl*</td>
</tr>
</tbody>
</table>

Delaware & DJ Basins Sales-Volume Growth (MBOE/d)

- Delaware Basin:
  - 2+ BBOE Net Resources: Wolfcamp A Only
  - 7,000+ Wolfcamp A Drilling Locations
  - Significant Existing & Expanding Infrastructure
  - Expect Upside from Other Zones, Stacked Pay
  - Breakeven BTAX PV-10 Price <$35/Bbl*

- DJ Basin:
  - 1.5+ BBOE Net Resources
  - 4,000+ Drilling Locations
  - Leveraging Existing Infrastructure
  - Minerals-Interest Ownership Benefit
  - Breakeven BTAX PV-10 Price <$30/Bbl*

* New Drill, BTAX PV-10, assuming $2.30/Mcf

![Map of U.S. Basins](image)

Delaware & DJ Basins Sales-Volume Growth (MBOE/d):

- 2016E: ~280
- 2017E: ~280
- 2018E: ~280
- 2019E: ~280
- 2020E: 600+
- 2021E: More Than Doubling within 5 Years

*New Drill, BTAX PV-10, assuming $2.30/Mcf*
Delaware Basin: Accelerating Multi-Billion Barrel Oil Play

- **~40% 5-Year Oil Production CAGR**
  - Expect to Surpass 130,000 BOPD by 2021

- **Enhancing Margins and Returns**
  - Approaching 1 MMBOE EUR per Well: ~60% Oil
  - Driving Well Costs to <$5 Million per SLE
  - Break-Even BTAX PV-10 <$35/Bbl*
  - Optimizing Targeting, Spacing and Completions
  - Average Cost for Basin Position ~$500/Acre

- **Largest Midstream Presence in Basin**
  - WES to Lever APC and Third-Party Volumes
  - Rapidly Expanding Infrastructure Including Water

**YEAR-END 2016E WES/APC INFRASTRUCTURE**

- GAS GATHERING PIPELINES: ~1,000 Miles
- OIL GATHERING PIPELINES: ~150 Miles
- PROCESSING CAPACITY: 1,025 MMcf/d
- COMPRESSION: 190,000+ HP
- WATER GATHERING PIPELINES: 100+ Miles

* Assumes New Drill, BTAX PV-10, assuming $2.30/Mcf
Acquisition Generates Significant Cash Flow & Portfolio Flexibility

- ~$3 Billion Incremental GOM FCF\(^1\) (2017-21) at Current Commodity Strip
  - Increases to ~$4 Billion at $60/Bbl and $2.75/Mcf
- Adding 2 Rigs Each in Delaware and DJ Basins by YE16
- $1+ Billion Value Uplift from Near-Term Onshore Reinvestment

APC Pro Forma Oil-Growth Profile
Achieved within Cash Flow (MBOPD)

1. See Appendix for non-GAAP definitions and reconciliations
Compelling Acquisition Metrics

<table>
<thead>
<tr>
<th></th>
<th>APC STANDALONE*</th>
<th>ACQUIRED PROPERTIES**</th>
</tr>
</thead>
<tbody>
<tr>
<td>EV / EBITDAX(^1)</td>
<td>9.0x</td>
<td>1.5x</td>
</tr>
<tr>
<td>EV / PROVED BOE ($)</td>
<td>~24.00</td>
<td>~13.50</td>
</tr>
<tr>
<td>EV / FLOWING BOE/d ($)</td>
<td>~64,000</td>
<td>~21,000</td>
</tr>
<tr>
<td>EBITDAX(^1) / BOE ($)</td>
<td>~19.50</td>
<td>~36.00</td>
</tr>
<tr>
<td>OIL VOLUMES COMPOSITION</td>
<td>42%</td>
<td>80+%</td>
</tr>
</tbody>
</table>

\(^*\) Based on current APC share price and current 2017 Consensus Estimates as of 9/9/2016

\(^**\) Based on purchased property value and 2017 estimates and current commodity strip pricing as of 9/9/2016

\(^1\) See Appendix for non-GAAP definitions and reconciliations
Appendix
Non-GAAP Financial Measure Definitions & Reconciliations; Management Estimates and Assumptions

This list of non-GAAP financial measure definitions and related reconciliations is intended to satisfy the requirements of Regulation G of the Securities Exchange Act of 1934, as amended. The Company undertakes no obligation to publicly update or revise any non-GAAP financial measure definitions and related reconciliations.

Non-GAAP financial measures exclude certain amounts that are included in the corresponding financial measures determined in accordance with GAAP. The following slides include reconciliations of GAAP to non-GAAP financial measures and statements indicating why management believes the non-GAAP financial measures provide useful information for investors.

Non-GAAP financial measures provided in this presentation for specific asset areas are calculated using the same methodology. Corporate general and administrative expenses are included in consolidated Adjusted EBITDAX, but excluded from EBITDAX by asset area as these expenses are not considered an operating expense of the asset area.

Management has presented herein certain forward-looking non-GAAP financial measures, including FCF, DCF, and EBITDAX. Due to the forward-looking nature of the aforementioned non-GAAP financial measures, management cannot reliably predict certain of the necessary components of the most directly comparable forward-looking GAAP measures, such as future impairments and future changes in working capital. Accordingly, the company is unable to present a quantitative reconciliation of such forward-looking non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures. Amounts excluded from these non-GAAP measures in future periods could be significant.

Management has presented herein certain estimates about future performance, results and financial position, including with respect to future FCF, DCF, EBITDAX and other measures. Such estimates generally reflect current commodity strip prices as well as management’s assumptions about future drilling plans, performance and production mix, among other factors. These forward-looking estimates are illustrative and are not intended to reflect the results we will achieve for the periods presented. Actual results may differ materially from the estimates presented herein.
Non-GAAP Reconciliation

Adjusted EBITDAX (EBITDAX) / Adjusted EBITDA (EBITDA)

The Company defines Adjusted EBITDAX as income (loss) before income taxes; gains (losses) on divestitures, net; exploration expense; depreciation, depletion, and amortization; impairments; interest expense; total (gains) losses on derivatives, net, less net cash from settlement of commodity derivatives; and certain items not related to the Company’s normal operations, less net income attributable to noncontrolling interests. During the periods presented, items not related to the Company’s normal operations included Deepwater Horizon settlement and related costs, Algeria exceptional profits tax settlement, Tronox-related contingent loss, and certain other nonoperating items included in other (income) expenses, net. For Midstream assets, the Company refers to this measure as Adjusted EBITDA because exploration expense is not relevant.

Management believes that the presentation of Adjusted EBITDAX provides information useful in assessing the Company’s financial condition and results of operations and that Adjusted EBITDAX is a widely accepted financial indicator of a company’s ability to incur and service debt, fund capital expenditures, and make distributions to stockholders.

Adjusted EBITDAX as defined by Anadarko may not be comparable to similarly titled measures used by other companies and should be considered in conjunction with net income (loss) attributable to common stockholders and other performance measures prepared in accordance with GAAP, such as operating income or cash flows from operating activities. Adjusted EBITDAX has important limitations as an analytical tool because it excludes certain items that affect net income (loss) attributable to common stockholders and net cash provided by operating activities. Adjusted EBITDAX should not be considered in isolation or as a substitute for an analysis of Anadarko’s results as reported under GAAP.

<table>
<thead>
<tr>
<th>Millions</th>
<th>Year Ended December 31, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income (loss) before income taxes (GAAP)</td>
<td>$ (9,689)</td>
</tr>
<tr>
<td>(Gains) losses on divestitures, net</td>
<td>1,022</td>
</tr>
<tr>
<td>Exploration Expense</td>
<td>2,644</td>
</tr>
<tr>
<td>DD&amp;A</td>
<td>4,603</td>
</tr>
<tr>
<td>Impairments</td>
<td>5,075</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>825</td>
</tr>
<tr>
<td>Total (gains) losses on derivatives, net, less net cash received in settlement of commodity derivatives</td>
<td>235</td>
</tr>
<tr>
<td>Other operating expense</td>
<td>74</td>
</tr>
<tr>
<td>Tronox-related contingent loss</td>
<td>5</td>
</tr>
<tr>
<td>Certain other nonoperating items</td>
<td>22</td>
</tr>
<tr>
<td>Less net income attributable to noncontrolling interests</td>
<td>(120)</td>
</tr>
<tr>
<td>Consolidated adjusted EBITDAX (Non-GAAP)</td>
<td>$ 4,936</td>
</tr>
</tbody>
</table>
Non-GAAP Reconciliation

Net Debt to Adjusted Capitalization

The Company defines net debt as total debt, less cash and cash equivalents. Net debt for Anadarko excluding Western Gas Equity Partners, LP (WGP) is Anadarko’s Consolidated net debt, less WGP’s net debt.

The Company defines net debt to adjusted capitalization ratio as net debt / (net debt + total equity). Net debt to adjusted capitalization ratio for Anadarko excluding WGP excludes WGP’s net debt and noncontrolling interest attributable to WGP.

Management uses net debt to determine the Company’s outstanding debt obligations that would not be readily satisfied by its cash and cash equivalents on hand. Management believes that using net debt in the capitalization ratio is useful to investors in determining the Company’s leverage since the Company could choose to use its cash and cash equivalents to retire debt. In addition, management believes that presenting Anadarko’s net debt excluding WGP is useful because WGP is a separate public company with its own capital structure.

### Net Debt to Adjusted Capitalization Ratio

<table>
<thead>
<tr>
<th></th>
<th>Anadarko Consolidated</th>
<th>WGP* Consolidated</th>
<th>Anadarko excluding WGP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Millions</strong></td>
<td>Total debt (GAAP)</td>
<td>$15,751</td>
<td>$2,707</td>
</tr>
<tr>
<td></td>
<td>Less cash and cash equivalents</td>
<td>939</td>
<td>100</td>
</tr>
<tr>
<td><strong>Net debt (Non-GAAP)</strong></td>
<td>$14,812</td>
<td>$2,607</td>
<td>$12,205</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Anadarko Consolidated</th>
<th>Anadarko excluding WGP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Millions</strong></td>
<td>Net debt</td>
<td>$14,812</td>
</tr>
<tr>
<td></td>
<td>Total Equity</td>
<td>$15,457</td>
</tr>
<tr>
<td></td>
<td>Adjusted Capitalization (Non-GAAP)</td>
<td>$30,269</td>
</tr>
<tr>
<td><strong>Net debt to adjusted capitalization ratio</strong></td>
<td>49%</td>
<td>49%</td>
</tr>
</tbody>
</table>

*WGP is a publicly traded consolidated subsidiary of Anadarko and Western Gas Partners, LP (WES) is a consolidated subsidiary of WGP*
Non-GAAP Reconciliation

Adjusted Discretionary Cash Flow from Operations (Adjusted DCF) and Adjusted Free Cash Flow (Adjusted FCF)

The Company defines adjusted discretionary cash flow from operations as net cash provided by (used in) operating activities adjusted by changes in accounts receivable, changes in accounts payable and accrued expenses, other items - net, Deepwater Horizon and Tronox settlement payments, collections associated with the Algeria exceptional profits tax settlement, certain nonoperating and other excluded items, current taxes related to Tronox tax position, and WES/WGP distributions to third parties.

The Company defines adjusted free cash flow as adjusted discretionary cash flow from operations adjusted by capital expenditures excluding WES and cash received from the Algeria Exceptional Profits Tax settlement and monetizations.

Management believes that these measures are useful to management and investors as a measure of a company’s ability to internally fund its capital expenditures and to service or incur additional debt. These measures eliminate the impact of certain items that management does not consider to be indicative of the Company’s performance from period to period. Adjusted FCF includes significant cash inflows not included in net cash provided by (used in) operating activities, such as proceeds from monetizations, to better measure the Company’s ability to generate cash. Also, to assist in measuring the Company’s performance, management will also evaluate Anadarko on a deconsolidated basis, which excludes WES.

### Non-GAAP Reconciliation

#### Year Ended December 31,

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash provided by (used in) operating activities (GAAP)</td>
<td>$2,505</td>
<td>$8,339</td>
<td>$8,888</td>
<td>$8,466</td>
<td>$(1,877)</td>
</tr>
<tr>
<td>Adjusted by:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase (decrease) in accounts receivable</td>
<td>993</td>
<td>(520)</td>
<td>11</td>
<td>(103)</td>
<td>2</td>
</tr>
<tr>
<td>Increase (decrease) in accounts payable and accrued expenses</td>
<td>(284)</td>
<td>476</td>
<td>(150)</td>
<td>(97)</td>
<td>995</td>
</tr>
<tr>
<td>Other items – net</td>
<td>16</td>
<td>(126)</td>
<td>(146)</td>
<td>71</td>
<td>(772)</td>
</tr>
<tr>
<td>Deepwater Horizon / Tronox settlement payments</td>
<td>3,948</td>
<td>(6)</td>
<td>-</td>
<td>-</td>
<td>5,215</td>
</tr>
<tr>
<td>Algeria exceptional profits tax settlement</td>
<td>-</td>
<td>(1,006)</td>
<td>(730)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Certain nonoperating and other excluded items</td>
<td>-</td>
<td>-</td>
<td>160</td>
<td>119</td>
<td>96</td>
</tr>
<tr>
<td>Current taxes related to Tronox tax position</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>910</td>
</tr>
<tr>
<td>WES/WGP distributions to third parties</td>
<td>(79)</td>
<td>(107)</td>
<td>(158)</td>
<td>(216)</td>
<td>(280)</td>
</tr>
<tr>
<td>Adjusted discretionary cash flow from operations (Non-GAAP)</td>
<td>$7,099</td>
<td>$7,050</td>
<td>$7,875</td>
<td>$8,240</td>
<td>$4,289</td>
</tr>
<tr>
<td>Adjusted by:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital expenditures excluding WES*</td>
<td>(6,114)</td>
<td>(6,782)</td>
<td>(7,731)</td>
<td>(8,560)</td>
<td>(5,363)</td>
</tr>
<tr>
<td>Collection of Algeria exceptional profits of tax receivable</td>
<td>-</td>
<td>1,006</td>
<td>730</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Monetizations</td>
<td>580</td>
<td>1,244</td>
<td>1,033</td>
<td>5,659</td>
<td>1,825</td>
</tr>
<tr>
<td>Adjusted free cash flow (Non-GAAP)</td>
<td>$1,565</td>
<td>$2,518</td>
<td>$1,907</td>
<td>$5,339</td>
<td>$751</td>
</tr>
</tbody>
</table>

* WES capital expenditures

* WES capital expenditures

www.anadarko.com | NYSE: APC

ANADARKO PETROLEUM CORPORATION

14
Glossary of Terms

- **Adj**: Adjusted
- **APC**: Anadarko Petroleum Corp.
- **B**: Billion
- **Bbl**: Barrel
- **BBI/d**: Barrels of Liquid per Day
- **BOE**: Barrel of Oil Equivalent
- **BOE/d**: Barrel of Oil Equivalent per Day
- **BOPD**: Barrels of Oil per Day
- **BTAX**: Before Tax
- **cf**: Cubic Feet of Natural Gas
- **cf/d**: Cubic Feet per Day
- **CPF**: Central Processing Facility
- **DCF**: Discretionary Cash Flow
- **DC&E**: Drill, Complete and Equip
- **DD&A**: Depreciation, Depletion and Amortization
- **DJ**: Denver Julesburg
- **E&P**: Exploration and Production
- **EBITDA**: Earnings Before Interest, Tax, Depreciation and Amortization
- **EBITDAX**: Earnings Before Interest, Tax, Depreciation, Amortization and Exploration Expense
- **EUR**: Estimated Ultimate Recovery
- **EV**: Enterprise Value
- **F&D**: Finding and Development Cost
- **FCF**: Free Cash Flow
- **GAAP**: Generally Accepted Accounting Principles
- **G&A**: General and Administrative
- **GOM**: Gulf of Mexico
- **HH**: Henry Hub
- **M**: Thousands
- **MM**: Millions
- **NGL**: Natural Gas Liquids
- **NYSE**: New York Stock Exchange
- **ROR**: Rate of Return
- **SLE**: Short Lateral Equivalent
- **T**: Trillion
- **YE**: Year End
- **YOY**: Year over Year
- **YTD**: Year to Date
- **WES**: Western Gas Partners, LP
- **WI**: Working Interest
- **WTI**: West Texas Intermediate