



Investor CDP 2010 Information Request Anadarko Petroleum Corporation

Module: Introduction

Page: Introduction

0.1

Introduction

Please give a general description and introduction to your organization.

Anadarko Petroleum Corporation is pleased to respond and continues to support the Carbon Disclosure Project. CDP has recognized Anadarko as a top scoring company in the Carbon Disclosure Leadership Index (CDLI) by our high-quality disclosure.

Anadarko's mission is to deliver a competitive and sustainable rate of return to shareholders by exploring for, acquiring and developing oil and natural gas resources vital to the world's health and welfare. As of year-end 2009, the company had approximately 2.3 billion barrels-equivalent of proved reserves, making it one of the world's largest independent exploration and production companies. For more information about Anadarko, please visit <http://www.anadarko.com>.

0.2

Reporting Year

Please state the start and end date of the year for which you are reporting data.

Enter Periods that will be disclosed

Tue 01 Jan 2008 - Wed 31 Dec 2008

0.3

Are you participating in the Walmart Sustainability Assessment?

No

0.4

Modules

As part of the Investor CDP information request, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors and companies in the oil and gas industry should complete supplementary questions in addition to the main questionnaire.

If you are in these sectors, the corresponding sector modules will be marked as default options to your information request.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see www.cdproject.net/cdp-questionnaire.

0.5

Country list configuration

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response.

Select country

United States of America

0.6

Please select if you wish to complete a shorter information request.

Further Information

Module: Governance

Page: Governance

1.1

Where is the highest level of responsibility for climate change within your company?

Board committee or other executive body

1.1a

Please specify who is responsible.

Board/Executive Board

1.2

What is the mechanism by which the board committee or other executive body reviews the company's progress and status regarding climate change?

The Climate Change Committee, composed of employees representing multiple disciplines across Anadarko, continues to organize, evaluate, and advise on climate change and GHG issues within the Company. The Committee meets, in full or in part, on a quarterly basis or more frequently, as necessary. The Committee reports annually through executive management to the Board of Directors' Nominating and Corporate Governance Committee. Promulgation of new carbon legislation, advancements in SEC reporting, and required reporting of GHGs to the EPA are examples of events that prompt an increased frequency of Climate Change Committee meetings and relevant reports to the Board of Directors.

1.4

Do you provide incentives for the management of climate change issues, including the attainment of greenhouse gas (GHG) targets?

Yes

1.5

Please complete the table.

Who is entitled to benefit from those incentives?	The type of incentives
Business unit managers	Recognition (non-monetary)

Further Information

Business units actively reducing emissions may inherently be increasing productivity as well. Therefore, any business unit engaged in efficient operation and implementation of actions that reduce emissions will benefit as a result of those actions. If business units improve financial performance because of these actions, incentives in the form of larger bonuses and employee recognition and/or career advancement may result. Anadarko indirectly provides incentives for prudently managing GHG emissions; since methane is the major component of natural gas, Anadarko's inherent best interest includes capturing the gas produced for sale in lieu of emissions. Utilizing BMPs and PROs provided by the voluntary U.S. EPA Natural Gas STAR program, Anadarko reports methane reductions achieved annually, exhibiting additional profits for the business units.

Module: Risks and Opportunities

Page: Risks & Opportunities Identification Process

2.1

Describe your company's process for identifying significant risks and/or opportunities from climate change and assessing the degree to which they could affect your business, including the financial implications.

Anadarko has a culture of risk management that focuses on efficient identification and mitigation of risks. Understanding that many of the risks associated with climate change can also represent significant opportunities, Anadarko is dedicated to incorporating opportunity maximization into its risk management process for climate change.

In regards to regulatory, financial, and strategic business risks and opportunities, Anadarko has an internal process for tracking current and emerging climate change legislation and regulation at the state, regional, federal, and global levels. Anadarko uses various internal and external resources to evaluate legislative and regulatory concerns and their potential impact to business. An important part of Anadarko's evaluation process is its involvement in multiple industry groups such as the American Petroleum Institute (API), American Exploration and Production Council (AXPC), Gas Processors Association (GPA), Independent Petroleum Association of America (IPAA), America's Natural Gas Alliance (ANGA), Business Roundtable, and others through which Anadarko constantly monitors and tracks regulatory activities and participates in the legislative process. Participation in these organizations serves to communicate Anadarko's position on legislative proposals in order to help create fair and effective regulations regarding carbon management. Anadarko assesses the potential business impact as well as the effect on consumers of each regulatory activity through policy analysis, modeling, and strategic engagement, in order to ensure proactive strategies to manage and ensure compliance. This process allows Anadarko to prioritize actions (i.e. lobbying for a legislative proposal that provides least carbon cost to Anadarko).

Like risks, opportunities are assessed through financial modeling that considers Anadarko's assets, the production mix of natural gas versus oil, and how legislative proposals may impact business. The process for evaluating regulatory, financial, and strategic business risks and opportunities is managed by the Environment, Health, and Safety Department, and given that most of these risks are continually emerging and changing, evaluation is continuous.

Consistent with activities last year, Anadarko continues to analyze data from previous seasons to better prepare for future weather events. These physical risks that may impact operations in the Gulf of Mexico, Utah, Colorado, Wyoming, and Alaska have not changed over the past 12 months. Furthermore, operations in low-lying areas close to sea level in Africa and Indonesia may also be subject to these same physical risks. These risks are ongoing due to their seasonality; therefore, they are constantly being evaluated by Anadarko.

Further Information

Page: Regulatory Risks

3.1

Do current and/or anticipated regulatory requirements related to climate change present significant risks to your company?

Yes

Do you want to answer using:

A text box

3.2B

What are the current and/or anticipated significant regulatory risks related to climate change and their associated countries/regions and timescales?

The scope of proposed state, regional, and national legislation mandating limits on GHGs indicates that Anadarko's operations will be impacted to some, undetermined extent at an indeterminate point. For its hydrocarbon exploration and production (E&P) activities, the risk lies primarily in uncertainty around what emission sources will be regulated (essentially, whether or not the financial burden presented by regulation will be imposed on the production of a resource or the end use of that resource), when the burden will be imposed, and associated carbon costs. Depending on the specifics of a GHG-limiting law, Anadarko may be required to report its emissions over a certain threshold and subsequently reduce emissions to meet a particular cap. These actions represent a potential cost of carbon that Anadarko must absorb through various compliance mechanisms. Because uncertainty exists over when, and if legislation will be signed into law, Anadarko continues to assume that regulation may be promulgated at any point.

Should the U.S. enter into an international climate change agreement, or current legislative activity in the U.S. be enacted, Anadarko operations are at risk.

U.S. regulatory risks regarding a federal framework for reducing GHG emissions under a cap & trade program or similar market mechanism are currently emerging and would be expected to gain form and credibility in the next 12 to 18 months; Anadarko is currently taking advantage of this timescale by engaging proactively in legislative activity and preparing for regulation by continuing to improve existing verifiable emission inventories and emission reduction projects.

Regarding mandatory reporting of GHG emissions, Anadarko is subject to compliance risks and costs with the EPA GHG Mandatory Reporting Rule under Subpart W, which will be finalized in the near future, and potentially Subpart C, depending on its operations. This rule represents a current minimal risk that Anadarko is prepared for and managing.

3.3**Describe the ways in which the identified risks affect or could affect your business and your value chain.**

Anadarko recognizes that if GHG regulation affects its operations, the potential carbon cost or benefit will impact the price of its oil and natural gas products provided to the market. For example, if Anadarko accrues costs associated with reducing GHG emissions or purchasing allocations under a cap and trade scheme, the price of its oil and natural gas products will rise. This cost will be passed onto processors and refiners, who will in turn pass the cost onto consumers and end-users.

Furthermore, should the U.S. enter into a federal framework for GHG emission reductions, it is possible that consumers may begin to purchase crude products from producers located in other countries that are not subject to GHG regulations that increase costs.

Additionally, attention to renewable and low carbon fuel standards indicates that demand for less carbon-intensive fuels may be greater in the future. These regulations may drive development of biomass-based fuels, which may possibly reduce demand for fossil-fuel based fuels that Anadarko produces. That said, Anadarko believes that fossil fuels, particularly natural gas, will continue to be an integral part of developing new low-carbon fuel options. Anadarko advocates that any legislation passed into law should recognize natural gas as a clean and abundant fuel.

Anadarko continues to see a primary long-term opportunity to supply the U.S. market with clean-burning natural gas. Anadarko's Eastern Gulf of Mexico projects recently accounted for approximately two percent of the nation's overall supply of natural gas. As consumers seek to shift to less carbon-intensive fuels, Anadarko believes that its ability to deliver this resource will serve it well under a carbon-constrained regulatory environment.

3.4**Are there financial implications associated with the identified risks?**

Yes

3.5**Please describe them.**

Financial risks are currently expected in regards to compliance with the US EPA Mandatory GHG Reporting Rule and the potential fines to be imposed for failure to comply. Anadarko expects to be in full compliance with any applicable subparts of the rule, and therefore costs are expected to be zero.

In regards to a cap and trade program, depending on the GHG emissions cap, Anadarko may be required to purchase allowances or make capital costs to comply with the regulation. Any impact from this alternative can only be evaluated once the scope of the proposal is known.

3.6**Describe any actions the company has taken or plans to take to manage or adapt to the risks that have been identified, including the cost of those actions.**

Anadarko is currently involved, through various trade associations, in the assessment and rulemaking process concerning the EPA proposed Subpart W of the GHG Mandatory Reporting Rule and GHG cap-and-trade legislation currently in deliberation in the Senate. Anadarko believes that any legislation passed into law should apply to all sectors of the economy and be uniform at the local, state, and federal levels. Anadarko prefers proposals designating the point of regulation as close as possible to the point of emission in order to more effectively drive consumer choice. Additionally, in the case of international agreements, Anadarko believes that the U.S. and U.S.-based businesses should not be treated disproportionately. Anadarko seeks to minimize risks associated with emissions limits or efficiency standards through voluntary participation in programs such as the U.S. EPA Natural Gas STAR and API Climate Action Challenge; involvement in these programs leads to direct improvements in profitability. In 2008, Anadarko joined the Climate Registry as a Founding Reporter and verified and disclosed its corporate GHG emissions starting in 2008; furthermore, Anadarko's involvement in development of The Climate Registry's Oil and Gas Production Protocol exhibits its commitment to understanding and crafting GHG quantification and reporting methods easily aligned with current business practices. Anadarko's involvement in this nation-wide registry will prepare it for mandatory reporting brought forth by legislation and identify the company as an informed and well-positioned E&P company.

Further Information**Page: Physical Risks****4.1****Do current and/or anticipated physical impacts of climate change present significant risks to your company?**

Yes

Do you want to answer using:

A text box

4.2B**What are the current and/or anticipated significant physical risks, and their associated countries/regions and timescales?**

Physical risks are primarily related to extreme weather events (e.g., hurricanes) which research indicates may increase in intensity with increasing temperature. The 2005 hurricane season in the Gulf of Mexico demonstrated the potential damage and business impact that severe weather can have on the oil and natural gas industry. Anadarko had a strong environmental, health, and safety record that season, with no injuries to its employees and relatively minimal risk to its platforms and the environment. Anadarko also has minimal risk pertaining to onshore operations from tornado activity in Kansas, Oklahoma, and Texas and operational shut-ins due to extreme cold in Utah, Colorado, and Wyoming. At this time, these risks are difficult to assess. Overall, severe weather is most likely to affect offshore operations, but we are aware that onshore weather patterns may also change in ways that affect our operations.

4.3**Describe the ways in which the identified risks affect or could affect your business and your value chain.**

Extreme weather events, particularly hurricanes, have the ability to shut down operations and halt oil and natural gas production from affected areas. This not only impacts Anadarko's revenue stream, but also the flow of natural gas and crude oil to marketers and refiners of fuels for heating, transportation, and electricity. If these physical risks remain constant, they could be the cause of potential fossil fuel resources scarcity in the Gulf of Mexico and surrounding regions of the US.

4.4**Are there financial implications associated with the identified risks?**

Yes

4.5**Please describe them.**

Should extreme weather events halt Anadarko operations, the revenue stream generated from those activities would immediately cease. A reduction in available oil and natural gas production may result in increases in current price, as noted during the 2005 hurricane season. Increased costs are passed indirectly to the consumer in natural gas heating and fuel prices.

4.6**Describe any actions the company has taken or plans to take to manage or adapt to the risks that have been identified, including the cost of those actions.**

Anadarko believes that supply risks generated by extreme weather events and other physical impacts that reduce or cease operation may be mitigated by enhancing production from unaffected regions. Therefore, Anadarko understands the importance of regional and local threats and strives to maintain a well-diversified portfolio that accounts for potential physical impacts.

Further Information**Page: Other risks****5.1****Does climate change present other significant risks - current and/or anticipated - for your company?**

Yes

Do you want to answer using:

A text box

5.2B**What are the current and/or anticipated other significant risks, and their associated countries/regions and timescales?**

Shifting consumer attitude and demand for hydrocarbons present some broad risks to the industry as a whole.

Anadarko's entire global portfolio is subject to risks associated with consumer preferences. Anadarko is currently exposed to these risks given 2009's global recession and visibility of climate change as a federal issue to address; these risks may increase or decrease depending on the health

of the global economy, development of alternative fuels, and the price of traditional fossil fuels

5.3

Describe the ways in which the identified risks affect or could affect your business and your value chain.

As consumer preferences change due to rising costs, culture, and greater environmental awareness, Anadarko understands that demand for petroleum-based products may decline. These declines may come from the end-user, and eventually result in decreased demand for refined products, and ultimately, a decreased demand for crude oil.

5.4

Are there financial implications associated with the identified risks?

Yes

5.5

Please describe them.

If consumer preferences shift so much that demand of petroleum products declines, Anadarko may note a decrease in revenues from crude oil. Because the energy market is global and integrated, these financial impacts may be felt due to economic activity and cultural shifts to low-carbon products worldwide

5.6

Describe any actions the company has taken or plans to take to manage or adapt to the other risks that have been identified, including the costs of those actions.

Anadarko's portfolio of strong North American assets, including large volumes of natural gas and EOR projects that sequester carbon dioxide, positions the company well to anticipate changing consumer awareness and preferences in the U.S. energy markets. Anadarko anticipates natural gas demand to increase and the demand for more carbon-intensive crude oil may decrease, particularly as end users recoil from volatile oil prices and refining demand lowers.

Anadarko's portfolio is relatively balanced between oil and natural gas, so risks are spread among higher and lower carbon intensive fuels. Anadarko expects to continue to invest in natural gas and carbon sequestration in order to adapt to a carbon-constrained world and mitigate potential economic losses from a reduction in crude oil demand. Additionally, Anadarko's EOR projects may enhance attractiveness to buyers looking to lower their carbon footprint. Anadarko is committed to being part of the solution to climate change.

Further Information

Page: Regulatory Opportunities

6.1

Do current and/or anticipated regulatory requirements related to climate change present significant opportunities for your company?

Yes

Do you want to answer using:

A text box

6.2B

What are the current and/or anticipated significant regulatory opportunities and their associated countries/regions and timescales?

The Salt Creek and Monell EOR projects are evaluated financially via the increased production that results from their implementation and the value of the emission reductions they represent.

Anadarko consistently demonstrates its leadership in carbon capture and storage (CCS) technology and employing carbon sequestration in tandem with EOR; many of our peers lack this experience. Additionally, Anadarko recognizes that long-term potential economic and regulatory opportunities may be recognized through its current emission reduction projects that may proactively put Anadarko in an advantageous position to comply with potential regulation or potentially sell emission reduction credits.

Anadarko's highly successful Salt Creek project in Wyoming sequesters anthropogenic carbon dioxide to produce oil from a 100-year-old field, thus representing increased production and decreased GHG emissions. Anadarko continues to evaluate additional opportunities to apply the lessons learned at Salt Creek to create win-win situations for both its business and the environment. Anadarko hopes that the verified emissions reductions (VER) generated by these projects will allow us to meaningfully participate in the carbon markets and gain early action credit as regulatory regimes develop

6.3

Describe the ways in which the identified opportunities affect or could affect your business and your value chain.

Because Anadarko is involved in EOR projects, the oil and natural gas produced at these fields are lower in carbon intensity than oil and natural gas produced without the use of EOR. Particularly in regards to crude oil, fuel producers concerned with compliance with low carbon fuel standards may find advantage in sourcing crude from fields using EOR, thereby putting Anadarko at a competitive advantage.

Additionally, many of Anadarko's international operations are subject to potential opportunities from international climate change regulation

pertaining to emission reduction credits that may be earned on a project-basis. International opportunities are ongoing, and U.S. regulatory risks and opportunities are currently emerging.

6.4

Are there financial implications associated with the identified opportunities?

Yes

6.5

Please describe them.

Given the development of several low carbon fuel standards nationwide, Anadarko expects demand for EOR-produced natural gas and oil to rise because of its lower carbon content. This demand may result in increased profits.

6.6

Describe any actions the company has taken or plans to take to exploit the opportunities that have been identified, including the investment needed to take those actions.

Anadarko is a Founding Member of the American Carbon Registry in order to take advantage of a voluntary registry that is progressively providing consistency on how GHG emission reductions should be reported, in addition to providing protocols and reporting standards that may be useful templates for future regulation. ACR is one of the only voluntary carbon registries that provide a verifiable methodology for emission reductions from CCS activities.

Anadarko continues to primarily invest in climate change activities with its Salt Creek and Monell EOR projects. Rather than venting carbon dioxide after use, more than 30 million tons of CO₂ over the lifetime of these projects will be sequestered.

Anadarko also actively participates in various trade associations to communicate its position on legislative proposals in order to create fair and effective regulations addressing climate change. Anadarko is heavily involved in the debate surrounding legislative attempts to address climate change by providing comments on potential regulation and assessing how various legislative proposals may impact Anadarko's business and EOR projects. Anadarko hopes that future regulations will recognize early voluntary action to reduce GHG emissions, particularly emissions reduced through valid CCS projects. Although these regulatory opportunities have not changed over the past 12 months, they are more certain now given the change in administration and increased level of federal activity.

Further Information

Page: Physical Opportunities

7.1

Do current and/or anticipated physical impacts of climate change present significant opportunities for your company?

No

7.7

Explain why you do not consider your company to be presented with significant opportunities - current and/or anticipated.

Due to a lack of data on how physical impacts of climate change may positively impact the oil and natural gas industry, potential opportunities have not been considered at this time. Because physical risks presented to Anadarko's business pertain to extreme weather events, moderate seasonal weather patterns and events represent business as usual for Anadarko's operations and do not provide enhanced business opportunities. These views are consistent with those of the past 12 months.

Further Information

Page: Other Opportunities

8.1

Does climate change present other significant opportunities - current and/or anticipated - for your company?

Yes

Do you want to answer using:

A text box

8.2B

What are the current and/or anticipated other significant opportunities and their associated countries/regions and timescales?

As a provider of clean-burning natural gas, Anadarko is positioned to provide a lower carbon footprint to consumers, which will in turn aid their potential compliance with regulatory schemes to reduce GHG emissions. Anadarko produces natural gas nationwide and expects to contribute significantly to domestic natural gas supplies.

The vision of natural gas as a low-carbon fuel and the development of and investment in natural gas infrastructure has already begun and will only increase within coming years. Climate change has led to investment or planned investment in order to maximize climate change opportunities. Anadarko's unique positioning as a major provider of domestic natural gas creates an opportunity for us to fill a growing demand in a carbon-

constrained environment to which our competitors may be less adaptable. Our views on being a major provider of natural gas and seeing natural gas as a low-carbon solution has not changed over the past 12 months

8.3

Describe the ways in which the identified opportunities affect or could affect your business and your value chain.

The provision of natural gas, a low-carbon fuel, may reduce costs for consumers who otherwise would need to buy credits or invest in technology to comply with local and federal standards. Furthermore, the increased production of natural gas is a contributor to national security, which is essential for all levels of the economy. As a provider of a cheap and abundant fuel source that is also lower in carbon than traditional fossil fuel resources such as coal and oil, Anadarko is strategically positioned to play a role in the success of consumers and partners along its value chain.

8.4

Are there financial implications associated with the identified opportunities?

Yes

8.5

Please describe them.

As a producer of low-carbon natural gas, Anadarko expects that demand for natural gas will increase in a carbon-constrained economy. Therefore, natural gas consumption will increase and provide additional revenue to Anadarko, particularly if demand increases so much that natural gas prices go up.

8.6

Describe any actions the company has taken or plans to take to exploit the opportunities that have been identified, including the investment needed to take those actions.

Anadarko continues to invest in research and the development of natural gas production, as it sees itself as a major supplier of natural gas, a low-carbon fuel, in future years.

Further Information

Module: Strategy

Page: Strategy

9.1

Please describe how your overall group business strategy links with actions taken on risks and opportunities (identified in questions 3 to 8), including any emissions reduction targets or achievements, public policy engagement and external communications.

Anadarko strives to operate in a safe, responsible and sustainable manner, seeking competitive returns for our shareholders, while maximizing benefits to communities and environments in which it operates. At the corporate level, Anadarko understands that climate and energy policy at various levels of jurisdiction will be a part of doing business now and in the future; therefore, Anadarko believes in proactively incorporating carbon management strategies throughout the organization that go above and beyond compliance. This corporate perspective is exhibited in its EOR projects, founding involvement in organizations like The Climate Registry and the American Carbon Registry, participation in rule and legislation development, and its internal commitment to the transparent and accurate accounting and reporting of GHG emissions.

Further Information

Page: Strategy - Targets

9.2

Do you have a current emissions reduction target?

No

9.3

Please explain why not and forecast how your Scope 1 and Scope 2 emissions will change over the next 5 years. (If you do not have a target)

Because Anadarko's baseline was revised to be aligned with the 2006 emissions inventory following the acquisitions of Kerr-McGee and Western Gas Resources, Anadarko is currently evaluating the role of emission and energy reduction activities and their impact on its GHG emissions baseline. The role of different emission reduction projects is currently being evaluated via financial modelling.

Further Information

Page: Strategy - Emission Reduction Activities

¿
Is question 9.7 relevant for your company?

Yes

9.7

Please use the table below to describe your company's actions to reduce its GHG emissions.

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO2-e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
Green completions		2140095	Other: mscf Methane (CH4)		Achieved			14980665	USD(\$)		
Replacing high-bleed pneumatic controllers with low- or no-bleed controllers		18228	Other: mscf Methane (CH4)		Achieved			127596	USD(\$)		
Installation of plunger lifts		50757	Other: mscf Methane (CH4)		Achieved			355299	USD(\$)		
Recover Gas From Piggings Operations		1519204	Other: mscf Methane (CH4)		Achieved			10634428	USD(\$)		
Pump Exhaust Recovery		30355	Other: mscf Methane (CH4)		Achieved			212485	USD(\$)		
Convert pneumatic pumps to solar		194496	Other: mscf Methane (CH4)		Achieved			1361472	USD(\$)		
Other		140787			Achieved			985509	USD(\$)		

9.9

Please provide any other information you consider necessary to describe your emission reduction activities.

Anadarko has a GHG Management Plan that includes development of emission reducing activities. Policies include the use of best management practices to enhance energy efficiency and capture methane in addition to implementation of projects that show significant savings economically in addition to the environmental benefits.

Anadarko continually looks for innovative ways to minimize the overall environmental impacts of its activities, including reduction of GHG emissions and energy use. As a voluntary member of the U.S. EPA Natural Gas STAR program and API Climate Action Challenge, Anadarko is committed to reporting reductions in methane emissions, considering cost-effective ways to reduce GHG intensity, and developing ideas to reduce, sequester, and offset GHG emissions. Additionally, Anadarko contributes to emission reductions through its EOR projects that sequester CO2. Anadarko plans to include these activities, including new innovate strategies to reduce emissions, into the GHG emissions reduction plan it plans to develop.

9.10

Do you engage with policy makers on possible responses to climate change including taxation, regulation and carbon trading?

Yes

9.11

Please describe.

Anadarko regularly engages with policymakers via participation in development of climate change legislative proposals at the local, state, and federal levels, through industry groups and educational efforts with federal legislators. Through this engagement, Anadarko communicates concerns on a variety of climate change topics and initiatives at both the regional and federal levels. Examples of engagement include involvement in development of protocols and guidance for the oil and natural gas industry for the Western Climate Initiative and The Climate Registry; Anadarko actively comments on protocols managing GHG emission accounting, inventory management, GHG emission reduction, and verification procedures. Additionally, Anadarko frequently comments on legislative proposals (e.g., Anadarko is currently involved with industry groups on federal activity with the proposed Subpart W of the EPA GHG Mandatory Reporting Rule and legislation that is currently pending in the Senate.) Anadarko feels it crucial to be informed, involved and comment, where appropriate, on any legislative proposals or regulatory initiatives (including regulatory rulemaking and guidance document development or revision) pertaining to climate change that may impact its business and consumers.

Further Information

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: Emissions Boundary - (1 Jan 2008 - 31 Dec 2008)

10.1

Please indicate the category that describes the company, entities, or group for which Scope 1 and Scope 2 GHG emissions are reported.

Companies over which operational control is exercised

10.2

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions within this boundary which are not included in your disclosure?

Yes

10.3

Please complete the following table.

Source	Scope	Explain why the source is excluded
Stationary combustion, flaring, venting, electricity consumption, mobile fleets, fugitive emissions	Scope 1 and 2	International assets are joint ventures that fall under equity control or do not meet operational control definitions.

Further Information

Page: Methodology - (1 Jan 2008 - 31 Dec 2008)

11.1a

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions and/or describe the procedure you have used (in the text box in 11.1b below).

Please select the published methodologies that you use.
The Climate Registry: General Reporting Protocol
The Climate Registry: Oil & Gas Protocol
IPIECA's Petroleum Industry Guidelines for reporting GHG emissions, 2003
Other: WRI/WBCSD Greenhouse Gas Protocol

11.1b

Please describe the procedure that you use.

The principles of accuracy, completeness, transparency, relevance, and consistency Anadarko employs in its GHG quantification and reporting come from guidance in the WBCSD/WRI GHG Protocol. Calculation methods used come from the IPIECA/API/OGP Petroleum Industry Guidelines for Reporting Greenhouse Gas Emissions, and are cross-referenced for consistency with The Climate Registry General Reporting Protocol. Additionally, the API Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Gas Industry is integrated into the calculation tool Anadarko employs to calculate emissions.

11.2

Please also provide the names of and links to any calculation tools used.

Please select the calculation tools used.
Other: the SANGEA™ GHG Emissions Estimation System

11.3

Please give the global warming potentials you have applied and their origin.

Gas	Reference	GWP
Methane	IPCC Second Assessment Report (SAR - 100 year)	21
Nitrous oxide	IPCC Second Assessment Report (SAR - 100 year)	310
Other: HFC	IPCC Second Assessment Report (SAR - 100 year)	

11.4

Please give the emission factors you have applied and their origin.

Fuel/Material	Emission Factor	Unit	Reference
Natural gas	53.46	Other: Kg CO2/mmbtu	Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Gas Industry, February 2004
Motor gasoline	70.88	Other: Kg CO2/mmbtu	Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Gas Industry, February 2004
	73.15		

Fuel/Material	Emission Factor	Unit	Reference
Distillate fuel oil No 2		Other: Kg CO2/mmbtu	Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Gas Industry, February 2004

Further Information

Page: Emissions Scope 1 - (1 Jan 2008 - 31 Dec 2008)

12.1

Please give your total gross global Scope 1 GHG emissions in metric tonnes of CO2-e.

7230684

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Is question 12.2 relevant to your company?

Yes

12.2

Please break down your total gross global Scope 1 emissions in metric tonnes CO2-e by country/region.

Country	Scope 1 Metric tonnes CO2-e
United States of America	7230684

12.4

Where it will facilitate a better understanding of your business, please also break down your total gross global Scope 1 emissions by business division. (Only data for the current reporting year requested.)

Business Division	Scope 1 Metric tonnes CO2-e
E&P	3341354
Midstream	3879030
Other	10300

12.5

Where it will facilitate a better understanding of your business, please also break down your total gross global Scope 1 emissions by facility. (Only data for the current reporting year requested.)

Facilities	Scope 1 Metric tonnes CO2-e
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Is question 12.6 relevant to your company?

Yes

12.6

Please break down your total gross global Scope 1 emissions by GHG type. (Only data for the current reporting year requested.)

GHG Type	Scope 1 Emissions (Metric tonnes)	Scope 1 Emissions (Metric tonnes CO2-e)
CO2	4522655.00	4522655
CH4	127766.00	2683095
N2O	76.00	23641
HFCs	1.00	1294

¿

Is question 12.8 relevant to your company?

Yes

12.8

Please give the total amount of fuel in MWh that your organization has consumed during the reporting year.

20648530

¿

Is question 12.10 relevant to your company?

Yes

12.10

Please complete the table by breaking down the total figure by fuel type.

Fuels	MWh
Other: Total Fuel	20648530.00

12.12

Please estimate the level of uncertainty of the total gross global Scope 1 figure that you have supplied in answer to question 12.1 and specify the sources of uncertainty in your data gathering, handling, and calculations.

Uncertainty Range	Main sources of uncertainty	Please expand on the uncertainty in your data
Other: Reasonable	Other: See "Addressing Uncertainty in Oil and Natural Gas Industry Greenhouse Gas Inventories"; API September 2009	Uncertainty is associated with emissions rates, activity data, and emission factors used to develop Anadarko's GHG inventory. Improper calibration of instruments and monitoring data may impact the accuracy of flow meters. Additionally, human error may be attributed to uncertainty in emission calculations and assimilation of activity data. Anadarko also recognizes that emission factors, although from appropriate industry-standard resources, have uncertainty characterized by the dispersion of the respective measurement values used to derive them initially.

Further Information

Page: Emissions Scope 2 - (1 Jan 2008 - 31 Dec 2008)

13.1

Please give your total gross global Scope 2 GHG emissions in metric tonnes of CO2-e.

622058

¿

Is question 13.2 relevant to your company?

Yes

13.2

Please break down your total gross global Scope 2 emissions in metric tonnes of CO2-e by country/region.

Country	Metric tonnes CO2-e
United States of America	622058

13.4

Where it will facilitate a better understanding of your business, please also break down your total gross global Scope 2 emissions by business division. (Only data for the current reporting year requested.)

Business division name	Metric tonnes CO2-e
E&P	326465
Midstream	281987
Other	13606

13.5

Where it will facilitate a better understanding of your business, please also break down your total gross global Scope 2 emissions by facility. (Only data for the current reporting year requested.)

Facility name	Metric tonnes CO2-e
---------------	---------------------

¿

Is question 13.6 relevant to your company?

Yes

13.6

How much electricity, heat, steam, and cooling in MWh has your organization purchased for its own consumption during the reporting year?

Please supply data for these energy types.	MWh
Electricity	1093644

13.8

Please estimate the level of uncertainty of the total gross global Scope 2 figure that you have supplied in answer to question 13.1 and specify the sources of uncertainty in your data gathering, handling, and calculations.

Uncertainty range	Main sources of uncertainty in your data	Please expand on the uncertainty in your data.
Other: Reasonable	Other: See "Addressing Uncertainty in Oil and Natural Gas Industry	Uncertainty is associated with emissions rates, activity data, and emission factors used to develop Anadarko's GHG inventory. Improper calibration of instruments and monitoring data may impact the accuracy of flow meters. Additionally, human error may be attributed to uncertainty in emission

Uncertainty range	Main sources of uncertainty in your data	Please expand on the uncertainty in your data.
	Greenhouse Gas Inventories"; API September 2009	calculations and assimilation of activity data. Anadarko also recognizes that emission factors, although from appropriate industry-standard resources, have uncertainty characterized by the dispersion of the respective measurement values used to derive them initially.

Further Information

Page: Emissions Scope 2 Contractual

14.1

Do you consider that the grid average factors used to report Scope 2 emissions in question 13 reflect the contractual arrangements you have with electricity suppliers?

Yes

14.4

Has your organization retired any certificates, e.g. Renewable Energy Certificates, associated with zero or low carbon electricity within the reporting year or has this been done on your behalf?

Yes

14.5

Please provide details including the number and type of certificates.

Type of certificate	Number of certificates	Comments
Renewable Energy Certificates	232852	There are currently two (2) operating facilities on Anadarko land (Mountain Wind I and II) operated by Edison Mission Energy. Anadarko receives a four percent (4%) royalty of gross income from the facilities, specifically including revenue from the sale of renewable energy certificates (RECs). Anadarko's share of REC volume is proportionate to our royalty. The REC are made available for use or sale.

Further Information

Page: Emissions Scope 3

¿
Is question 15.1 relevant to your company?

Yes

15.1

Please provide data on sources of Scope 3 emissions that are relevant to your organization.

Sources of Scope 3 emissions	Metric tonnes of CO ₂ -e	Methodology	If you cannot provide a figure for a relevant source of Scope 3 emissions, please describe the emissions.
Transportation & distribution of inputs & waste generated in operations		To calculate fugitive and mobile combustion source emissions Anadarko would employ the methodology outlined in the API Compendium of GHG Emissions Estimation Methodologies for the Oil & Gas Industry using throughput, fuel consumption or mileage, and the associated emission factors provided.	Anadarko does have Scope 3 emissions associated with the distribution of oil and gas that it produces. These emissions result from potential leaks and fugitive emissions pertaining to transportation of produced materials via pipeline for processing and/or refining. Additional emissions may also result from transportation of crude oil via tanker and/or truck for refining, and the associated mobile combustion emissions. At this time Anadarko does not have a complete estimate of GHG emissions from distribution and logistics associated with its products.
Business travel		To calculate mobile combustion emissions Anadarko would employ the methodology outlined in The Climate Registry General Reporting Protocol using fuel consumption or mileage and the associated emission factors provided.	Anadarko does have employee business travel, via aircraft and car to and from operational sites and administrative offices. The emissions resulting from this travel include GHGs from the combustion of transportation fuels. At this time Anadarko does not have a complete estimate of GHG emissions from employee business travel.
Waste generated in operations		The best representation of these emissions may be assessed by the direct Scope 1 emissions associated with natural gas-fired power plants, cars and trucks, and natural gas heating systems in commercial and residential use. These emissions may be calculated via methods exhibited in the API Compendium.	Anadarko does have Scope 3 emissions associated with the use and disposal of its products. These emissions result primarily from the combustion of natural gas or refined crude oil products for heating, electricity, and transportation. Because these products represent commodities in the global market and are consumed by a variety of end users, estimation of the emissions associated with their use is challenging.
Purchased goods & services - cradle-to-gate emissions		Because these sources of Scope 3 emissions are so varied and complex, quantification of their emissions is difficult. Methods to calculate	Anadarko does have Scope 3 emissions associated with its supply chain. These emissions range from the production and transportation of materials and chemicals necessary for

Sources of Scope 3 emissions	Metric tonnes of CO ₂ -e	Methodology	If you cannot provide a figure for a relevant source of Scope 3 emissions, please describe the emissions.
		Scope 3 emissions from supply chain activities involve the use of specific life-cycle emission factors for each material used or disposed of throughout our operations. These emission factors may be collected via proprietary life-cycle assessment (LCA) databases.	our exploration operations to the waste transportation and disposal of spent drill pipe.
Other:		While these services are contracted and may not always be included in direct emissions estimates, they may be quantified via methods and emission factors found in the API Compendium.	Anadarko has Scope 3 emissions from the use of oilfield service equipment for drilling and well maintenance.

Further Information

Page: Emissions 7

16.1

Does the use of your goods and/or services enable GHG emissions to be avoided by a third party?

Yes

16.2

Please provide details including the anticipated timescale over which the emissions are avoided, in which sector of the economy they might help to avoid emissions and their potential to avoid emissions.

Anadarko produces natural gas, which is a clean-burning fuel in comparison to more carbon-intensive fuels like coal and crude oil. Therefore, fuel switching to use of natural gas by third-party users such as power plants and operators of wide-scale transportation using trains and buses directly results in avoided GHG emissions. For a typical 1000 MW power plant, switching from the burning of electric utility-grade coal to pipeline-specification natural gas results in a 41 percent reduction in CO₂ emissions over one year (assuming the plant operates 24 hours a day). Using the same assumptions, a switch from the burning of #4 fuel oil to pipeline-specification natural gas results in a 26 percent reduction in CO₂ emissions over one year.

Annual emissions for a 1000 MW power plant burning coal: 2,971,066 metric tons CO₂
 Annual emissions for a 1000 MW power plant burning #4 fuel oil: 2,397,178 metric tons CO₂
 Annual emissions for a 1000 MW power plant burning natural gas: 1,763,510 metric tons CO₂

In this scenario, switching from coal to natural gas results in annual saved emissions of 1,207,556 metric tons CO₂. Switching from #4 fuel oil to natural gas results in annual saved emissions of 633,668 metric tons CO₂. This estimation uses methods outlined in the API Compendium of GHG Emissions Estimation Methodologies for the Oil and Gas Industry and associated LHV emission factors for electric utility coal (0.0994 metric tons CO₂/10⁶ Btu), #4 fuel oil (0.0802 metric tons CO₂/10⁶ Btu), and pipeline natural gas (0.0590 metric tons CO₂/10⁶ Btu) as referenced in Table 4-3.

Fuel switching is an emission reducing activity that may qualify for CERs or VERs, depending on the regulatory or voluntary framework under which the project is developed and implemented. Switching from coal to natural gas in boilers at industrial facilities, for example, may qualify as an emission reduction project that can generate fungible carbon credits.

¿

Is question 17.1 relevant to your company?

No

17.2

Please explain why not.

Although Anadarko contributes to volunteer and community activities that plant trees and encourage reforestation/ afforestation activities, no formal biological sequestration projects have been initiated at this time.

Further Information

Page: Emissions 8

18.1a

Please describe a financial intensity measurement for the reporting year for your gross combined Scope 1 and Scope 2 emissions.

If you do not consider a financial intensity measurement to be relevant to your company, select "Not relevant" in column 5 and explain why in column 6.

Figure for Scope 1 and Scope 2 emissions	GHG units	Multiple of currency unit	Currency unit	Financial intensity metrics	Please explain if not relevant. Alternatively provide any contextual details that you consider relevant to understand the units or figures you have provided.
873.00	Metric tonnes CO ₂ -e	Million	USD(\$)	Not Relevant	(7,852,743/9,000*) *From February 23, 2010 10-K

18.1b

Please describe an activity-related intensity measurement for the reporting year for your gross combined Scope 1 and Scope 2 emissions.

Oil and gas sector companies are also asked to report activity-related intensity metrics in answer to table O&G1.3.

If you do not consider an activity-related intensity measurement to be relevant to your company, select "Not relevant" in column 3 and explain why in column 4.

Figure for Scope 1 and Scope 2 emissions	GHG units	Activity-related metrics	Please explain if not relevant. Alternatively provide any contextual details that you consider relevant to understand the units or figures you have provided.
17.55	Metric tonnes CO ₂ -e	Other: MBOE	

19.1

Do the absolute emissions (Scope 1 and Scope 2 combined) for the reporting year vary significantly compared to the previous year?

No

20.1A

Please complete the following table indicating the percentage of reported emissions that have been verified/assured and attach the relevant statement.

Scope 1 (Q12.1)	Scope 2 (Q13.1)	Scope 3 (Q15.1)
More than 0% but less than or equal to 20%	More than 0% but less than or equal to 20%	Not verified

20.1B

I have attached an external verification statement that covers the following scopes:

Scope 1
Scope 2

Further Information

Page: Emissions 9 Trading

21.1

Do you participate in any emission trading schemes?

We don't currently, but anticipate participating in emissions trading within the next two years.

21.3

What is your strategy for complying with the schemes in which you participate or anticipate participating?

Anadarko is proactively preparing for involvement in emissions trading programs by developing verifiable GHG emissions inventories and emission reduction projects. Anadarko's strategy involves compliance with whatever scheme it may be regulated within or elect to voluntarily participate. Whether through command and control or carbon market activities, Anadarko will ensure that its GHG emissions meet the appropriate allowances specified. Specifically, Anadarko feels well-positioned to gain by participation in a cap and trade program due to its experience with carbon sequestration via enhanced oil recovery projects. Anadarko has extensive knowledge regarding carbon capture and storage activities and has successfully implemented these activities at multiple sites. Anadarko's understanding of the best reservoirs for CCS and the modes of drilling necessary to enhance these projects gives it an advantage in identifying and developing emission-saving projects. Furthermore, Anadarko's experience verifying and selling associated emission reduction credits well positions it to actively engage and seek opportunities under a cap and trade program.

21.4

Has your company originated any project-based carbon credits or purchased any within the reporting period?

Yes

21.5

Please complete the following table.

Credit origination or credit purchase?	Project identification	URL link to project documentation	Verified to which standard?	Number of credits (metric tonnes of CO2-e)	Credits retired?	Purpose e.g. compliance
Credit Origination	Salt Creek	http://www.americancarbonregistry.org/carbon-registry/projects/salt-creek-enhanced-oil-recovery-project	Other: American Carbon Registry	2239248	No	Other: Banked for Future Use
Credit Origination	Monell	http://www.americancarbonregistry.org/carbon-registry/projects/monell-enhanced-oil-recovery-project	Other: American Carbon Registry	368322	No	Other: Banked for Future Use

Further Information**Module: Climate Change Communications****Page: Communications 1****22.1**

Have you published information about your company's response to climate change/GHG emissions in other places than in your CDP response?

Yes

22.2

In your Annual Reports or other mainstream filing? (If so, please attach your latest publication(s).)

Yes

22.3

Through voluntary communications such as CSR reports? (If so, please attach your latest publication(s).)

Yes

Further Information

The 2009 Annual Report discusses the sale of emission reduction credits derived from carbon sequestration associated with the EOR projects in Wyoming, as well as Anadarko's annual reported GHG emissions. While SEC filings have not historically addressed climate change or GHGs, their costs and potential burdens have always been indirectly included within Anadarko's environmental liability language comments of the 10-K return. Given SEC guidance on how companies should disclose information pertaining to climate change costs released in February of 2010, Anadarko will begin incorporating its financial analyses of various costs pertaining to climate change in these reports and others moving forward. Anadarko chooses to use its public website and the CDP as a venue for disclosure concerning its GHG emissions and climate change activities. Anadarko's publicly available climate change information may be found on its website at the following link: <http://www.anadarko.com/Responsibility/Pages/ClimateChange.aspx> Additionally, because Anadarko reports to The Climate Registry, GHG emissions will be verified and reported on an annual basis within the public domain.

Module: Oil & Gas**Page: Oil & Gas 1****OG0.1**

Please enter the dates for the periods for which you will be providing data. We ask for historic data for the year ending in 2004 to the year ending in 2009 and a forecast for the year ending in 2010.

Year ending	Date range
2006	Sun 01 Jan 2006 - Sun 31 Dec 2006
2007	Mon 01 Jan 2007 - Mon 31 Dec 2007
2008	Tue 01 Jan 2008 - Wed 31 Dec 2008

Further Information**Page: Oil & Gas - Overview****OG1.1**

Group greenhouse gas (GHG) emissions in metric tonnes of CO2-e by value chain stage

Please enter:	2004	2005	2006	2007	2008	2009	2010
Extraction & production			4329872	3579442	3691725		
Refining & processing			2540690	3213238	4161017		
Transportation (inc. fugitive losses)							

Please enter:	2004	2005	2006	2007	2008	2009	2010
Emissions in use (combustion)							

OG1.1.1

Please supply any information needed to understand the methodology and assumptions behind these estimates that has not already been given in answer to questions 11 and 15 in the general information request.

OG1.2

GHG emissions from flaring of gas

Year Ending	Volume of gas flared (m3)
2006	58079
2007	185068
2008	281019

OG1.2.1

Please supply any information needed to understand the methodology and assumptions behind these estimates that has not already been given in answer to question 11 in the general information request.

The above totals are Emissions in metric tonnes of CO2e

OG1.3A

Production by hydrocarbon type (BOE)

Hydrocarbon type	2004	2005	2006	2007	2008	2009	2010

OG1.3B

Assumed emissions intensity associated with each hydrocarbon based on current production and operations (metric tonnes CO2-e/BOE)

Year ending	Hydrocarbon type	Extraction & production (metric tonnes of CO2-e/BOE)	Refining & processing (metric tonnes of CO2-e/BOE)	Transportation (inc. fugitive losses) (metric tonnes of CO2-e/BOE)	Emissions in use (combustion) (metric tonnes of CO2-e)

OG1.3C

Please provide the 2009 proven reserves (in BOE) by hydrocarbon type, specifying also the date the reserves were assessed

Hydrocarbon type	Proven reserves (BOE)	Please specify a date

OG1.3.1

Please supply any information needed to understand the methodology and assumptions behind these estimates that has not already been given in answer to questions 11, 15 and 18 in the general information request.

Further Information

[Page: Oil & Gas - Adaptation to physical effects](#)

OG2.1A

Value of net asset exposure to extreme weather events (please provide details for key countries)

Reporting country	Currency	2005	2006	2007	2008

OG2.1B

Please provide the 2009 proven reserves (in BOE) for key countries, specifying also the date the reserves were assessed

Reporting Country	Proven reserves (BOE)	Please specify a date

Further Information

[Page: Oil & Gas - Investment strategy](#)

OG3.1

Does your company have a strategy for the development of non-fossil fuels products?

OG3.2A

Financial contribution of renewable and clean energy technologies - Sales generated

Technology area	Currency	2005	2006	2007	2008
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OG3.2B

Financial contribution of renewable and clean energy technologies - Investment (capital expenditure + research & development)

Technology area	Currency	2005	2006	2007	2008
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OG3.2C

Financial contribution of renewable and clean energy technologies - Earnings Before Interest, Taxation Depreciation, Amortization (EBITDA)

Technology area	Currency	2005	2006	2007	2008
-----------------	----------	------	------	------	------

OG3.2D

Financial contribution of renewable and clean energy technologies - Net Assets

Technology area	Currency	2005	2006	2007	2008
-----------------	----------	------	------	------	------

OG3.2E

Financial contribution of renewable and clean energy technologies - Please provide a short description of the technologies

Please select the technology	Please provide short description of technology
------------------------------	--

Further Information

CDP