

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): July 26, 2006

ConocoPhillips
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-32395 (Commission File Number)	01-0562944 (I.R.S. Employer Identification No.)
---	--	---

600 North Dairy Ashford
Houston, Texas 77079
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (281) 293-1000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition

On July 26, 2006, ConocoPhillips issued a press release announcing the company's financial and operating results for the quarter ended June 30, 2006. A copy of the press release is furnished as Exhibit 99.1 hereto and incorporated herein by reference. Additional financial and operating information about the quarter is furnished as Exhibits 99.2 and 99.3 hereto and incorporated herein by reference. The press release contains a measure, "effective tax rate," that is not calculated in accordance with U.S. generally accepted accounting principles (GAAP). We have included this non-GAAP financial measure because, in management's opinion, excluding the favorable impact from certain tax legislation changes in Canada and Texas in calculating our effective tax rate for the second quarter of 2006 is a better indicator of the company's ongoing effective tax rate and is therefore more useful in comparing the Company's effective tax rate for the second quarter of 2006 with prior and future periods.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

- 99.1 -- Press release issued by ConocoPhillips on July 26, 2006.
- 99.2 -- Financial and operational tables.
- 99.3 -- Supplemental financial information.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CONOCOPHILLIPS

/s/ Rand C. Berney

Rand C. Berney
Vice President and Controller

July 26, 2006

EXHIBIT INDEX

Exhibit No. - - - -	Description -----
99.1	Press release issued by ConocoPhillips on July 26, 2006.
99.2	Financial and operational tables.
99.3	Supplemental financial information.

ConocoPhillips Reports Second-Quarter Net Income of \$5.2 Billion or
\$3.09 Per Diluted Share;
Effectively Reinvested 97 Percent of Net Income Year-to-Date

HOUSTON--(BUSINESS WIRE)--July 26, 2006--ConocoPhillips
(NYSE:COP):

Earnings at a glance

	Second Quarter		Six Months	
	2006	2005	2006	2005
Income from continuing operations	\$5,186 million	3,131 million	\$8,477 million	6,054 million
Income (loss) from discontinued operations	\$ -	7	\$ -	(4)
Net income	\$5,186	3,138	\$8,477	6,050
Diluted income per share				
Income from continuing operations	\$ 3.09	2.21	\$ 5.49	4.26
Net income	\$ 3.09	2.21	\$ 5.49	4.26
Revenues(a)	\$ 47.1 billion	41.8 billion	\$ 94.1 billion	79.4 billion

a) Effective April 1, 2006, revenues no longer include the sales portion of buy/sell contracts, reflecting the adoption of EITF No. 04-13, "Accounting for Purchases and Sales of Inventory with the Same Counterparty."

ConocoPhillips (NYSE:COP) today reported second-quarter net income of \$5,186 million, or \$3.09 per share, compared to \$3,138 million, or \$2.21 per share, for the same quarter in 2005. Revenues were \$47.1 billion, versus \$41.8 billion a year ago. Year-to-date excluding the first-quarter acquisition of Burlington Resources, the company reinvested 97 percent of its net income into the growth and development of oil and gas resources and its global refining business.

"We delivered solid results in the second quarter and are pleased with the progress made integrating the Burlington Resources operations with ConocoPhillips' global portfolio," said Jim Mulva, chairman and chief executive officer. "However, we experienced unplanned downtime in both our upstream and downstream businesses, which impacted our operating performance.

"With respect to our upstream operating performance, we produced 2.54 million BOE per day, including an estimated 0.40 million BOE per day from our LUKOIL Investment segment. In our downstream business, the worldwide refining crude oil capacity utilization rate of 91 percent reflects the impact of an extended full plant turnaround at the Trainer, Pa., refinery and other unplanned downtime.

"We ended the quarter with debt of \$29.5 billion and a debt-to-capital ratio of 27 percent. During the quarter, we generated \$4.8 billion in cash from operations; funded \$3.6 billion in capital projects, investments and loans to affiliates; paid \$0.6 billion in dividends; reduced debt by \$2.7 billion; and repurchased \$0.4 billion of ConocoPhillips common stock."

For the first six months of 2006, net income was \$8,477 million, or \$5.49 per share, versus \$6,050 million, or \$4.26 per share, for the same period a year ago. Revenues were \$94.1 billion, versus \$79.4 billion a year ago.

The results for ConocoPhillips' business segments follow.

Exploration and Production (E&P)

Second-quarter financial results: E&P net income was \$3,304 million, up from \$2,553 million in the first quarter of 2006 and \$1,929 million in the second quarter of 2005. The increase from the first quarter of 2006 primarily was due to the inclusion of Burlington Resources' results and benefits associated with new tax legislation in Canada, partially offset by a new production tax enacted in Venezuela. Higher realized crude oil prices, partially offset by lower realized natural gas prices, also contributed to higher earnings. Improved results from the second quarter of 2005 primarily were due to higher realized crude oil prices, the inclusion of Burlington Resources' results and net benefits associated with recently enacted tax legislation.

Daily production from the E&P segment, including Canadian Syncrude and excluding the LUKOIL Investment segment, averaged 2.13 million barrels of oil equivalent (BOE) per day, improved from 1.61 million BOE per day in the previous quarter and 1.54 million BOE per day in the second quarter of 2005. The increase from the first quarter of 2006 primarily was due to the addition of the Burlington Resources assets and initial crude oil liftings from Libya, partially offset by

Lower volumes from the United Kingdom due to planned maintenance. The increase from the second quarter of 2005 primarily was due to the addition of the Burlington Resources assets, initial crude oil liftings from Libya and higher production from the Timor Sea, partially offset by lower production in Alaska due to unplanned downtime at Prudhoe Bay. Before-tax exploration expenses were \$134 million in the second quarter of 2006, versus \$112 million in the previous quarter and \$121 million in the second quarter of 2005.

Six months financial results: E&P net income for the first six months of 2006 was \$5,857 million, up from \$3,716 million in 2005, primarily from higher realized crude oil and natural gas prices, the inclusion of Burlington Resources' results and net benefits associated with recently enacted tax legislation.

Midstream

Second-quarter financial results: The Midstream segment, which includes the company's 50 percent interest in Duke Energy Field Services, LLC (DEFS), reported net income of \$108 million, down from \$110 million in the previous quarter and up from \$68 million in the second quarter of 2005. The decrease from the previous quarter primarily was due to a reduction of the gain on a third-quarter 2005 Canadian asset sale and negative impacts from recent tax legislation, partially offset by higher natural gas liquids prices. The increase from the second quarter of 2005 primarily was due to higher natural gas liquids prices and increased ownership in DEFS, partially offset by a reduction of the gain on a third-quarter 2005 Canadian asset sale and negative impacts from recent tax legislation.

Six months financial results: Midstream net income for the first six months of 2006 decreased to \$218 million, from \$453 million in 2005. The decrease primarily was due to the 2005 restructuring of ConocoPhillips' ownership in DEFS and negative impacts from recent tax legislation, partially offset by higher natural gas liquids prices.

Refining and Marketing (R&M)

Second-quarter financial results: R&M net income was \$1,708 million, up from \$390 million in the previous quarter and \$1,110 million in the second quarter of 2005. The increase from the first quarter of 2006 primarily was the result of higher worldwide refining margins, higher domestic refining volumes due to lower turnaround activity and unplanned downtime, lower turnaround costs and benefits associated with tax law changes recently enacted by the state of Texas. The increase from the second quarter of 2005 primarily was the result of higher domestic refining margins, partially offset by lower worldwide marketing margins.

The domestic refining crude oil capacity utilization rate for the second quarter was 91 percent, 8 percentage points higher than the previous quarter primarily due to significant turnaround activity and unplanned downtime in the first quarter, as well as the mid-April return to normal operations of the Alliance refinery in Belle Chasse, La. Crude oil capacity utilization for the second quarter was impacted by an extended full plant turnaround at the Trainer, Pa., refinery and unplanned downtime at the Lake Charles refinery in Westlake, La.

International crude oil capacity utilization, which was impacted by unplanned downtime at the Humber refinery in the United Kingdom, was 94 percent, the same as the previous quarter.

Worldwide, R&M's refining crude oil capacity utilization rate averaged 91 percent, compared with 85 percent in the previous quarter and 97 percent in the second quarter of 2005. Before-tax turnaround costs were \$115 million in the second quarter of 2006, versus \$163 million in the previous quarter and \$106 million in the second quarter of 2005.

Six months financial results: R&M net income for the first half of 2006 increased to \$2,098 million, compared with \$1,810 million for the first half of 2005. The increased earnings were due to higher domestic refining margins, partially offset by lower domestic refining volumes, lower worldwide marketing margins, higher turnaround and utility costs, and higher routine and hurricane-related maintenance. Results for the first six months of 2006 also did not benefit from the gain on asset sales that improved the results for the first six months of 2005.

LUKOIL Investment

Second-quarter financial results: Net income was \$387 million, up from \$249 million in the previous quarter and \$148 million in the second quarter of 2005. This included ConocoPhillips' estimated 17.5 percent weighted-average equity share of OAO LUKOIL's (LUKOIL) income for the second quarter, based on market indicators and historical production trends for LUKOIL. The increase from the previous quarter and the second quarter of 2005 was mainly due to a \$78 million benefit recognized in the second quarter of 2006 that aligned the company's estimate of LUKOIL's fourth-quarter 2005 and first-quarter 2006 net income to actual results. In addition, higher estimated prices and volumes and the company's increasing equity ownership position contributed to the improved results.

For the second quarter of 2006, ConocoPhillips estimated its equity share of LUKOIL production was 403,000 BOE per day and its share of LUKOIL daily refining crude oil throughput was 168,000 barrels per day.

Six months financial results: Net income for the first six months of 2006 increased to \$636 million, from \$258 million in 2005. The increase primarily was due to the company's increasing equity ownership, higher estimated prices and volumes, and a \$78 million benefit recognized in the first half of 2006 that aligned the

company's estimate of LUKOIL's fourth-quarter 2005 net income to actual results.

ConocoPhillips' ownership in LUKOIL was 18.0 percent at the end of the second quarter based on the company's holdings of 153 million of LUKOIL's 850 million total shares issued.

Chemicals

Second-quarter financial results: The Chemicals segment, which includes the company's 50 percent interest in Chevron Phillips Chemical Company LLC (CPCChem), reported net income of \$103 million, compared with \$149 million in the first quarter of 2006 and \$63 million in the second quarter of 2005. The decrease from the previous quarter primarily was attributed to lower olefins and polyolefins margins, a first-quarter accrual related to a payment commitment on a business interruption claim and negative impacts in the second quarter from recent tax legislation, partially offset by lower utility costs. The increase from the second quarter of 2005 was largely due to higher olefins and polyolefins margins and volumes, partially offset by negative impacts from recent tax legislation.

Six months financial results: Chemicals net income for the first six months of 2006 increased to \$252 million, compared with \$196 million in the first half of 2005. The increased earnings primarily were due to higher olefins and polyolefins margins and volumes, and payments received in 2006 related to a business interruption claim, partially offset by lower margins from aromatics and styrenics, higher utility costs, and negative impacts from recent tax legislation.

Emerging Businesses

The Emerging Businesses segment had a net loss of \$12 million in the second quarter of 2006, compared with net income of \$8 million in the first quarter of 2006 and a net loss of \$8 million in the second quarter of 2005. The second quarter of 2006 was impacted by a domestic power asset write-down and decreased international power margins, partially offset by the early-May return to normal operations of the Immingham combined heat and power plant in the United Kingdom.

Corporate and Other

Second-quarter Corporate expenses, after tax, were \$412 million, up from \$168 million in the previous quarter and \$172 million in the second quarter of 2005. The second quarter of 2006 reflected higher interest expense, higher acquisition-related charges and negative foreign exchange impacts.

Total debt at the end of the second quarter was \$29.5 billion, a reduction of \$2.7 billion from the end of the first quarter. The company's debt-to-capital ratio was 27 percent, compared to 30 percent at the end of the first quarter. The cash balance was \$0.7 billion at the end of the second quarter.

The company's tax provision, excluding the \$0.4 billion favorable impact from new tax legislation in Canada and Texas, was \$3.9 billion, resulting in an effective tax rate of 45.1 percent without the new legislation and 40.3 percent with such changes. This is compared with 43.2 percent in the previous quarter and 42.4 percent in the second quarter of 2005.

Outlook

Mr. Mulva concluded:

"We recently signed an agreement with the Saudi Arabian Oil Company to conduct a detailed evaluation for the proposed development of a 400,000 barrel-per-day, full-conversion refinery in Yanbu, Saudi Arabia. In addition, we recently signed an agreement with the International Petroleum Investment Company (IPIC) to study the development of a 500,000 barrel-per-day refinery in Fujairah, United Arab Emirates. Both ventures fit well with the company's overall strategy to invest in projects that expand our global refining presence, and provide significant new supplies of refined products to help meet growing requirements around the world. A second agreement signed with IPIC allows us to work together in identifying new downstream, as well as upstream, opportunities for joint investment.

"Looking ahead to the third quarter, upstream production will be impacted by seasonal maintenance scheduled in Alaska, the United Kingdom and Venezuela. Downstream, we expect lower turnaround activity, with turnaround costs of approximately \$50 million, before tax.

"In July, the United Kingdom enacted higher income tax rates retroactive to the beginning of the year. In addition to the ongoing impact of the rate change, we anticipate a one-time, third-quarter charge of about \$400 million, which includes approximately \$125 million related to the company's operations for the first six months of 2006.

"Our recently announced asset rationalization program is progressing as planned. We expect to finalize the listing of assets to be sold and to begin actively marketing them in the third quarter.

"ConocoPhillips is committed to working proactively with consumers and governments around the world to find solutions to both short-term and long-term energy challenges. During the past three years, we have invested more capital into energy development than we have earned in net income. Our 2006 \$18 billion capital program represents a 50 percent increase from last year, and it is three times what we spent just three years ago. This level of capital investment will enable us to develop new oil and natural gas supplies, expand our refining capabilities, and bring to fruition such major new projects as Arctic

gas pipelines and liquefied natural gas production and transportation
- - - projects that will help address the world's future energy needs."

ConocoPhillips is an integrated petroleum company with interests around the world. Headquartered in Houston, the company had approximately 38,000 employees, \$162 billion of assets, and \$188 billion of annualized revenues as of June 30, 2006. For more information, go to www.conocophillips.com.

ConocoPhillips' quarterly conference call is scheduled for 11 a.m. Eastern time today.

To listen to the conference call and to view related presentation materials, go to www.conocophillips.com and click on the "Investor Information" link.

For financial and operational tables and detailed supplemental information, go to <http://www.conocophillips.com/investor/reports/index.htm>

CAUTIONARY STATEMENT FOR THE PURPOSES OF THE "SAFE HARBOR"
PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created thereby. Forward-looking statements relate to future events and anticipated results of operations, business strategies, and other aspects of our operations or operating results. In many cases you can identify forward-looking statements by terminology such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target" and other similar words. However, the absence of these words does not mean that the statements are not forward-looking. Where, in any forward-looking statement, the company expresses an expectation or belief as to future results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, there can be no assurance that such expectation or belief will result or be achieved. The actual results of operations can and will be affected by a variety of risks and other matters including, but not limited to, crude oil and natural gas prices; refining and marketing margins; potential failure to achieve, and potential delays in achieving expected reserves or production levels from existing and future oil and gas development projects due to operating hazards, drilling risks, and the inherent uncertainties in interpreting engineering data relating to underground accumulations of oil and gas; unsuccessful exploratory drilling activities; lack of exploration success; potential disruption or unexpected technical difficulties in developing new products and manufacturing processes; potential failure of new products to achieve acceptance in the market; unexpected cost increases or technical difficulties in constructing or modifying company manufacturing or refining facilities; unexpected difficulties in manufacturing, transporting or refining synthetic crude oil; international monetary conditions and exchange controls; potential liability for remedial actions under existing or future environmental regulations; potential liability resulting from pending or future litigation; general domestic and international economic and political conditions, as well as changes in tax and other laws applicable to our business. Other factors that could cause actual results to differ materially from those described in the forward-looking statements include other economic, business, competitive and/or regulatory factors affecting our business generally as set forth in our filings with the Securities and Exchange Commission (SEC). Unless legally required, ConocoPhillips undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Cautionary Note to U.S. Investors -- The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. Production is distinguished from oil and gas production because SEC regulations define Syncrude as mining-related and not part of conventional oil and natural gas reserves. The company uses certain terms in this release, such as "including Canadian Syncrude," that the SEC's guidelines strictly prohibit us from including in filings with the SEC. U.S. investors are urged to consider closely the disclosures in the company's periodic filings with the SEC, available from the company at 600 North Dairy Ashford Road, Houston, Texas 77079 and the company's Web site at www.conocophillips.com/investor/sec. This information also can be obtained from the SEC by calling 1-800-SEC-0330.

CONTACT: ConocoPhillips
Kristi DesJarlais, 281-293-4595 (media)
or
Gary Russell, 212-207-1996 (investors)

FINANCIAL AND OPERATIONAL TABLES

Preliminary
FINANCIAL HIGHLIGHTS

	Millions of Dollars			
	Three Months Ended		Six Months Ended	
	2006	2005	2006	2005
	June 30		June 30	
	-----	-----	-----	-----
Revenues and other income				
Sales and other operating revenues*	\$ 47,149	41,808	94,055	79,439
Equity in earnings of affiliates	1,164	701	2,124	1,754
Other income	163	105	224	339
	-----	-----	-----	-----
	48,476	42,614	96,403	81,532
	-----	-----	-----	-----
Costs and expenses				
Purchased crude oil, natural gas and products	29,448	28,523	62,903	54,095
Production and operating expenses	2,694	2,147	4,909	4,099
Selling, general and administrative expenses	610	539	1,176	1,078
Exploration expenses	134	121	246	292
Depreciation, depletion and amortization	1,965	985	3,145	2,026
Property impairments	50	9	50	31
Taxes other than income taxes*	4,421	4,664	8,808	9,152
Accretion on discounted liabilities	73	41	133	89
Interest and debt expense	360	127	475	265
Foreign currency transaction losses	18	21	40	18
Minority interests	21	5	39	15
	-----	-----	-----	-----
	39,794	37,182	81,924	71,160
	-----	-----	-----	-----
Income from continuing operations before income taxes	8,682	5,432	14,479	10,372
Provision for income taxes	3,496	2,301	6,002	4,318
	-----	-----	-----	-----
Income from continuing operations	5,186	3,131	8,477	6,054
Income (loss) from discontinued operations	--	7	--	(4)
	-----	-----	-----	-----
Net income	\$ 5,186	3,138	8,477	6,050
	=====	=====	=====	=====
Income per share of common stock (dollars)				
Basic				
Continuing operations	\$ 3.13	2.24	5.58	4.33
Discontinued operations	--	0.01	--	--
Net income	\$ 3.13	2.25	5.58	4.33
Diluted				
Continuing operations	\$ 3.09	2.21	5.49	4.26
Discontinued operations	--	--	--	--
Net income	\$ 3.09	2.21	5.49	4.26
Average common shares outstanding (in thousands)				
Basic	1,654,758	1,396,724	1,519,593	1,397,305
Diluted	1,678,445	1,419,288	1,542,752	1,420,022
*Includes excise taxes on petroleum products sales:	3,922	4,338	7,912	8,493

1

Preliminary
SELECTED FINANCIAL DATA

	Millions of Dollars			
	Three Months Ended		Six Months Ended	
	2006	2005	2006	2005
	June 30		June 30	
	-----	-----	-----	-----
INCOME (LOSS) FROM CONTINUING OPERATIONS				
E&P				
United States	\$ 1,300	\$ 966	2,481	1,858
International	2,004	963	3,376	1,858
	-----	-----	-----	-----
Total E&P	3,304	1,929	5,857	3,716
	-----	-----	-----	-----
Midstream	108	68	218	453
	-----	-----	-----	-----
R&M				
United States	1,433	936	1,730	1,506
International	275	174	368	304
	-----	-----	-----	-----
Total R&M	1,708	1,110	2,098	1,810

LUKOIL Investment	387	148	636	258
Chemicals	103	63	252	196
Emerging Businesses	(12)	(8)	(4)	(16)
Corporate and other	(412)	(179)	(580)	(363)
	-----	-----	-----	-----
Consolidated	\$ 5,186	\$ 3,131	8,477	6,054
	=====	=====	=====	=====
INCOME (LOSS) FROM DISCONTINUED OPERATIONS				
Corporate and other	\$ --	7	--	(4)
SUMMARY OF NET INCOME (LOSS)				
E&P				
United States	\$ 1,300	\$ 966	2,481	1,858
International	2,004	963	3,376	1,858
	-----	-----	-----	-----
Total E&P	3,304	1,929	5,857	3,716
	-----	-----	-----	-----
Midstream	108	68	218	453
	-----	-----	-----	-----
R&M				
United States	1,433	936	1,730	1,506
International	275	174	368	304
	-----	-----	-----	-----
Total R&M	1,708	1,110	2,098	1,810
	-----	-----	-----	-----
LUKOIL Investment	387	148	636	258
Chemicals	103	63	252	196
Emerging Businesses	(12)	(8)	(4)	(16)
Corporate and other	(412)	(172)	(580)	(367)
	-----	-----	-----	-----
Net Income	\$ 5,186	\$ 3,138	8,477	6,050
	=====	=====	=====	=====

Preliminary
SELECTED FINANCIAL DATA

	Three Months Ended June 30		Six Months Ended June 30	
	2006	2005	2006	2005
	----	----	----	----
INCOME FROM CONTINUING OPERATIONS				
Effective tax rate %	40.3 %	42.4	41.5	41.6
Millions of Dollars				
FOREIGN CURRENCY GAINS (LOSSES)				
AFTER-TAX				
E&P	\$ (34)	(8)	(27)	4
Midstream	--	7	--	7
R&M	25	(18)	31	(36)
LUKOIL Investment	1	--	1	--
Chemicals	--	--	--	--
Emerging Businesses	--	--	--	--
Corporate and other	(36)	(11)	(44)	(4)
	-----	-----	-----	-----
	\$ (44)	(30)	(39)	(29)
	=====	=====	=====	=====
CASH FLOWS FROM OPERATING ACTIVITIES				
Income from continuing operations	\$ 5,186	3,131	8,477	6,054
Depreciation, depletion and amortization	1,965	985	3,145	2,026
Property impairments	50	9	50	31
Dry hole costs and leasehold impairments	47	47	85	156
Accretion on discounted liabilities	73	41	133	89
Deferred taxes	(390)	369	(222)	492
Undistributed equity earnings	(687)	(414)	(754)	(1,219)
Net gain on asset dispositions	(53)	(65)	(56)	(242)
Other	189	(113)	(14)	(191)
Working capital adjustments	(1,536)	(1,224)	(1,200)	(336)
	-----	-----	-----	-----
Net cash provided by continuing operations	4,844	2,766	9,644	6,860
Net cash provided by discontinued operations	--	2	--	(3)
	-----	-----	-----	-----
Net cash provided by operating activities	\$ 4,844	2,768	9,644	6,857
	=====	=====	=====	=====
CAPITAL EXPENDITURES AND INVESTMENTS				
E&P				
United States	\$ 756	576	1,175	898
International	1,416	1,761	3,203	2,645
	-----	-----	-----	-----
	2,172	2,337	4,378	3,543
Midstream	1	--	2	1
R&M	475	360	2,110	635
LUKOIL Investment	648	384	1,260	708
Chemicals	--	--	--	--
Emerging Businesses	28	7	40	3
Corporate and other	78	37	126	57
	-----	-----	-----	-----
	\$ 3,402	3,125	7,916	4,947
	=====	=====	=====	=====
OTHER				
	At June 30, 2006		At December 31, 2005	
Total debt	\$29,510		12,516	
Common stockholders' equity	\$77,377		52,731	

Preliminary
OPERATING HIGHLIGHTS

BY SEGMENT

	Three Months Ended		Six Months Ended	
	June 30		June 30	
	2006	2005	2006	2005
	----	----	----	----
	Thousands of Barrels Daily			
E&P				
Crude oil produced				
United States				
Alaska	279	297	281	303
Lower 48	120	63	92	62
	-----	----	----	----
	399	360	373	365
Norway	192	195	190	201
United Kingdom	57	60	59	60
Canada	27	23	25	23
China	34	25	30	24
Indonesia	14	16	14	19
Vietnam	22	26	26	26
Timor Sea	39	21	39	29
Libya	74	--	37	--
Other	66	54	58	54
	-----	----	----	----
Total consolidated	924	780	851	801
Equity affiliates	121	123	123	122
	-----	----	----	----
Total Worldwide	1,045	903	974	923
	=====	====	====	====
Syncrude	19	21	18	18
	=====	====	====	====
Natural gas liquids produced				
United States				
Alaska*	20	16	21	20
Lower 48	70	31	50	29
	-----	----	----	----
	90	47	71	49
Norway	8	9	9	9
Canada	30	10	20	10
Timor Sea	20	9	20	13
Other	4	5	5	6
	-----	----	----	----
Total Worldwide	152	80	125	87
	=====	====	====	====
*Includes reinjected volumes sold lease-to-lease	14	1	14	7
	=====	====	====	====
	Millions of Cubic Feet Daily			
Natural gas produced*				
United States				
Alaska	163	148	163	166
Lower 48	2,265	1,195	1,767	1,182
	-----	----	----	----
	2,428	1,343	1,930	1,348
Norway	260	268	265	283
United Kingdom	796	741	823	782
Canada	1,204	422	816	420
China	10	--	5	--
Timor Sea	251	35	198	35
Indonesia	323	287	309	280
Vietnam	19	14	22	16
Other	207	81	164	78
	-----	----	----	----
Total consolidated	5,498	3,191	4,532	3,242
Equity affiliates	10	7	10	7
	-----	----	----	----
Total Worldwide	5,508	3,198	4,542	3,249
*Represents quantities available for sale. Excludes gas equivalent of NGL shown above.				
Liquefied natural gas sales	432	96	349	114
LUKOIL Investment				
Production (MBOE/D)*	403	223	363	213
Refinery crude oil throughput (MB/D)*	168	101	165	96
*Represents our estimated net share of LUKOIL.				

Preliminary
OPERATING HIGHLIGHTS

E&P	Three Months Ended June 30		Six Months Ended June 30	
	2006	2005	2006	2005
	Per Unit			
Average sales prices				
Crude oil (per barrel)				
United States				
Alaska	\$ 66.02	49.22	62.33	46.55
Lower 48	59.63	43.58	57.08	42.45
Total U.S.	64.09	48.21	61.06	45.86
International	67.27	49.41	64.12	47.68
Total consolidated	65.89	48.88	62.75	46.85
Equity affiliates *	52.28	36.11	47.53	33.59
Total Worldwide	64.34	46.93	60.76	45.04
Natural gas-lease (per MCF)				
United States				
Alaska	3.42	2.49	3.50	2.72
Lower 48	5.81	6.20	6.41	5.93
Total U.S.	5.78	6.07	6.37	5.83
International	5.92	5.16	6.43	5.10
Total consolidated	5.86	5.53	6.40	5.38
Equity affiliates *	0.36	0.32	0.29	0.30
Total Worldwide	5.85	5.52	6.39	5.38

*Excludes our equity share of LUKOIL reported in the LUKOIL Investment segment

Midstream	Thousands of Barrels Daily			
Natural gas liquids extracted				
Consolidated				
United States	22	21	22	22
International	-	44	-	48
Equity affiliates				
United States**	183	112	181	111
International	6	6	6	6
	211	183	209	187

**Represents 30.3 percent interest in Duke Energy Field Services LLC (DEFS), through June 30, 2005, and 50 percent interest beginning in July 2005.

U.S. product prices	Per Barrel			
Weighted average NGL**				
Consolidated	\$ 41.73	32.49	39.69	32.22
DEFS	41.18	31.33	39.24	30.97

**Prices are based on index prices from the Mont Belvieu and Conway market hubs that are weighted by natural-gas-liquids component and location mix.

	Three Months Ended		Six Months Ended	
	2006	2005	2006	2005
	June 30		June 30	
	Thousands of Barrels Daily			
R&M				
United States				
Crude oil capacity	2,208	2,182	2,208	2,178
Crude oil runs	2,000	2,133	1,921	2,046
Refinery production	2,198	2,349	2,093	2,247
International*				
Crude oil capacity	693	428	608	428
Crude oil runs	649	402	570	415
Refinery production	695	410	599	427
U.S. Petroleum products outside sales				
Automotive gasoline	1,300	1,426	1,279	1,364
Distillates	620	680	623	662
Aviation fuels	200	214	194	206
Other products	555	566	536	514
	-----	-----	-----	-----
	2,675	2,886	2,632	2,746
International	871	477	784	486
	-----	-----	-----	-----
	3,546	3,363	3,416	3,232
	=====	=====	=====	=====
	Per Gallon			
U.S. Average sales prices**				
Automotive gasoline-wholesale	\$ 2.32	1.67	2.06	1.56
Automotive gasoline-retail	2.47	1.85	2.19	1.70
Distillates-wholesale	2.24	1.66	2.08	1.57

*Includes ConocoPhillips' share of equity affiliates, except for our share of LUKOIL, which is reported in the LUKOIL Investment segment.

**Excludes excise taxes.

SUPPLEMENTAL FINANCIAL INFORMATION
SUMMARY OF NET INCOME (LOSS) BY SEGMENT

	Millions of Dollars									
	2005					2006				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Income (Loss) from Continuing Operations										
U.S. E&P	892	966	1,107	1,325	4,290	1,181	1,300			2,481
International E&P	895	963	1,181	1,105	4,144	1,372	2,004			3,376
Total E&P	1,787	1,929	2,288	2,430	8,434	2,553	3,304			5,857
Midstream	385	68	88	147	688	110	108			218
U.S. R&M	570	936	1,096	805	3,407	297	1,433			1,730
International R&M	130	174	294	251	849	93	275			368
Total R&M	700	1,110	1,390	1,056	4,256	390	1,708			2,098
LUKOIL Investment	110	148	267	189	714	249	387			636
Chemicals	133	63	13	114	323	149	103			252
Emerging Businesses	(8)	(8)	-	(4)	(20)	8	(12)			(4)
Corporate and Other	(184)	(179)	(242)	(150)	(755)	(168)	(412)			(580)
Consolidated	2,923	3,131	3,804	3,782	13,640	3,291	5,186			8,477
Cumulative Effect of Accounting Changes										
U.S. E&P	-	-	-	(2)	(2)	-	-			-
International E&P	-	-	-	(2)	(2)	-	-			-
Total E&P	-	-	-	(4)	(4)	-	-			-
Midstream	-	-	-	-	-	-	-			-
U.S. R&M	-	-	-	(78)	(78)	-	-			-
International R&M	-	-	-	(5)	(5)	-	-			-
Total R&M	-	-	-	(83)	(83)	-	-			-
LUKOIL Investment	-	-	-	-	-	-	-			-
Chemicals	-	-	-	-	-	-	-			-
Emerging Businesses	-	-	-	(1)	(1)	-	-			-
Corporate and Other	-	-	-	-	-	-	-			-
Consolidated	-	-	-	(88)	(88)	-	-			-
Income (Loss) from Discontinued Operations										
Corporate and Other	(11)	7	(4)	(15)	(23)	-	-			-
Net Income (Loss)										
U.S. E&P	892	966	1,107	1,323	4,288	1,181	1,300			2,481
International E&P	895	963	1,181	1,103	4,142	1,372	2,004			3,376
Total E&P	1,787	1,929	2,288	2,426	8,430	2,553	3,304			5,857
Midstream	385	68	88	147	688	110	108			218
U.S. R&M	570	936	1,096	727	3,329	297	1,433			1,730
International R&M	130	174	294	246	844	93	275			368
Total R&M	700	1,110	1,390	973	4,173	390	1,708			2,098
LUKOIL Investment	110	148	267	189	714	249	387			636
Chemicals	133	63	13	114	323	149	103			252
Emerging Businesses	(8)	(8)	-	(5)	(21)	8	(12)			(4)
Corporate and Other	(195)	(172)	(246)	(165)	(778)	(168)	(412)			(580)
Consolidated	2,912	3,138	3,800	3,679	13,529	3,291	5,186			8,477

Millions of Dollars

	2005					2006				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Income from Continuing Operations Before Income Taxes										
U.S. E&P	1,388	1,504	1,728	2,019	6,639	1,853	2,062			3,915
International E&P	2,020	2,152	2,567	2,550	9,289	2,862	3,814			6,676
Total E&P	3,408	3,656	4,295	4,569	15,928	4,715	5,876			10,591
Midstream	449	107	138	208	902	173	187			360
U.S. R&M	901	1,485	1,766	1,379	5,531	512	2,260			2,772
International R&M	160	203	368	330	1,061	112	343			455
Total R&M	1,061	1,688	2,134	1,709	6,592	624	2,603			3,227
LUKOIL Investment	115	153	275	196	739	257	398			655
Chemicals	187	84	(3)	148	416	209	134			343
Emerging Businesses	(13)	(13)	(2)	(10)	(38)	9	(20)			(11)
Corporate and Other	(267)	(243)	(283)	(199)	(992)	(190)	(496)			(686)
Consolidated	4,940	5,432	6,554	6,621	23,547	5,797	8,682			14,479
Income from Continuing Operations Effective Tax Rates										
U.S. E&P	35.7%	35.8%	35.9%	34.4%	35.4%	36.3%	37.0%			36.6%
International E&P	55.7%	55.3%	54.0%	56.7%	55.4%	52.1%	47.5%			49.4%
Total E&P	47.6%	47.2%	46.7%	46.8%	47.0%	45.9%	43.8%			44.7%
Midstream	14.3%	36.4%	36.2%	29.3%	23.7%	36.4%	42.2%			39.4%
U.S. R&M	36.7%	37.0%	37.9%	41.6%	38.4%	42.0%	36.6%			37.6%
International R&M	18.8%	14.3%	20.1%	23.9%	20.0%	17.0%	19.8%			19.1%
Total R&M	34.0%	34.2%	34.9%	38.2%	35.4%	37.5%	34.4%			35.0%
LUKOIL Investment	4.3%	3.3%	2.9%	3.6%	3.4%	3.1%	2.8%			2.9%
Chemicals	28.9%	25.0%	--	23.0%	22.4%	28.7%	23.1%			26.5%
Emerging Businesses	38.5%	38.5%	--	60.0%	47.4%	11.1%	40.0%			63.6%
Corporate and Other	31.1%	26.3%	14.5%	24.6%	23.9%	11.6%	16.9%			15.5%
Consolidated	40.8%	42.4%	42.0%	42.9%	42.1%	43.2%	40.3%			41.5%

CERTAIN ITEMS INCLUDED IN INCOME FROM CONTINUING OPERATIONS (AFTER-TAX)

Millions of Dollars

	2005					2006				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
U.S. E&P										
Gain (loss) on asset sales	90	-	-	-	90	-	15	-	-	15
Property impairments	-	-	-	-	-	-	(26)	-	-	(26)
Insurance premium adjustments	-	(5)	(4)	(8)	(17)	(2)	-	-	-	(2)
Pending claims and settlements	-	15	-	(23)	(8)	-	-	-	-	-
Enacted tax legislation	-	-	-	-	-	-	2	-	-	2
Total	90	10	(4)	(31)	65	(2)	(9)			(11)
International E&P										
Gain (loss) on asset sales	-	15	-	-	15	-	25	-	-	25
Insurance premium adjustments	-	(10)	(12)	(19)	(41)	(10)	-	-	-	(10)
Canada tax law change	-	-	-	38	38	-	401	-	-	401
Pending claims and settlements	-	-	-	-	-	-	-	-	-	-
Total	-	5	(12)	19	12	(10)	426			416
Total E&P	90	15	(16)	(12)	77	(12)	417			405
Midstream										
Property impairments	(6)	(7)	-	-	(13)	-	-	-	-	-
DEFS' sale of TEPPCO general partnership	306	-	-	-	306	-	-	-	-	-
Enacted tax legislation	-	-	-	-	-	-	(6)	-	-	(6)
Total	300	(7)	-	-	293	-	(6)			(6)
U.S. R&M										
Gain (loss) on asset sales	31	-	-	-	31	-	-	-	-	-
Insurance premium adjustments	-	(7)	(9)	(14)	(30)	(6)	-	-	-	(6)
Discontinuation of a marketing incentive program	-	-	(16)	-	(16)	-	-	-	-	-
Hurricanes impact on maintenance & repairs	-	-	-	(57)	(57)	-	-	-	-	-
Pending claims and settlements	-	-	-	-	-	-	-	-	-	-
Enacted tax legislation	-	-	-	-	-	-	34	-	-	34
Total	31	(7)	(25)	(71)	(72)	(6)	34			28
International R&M										
Gain (loss) on asset sales	-	25	-	-	25	-	-	-	-	-
Insurance premium adjustments	-	-	-	-	-	(1)	-	-	-	(1)
Total	-	25	-	-	25	(1)	-			(1)
Total R&M	31	18	(25)	(71)	(47)	(7)	34			27
LUKOIL Investment										
Total	-	-	-	-	-	-	-			-
Chemicals										
Enacted tax legislation	-	-	-	-	-	-	(5)	-	-	(5)
Total	-	-	-	-	-	-	(5)			(5)
Emerging Businesses										
Property write-down	-	-	-	-	-	-	(14)	-	-	(14)
Total	-	-	-	-	-	-	(14)			(14)
Corporate and Other										
Acquisition-related expenses	-	-	-	-	-	(5)	(39)	-	-	(44)
Premium on early debt retirement	(8)	-	(42)	(42)	(92)	-	-	-	-	-
Pending claims and settlements	-	-	-	-	-	(15)	-	-	-	(15)
Canada tax law change	-	-	-	-	-	-	(10)	-	-	(10)
Total	(8)	-	(42)	(42)	(92)	(20)	(49)			(69)
Total Company	413	26	(83)	(125)	231	(39)	377			338

CASH FLOW INFORMATION

Millions of Dollars

	2005					2006				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Cash Flows from Operating Activities										
Income from continuing operations	2,923	3,131	3,804	3,782	13,640	3,291	5,186			8,477
DD&A and property impairments	1,063	994	1,049	1,189	4,295	1,180	2,015			3,195
Dry hole costs and leasehold impairment	109	47	55	138	349	38	47			85
Accretion on discounted liabilities	48	41	46	58	193	60	73			133
Deferred income taxes	123	369	261	348	1,101	168	(390)			(222)
Undistributed equity earnings	(805)	(414)	(463)	(92)	(1,774)	(67)	(687)			(754)
Net (gain) loss on asset dispositions	(177)	(65)	(22)	(14)	(278)	(3)	(53)			(56)
Other	(78)	(113)	192	(140)	(139)	(203)	189			(14)
Net working capital changes	888	(1,224)	1,177	(595)	246	336	(1,536)			(1,200)
Discontinued operations	(5)	2	(3)	1	(5)	-	-			-
Net Cash Provided by Operating Activities	4,089	2,768	6,096	4,675	17,628	4,800	4,844			9,644
Cash Flows from Investing Activities										
Capital expenditures and investments*:										
E&P	(1,206)	(2,337)	(1,475)	(1,666)	(6,684)	(2,206)	(2,172)			(4,378)
Midstream	(1)	-	(838)	-	(839)	(1)	(1)			(2)
R&M	(275)	(360)	(440)	(663)	(1,738)	(1,635)	(475)			(2,110)
LUKOIL Investment	(324)	(384)	(815)	(637)	(2,160)	(612)	(648)			(1,260)
Chemicals	-	-	-	-	-	-	-			-
Emerging Businesses	4	(7)	(2)	-	(5)	(12)	(28)			(40)
Corporate and Other	(20)	(37)	(56)	(81)	(194)	(48)	(78)			(126)
Total capital expend. & investments	(1,822)	(3,125)	(3,626)	(3,047)	(11,620)	(4,514)	(3,402)			(7,916)
Acquisition of Burlington Resources Inc.*	-	-	-	-	-	(14,190)	(94)			(14,284)
Proceeds from asset dispositions	87	221	300	160	768	5	68			73
Long-term advances to/collections from affiliates and other investments	25	4	(58)	(135)	(164)	(115)	(151)			(266)
Discontinued operations	-	-	-	-	-	-	-			-
Net Cash Used for Investing Activities	(1,710)	(2,900)	(3,384)	(3,022)	(11,016)	(18,814)	(3,579)			(22,393)
Cash Flows from Financing Activities										
Net issuance (repayment) of debt	(986)	(13)	(513)	(1,038)	(2,550)	15,324	(2,756)			12,568
Issuance of stock	155	108	114	25	402	40	64			104
Repurchase of stock	(194)	(382)	(589)	(759)	(1,924)	-	(425)			(425)
Dividends	(348)	(432)	(430)	(429)	(1,639)	(496)	(595)			(1,091)
Other	64	33	(10)	(60)	27	(27)	(20)			(47)
Net Cash Provided by (Used for) Financing Activities	(1,309)	(686)	(1,428)	(2,261)	(5,684)	14,841	(3,732)			11,109
Effect of Exchange Rate Changes	(36)	(62)	(22)	19	(101)	(33)	113			80
Net Change in Cash and Cash Equivalents	1,034	(880)	1,262	(589)	827	794	(2,354)			(1,560)
Cash and cash equivalents at beginning of period	1,387	2,421	1,541	2,803	1,387	2,214	3,008			2,214
Cash and Cash Equivalents at End of Period	2,421	1,541	2,803	2,214	2,214	3,008	654			654

* Net of cash acquired.

TOTAL E&P

	2005					2006				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
E&P Net Income (\$ Millions)	1,787	1,929	2,288	2,426	8,430	2,553	3,304			5,857
Production Total, Including Equity Affiliates and Canadian Syncrude (MBOE/D)	1,600	1,537	1,521	1,590	1,562	1,610	2,134			1,874
E&P segment plus LUKOIL Investment segment:	1,801	1,760	1,787	1,883	1,808	1,932	2,537			2,237
Crude Oil and Condensate (MB/D)										
Consolidated	822	780	766	777	786	777	924			851
Equity affiliates	120	123	124	116	121	126	121			123
Total	942	903	890	893	907	903	1,045			974
Sales of crude oil produced (MB/D)	940	932	883	916	918	913	1,040			976
Natural Gas Liquids (MB/D)	94	80	92	99	91	97	152			125
Natural Gas (MMCF/D)										
Consolidated	3,295	3,191	3,099	3,468	3,263	3,554	5,498			4,532
Equity affiliates	5	7	10	3	7	11	10			10
Total	3,300	3,198	3,109	3,471	3,270	3,565	5,508			4,542
Canadian Syncrude (MB/D)	14	21	21	20	19	16	19			18
Industry Prices (Platt's)										
Crude Oil (\$/bbl)										
WTI spot	49.70	53.03	63.05	59.99	56.44	63.28	70.40			66.84
Brent dated	47.50	51.59	61.54	56.90	54.38	61.75	69.62			65.69
Natural Gas (\$/mmbtu)										
Henry Hub -- First of Month	6.27	6.74	8.53	13.00	8.64	9.01	6.80			7.91
Average Realized Prices										
Crude Oil and Condensate (\$/bbl)										
Consolidated	44.89	48.88	58.49	55.06	51.74	58.97	65.89			62.75
Equity affiliates	30.38	36.11	45.25	38.90	37.79	43.38	52.28			47.53
Total	43.15	46.93	56.64	53.05	49.87	56.63	64.34			60.76
Natural Gas Liquids (\$/bbl)	33.44	35.10	41.54	42.75	38.32	43.13	41.75			42.25
Natural Gas (\$/mcf)										
Consolidated	5.24	5.53	6.40	7.96	6.32	7.26	5.86			6.40
Equity affiliates	0.25	0.32	0.20	0.28	0.26	0.23	0.36			0.29
Total	5.24	5.52	6.38	7.94	6.30	7.24	5.85			6.39
Exploration Charges (\$ Millions)										
Dry Holes	88	30	32	83	233	19	15			34
Lease Impairments	20	18	23	55	116	19	33			52
Total Non-Cash Charges	108	48	55	138	349	38	48			86
Other (G&G and Lease Rentals)	63	73	85	91	312	74	86			160
Total Exploration Charges	171	121	140	229	661	112	134			246
Depreciation, Depletion and Amortization (DD&A) (\$ Millions)	819	755	823	915	3,312	910	1,659			2,569

U.S. E&P

	2005					2006				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
U.S. E&P Net Income (\$ Millions)	892	966	1,107	1,323	4,288	1,181	1,300			2,481
Alaska (\$ Millions)	532	572	730	718	2,552	692	760			1,452
Lower 48 (\$ Millions)	360	394	377	605	1,736	489	540			1,029
Production										
Total U.S. (MBOE/D)	648	631	617	636	633	636	894			766
Crude Oil and Condensate (MB/D)										
Alaska	309	297	281	291	294	283	279			281
Lower 48	62	63	56	54	59	64	120			92
Total	371	360	337	345	353	347	399			373
Sales of crude oil produced (MB/D)	386	352	352	337	357	363	398			380
Natural Gas Liquids (MB/D)*										
Alaska	24	16	18	21	20	22	20			21
Lower 48	27	31	30	31	30	29	70			50
Total	51	47	48	52	50	51	90			71
*Includes reinjection volumes sold lease-to-lease:	13	8	13	9	14	14				14
Natural Gas (MMCF/D)										
Alaska	185	148	173	172	169	163	163			163
Lower 48	1,169	1,195	1,218	1,264	1,212	1,264	2,265			1,767
Total	1,354	1,343	1,391	1,436	1,381	1,427	2,428			1,930
Average Realized Prices										
Crude Oil and Condensate (\$/bbl)										
Alaska										
North Slope	38.93	43.92	53.30	52.34	46.95	52.92	59.89			56.29
West Coast	44.15	49.22	58.70	57.61	52.24	58.87	66.02			62.33
Lower 48	41.29	43.58	50.00	46.62	45.24	52.21	59.63			57.08
Total U.S.	43.69	48.21	57.31	55.86	51.09	57.70	64.09			61.06
Natural Gas Liquids (\$/bbl)										
Alaska	44.33	49.20	57.11	57.58	51.30	58.88	65.25			61.54
Lower 48	30.96	31.22	39.92	42.89	36.43	38.20	38.29			38.26
Total U.S.	34.68	37.26	43.95	45.94	40.40	43.00	40.45			41.28
Natural Gas (\$/mcf)										
Alaska	2.96	2.49	2.57	3.01	2.75	3.58	3.42			3.50
Lower 48	5.66	6.20	7.67	9.37	7.28	7.50	5.81			6.41
Total U.S.	5.57	6.07	7.48	9.17	7.12	7.42	5.78			6.37
Kenai, Alaska LNG Sales										
Volume (MMCF/D)	132	96	123	118	117	128	126			127
Sales price per MCF	5.27	5.24	5.90	6.36	5.71	6.45	5.16			5.81
U.S. Exploration Charges (\$ Millions)										
Dry Holes	74	8	(2)	3	83	8	3			11
Lease Impairments	10	9	9	10	38	8	15			23
Total Non-Cash Charges	84	17	7	13	121	16	18			34
Other (G&G and Lease Rentals)	12	17	19	7	55	14	1			15
Total U.S. Exploration Charges	96	34	26	20	176	30	19			49
Alaska Only	85	13	11	1	110	18	(7)			11
DD&A (\$ Millions)										
Alaska	133	134	126	142	535	132	135			267
Lower 48	219	172	243	231	865	251	634			885
Total U.S.	352	306	369	373	1,400	383	769			1,152

INTERNATIONAL E&P

	2005					2006				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
International E&P										
Net Income (\$ Millions)	895	963	1,181	1,103	4,142	1,372	2,004			3,376
Production										
Total, Including Equity Affiliates and Canadian Syncrude (MBOE/D)	952	906	904	954	929	974	1,240			1,108
Crude Oil and Condensate (MB/D)										
Consolidated										
Norway	207	195	198	188	197	188	192			190
United Kingdom	61	60	56	62	60	62	57			59
Canada	23	23	22	22	23	22	27			25
China	22	25	22	23	23	25	34			30
Indonesia	21	16	10	13	15	14	14			14
Vietnam	27	26	30	37	29	31	22			26
Timor Sea	36	21	38	36	33	39	39			39
Libya	-	-	-	-	-	-	74			37
Other	54	54	53	51	53	49	66			58
Equity affiliates	120	123	124	116	121	126	121			123
Total	571	543	553	548	554	556	646			601
Sales of crude oil produced (MB/D)	554	580	531	579	561	550	642			596
Natural Gas Liquids (MB/D)										
Norway	10	9	10	11	9	11	8			9
Canada	10	10	10	10	10	9	30			20
Timor Sea	17	9	20	19	16	20	20			20
Other	6	5	4	7	6	6	4			5
Total	43	33	44	47	41	46	62			54
Natural Gas (MMCF/D)										
Consolidated										
Norway	298	268	259	264	272	269	260			265
United Kingdom	824	741	588	851	751	851	796			823
Canada	417	422	429	430	425	424	1,204			816
China	-	-	-	-	-	-	10			5
Timor Sea	35	35	35	33	34	144	251			198
Indonesia	273	287	303	330	298	294	323			309
Vietnam	18	14	20	19	18	24	19			22
Other	76	81	74	105	84	121	207			164
Equity affiliates	5	7	10	3	7	11	10			10
Total	1,946	1,855	1,718	2,035	1,889	2,138	3,080			2,612
Canadian Syncrude (MB/D)	14	21	21	20	19	16	19			18
Darwin, Australia LNG Sales (MMCF/D)	-	-	-	-	-	136	305			221

INTERNATIONAL E&P (continued)

	2005					2006				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Average Realized Prices										
Crude Oil and Condensate (\$/bbl)										
Consolidated										
Norway	45.52	50.21	60.42	56.36	53.18	61.36	68.64			65.00
United Kingdom	49.47	48.02	60.83	54.87	53.13	59.13	65.32			63.13
Canada	36.96	41.09	54.74	46.44	44.70	44.28	60.86			53.34
China	41.51	46.95	51.89	49.86	47.85	57.90	66.68			63.12
Indonesia	46.51	47.57	61.77	47.00	49.45	57.94	58.15			58.05
Vietnam	47.77	53.32	58.52	52.77	53.23	62.34	68.53			65.00
Timor Sea	47.99	50.90	59.03	52.90	52.95	60.37	66.98			63.52
Libya	-	-	-	-	-	-	68.07			68.07
Other	44.56	50.11	60.99	57.03	52.93	62.95	69.20			66.45
Equity affiliates	30.38	36.11	45.25	38.90	37.79	43.38	52.28			47.53
Total	42.77	46.16	56.19	51.41	49.09	55.92	64.50			60.56

Natural Gas Liquids (\$/bbl)										
Norway	30.63	28.20	37.29	33.81	32.45	42.55	40.99			41.79
Canada	37.37	37.66	44.22	49.63	42.20	46.21	46.73			46.61
Timor Sea	34.40	35.99	40.45	47.29	40.11	46.68	41.35			43.82
Other	21.34	22.30	26.63	20.30	22.17	27.16	33.82			30.28
Total	32.35	32.03	39.29	40.04	36.25	43.25	43.28			43.27

Natural Gas (\$/mcf)										
Consolidated										
Norway	5.03	5.30	5.13	6.40	5.46	7.28	7.09			7.19
United Kingdom	5.54	5.01	4.92	7.64	5.89	8.81	6.84			7.85
Canada	5.33	6.14	7.54	9.86	7.25	6.28	5.47			5.68
China	-	-	-	-	-	-	1.90			1.90
Timor Sea	0.52	0.52	0.56	0.61	0.55	0.67	0.65			0.66
Indonesia	5.08	5.96	6.73	6.23	6.03	7.45	7.53			7.49
Vietnam	1.04	1.04	1.05	1.07	1.05	1.07	1.07			1.07
Other	0.70	0.59	0.66	0.72	0.67	0.82	2.57			1.93
Equity affiliates	0.25	0.32	0.20	0.28	0.26	0.23	0.36			0.29
Total	5.03	5.15	5.57	7.16	5.76	7.13	5.90			6.41

International Exploration Charges (\$ Millions)										
Dry Holes	14	22	34	80	150	11	12			23
Lease Impairments	10	9	14	45	78	11	18			29

Total Non-Cash Charges	24	31	48	125	228	22	30			52
Other (G&G and Lease Rentals)	51	56	66	84	257	60	85			145

Total International Exploration Charges	75	87	114	209	485	82	115			197
=====										
DD&A (\$ Millions)	467	449	454	542	1,912	527	890			1,417

R&M

	2005					2006				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
R&M Net Income (\$ Millions)	700	1,110	1,390	973	4,173	390	1,708			2,098
United States (\$ Millions)	570	936	1,096	727	3,329	297	1,433			1,730
International (\$ Millions)	130	174	294	246	844	93	275			368
Market Indicators										
U.S. East Coast Crack Spread (\$/bbl)	6.40	8.80	14.81	9.32	9.83	7.52	15.21			11.36
U.S. Gulf Coast Crack Spread (\$/bbl)	6.37	9.63	17.42	10.27	10.92	8.28	17.26			12.77
U.S. Group Central Crack Spread (\$/bbl)	7.92	11.51	17.06	11.93	12.10	9.81	19.60			14.71
U.S. West Coast Crack Spread (\$/bbl)	19.61	22.20	26.61	16.29	21.18	18.87	32.47			25.67
U.S. Weighted 3:2:1 Crack Spread (\$/bbl)	9.24	12.35	18.51	11.69	12.95	10.56	20.39			15.47
NW Europe Crack Spread (\$/bbl)	11.14	15.09	16.53	13.68	14.11	10.18	15.20			12.69
Singapore 3:1:2 Crack Spread (\$/bbl)	13.23	13.95	16.70	12.43	14.08	10.58	19.30			14.94
U.S. Wholesale Gasoline Mktg Mrgn (\$/bbl)	0.16	2.05	0.70	2.63	1.38	0.71	1.83			1.27
Realized Margins										
Refining Margin (\$/bbl)										
U.S.	10.11	11.23	14.61	12.71	12.17	10.18	17.23			13.91
International	8.43	8.89	11.19	8.95	9.38	5.30	7.64			6.67
Marketing Margin (\$/bbl)										
U.S.	0.46	2.01	0.18	2.52	1.28	0.12	0.48			0.31
International	5.61	8.56	6.80	8.62	7.43	6.07	6.67			6.38
DD&A (\$ Millions)	194	197	197	230	818	239	253			492
Turnaround Expense (\$ Millions)	108	106	53	86	353	163	115			278
Eastern U.S.										
Crude Oil Charge Input (MB/D)	403	414	409	416	410	354	281			318
Total Charge Input (MB/D)	449	454	456	446	451	359	309			334
Crude Oil Capacity Utilization (%)	95%	98%	97%	98%	97%	84%	66%			75%
Clean Product Yield (%)	92%	88%	89%	91%	90%	90%	87%			89%
U.S. Gulf Coast										
Crude Oil Charge Input (MB/D)	659	715	596	397	591	529	681			606
Total Charge Input (MB/D)	733	835	674	467	676	587	777			683
Crude Oil Capacity Utilization (%)	92%	100%	83%	55%	83%	72%	93%			83%
Clean Product Yield (%)	73%	79%	80%	80%	78%	74%	81%			78%
Central U.S.										
Crude Oil Charge Input (MB/D)	538	594	620	619	594	571	619			595
Total Charge Input (MB/D)	577	625	653	666	630	613	663			638
Crude Oil Capacity Utilization (%)	84%	93%	97%	97%	93%	89%	97%			93%
Clean Product Yield (%)	86%	84%	85%	85%	85%	84%	86%			85%
Western U.S.										
Crude Oil Charge Input (MB/D)	357	410	415	421	401	386	419			403
Total Charge Input (MB/D)	382	431	439	445	425	419	443			431
Crude Oil Capacity Utilization (%)	90%	101%	102%	104%	100%	94%	101%			98%
Clean Product Yield (%)	80%	82%	79%	79%	80%	79%	81%			80%
TOTAL UNITED STATES										
Crude Oil Charge Input (MB/D)	1,957	2,133	2,040	1,853	1,996	1,840	2,000			1,921
Total Charge Input (MB/D)	2,141	2,345	2,222	2,024	2,182	1,978	2,192			2,086
Crude Oil Capacity Utilization (%)	90%	98%	93%	85%	92%	83%	91%			87%
Clean Product Yield (%)	82%	83%	83%	84%	83%	81%	83%			82%
Refined Products Production (MB/D)										
Gasoline	968	1,071	1,030	949	1,004	890	1,031			961
Distillates	599	655	640	583	619	538	601			569
Aviation Fuel	166	174	153	135	157	146	163			155
Other	414	449	400	370	406	414	403			408
Total	2,147	2,349	2,223	2,037	2,186	1,988	2,198			2,093
Petroleum Products Sales (MB/D)										
Gasoline	1,302	1,426	1,397	1,368	1,374	1,258	1,300			1,279
Distillates	642	680	725	653	675	626	620			623
Aviation Fuel	198	214	203	189	201	187	200			194
Other	461	566	526	521	519	517	555			536
Total	2,603	2,886	2,851	2,731	2,769	2,588	2,675			2,632

R&M (continued)

	2005					2006				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
International - Consolidated*										
Crude Oil Charge Input (MB/D)	294	259	289	291	283	357	253			261
Total Charge Input (MB/D)	307	266	305	310	297	369	550			460
Crude Oil Capacity Utilization (%)	101%	89%	99%	100%	97%	94%	92%			92%
Clean Product Yield (%)	79%	76%	82%	82%	80%	71%	64%			67%
International - Equity Affiliates - Net Share**										
Crude Oil Charge Input (MB/D)	134	143	142	144	141	133	144			138
Total Charge Input (MB/D)	137	147	145	145	144	137	149			143
Crude Oil Capacity Utilization (%)	98%	105%	105%	106%	103%	94%	102%			98%
Clean Product Yield (%)	83%	82%	80%	83%	82%	82%	82%			82%
TOTAL INTERNATIONAL										
Crude Oil Charge Input (MB/D)	428	402	431	435	424	490	649			570
Total Charge Input (MB/D)	444	413	450	455	441	506	699			603
Crude Oil Capacity Utilization (%)	100%	94%	101%	102%	99%	94%	94%			94%
Clean Product Yield (%)	80%	78%	81%	82%	80%	74%	68%			71%
Refined Products Production (MB/D)										
Gasoline	141	115	143	152	138	142	165			154
Distillates	186	178	191	191	186	215	284			250
Aviation Fuel	21	21	24	24	22	13	13			13
Other	95	96	90	91	93	130	233			182
Total	443	410	448	458	439	500	695			599
Petroleum Products Sales (MB/D)										
Gasoline	185	176	178	175	178	197	225			211
Distillates	221	212	216	224	218	319	379			349
Aviation Fuel	7	10	12	8	9	20	18			19
Other	82	79	64	83	77	159	249			205
Total	495	477	470	490	482	695	871			784
Worldwide - Including Net Share of Equity Affiliates										
Crude Oil Charge Input (MB/D)	2,385	2,535	2,471	2,288	2,420	2,330	2,649			2,491
Total Charge Input (MB/D)	2,585	2,758	2,672	2,479	2,623	2,484	2,891			2,689
Crude Oil Capacity Utilization (%)	92%	97%	95%	88%	93%	85%	91%			88%
Clean Product Yield (%)	82%	82%	83%	84%	82%	79%	80%			80%
Refined Products Production (MB/D)										
Gasoline	1,109	1,186	1,173	1,101	1,142	1,032	1,196			1,115
Distillates	785	833	831	774	805	753	885			819
Aviation Fuel	187	195	177	159	179	159	176			168
Other	509	545	490	461	499	544	636			590
Total	2,590	2,759	2,671	2,495	2,625	2,488	2,893			2,692
Petroleum Products Sales (MB/D)										
Gasoline	1,487	1,602	1,575	1,543	1,552	1,455	1,525			1,490
Distillates	863	892	941	877	893	945	999			972
Aviation Fuel	205	224	215	197	210	207	218			213
Other	543	645	590	604	596	676	804			741
Total	3,098	3,363	3,321	3,221	3,251	3,283	3,546			3,416

* Represents our Humber refinery in the United Kingdom, the Whitegate refinery in Ireland, and, effective March 1, 2006, our Wilhelmshaven refinery in Germany.

** Represents 18.75 percent interest in a refinery complex in Karlsruhe, Germany; 16.33 percent interest in two refineries in Kralupy and Litvinov, Czech Republic; and 47 percent interest in a refinery in Melaka, Malaysia.

LUKOIL INVESTMENT

	2005					2006				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
LUKOIL Investment										
Net Income (\$ Millions)	110	148	267	189	714	249	387			636
Upstream Production*										
Net crude oil production (MB/D)	190	215	253	281	235	306	346			326
Net natural gas production (MMCF/D)	67	50	79	72	67	98	343			221
BOE Total (MBOE/D)	201	223	266	293	246	322	403			363
* Represents our estimated net share of LUKOIL's production.										
Industry Prices										
Crude Oil (\$/bbl)										
Urals crude (CIF Mediterranean)	43.21	48.49	57.39	54.07	50.87	58.25	64.85			61.53
Downstream Refinery Throughput*										
Crude Processed (MB/D)	92	101	138	156	122	163	168			165
* Represents our estimated net share of LUKOIL's crude processed.										

MIDSTREAM

	2005					2006				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Midstream Net Income (\$ Millions)	385	68	88	147	688	110	108			218
U.S. Equity Affiliate (\$ Millions)*	359	51	76	105	591	93	91			184
Natural Gas Liquids Extracted (MB/D)										
Consolidated										
United States	23	21	23	22	22	23	22			22
International	53	44	5	-	25	-	-			-
Equity Affiliates										
United States*	110	112	171	172	142	178	183			181
International	6	6	6	6	6	6	6			6
Total	192	183	205	200	195	207	211			209

* Represents 30.3 percent interest in Duke Energy Field Services, LLC (DEFS), through June 30, 2005, and 50 percent interest beginning in July 2005.

Natural Gas Liquids Fractionated (MB/D)										
United States*	149	131	123	127	132	141	125			134
International	64	55	15	10	36	11	14			12
Total	213	186	138	137	168	152	139			146

* Excludes DEFS.

Product Prices										
Weighted Average NGL (\$/bbl)*										
Consolidated	31.95	32.49	39.60	42.70	36.68	37.64	41.73			39.69
DEFS	30.61	31.33	38.31	41.84	35.52	37.29	41.18			39.24

* Prices are based on index prices from the Mont Belvieu and Conway market hubs that are weighted by natural gas liquids component and location mix.

DD&A (\$ Millions)	9	8	7	8	32	7	8			15
--------------------	---	---	---	---	----	---	---	--	--	----

CHEMICALS

	2005					2006				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Chemicals										
Net Income (Loss) (\$ Millions)	133	63	13	114	323	149	103			252
Industry Margins (Cents/Lb)*										
Ethylene industry cash margin	18.1	12.8	8.8	21.1	15.2	20.5	14.3			17.4
HDPE industry contract sales margin	12.1	12.0	8.2	12.9	11.3	15.9	14.0			15.0
Styrene industry contract sales margin	13.9	13.6	12.4	12.3	13.1	12.5	11.9			12.2

* Prices, economics and views expressed by CMAI are strictly the opinion of CMAI and Purvin & Gertz and are based on information collected within the public sector and on assessments by CMAI and Purvin & Gertz staff utilizing reasonable care consistent with normal industry practice. CMAI and Purvin & Gertz make no guarantee or warranty and assume no liability as to their use.

EMERGING BUSINESSES

	2005					2006				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Emerging Businesses										
Net Income (Loss) (\$ Millions)	(8)	(8)	-	(5)	(21)	8	(12)			(4)
Detail of Net Income (Loss) (\$ Millions)										
Technology Solutions	(2)	(4)	(5)	(5)	(16)	(12)	(4)			(16)
Gas-to-Liquids	(7)	(7)	(4)	(5)	(23)	(4)	(3)			(7)
Power	2	9	17	15	43	31	3			34
Other	(1)	(6)	(8)	(10)	(25)	(7)	(8)			(15)
Total	(8)	(8)	-	(5)	(21)	8	(12)			(4)

CORPORATE AND OTHER

	2005					2006				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
Corporate and Other										
Net Income (Loss) (\$ Millions)	(195)	(172)	(246)	(165)	(778)	(168)	(412)			(580)
Detail of Net Income (Loss) (\$ Millions)										
Net interest expense	(101)	(84)	(123)	(114)	(422)	(77)	(243)			(320)
Corporate overhead	(58)	(46)	(64)	(15)	(183)	(26)	(39)			(65)
Discontinued operations	(11)	7	(4)	(15)	(23)	-	-			-
Acquisition-related expenses	-	-	-	-	-	(5)	(39)			(44)
Accounting change	-	-	-	-	-	-	-			-
Other	(25)	(49)	(55)	(21)	(150)	(60)	(91)			(151)
Total	(195)	(172)	(246)	(165)	(778)	(168)	(412)			(580)

Before-Tax Net Interest Expense (\$ Millions)										
Interest expense	(226)	(219)	(223)	(224)	(892)	(226)	(468)			(694)
Capitalized interest	88	91	102	114	395	111	107			218
Interest revenue	25	24	28	36	113	30	35			65
Receivables monetization related	(1)	-	-	-	(1)	-	-			-
Premium on early debt retirement	(9)	-	(50)	(51)	(110)	-	-			-
Total	(123)	(104)	(143)	(125)	(495)	(85)	(326)			(411)

Debt										
Total Debt (\$ Millions)	14,012	14,013	13,497	12,516	12,516	32,193	29,510			29,510
Debt-to-Capital Ratio	23%	22%	21%	19%	19%	30%	27%			27%

