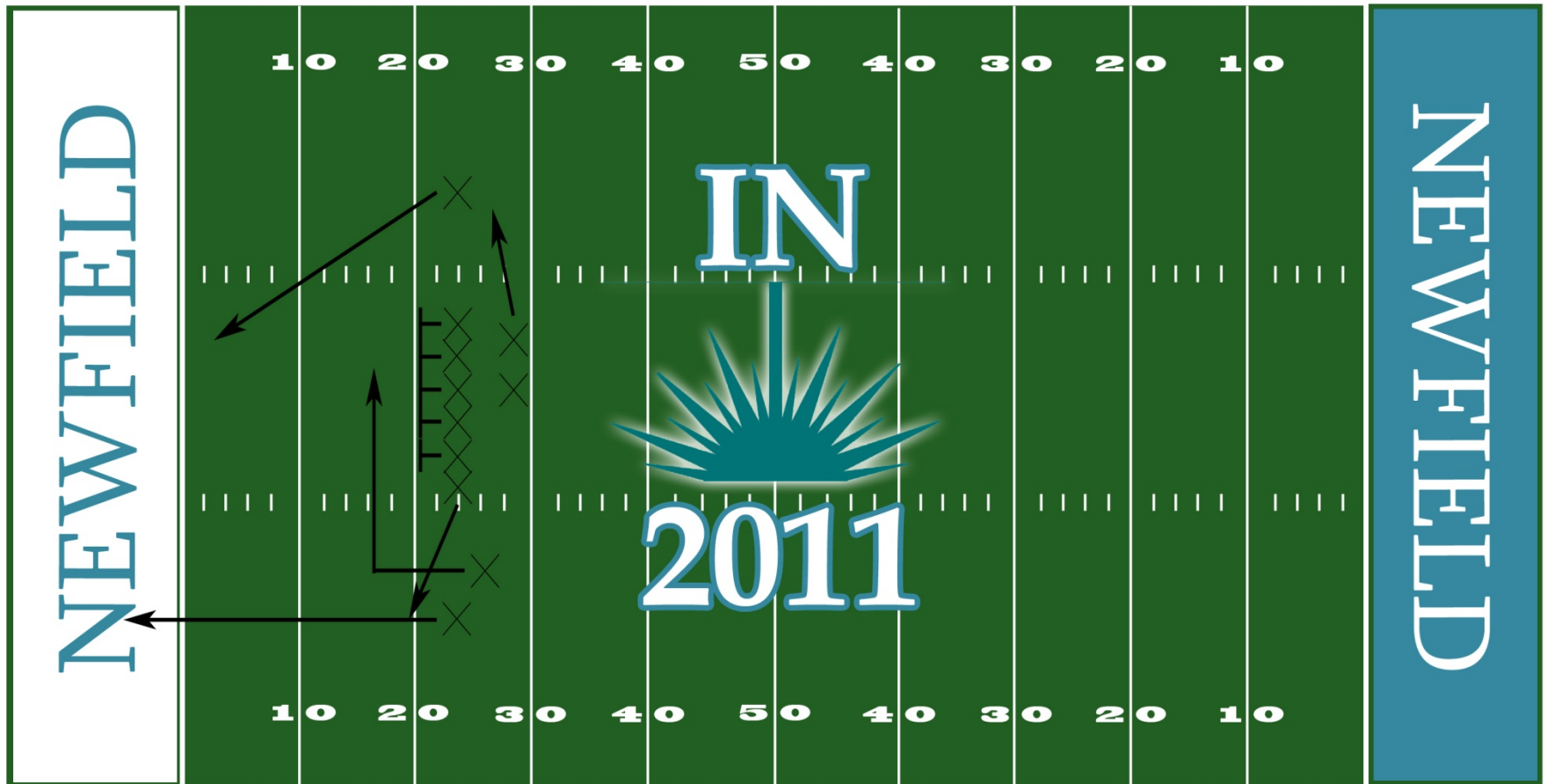


# Executing the GAMEPLAN



BMO Capital Markets January 11, 2011

Gary Packer

# Today's Key Takeaways

## 1. Maverick Basin Eagle Ford – Prospect becomes a “Play”

- General Background
- 2010 Assessment Program
- Why we are Excited – Geology and Ultimate Potential
- Early Results and Path Forward for 2011

## 2. Team Newfield – A Winning Gameplan

- 2011 Roster Strengths – Continued Focus
- 2011 Scouting Report – An Early Look at 2011

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# Eagle Ford Shale

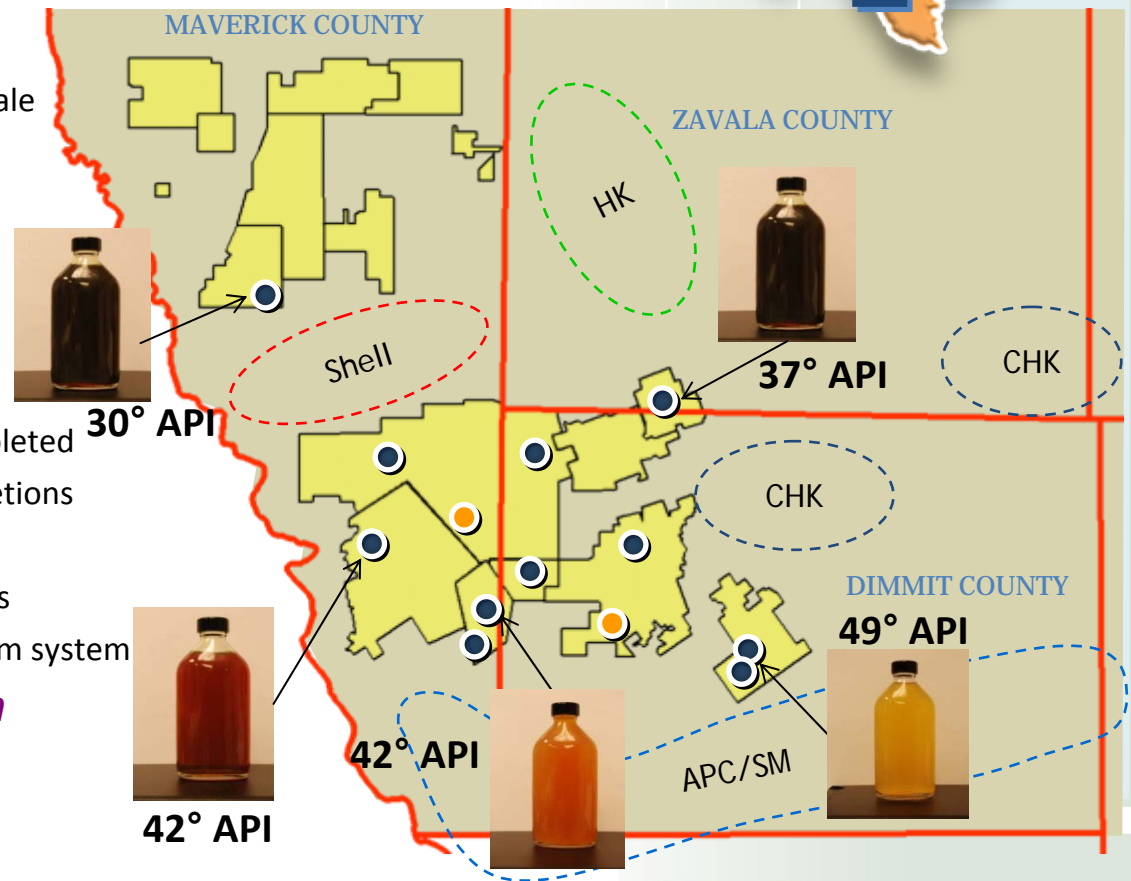
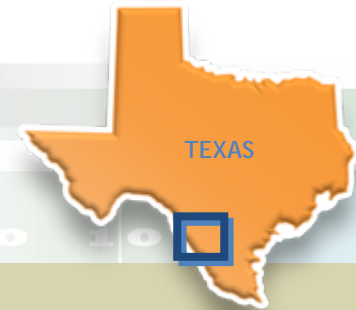
## 2010 Assessment Summary

### Background

- Feb '10: NFX acquires assets for \$209MM
- Dec '10: NFX acquires operatorship, remaining 50% WI in the Pearsall Shale
- 335,000 net acres
- Average WI: 85%
- 2-5 rig program in 2010

### 2010 Assessment Program

- Invested \$120MM to assess acreage
- 11 Eagle Ford wells drilled and completed
- 2 Pearsall Shale wells drilled, completions planned for 1H '11
- Confirmed presence of hydrocarbons throughout acreage, active petroleum system
  - **Oil gravity ranges from 30 – 50° API**
  - **High BTU gas between 1,200 – 1,350 btu**

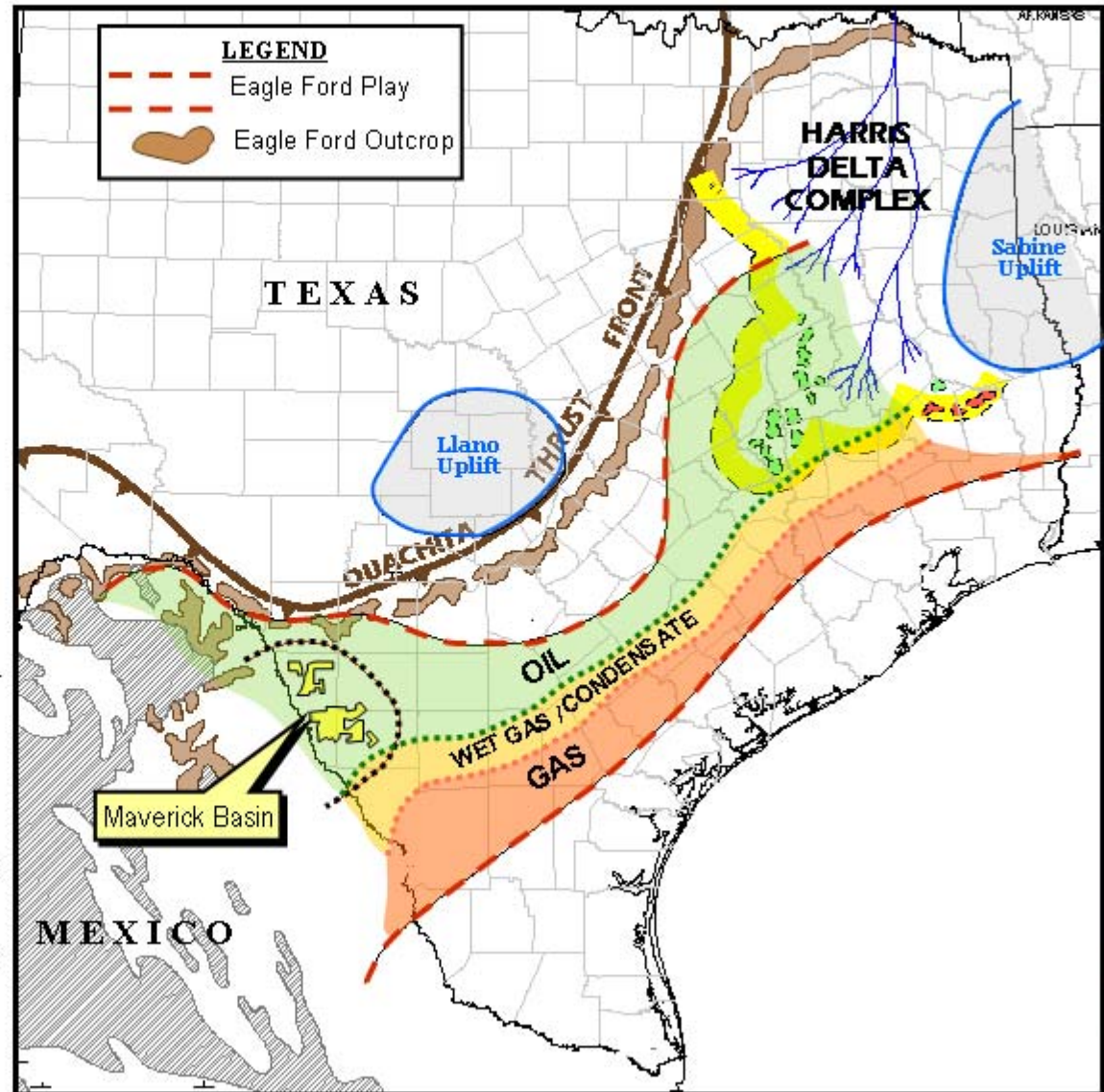


● Lower Eagle Ford Drilled or Completing Well   
  NFX Acreage  
● Pearsall Shale Completing Well

# Maverick Basin

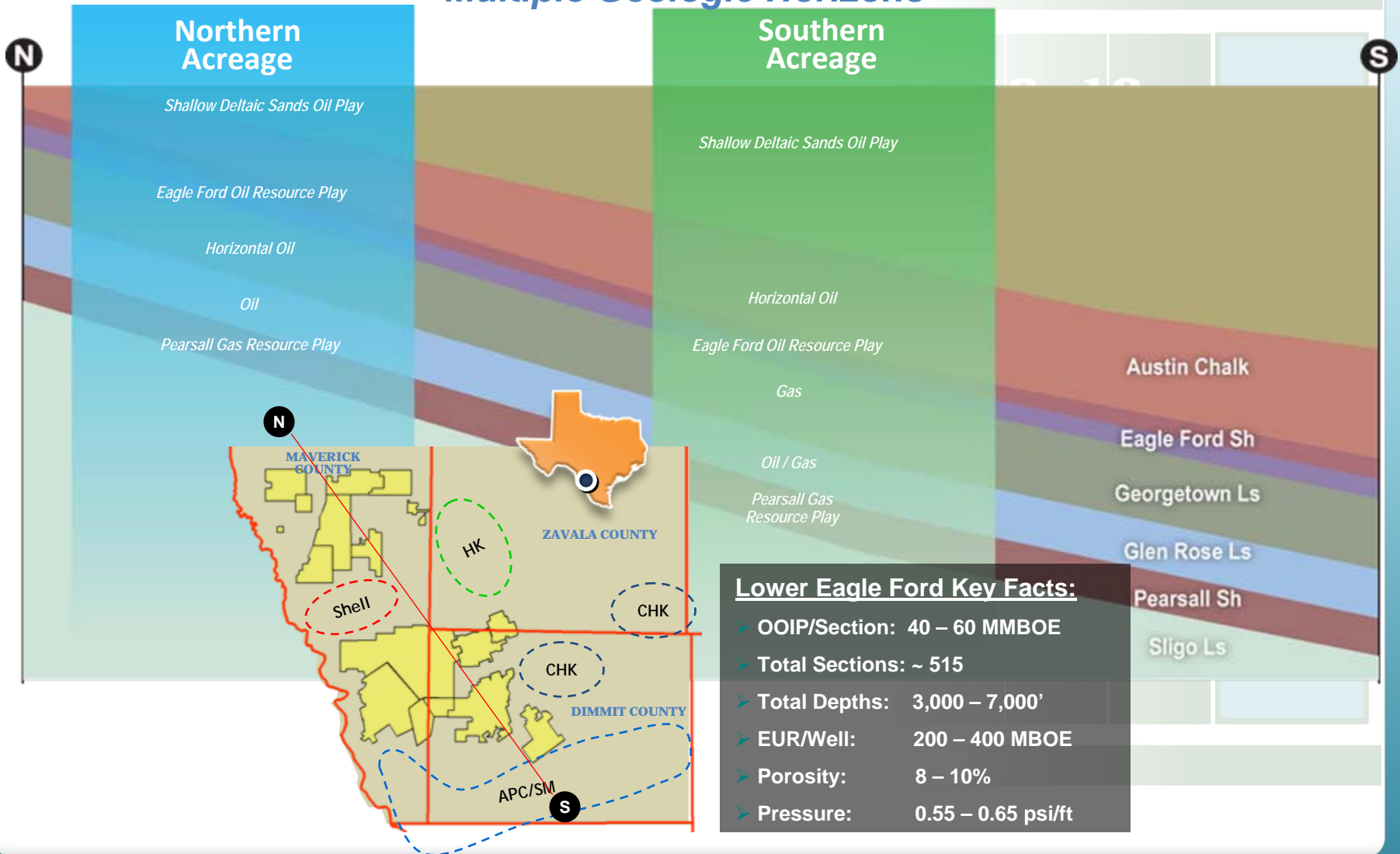
## Key Takeaways

- 335,000 net acres located in Maverick, Dimmitt and Zavala Counties
- The Maverick Basin Eagle Ford has a different depositional, thermal and tectonic history than the Gulf Coast Eagle Ford
- Eagle Ford is thick and geo-pressured in the Maverick Basin
- The transition between the extension in the Gulf and the compression in Mexico has uplifted thermally mature rocks



# Maverick Basin

## Multiple Geologic Horizons



**Lower Eagle Ford Key Facts:**

- OOIP/Section: 40 – 60 MMBOE
- Total Sections: ~ 515
- Total Depths: 3,000 – 7,000'
- EUR/Well: 200 – 400 MBOE
- Porosity: 8 – 10%
- Pressure: 0.55 – 0.65 psi/ft

# Eagle Ford Shale

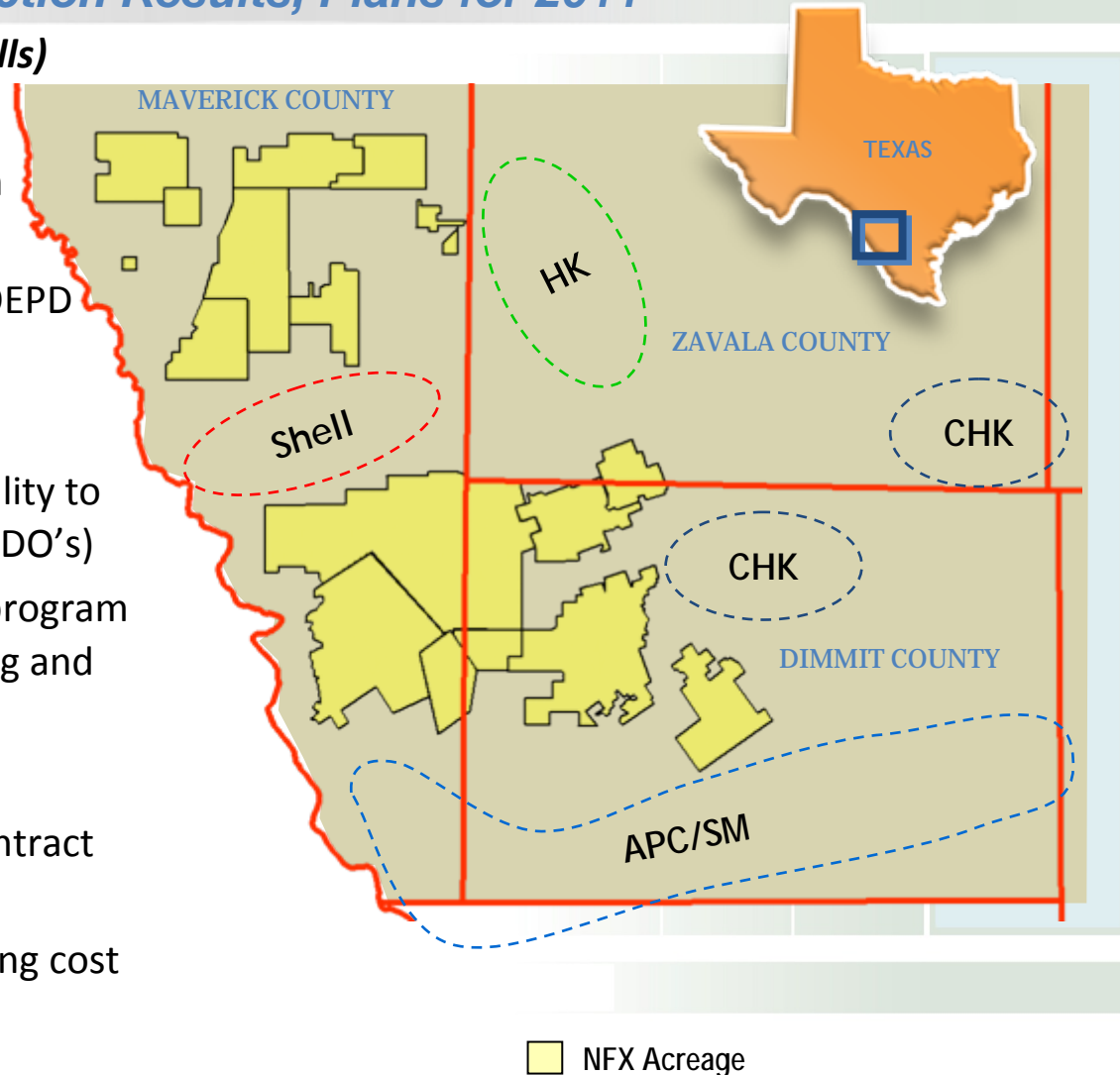
## Production Results, Plans for 2011

### Initial Production Results (6 LEF wells)

- 24 hour IP rates averaged 630 BOEPD, and ranged from 400 BOEPD to 900 BOEPD
- 30 day average rates: 400 BOEPD

### 2011 Assessment Plans

- Invest ~ \$200 MM
- 2-3 rig program in 1H '11, ability to ramp in 2H '11 (2 rigs meet CDO's)
- Conduct pilot development program to determine ultimate spacing and EUR
- Drill 20 - 25 Eagle Ford wells
- Hydraulic fracture service contract in place for 2011-12
- Estimated development drilling cost ~ \$5.5 MM



# 2011 Strengths to Start the Season

- **True “Depth”** – a diverse asset portfolio, experienced management
  - Real “Oil” in the portfolio
  - Natural Gas assets largely HBP
- **In Hand Oil Assets** – Continue to direct investments to oil plays
  - Uinta Basin
  - Williston Basin
  - Maverick Basin
  - International Oil

Significant Oil Growth
- **Reliable Veterans** – HBP gas assets provide flexibility
  - Granite Wash
  - Woodford Shale
- **Prospect Assessment and Evaluation** – Prospects in hand and within reach
  - Southern Alberta Basin
- **Strong Hedge Positions** – In Natural Gas and Oil into 2013
  - Natural Gas – ~ 65% in 2011, ~ 50% in 2012, ~ 30% in 2013
  - Oil – ~ 70 in 2011, ~ 60% in 2012, ~ 20% in 2013

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# 2011 Scouting Report

**Profitable**

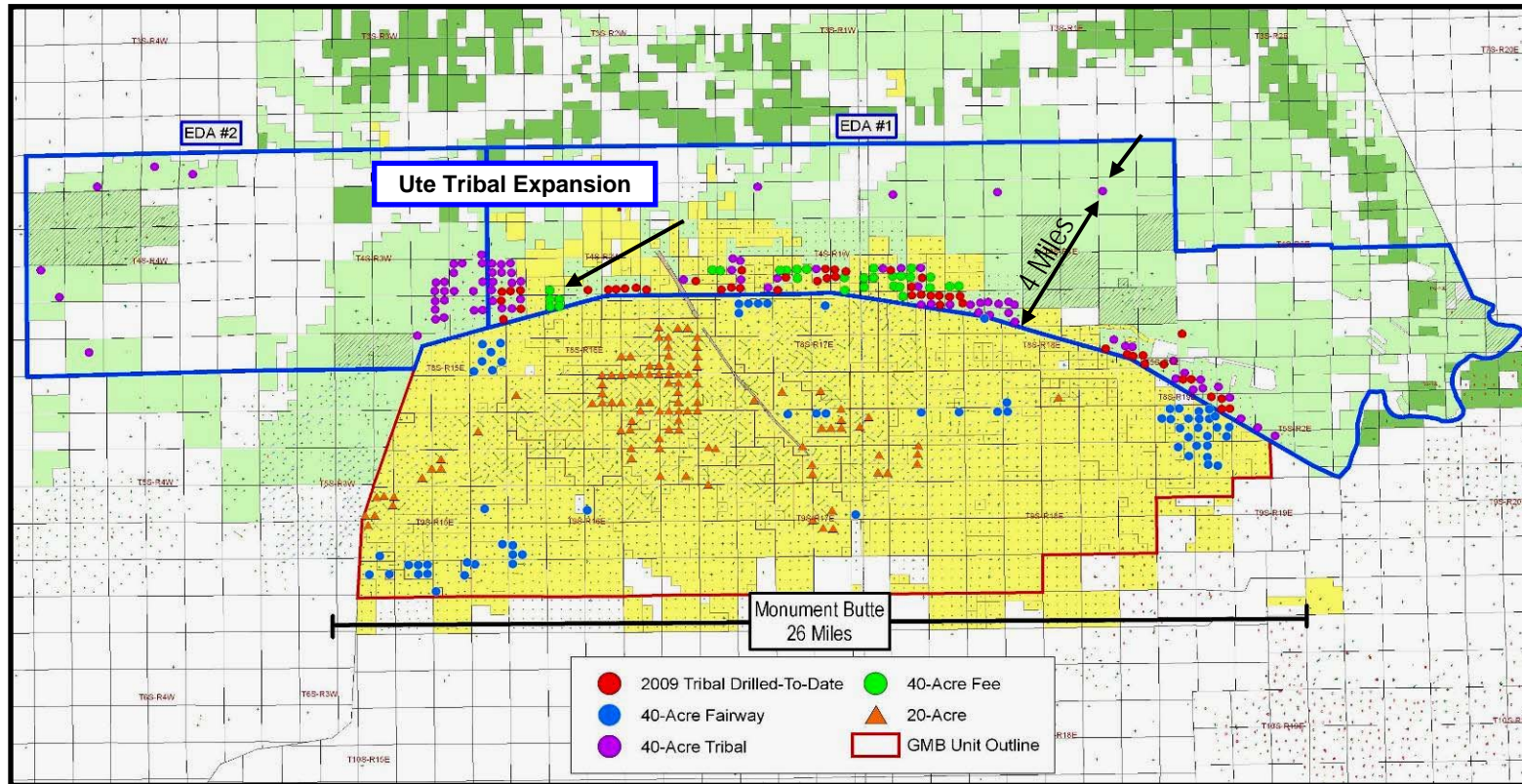
## Growth is a Mandate

- **Live Within Cash Flow (*excluding Acquisitions*)**
- **Oil over Gas**
  - Moderating Gas Production
  - Domestic Oil Growth “Out Sized”
- **Hedges Help Ensure Profitability**
- **Sale of Non Strategic Assets Underway**
- **Build for the Future – Assets & People**



# Uinta Basin / Monument Butte

## FOUNDATIONAL OIL ASSET



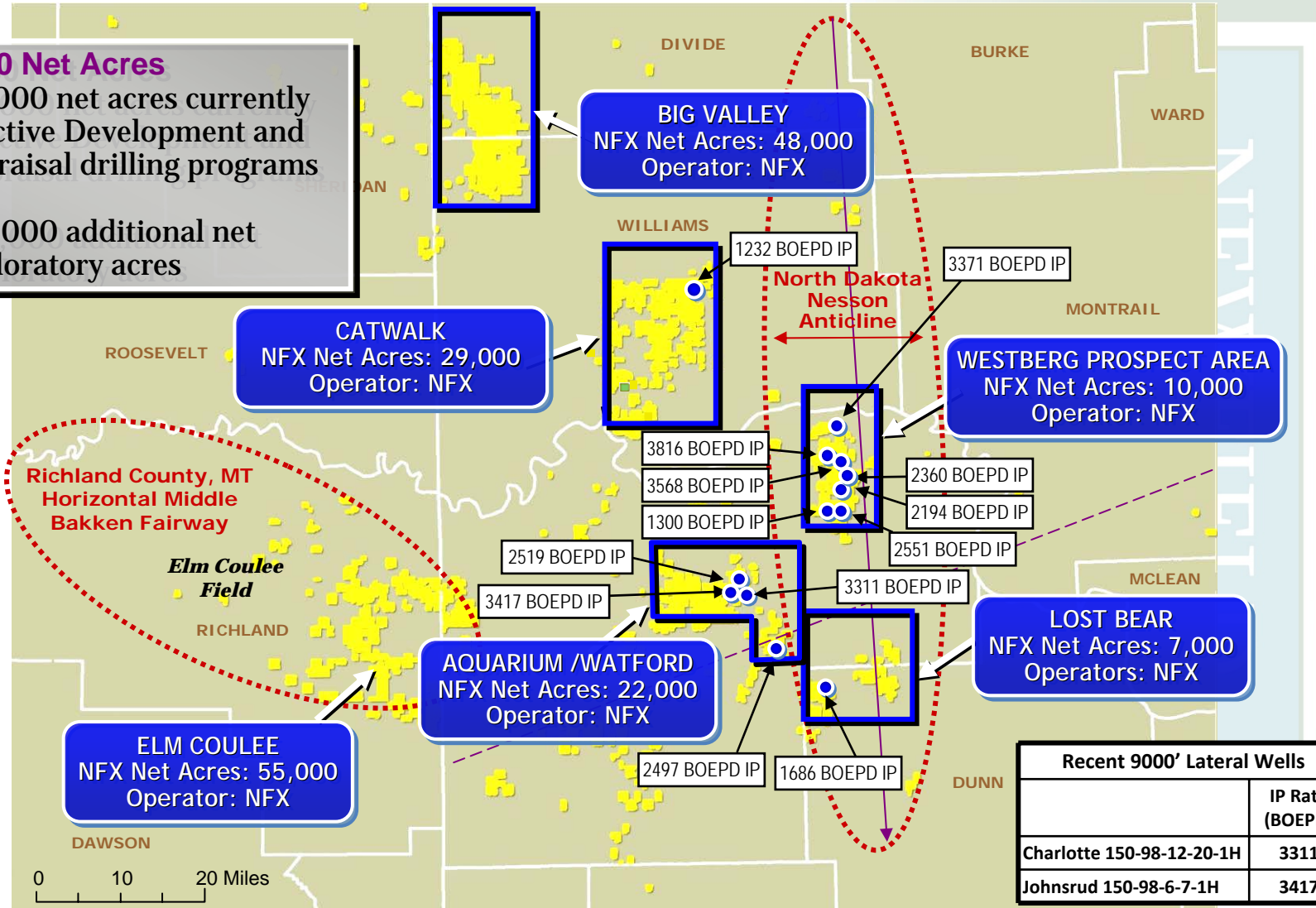
### Uinta Basin Facts (M. Butte, Ute Tribal, Horseshoe Bend)

- ~200,000 Net Acres, Substantially HBP
- ~1,500 Producing Wells
- # Remaining locations: 4,700
- >2 Billion Barrels OIP (Est. 20% Recovery)
- 2010 Program: 375 Wells (5 Rig Program)
- 2011 Program: ~ 400 Wells (5 Rig Program)

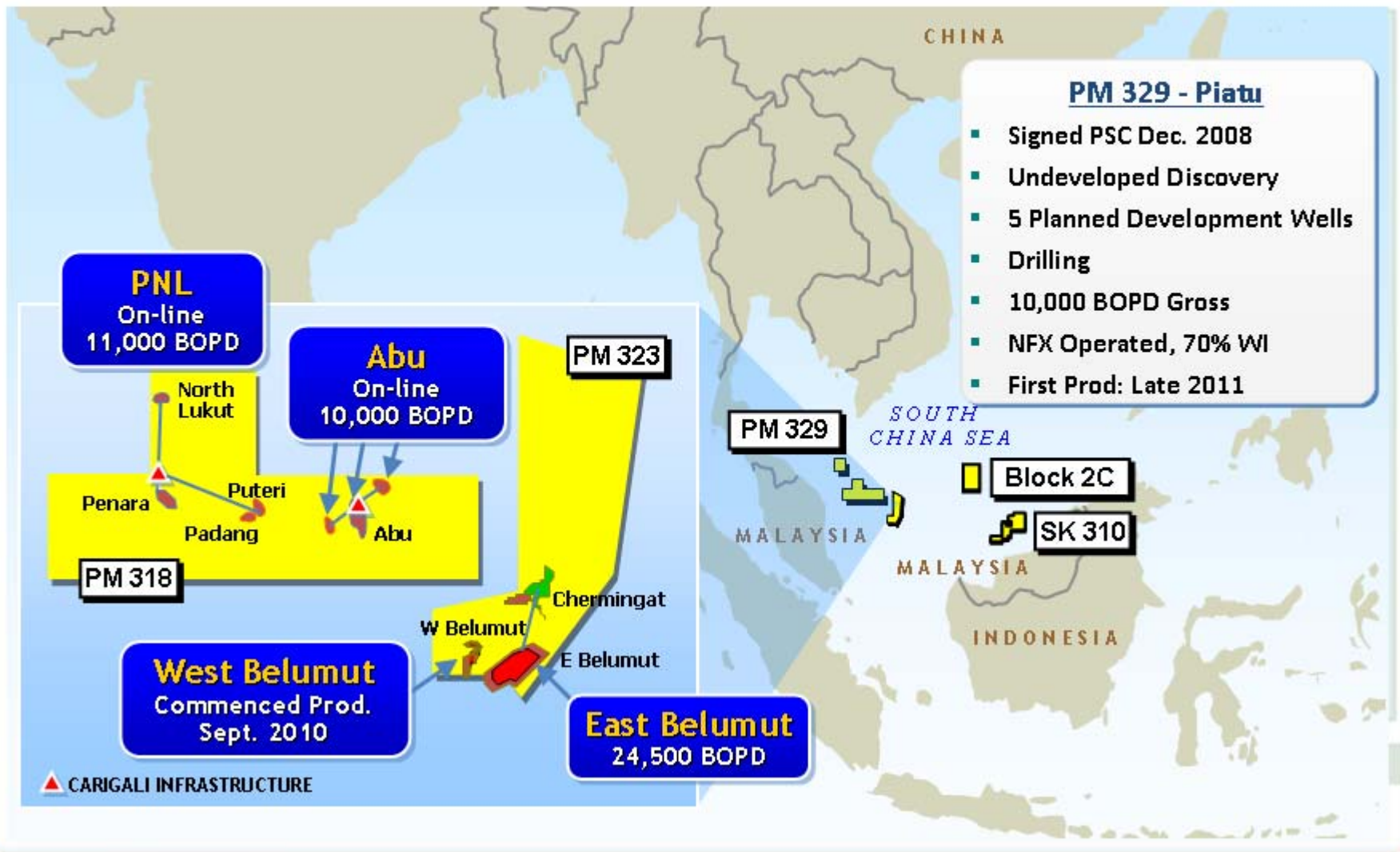
# Williston Basin

■ NFX LEASEHOLD      ● RECENT NEWFIELD SUCCESSES

- ▶ **271,000 Net Acres**
  - 171,000 net acres currently in active Development and Appraisal drilling programs
  - 100,000 additional net Exploratory acres



# Malaysia Oil Developments



# Gas Assets HBP

## CONTROL PACE OF DEVELOPMENT

### ■ Major Gas Assets HBP

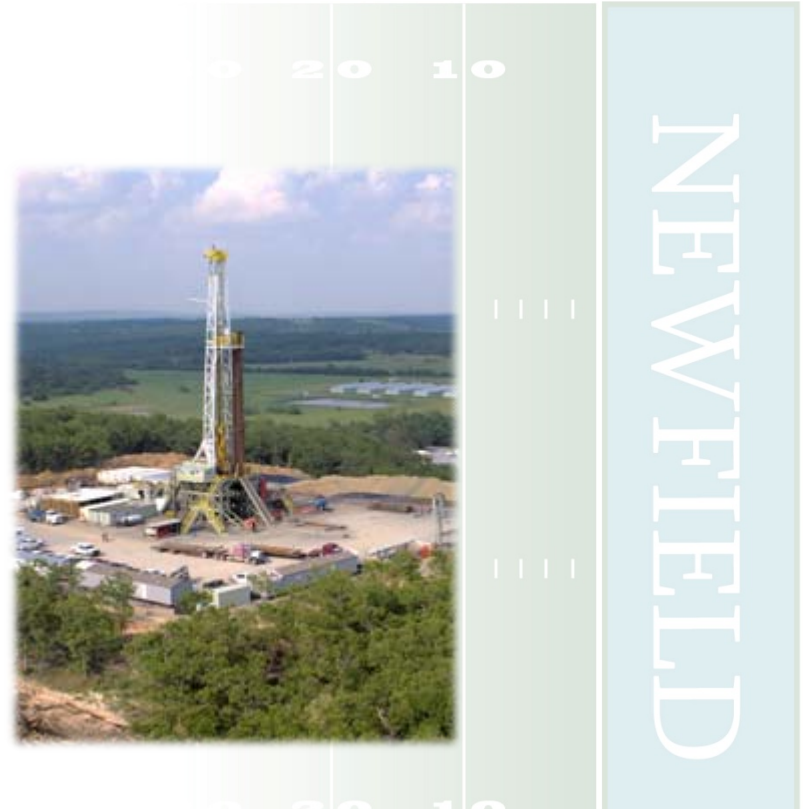
- Limited drilling required to hold leases

### ■ Woodford Shale

- 90% HBP
- >350 wells drilled to date
- 1-2 rig program holds remaining primary term acreage

### ■ Granite Wash

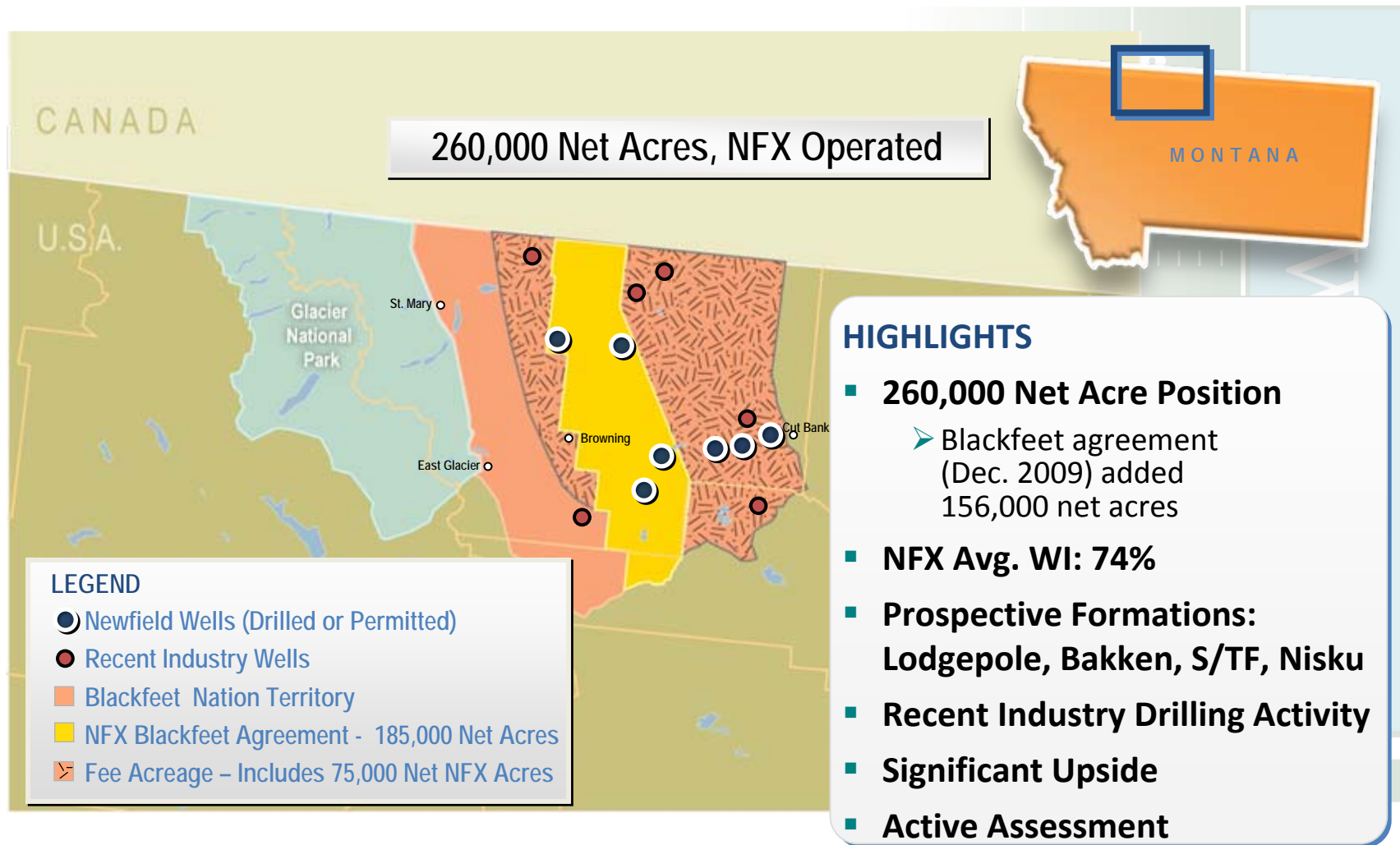
- ~100% HBP (Stiles Ranch)
- Economics improved through condensate / rich gas



*There will be a better time to focus on Natural Gas growth*

# Southern Alberta Basin

## BLACKFEET NATION EXPLORATION VENTURE



# Hedge Summary\*

## Natural Gas

Period	Volume Hedged MMCF/D	Fixed Price	3-Way Collars
<b>~50% Rem 4Q10</b>	<b>270</b>	<b>\$6.55</b>	~
<b>~65%</b> {	<b>1Q11</b>	<b>\$6.30</b>	<b>\$4.50 x \$6.00 x \$7.91</b>
	<b>2Q11</b>	<b>\$6.30</b>	<b>\$4.50 x \$6.00 x \$7.91</b>
	<b>3Q11</b>	<b>\$6.30</b>	<b>\$4.50 x \$6.00 x \$7.91</b>
	<b>4Q11</b>	<b>\$6.03</b>	<b>\$4.50 x \$5.86 x \$7.37</b>
<b>~50%</b> {	<b>2012</b>	<b>\$5.42</b>	<b>\$4.28 x \$5.49 x \$6.36</b>
<b>~30%</b> {	<b>2013</b>	<b>\$5.33</b>	<b>\$4.04 x \$5.44 x \$6.48</b>

## Crude Oil (Domestic)

Period	Volume Hedged BOPD	Fixed Price	Collars	3-Way Collars
<b>~63% Rem 2010</b>	<b>19,000</b>	<b>\$87.74</b>	<b>\$127.97 x \$170</b>	<b>\$55 x \$67.50 x \$106.28</b>
<b>~70% 2011</b>	<b>25,500</b>	<b>\$81.51</b>	~	<b>\$61.61 x \$77.58 x \$107.76</b>
<b>~60% 2012</b>	<b>29,000</b>	<b>\$82.27</b>	~	<b>\$60.00 x \$78.70 x \$109.78</b>
<b>~20% 2013</b>	<b>13,000</b>	~	~	<b>\$55.00 x \$80.00 x \$110.54</b>

\* See @NFX on Newfield Website for Detailed Hedging Position

# Forward Looking Statements

This presentation by Newfield Exploration Company includes forward-looking information. All information other than historical facts included in this presentation, such as information regarding estimated reserves, production targets, drilling and development plans and the timing of production and other activities, 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 Newfield believes that these expectations are reasonable, this information is based upon assumptions and anticipated results that are subject to numerous uncertainties and risks. 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, the availability of refining capacity for the crude oil Newfield produces from its Monument Butte field in Utah, the availability of capital resources, labor conditions and severe weather conditions (such as hurricanes). In addition, the drilling of oil and gas wells and the production of hydrocarbons are subject to governmental regulations and operating risks. Please see Newfield's most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q for a discussion of factors that may cause actual results to vary.