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NYSE: NFX



May 2

Offshore
Technology
Conference

Independents – Rising to the Challenge

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VP-International
Newfield Exploration Company

NEWFIELD EXPLORATION COMPANY

Newfield Exploration Company

- **Founded in 1989**
 - *Gulf of Mexico shelf player*
- **Headquarters in Houston**
- **Regional Offices:**
 - *Tulsa (2001)*
 - *London (2002)*
 - *Kuala Lumpur (2004)*
 - *Denver (2004)*
 - *Beijing (2006)*
- **Listed on NYSE in 1993 (NYSE:NFX)**
- **Current Market Cap: US \$5.9 billion**
- **> 800 employees**

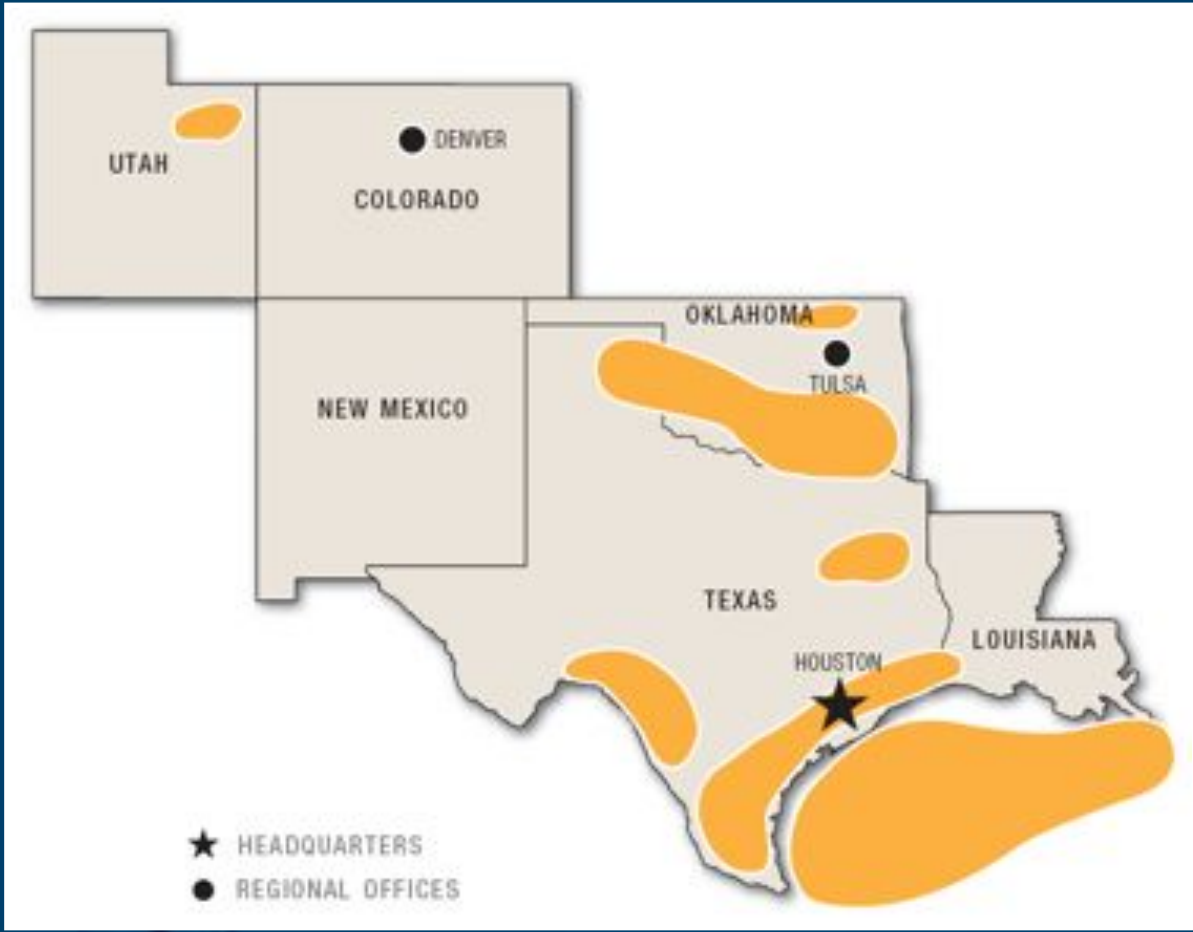


Our Strategy for Success

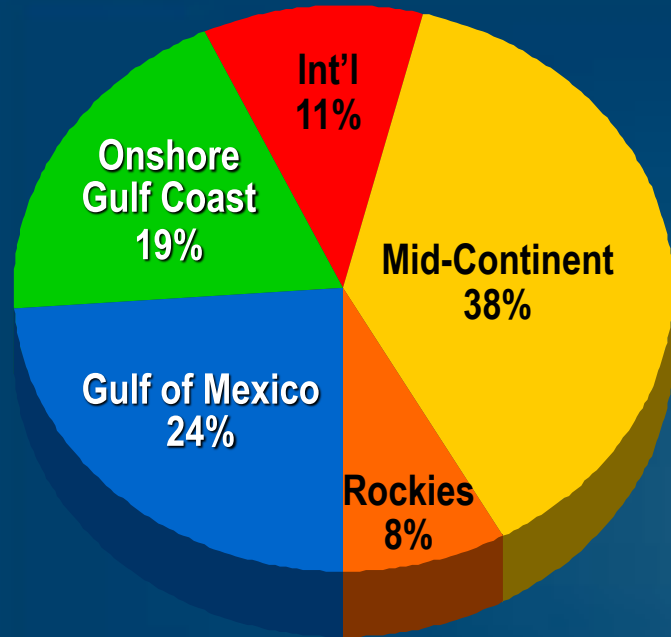
- **Growth through a balance of drilling and acquisition**
- **Focusing on select geographic regions**
- **Controlling operations and costs**
- **Using advanced technologies effectively**
- **Attracting and retaining a quality workforce**

**Diversification: “Stepping out of the comfort zone...
developing alliances...balancing risk and reward...
strategically positioning the Company for the future”**

Newfield – Diversified Asset Base



2007 Capital Spending Program



\$1.9 Billion

HIGHLIGHTS

Mid-Cont. 150 Woodford Hzt Wells
35-40 Stiles/Britt Ranch Wells

Rockies 200 Monument Butte Wells
2-6 Wells in New Areas

GOM 12-15 Traditional Shelf Wells
2-3 Deepwater Wells
Wrigley, PowerPlay Develop.

Onshore GC 8-10 Sarita JV Wells
20-25 Val Verde Basin Wells
1-3 East Texas Wells

North Sea Grove Development
3 Exploration Wells

Malaysia Developments:
Abu, Puteri, Abu Kecil,
E. Belumut, Chermingat
4-5 Exploration Wells

Industry Challenges/Opportunities

- **CHALLENGES**
 - *Competition for opportunities*
 - *Availability of rigs / services*
 - *Risk capital exposure*
 - *Workforce issues*
 - *Increasing geo-political risks*
 - *Shrinking margins*
- **MEETING THE CHALLENGES**
 - *Partnering alternatives*
 - *Creative alliances*
 - *Focus on execution*

South Texas Joint Venture

- Newfield / XOM

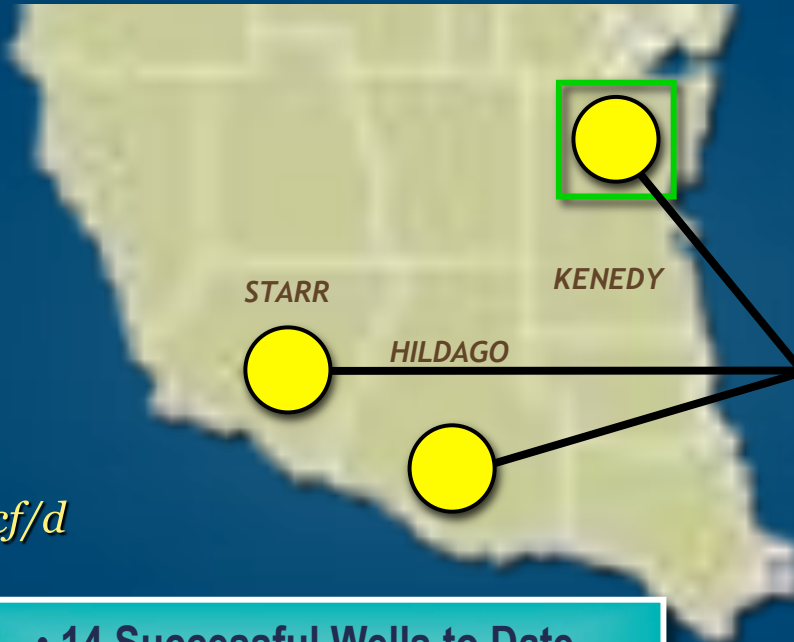
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Significant Areas

- Sarita Area
- Monte Christo
– *First Test: 10 MMcf/d*
- La Reforma

- 14 Successful Wells to Date
 - 15-well inventory
- Running a 2-3 rig program in 2007
- Production: 50 MMcfe/d

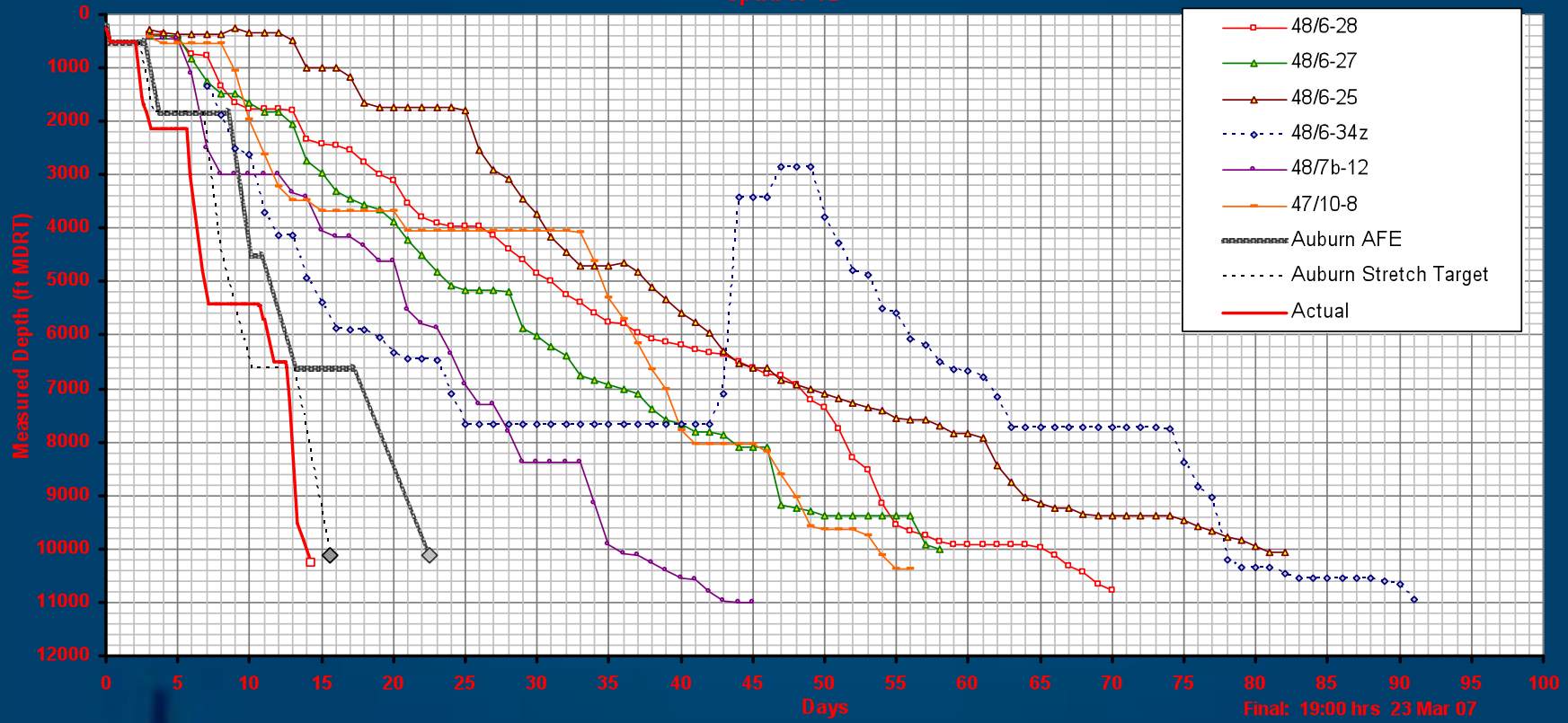


NFX / XOM JV

- Kenedy, Starr and Hidalgo counties
- Access to 52,000 acres
- 3-year agreement min.
- 2-3 rig program
- High rate / reserve potential
- Exploration and development opportunities

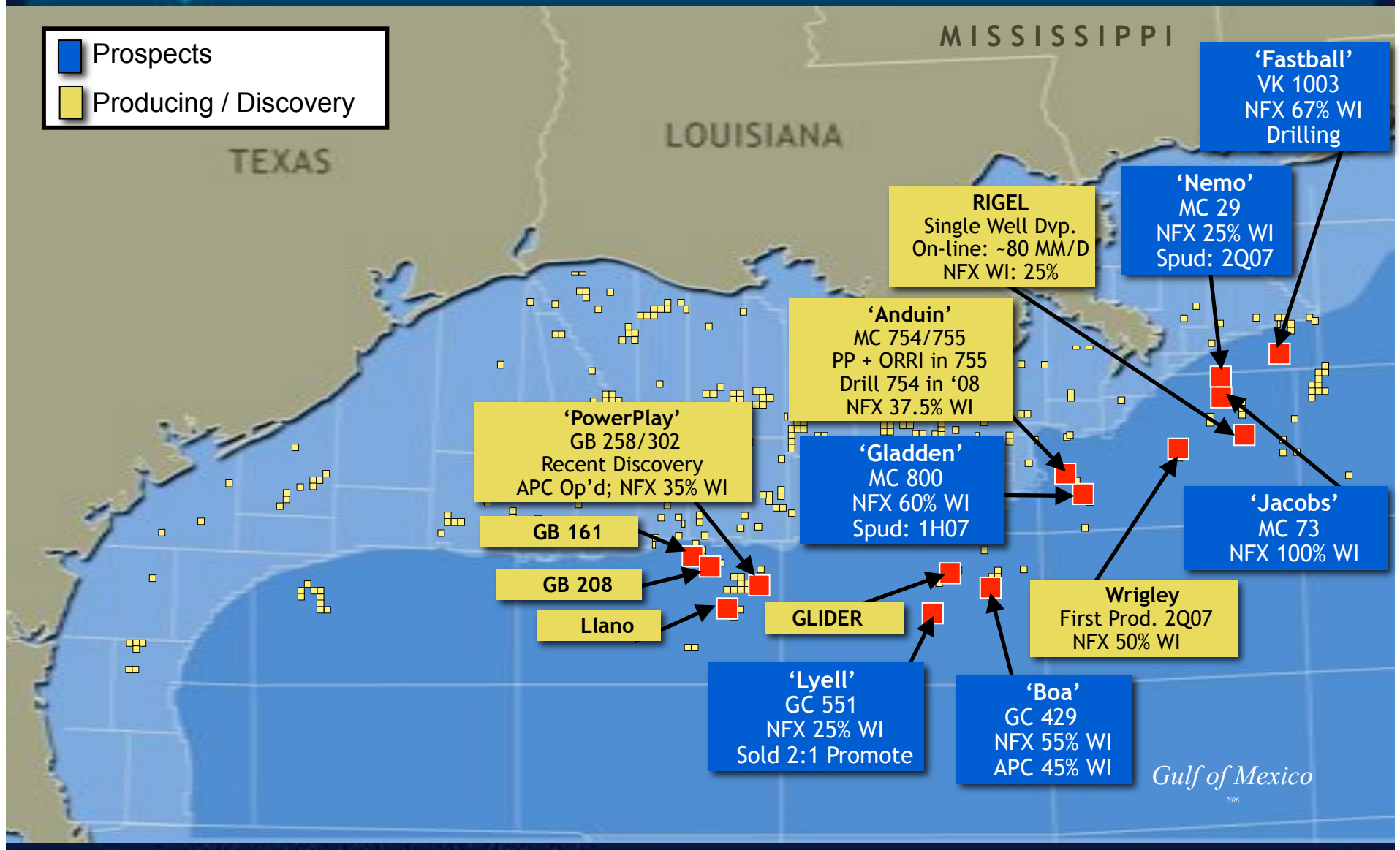
Auburn Days versus Depth Curve

48/06-42 (Auburn) Offset Comparison
Spud to TD



2007 Deepwater Program

■ Prospects
■ Producing / Discovery



Malaysia: PM 318, 323

- Shallow Water Developments

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PM 318
413,000 Acres
Carigali (operator)
50% NFX WI

PNL
On-line: 7,000
BOPD Gross

SOUTH CHINA SEA

MALAYSIA

PM 323

2008 Appraisal Well

MALAYSIA

INDONESIA

INDONESIA

Ratu

North Lukut

Puncak

Puteri Cluster

Penara

Abu SW

Kecil

abu

Korbu

Lerek

Chermingat

W Belumut

E Belumut

Under Development Phase II: Unbooked

Bunga Kertas FPSO

Puteri Field
2007/08 Production
Not Booked

Abu Field
Under Development
First Prod: 2Q07

Newfield – Carigali partnership

- **Petronas recognized that Small Fields need**
 - *Different fiscal terms*
 - *Fit for purpose development plans*
- **Project Management Team concept**
 - *Newfield and Carigali contribute personnel to team*
 - *Full cycle project team focusing on the end result*
 - *Have reduced time for first oil by 12-18 months*
- **Individual field reserves and production are modest**
 - *BUT in aggregate, these Small Fields will produce at rates over 50,000 barrels per day and yield reserves over 100 million barrels*

Newfield Exploration Company

Key Points

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- **Diversification has been the key long-term strategy for growth**
- **Alliances are an indispensable element in today's E & P environment**
- **Creative people find and develop hydrocarbons but access to the latest technology sure helps!**

Forward-Looking Statements

This presentation by Newfield Exploration Company includes forward-looking information. All information other than historical facts included in this presentation, including information regarding estimated proved reserves, production targets, anticipated rates and the timing of production, planned capital expenditures, the number of wells planned to be drilled in the future, the relative risks and potential of planned exploratory wells, the availability of capital resources to fund capital expenditures and business strategy and other plans and objectives for future operations, is forward-looking information. Although the Company believes that the expectations reflected in such forward-looking information are reasonable, such expectations are based upon assumptions and anticipated results that are subject to numerous uncertainties. Actual results may vary significantly from those anticipated due to many factors, including drilling results, oil and gas prices, industry conditions, the prices of goods and services, the availability of drilling rigs and other support services and the availability of capital resources. In addition, the drilling of oil and gas wells and the production of hydrocarbons are subject to governmental regulations and operating risks.

There are numerous additional uncertainties inherent in estimating quantities of proved oil and natural gas reserves, including many factors beyond the control of the Company. Reserve engineering is a subjective process of estimating underground accumulations of oil and natural gas that cannot be measured in an exact way, and the accuracy of any reserve estimate is a function of the quality of available data and of engineering and geological interpretation and judgment. As a result, estimates made by different engineers often vary from one another. In addition, results of drilling, testing and production subsequent to the date of an estimate may necessitate revisions of such estimates. Accordingly, reserve estimates are generally different from quantities of oil and natural gas that are recovered.

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