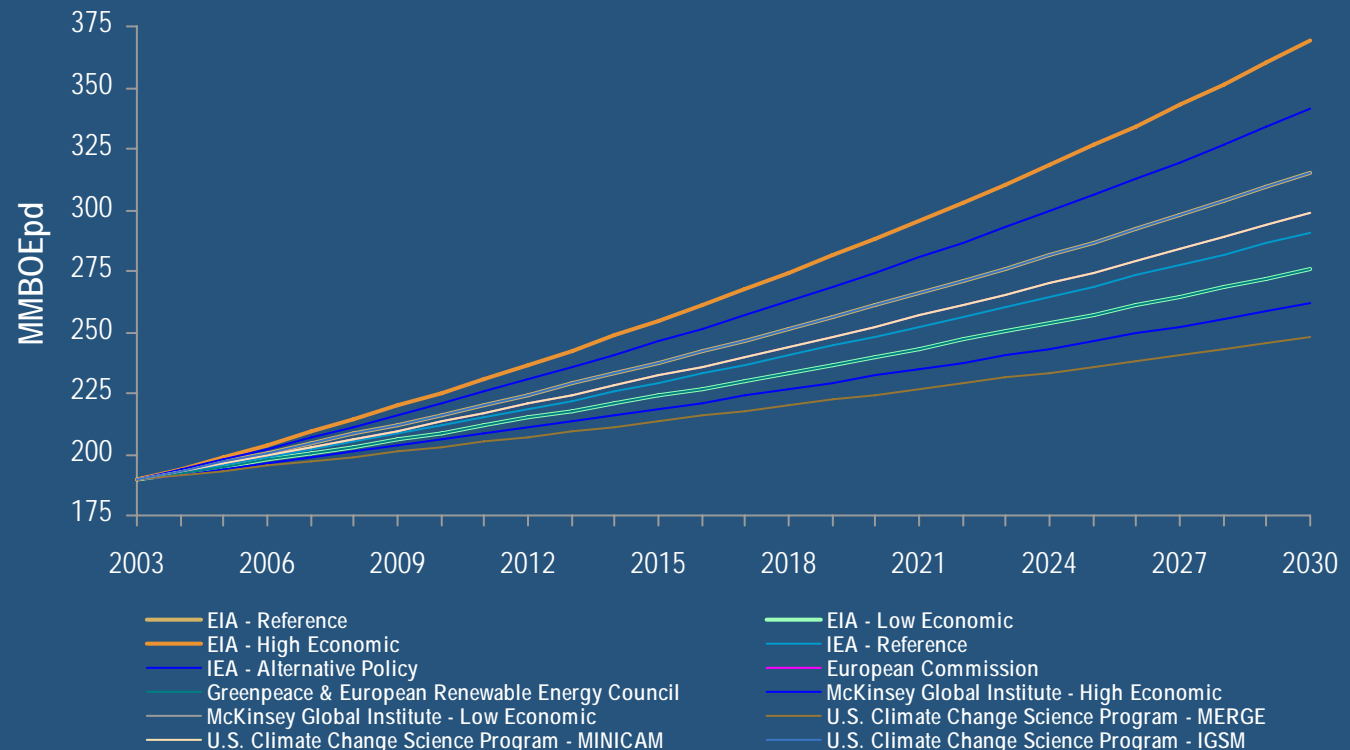


Global Energy Demand Forecasting: Your Guess Is as Good as Theirs!

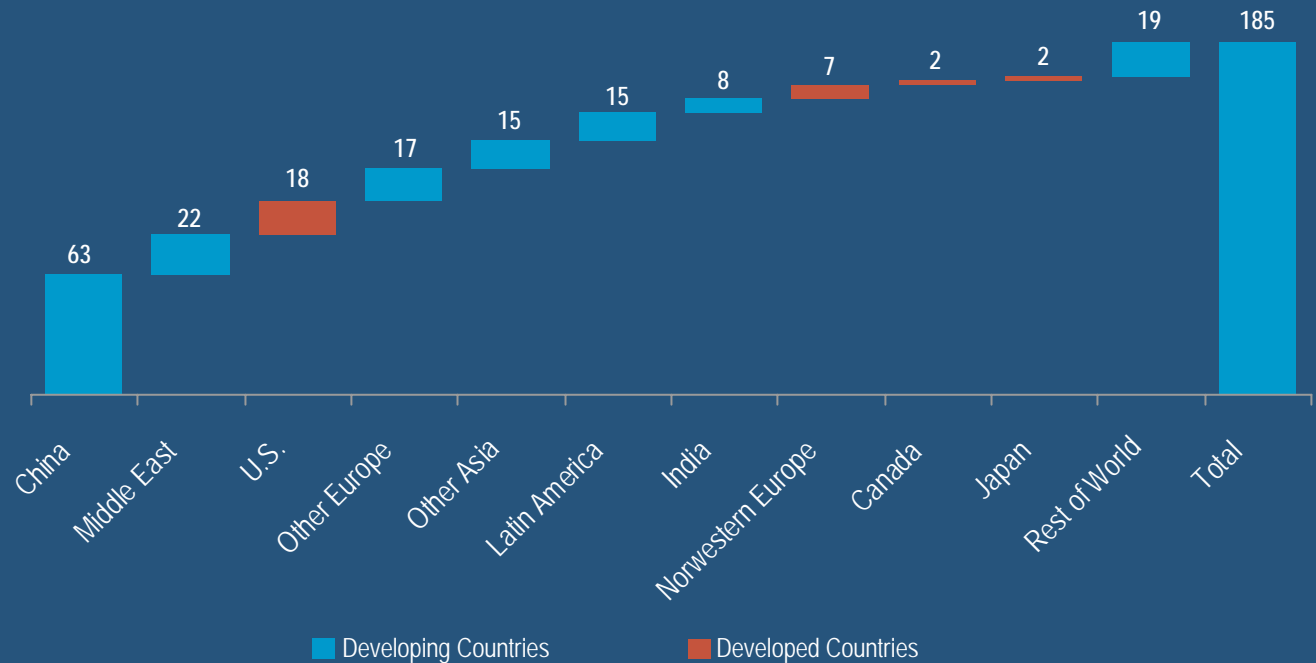
- Projected annual average global energy demand growth ranges from 1.4% to 2.5% among leading governmental and consulting agencies
- Difference in high and low energy demand growth rates is 121 MMBOEpd by 2030 – equivalent to 59% of total estimated global energy demand for 2007



Competition for Resources

Incremental Demand from 2003 - 2020
(Tcfe)

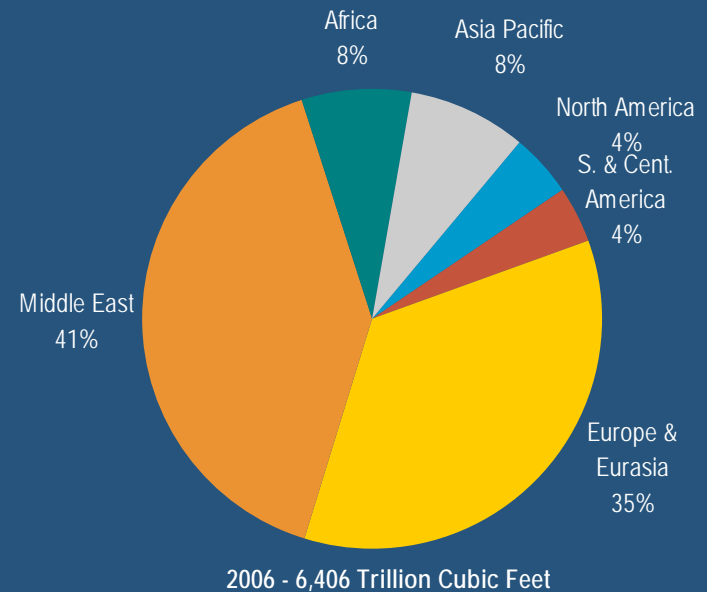
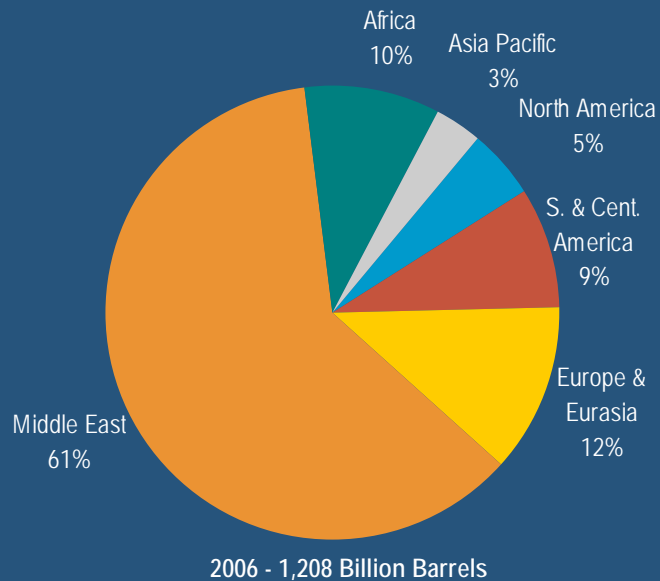
China's estimated future energy needs represent nearly 34% of the increased total global demand growth



(1) Source: McKinsey Global Institute, "Curbing Global Energy Demand: The Energy Productivity Opportunity," May 2007.

Worldwide Oil and Gas Reserves (1)

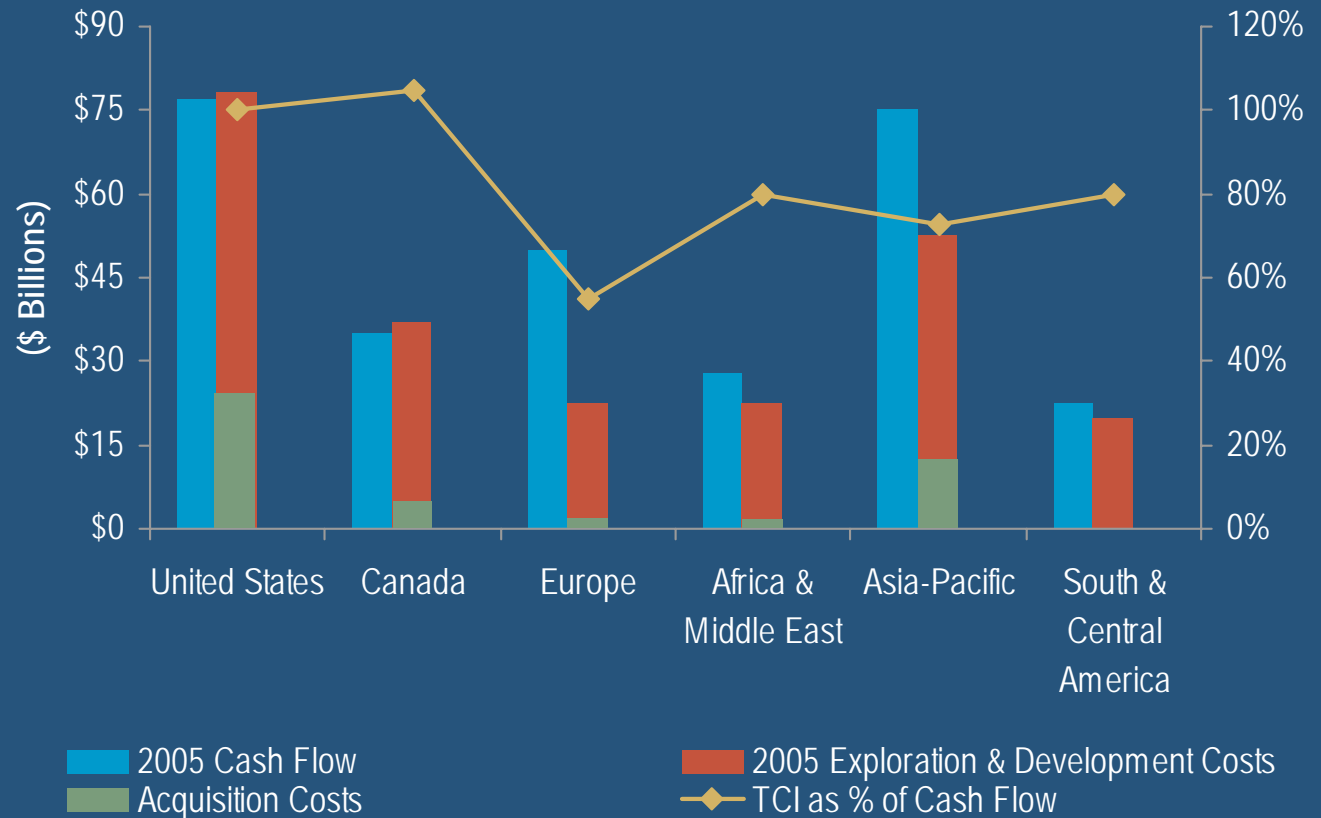
Regional Proved Reserves Breakdown



(1) Source: Historical – BP, "Statistical Review of World Energy," June 2007.

Capital Concentration Remains in North America⁽¹⁾

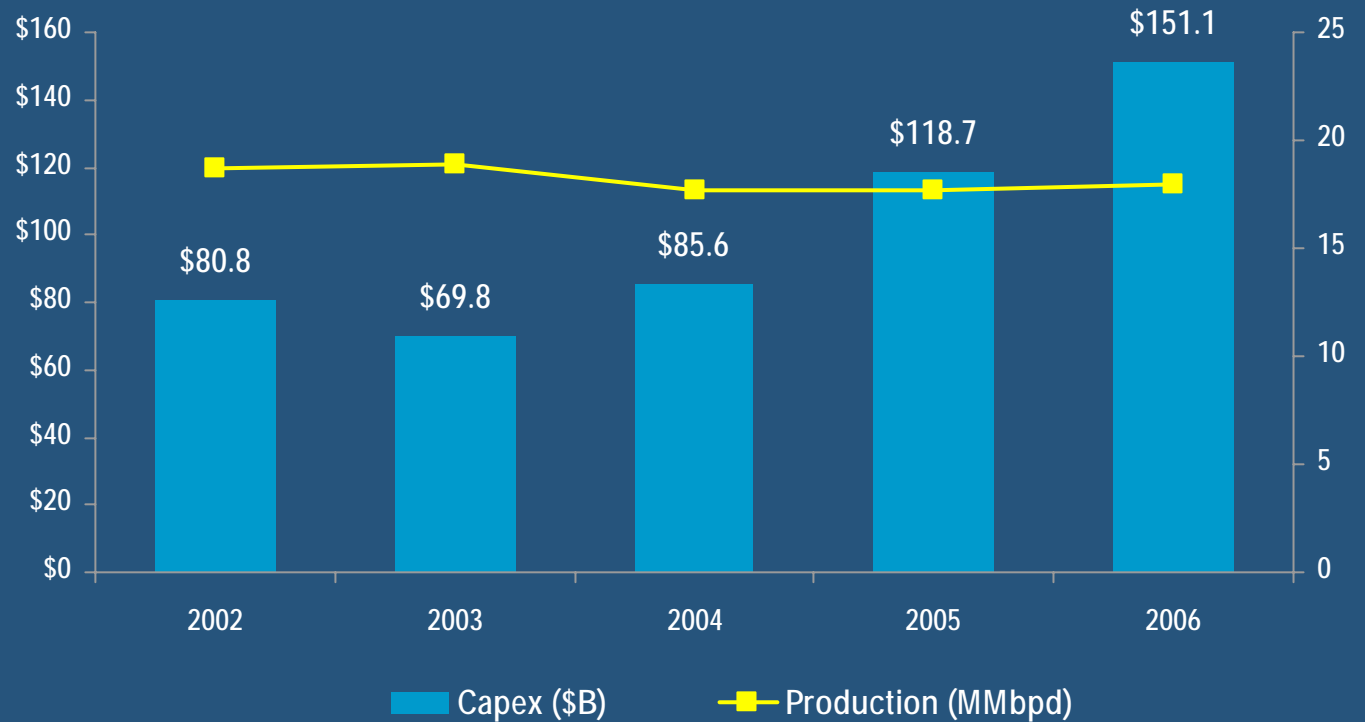
U.S. investment represented 29% of total worldwide spending compared to 5% of total worldwide reserves



(1) Excludes some national oil companies due to lack of disclosure.

Super Majors Total Upstream Capex vs. Production Growth

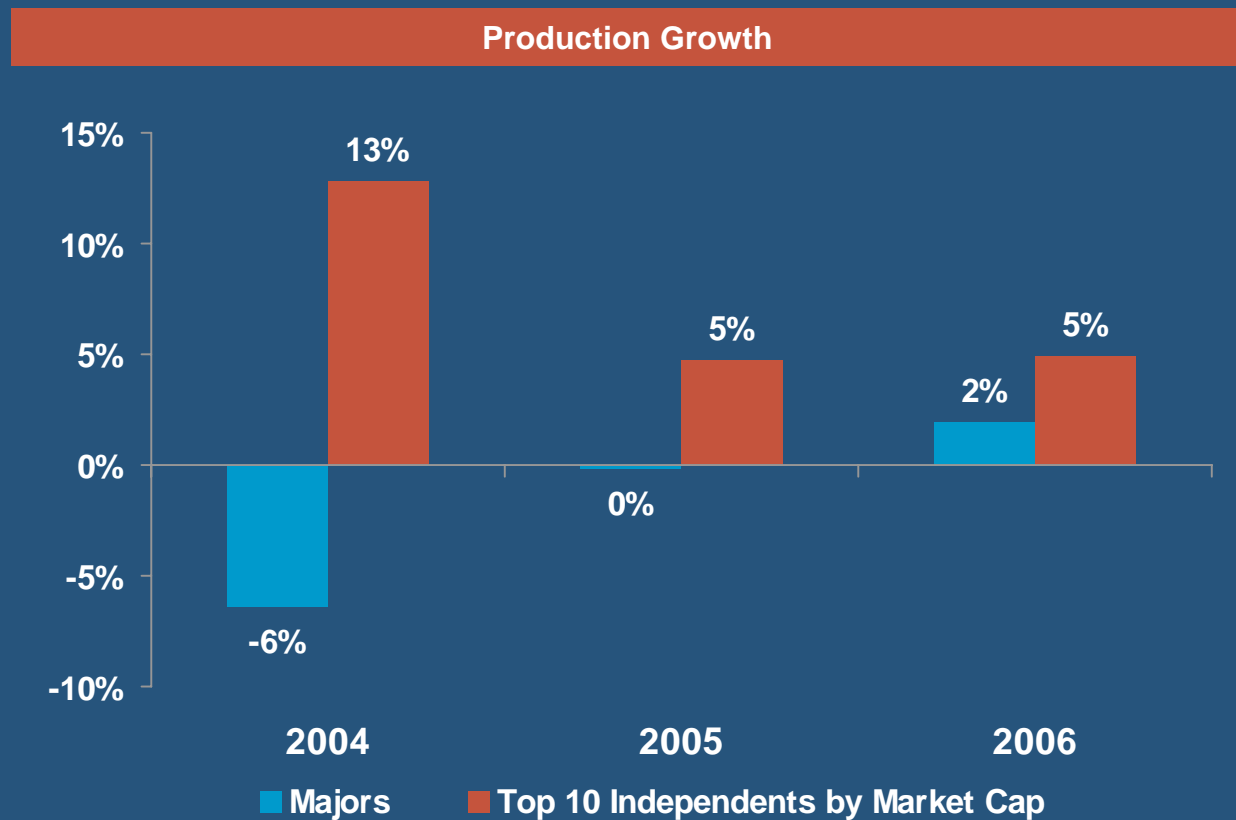
2002 - 2006



(1) Source: Company filings.

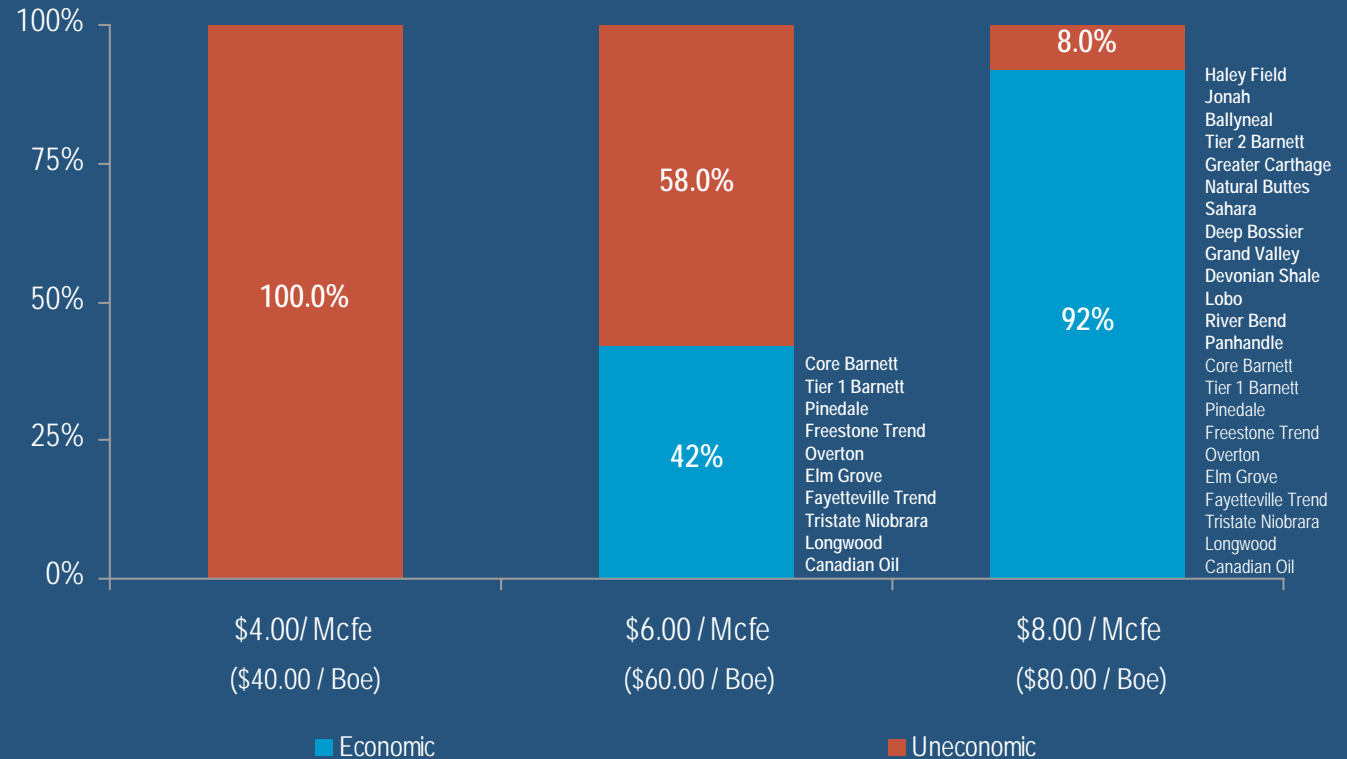
(2) Super Majors include Royal Dutch Shell, Chevron Corp., BP, Exxon Mobil, ConocoPhillips, Total, Statoil, ENI.

Stronger Production Growth Driven by Independents Developing Unconventional Resource ⁽¹⁾



(1) Source: Herolds and company filings.
Majors include Royal Dutch Shell, Chevron Corp., BP, Exxon Mobil, ConocoPhillips, Total, Statoil, ENI.
Top 10 U.S. Based Independents by Market Cap include XTO, DVN, CHK, PXD, NBL, NFX, RRC, PPP, EOG, APA.

Resource Play Economics (1)(2)



(1) Source: McKinsey Global Institute, "Curbing Global Energy Demand: The Energy Productivity Opportunity," May 2007.
 (2) End-use demand assumes energy production from all sources.

Super Majors Research & Development Spending

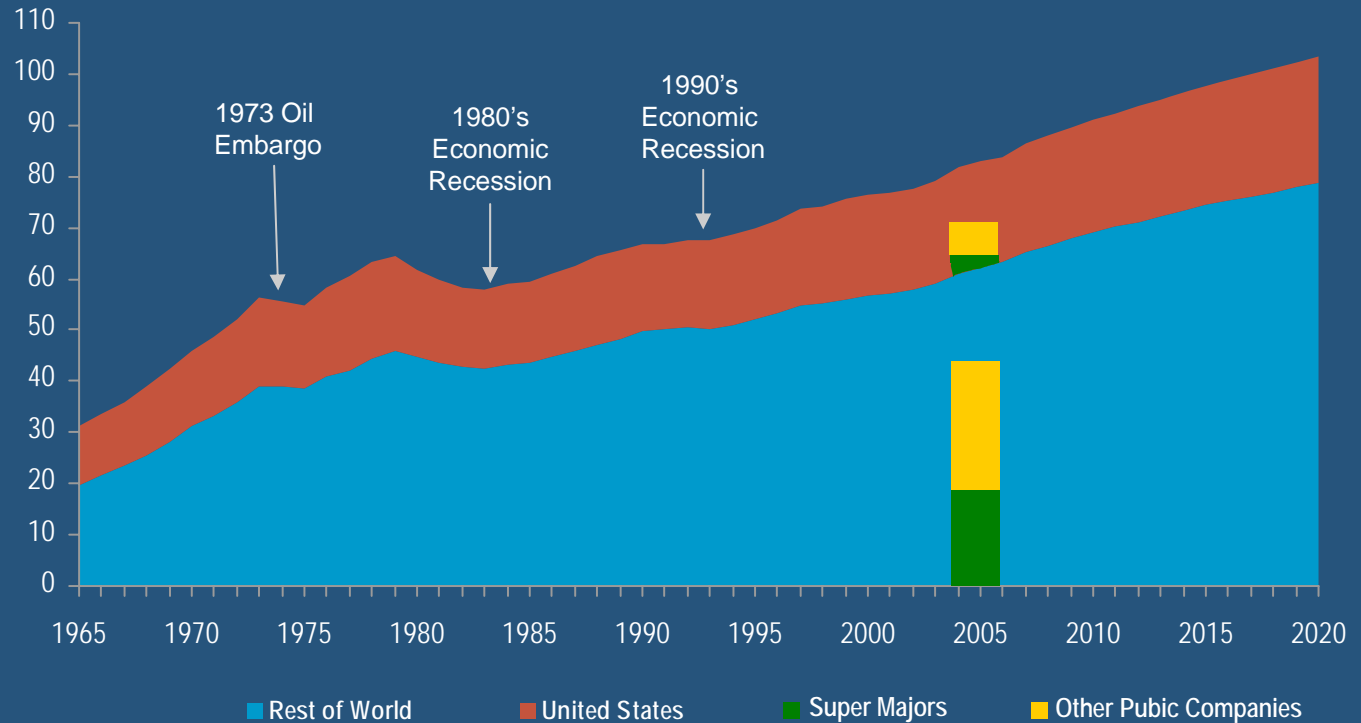
1996 - 2006
(\$ millions)



- (1) Source: Company filings.
- (2) Super Majors include Shell, BP, Chevron, Exxon Mobil
- (3) Amounts adjusted for inflation.

Will This Really Happen? (1)(2)

Projected Oil Production
(MMBbl/d)

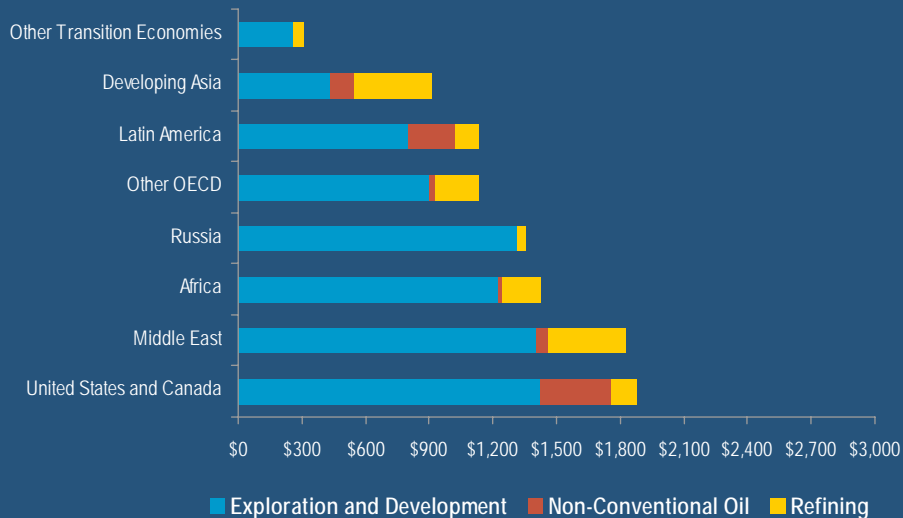


(1) Source: Historical – BP, "Statistical Review of World Energy," June 2007.
 (2) Source: Projections – EIA, "Annual Energy Outlook," February 2007.
 (3) Herold's Global Performance Review 2007.
 (4) Super Majors include Royal Dutch Shell, Chevron Corp., BP, Exxon Mobil, ConocoPhillips, Total, Statoil, ENI.

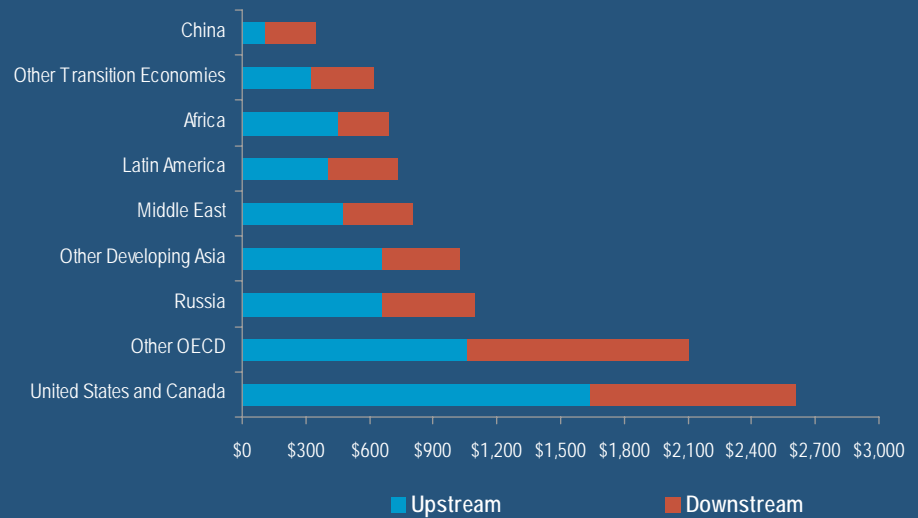
Who Will Spend the \$20 Trillion Needed? (1)(2)(3)(4)

- Projected increase in energy demand through 2030 will require massive new investments in large-scale projects to develop and deliver energy
- IEA estimates that \$20 trillion will be required over the next twenty years to develop the necessary resource potential
- 2006 capital spending: \$410 billion (approximately \$150 billion spent by Super Majors)

Cumulative Global Oil Investment Needs, 2003 – 2030 (\$B)



Cumulative Global Gas Investment Needs, 2003 – 2030 (\$B)



(1) Source: Development estimate based on NPC Report, "Facing the Hard Truths about Energy," July 2007.

(2) Source: Scaled Investment Needs based on IEA Report, "Resources to Reserves," 2005.

(3) Source: Herold's, "Global Upstream Performance Review", 2007.

(4) Super Majors include Royal Dutch Shell, Chevron Corp., BP, Exxon Mobil, ConocoPhillips, Total, Statoil, ENI.

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