

APPENDIX G

Financial Assurance Documents



Gregory J. Broussard
Finance Manager
Risk Management & Remediation
600 N. Dairy Ashford
Houston, TX 77079
Phone 832-379-6431

S.J. MALLON
MAR 27 REC'D

March 20, 2007

RCRA TSD Financial Requirements

VIA UPS OVERNIGHT

Mr. Mukul K. Agarwal
Statewide Compliance Division
California Department of Toxic Substance Control
1011 N. Grandview Avenue
Glendale, CA 91201

Dear Mr. Agarwal:

Re: Liability Coverage, Closure and Post-Closure Care Financial Assurances

The enclosed documents are submitted pursuant to Title 22, Division 4.5, Chapter 14 and 15, Article 8 demonstrating adequate financial assurance for hazardous waste facilities and TTU's.

Facilities in California under your jurisdiction include:

CAD009108705
ConocoPhillips Company
San Francisco Refinery
1380 San Pablo Ave.
Rodeo, CA 94572

Closure: \$8,977,948
Postclosure Care: \$2,358,414

CAD 980881676

ConocoPhillips Company
Los Angeles Refinery – Carson Plant
1520 East Sepulveda Boulevard
Carson, CA 90745

Closure: \$1,870,095
Postclosure Care: \$3,667,836

CAD 008237679

ConocoPhillips Company
Los Angeles Refinery – Wilmington Plant
1660 West Anaheim St.
Wilmington, CA 90744

Closure: \$1,204,539
Postclosure Care: \$2,200,000

CAD 000072751

ConocoPhillips Company
Oily Waste Impoundments (OWI)
150 Solano Way
Martinez, CA 94553

Closure: \$0
Postclosure Care: \$212,609

ConocoPhillips believes that UDS and/or Tesoro should have assumed the obligation to pay for all post-closure care of the Oily Waste Impoundments (OWI) at the Golden Eagle (a.k.a. Avon) Refinery, and ConocoPhillips' financial assurance is being provided in the event that UDS and/or Tesoro does not comply with its obligation.

When there have been no changes, closure and post-closure care cost estimates have been adjusted using an inflation factor of 1.0248%. This factor was applied to all cost estimates older than one complete fiscal (calendar) year. Material changes to the cost estimate of San Francisco Refinery at Rodeo result from the closure of the Bulk Container Storage Unit (closure certified January 2007). Material changes to Los Angeles Refinery at Carson and Wilmington result from new Post-Closure Care estimates generated by the California Department of Toxic Substances Control on 11/29/06.

For purposes of financial assurance, ConocoPhillips is guarantor for ConocoPhillips Company, a wholly-owned subsidiary of ConocoPhillips. A guarantee for liability was provided on July 7, 2005 (effective date: March 28, 2005), and remains in force. A copy

Mukul Agarwal
California Department of Toxic Substance Control
March 20, 2007
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of this guarantee including an addendum confirming that the guarantee remains in force and requires no updating is enclosed. An updated guarantee for closure or post-closure is also enclosed.

The enclosed information includes:

Appendix I--A financial test letter from the Chief Financial Officer of ConocoPhillips.

Appendix II--Report of Ernst & Young LLP, independent auditors of ConocoPhillips' financial statements for the year ended December 31, 2006, which is contained in the ConocoPhillips 2006 Annual Report.

Appendix III--A special report from Ernst & Young LLP, independent accountants.

Appendix IV--Corporate guarantees (closure or postclosure care and liability (with addendum)) from ConocoPhillips.

If questions arise concerning this submission, please contact me at 832-379-6431 or at greg.j.broussard@conocophillips.com.

Sincerely,

Original signed by

Gregory J. Broussard
Finance Manager
Risk Management & Remediation
ConocoPhillips
600 N. Dairy Ashford
Houston, TX 77079

Enclosures

cc: (w/o annual report)
P. Stern – San Francisco Refinery (Rodeo)
S. Rosen – San Francisco Refinery (Rodeo)
K. Wisdom – Los Angeles Refinery
S. Mallon – Los Angeles Refinery
M. Cohn – RM&R
J. Embick – RM&R
C. Swartz – RM&R

Appendix I



LETTER FROM CHIEF FINANCIAL OFFICER

March 20, 2007

Department of Toxic Substance Control
Financial Responsibility Unit
1001 I Street
Sacramento, CA 95814-2828

I am the chief financial officer of ConocoPhillips, 600 North Dairy Ashford Drive, Houston, TX 77079. This letter is in support of the use of the financial test to demonstrate financial responsibility for liability coverage and closure and/or postclosure care as specified in California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8.

The firm identified above is the owner or operator of the following facility(ies)/TTU(s) for which liability coverage for both sudden and nonsudden accidental occurrences is being demonstrated through the financial test specified in California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8, sections 66264.147 and 66265.147: None

The firm identified above guarantees, through the guarantee specified in California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8, sections 66264.147 and 66265.147, liability coverage for both sudden and nonsudden accidental occurrences at the following facility(ies)/TTU(s) owned or operated by the following:

CAD009108705
ConocoPhillips Company
San Francisco Refinery
1380 San Pablo Ave.
Rodeo, CA 94572

Sudden Accidental Occurrences: \$2 Million
Nonsudden Accidental Occurrences: \$6 Million

CAD 980881676
ConocoPhillips Company
Los Angeles Refinery – Carson Plant
1520 East Sepulveda Boulevard
Carson, CA 90745

Sudden Accidental Occurrences: \$2 Million
Nonsudden Accidental Occurrences: \$6 Million

CAD 008237679
ConocoPhillips Company
Los Angeles Refinery – Wilmington Plant
1660 West Anaheim St.
Wilmington, CA 90744

Sudden Accidental Occurrences: \$2 Million
Nonsudden Accidental Occurrences: \$6 Million

CAD 000072751
ConocoPhillips Company
Oily Waste Impoundments (OWI)
150 Solano Way
Martinez, CA 94553

Sudden Accidental Occurrences: \$2 Million
Nonsudden Accidental Occurrences: \$6 Million

The firm identified above is the direct or higher tier parent corporation of the owner or operator.

1. The firm identified above is the owner or operator of the following facilities/TTUs for which financial assurance for closure and/or postclosure or liability coverage is demonstrated through the financial test as specified in California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8, section 66264.143, subsection (f), section 66264.145, subsection (f), section 66265.143, subsection (e), and section 66265.145, subsection (e). The current closure and/or postclosure cost estimates covered by the test are shown for each facility/TTU: None

2. The firm identified above guarantees, through the guarantee as specified in California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8, section 66264.143, subsection (f), section 66264.145, subsection (f), section 66265.143, subsection (e), and section 66265.145, subsection (e), the closure and/or postclosure care or liability coverage of the following facilities/TTUs owned or operated by the guaranteed party. The current cost estimates for the closure or postclosure care so guaranteed are shown for each facility/TTU:

EPA I.D. No. CAD009108705
ConocoPhillips Company
San Francisco Area Refinery
1380 San Pablo Avenue
Rodeo, CA 94572

Tiered Permitted Facility
Full Permitted Facility
Closure: \$8,977,948
Postclosure Care: \$2,358,414

EPA I.D. No. CAD980881676
ConocoPhillips Company
Los Angeles Refinery - Carson Plant
1520 East Sepulveda Boulevard
Carson, CA 90745

Full Permitted Facility
Closure: \$1,870,095
Postclosure Care: \$3,667,836

EPA I.D. No. CAD008237679
ConocoPhillips Company
Los Angeles Refinery - Wilmington Plant
1660 West Anaheim Street
Wilmington, CA 90744

Tiered Permitted Facility
Full Permitted Facility
Closure: \$1,204,539
Postclosure Care: \$2,200,000

EPA I.D. No. CAD000072751
ConocoPhillips Company
Oily Waste Impoundments (OWI)
150 Solano Way
Martinez, CA 94553

Closure: \$0
Postclosure Care: \$212,609

3. In States where the U.S. Environmental Protection Agency is not administering the financial requirements of subpart H of 40 CFR parts 264 and 265, this firm as owner,

operator or guarantor is demonstrating financial assurance for the closure or postclosure care of the following facilities/TTUs through the use of a financial test equivalent or substantially equivalent to the financial test specified in California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8, section 66264.143, subsection (f), section 66264.145, subsection (f), section 66265.143, subsection (e), and section 66265.145, subsection (e). The current closure and/or postclosure cost estimates covered by such a test are shown for each facility/TTU:

TXD 091263558
ConocoPhillips Company
Borger Rubber Complex
P.O. Box 1231
Borger, TX 79008

Closure: \$0
Postclosure Care: \$2,331,195

TXD 980626774
ConocoPhillips Company
Borger Refinery
P.O. Box 271
Borger, TX 79008

Closure: \$13,169,534
Postclosure Care: \$5,522,016

TXD 048210645
ConocoPhillips Company
Sweeny Refinery
P. O. Box 866
Sweeny, TX 77480

Closure: \$0
Postclosure Care: \$1,033,213

MTD 006229405
ConocoPhillips Company
Billings Refinery
401 South 23rd Street
Billings, Montana 59101

Closure: \$0
Postclosure Care: \$512,018

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MTD 000818096
ConocoPhillips Company
Billings Land Treatment Unit
401 South 23rd Street
Billings, Montana 59101

Closure: \$66,859
Postclosure Care: \$218,903

WAD 009250366
ConocoPhillips Company
Ferndale Refinery
3901 Unick Road
Ferndale, WA 98248

Closure: \$22,139
Postclosure Care: \$405,446

LAD 990683716
ConocoPhillips Company
Lake Charles Refinery
2200 Old Spanish Trail
Box 37
Westlake, LA 70669

Closure: \$0
Postclosure Care: \$274,902

LAD 056024391
ConocoPhillips Company
Alliance Refinery
P.O. Box 176
Belle Chasse, LA 70037

Closure: \$0
Postclosure Care: \$3,659,180

OKD 007233836
ConocoPhillips Company
Ponca City Refinery
1000 South Pine
P. O. Box 1267
Ponca City, OK 74602

Closure: \$2,549,912
Postclosure Care: \$6,998,799

OKD 000803601
ConocoPhillips Company
Bartlesville Technology Center
130 Research Forum
Bartlesville, OK 74004

Closure: \$1,046,848
Postclosure Care: \$0

NJD 986645984
ConocoPhillips Company
Bayway Refinery
1400 Park Ave.
P.O. Box 222
Linden, NJ 07036

Closure: \$5,091,132
Postclosure Care: \$0

KSD 007162100
ConocoPhillips Company
Kansas City Refinery Property
2029 Fairfax Trfcwy.
Kansas City, KS 66117

Closure: \$0
Postclosure Care: \$191,565

4. The firm identified above is the owner or operator of the following facilities/TTUs for which financial assurance for closure or, if a disposal facility, postclosure care, is not demonstrated either to U.S. Environmental Protection Agency or a State through the financial test or any other financial assurance mechanism as specified in California Code of Regulations, title 22, division 4.5, chapters 14 and 15, article 8 or equivalent or

substantially equivalent State mechanisms. The current closure and/or postclosure cost estimates not covered by such financial assurance are shown for each facility/TTU: None

5. The firm is the owner or operator or guarantor of the following Underground Injection Control facilities for which financial assurance for plugging and abandonment is required under 40 CFR part 144 and is assured through a financial test. The current closure cost estimates as specified in 40 CFR 144.62 are shown for each facility:

AKR 000003806
#AK 11003-A
ConocoPhillips Alaska, Inc.
700 G Street
Anchorage, AK 99570-0360

Plug and Abandon: \$3,527,057

TXD 980626774
UIC WDW-325, WDW-380, WDW-382
ConocoPhillips Company
Borger Refinery
P.O. Box 271
Borger, TX 79008

Plug and Abandon: \$500,324

ConocoPhillips Company
Indian Lands Class II UIC
Argenta Ute
Jicarilla 30 #5

Plug and Abandon: \$89,881

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on December 31, 2006. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements for the latest completed fiscal year, ended December 31, 2006.

This firm is using Alternative II for Part B.

ALTERNATIVE II

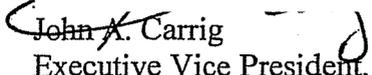
1. Sum of current closure and postclosure cost estimates (Total of all cost estimates shown in the paragraphs of the letter to the Director of the Department of Toxic Substances Control)	\$67,702,364
2. Amount of annual aggregate liability coverage to be demonstrated	\$20,000,000
3. Sum of lines 1 and 2	\$87,702,364
4. Current bond rating of most recent issuance and name of rating service:	A1 Moody's Investors Service
5. Date of issuance of bond:	10-10-2006
6. Date of maturity of bond	10-15-2016
*7. Tangible net worth (if any portion of the closure and post closure cost estimates is included in "total liabilities" on your firm's financial statements, you may add the amount of that portion to this line.)	\$50,207,100,000
*8. Total assets in the United States (required only if less than 90 percent of firm's assets are located in the United States)	\$65,344,180,000
9. Is line 7 at least \$10 million?	Yes
10. Is line 7 at least 6 times line 3?	Yes
*11. Are at least 90 percent of the firm's assets located in the United States? If not, complete line 12.	No
12. Is line 8 at least 6 times line 3?	Yes

Department of Toxic Substance Control
March 20, 2007
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I hereby certify that the wording of this letter is identical to the wording as specified in California Code of Regulations, title 22, section 66264.151, subsection (g) and is being executed in accordance with the requirements of California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8.

CONOCOPHILLIPS

Original signed by


John A. Carrig
Executive Vice President, Finance, and Chief Financial Officer

March 20, 2007

CORPORATE SEAL

Appendix II



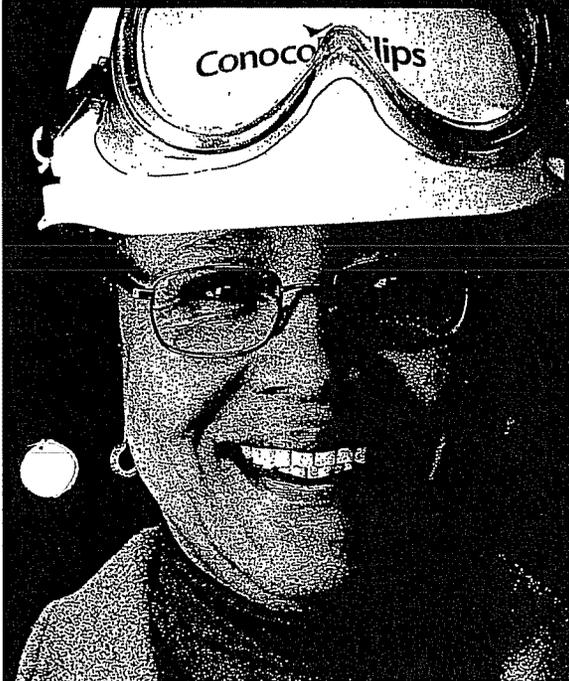
ConocoPhillips

2006 Annual Report

Opportunity



Performance



Value

Appendix III

Independent Registered Public Accounting Firm's Report on Compliance

Management of ConocoPhillips

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of ConocoPhillips (the "Company") as of December 31, 2006, and the related consolidated statements of income, changes in common stockholders' equity, and cash flows for the year then ended, and have issued our report thereon dated February 22, 2007. We expressed an unqualified opinion on the consolidated financial statements and included an explanatory paragraph for the 2006 adoption of Emerging Issues Task Force Issue No. 04-13, "Accounting for Purchases and Sales of Inventory with the Same Counterparty," and the recognition and disclosure provisions of Statement of Financial Accounting Standards No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans – an amendment of FASB Statements No. 87, 88, 106, and 132(R)."

We have read Mr. John A. Carrig's March 20, 2007, letter in support of the use of the financial test to demonstrate financial responsibility for liability coverage and closure and/or postclosure care as specified in California Code of Regulations, Title 22, Division 4.5, Chapter 14 and 15, Article 8, addressed to the California Department of Toxic Substance Control.

In connection with our audit and in accordance with California Code of Regulations, Title 22, Division 4.5, Chapters 14 and 15, Article 8, we recomputed the amount presented in that letter for tangible net worth, listed under the caption Alternative II, Item 7, from amounts included in the audited consolidated financial statements referred to above, we recomputed the amount presented in that letter for total assets in the United States, listed under the caption Alternative II, Item 8, from amounts included in the accounting records which we reconciled to the audited consolidated financial statements and we recomputed the percentage of assets located in the United States by dividing the amount listed under the caption Alternative II, Item 8 by total assets, which we compared to the corresponding amount included in the audited consolidated financial statements referred to above, noting that the recomputed percentage was less than 90%. In connection with these procedures, no matters came to our attention that caused us to believe that the amounts shown in Items 7 and 8 or that the response to Item 11 should be adjusted. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance.

This report is solely intended for the information and use of the Company and the California Department of Toxic Substance Control and is not intended to be and should not be used by anyone other than these specified parties.

Ernst & Young LLP

February 22, 2007

Appendix IV



CORPORATE GUARANTEE FOR CLOSURE OR POSTCLOSURE CARE

Department of Toxic Substances Control
Financial Responsibility Section
8800 Cal Center Drive
Sacramento, California 95826

Guarantee made this March 20, 2007, by ConocoPhillips, a business corporation organized under the laws of the State of Delaware, herein referred to as guarantor, to the Department of Toxic Substances Control (DTSC), obligee, on behalf of our subsidiary ConocoPhillips Company of 600 North Dairy Ashford, Houston, Texas 77079.

This guarantee is made on behalf of the ConocoPhillips Company, which is our subsidiary, to the DTSC.

RECITALS

1. Guarantor meets or exceeds the financial test criteria and agrees to comply with the reporting requirements for guarantors as specified in California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8, section 66264.143, subsection (f), section 66264.145, subsection (f), section 66265.143, subsection (e), and section 66265.145; subsection (e).
2. ConocoPhillips Company owns at least 50 percent of the voting stock of and/or operates the following hazardous waste management facility(ies)/transportable treatment unit(s) (TTU) covered by this guarantee:

EPA I.D. No. CAD009108705
ConocoPhillips Company
San Francisco Refinery
1380 San Pablo Avenue
Rodeo, CA 94572

Closure: \$8,977,948
Post-closure Care: \$2,358,414

EPA I.D. No. CAD980881676
ConocoPhillips Company
Los Angeles Refinery
Carson Plant
1520 East Sepulveda Boulevard
Carson, CA 90745

Closure: \$1,870,095
Post-closure Care: \$3,667,836

EPA I.D. No. CAD008237679
ConocoPhillips Company
Los Angeles Refinery
Wilmington Plant
1660 West Anaheim St.
Wilmington, CA 90744

Closure: \$1,204,539
Post-closure Care: \$2,200,000

EPA I.D. No. CAD000072751
ConocoPhillips Company
Oily Waste Impoundments (OWI)
150 Solano Way
Martinez, CA 94553-1487

Closure: \$0
Post-closure Care (98-NC-005 only): \$212,609

3. "Closure plans" and "postclosure plans" as used below refer to the plans maintained as required by California Code of Regulations, title 22, division 4.5, chapters 14 and 15, article 7, for the closure and postclosure care of facilities/TTU(s) as identified above.

4. For value received from ConocoPhillips Company, guarantor guarantees to DTSC that in the event that ConocoPhillips Company fails to perform closure and postclosure care of the above facility(ies)/TTU(s) in accordance with the closure or postclosure plans and other permit or interim status requirements whenever required to do so, the guarantor shall do so or establish a trust fund as specified in California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8, as applicable, in the name of ConocoPhillips Company in the amount of the current closure or postclosure cost estimates as specified in California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8.

5. Guarantor agrees that if, at any time during or at the end of any fiscal year before the termination of this guarantee, the guarantor fails to meet the financial test criteria, guarantor shall send within 90 days, by certified mail, notice to DTSC and to

ConocoPhillips Company that he or she intends to provide alternate financial assurance as specified in California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8 as applicable, in the name of ConocoPhillips Company. Within 120 days after the end of such fiscal year or other occurrence, the guarantor shall establish such alternate financial assurance unless ConocoPhillips Company has done so.

6. The guarantor agrees to notify DTSC by certified mail of a voluntary or involuntary proceeding under Title 11 (Bankruptcy), United States Code, naming guarantor as debtor within ten (10) days after commencement of the proceeding.

7. Guarantor agrees that within 30 days after being notified by DTSC of a determination that guarantor no longer meets the financial test criteria or that he or she is disallowed from continuing as a guarantor of closure or postclosure care, he or she shall establish alternate financial assurance as specified in California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8, as applicable, in the name of ConocoPhillips Company unless ConocoPhillips Company has done so.

8. Guarantor agrees to remain bound under this guarantee notwithstanding any or all of the following: amendment or modification of the closure or postclosure plan, amendment or modification of the permit, the extension or reduction of the time of performance of closure or postclosure, or any other modification or alteration of an obligation of the owner or operator pursuant to California Code of Regulations, title 22, division 4.5.

9. Guarantor agrees to remain bound under this guarantee for as long as ConocoPhillips Company shall comply with the applicable financial assurance requirements of California Code of Regulations, title 22, division 4.5 for the above listed facilities/TTUs, except as provided in paragraph 10 of this agreement.

10. Guarantor may terminate this guarantee by sending notice by certified mail to DTSC and to ConocoPhillips Company, provided that this guarantee may not be terminated unless and until the ConocoPhillips Company obtains, and DTSC approve(s), alternate closure and/or postclosure care coverage complying with California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8.

11. Guarantor agrees that if ConocoPhillips Company fails to provide alternate financial assurance as specified in California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8, as applicable, and obtain written approval of such assurance from DTSC within 90 days after a notice of cancellation by the guarantor is received by DTSC from guarantor, guarantor shall provide such alternate financial assurance in the name of ConocoPhillips Company.

12. Guarantor expressly waives notice of acceptance of this guarantee by DTSC or by ConocoPhillips Company. Guarantor also expressly waives notice of amendments or modifications of the closure and/or postclosure plan and of amendments or modifications of the facility/TTU permit(s).

The parties hereby certify that the wording of this guarantee is identical to the wording specified in California Code of Regulations, title 22, section 66264.151, subsection (h)(1) and is being executed in accordance with the requirements of California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8.

Effective date: March 20, 2007

Name of guarantor:

CONOCOPHILLIPS

Authorized signature for guarantor
Name of person signing
Title of person signing

Original signed by

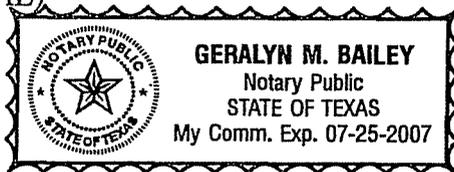
John A. Carrig
Executive Vice President, Finance
and Chief Financial Officer

State of Texas)

County of Harris)

Subscribed and sworn to before me by John A. Carrig this 20th
day of March, 2007.

(SEAL)



Original signed by

Notary Public
My commission expires: July 25, 2007



GUARANTEE FOR LIABILITY COVERAGE

Department of Toxic Substances Control
Financial Responsibility Section
8800 Cal Center Drive
Sacramento, California 95826

Guarantee made by this March 20, 2007, by ConocoPhillips a business corporation organized under the laws of the State of Delaware, herein referred to as guarantor. This guarantee is made on behalf of ConocoPhillips Company of 600 North Dairy Ashford, Houston, Texas, 77079, which is our subsidiary, to any and all third parties who have sustained or may sustain bodily injury or property damage caused by sudden and/or nonsudden accidental occurrences arising from operation of the facility(ies)/transportable treatment unit(s) (TTU) covered by this guarantee.

RECITALS

1. Guarantor meets or exceeds the financial test criteria and agrees to comply with the reporting requirements for guarantors as specified in California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8, sections 66264.147 and 66265.147.
2. ConocoPhillips Company owns or operates the following hazardous waste management facility(ies)/TTU(s) covered by this guarantee:

EPA I.D. No. CAD009108705
ConocoPhillips Company
San Francisco Refinery
1380 San Pablo Avenue
Rodeo, CA 94572

EPA I.D. No. CAD980881676
ConocoPhillips Company
Los Angeles Refinery
Carson Plant
1520 East Sepulveda Boulevard
Carson, CA 90745

EPA I.D. No. CAD008237679
ConocoPhillips Company
Los Angeles Refinery
Wilmington Plant
1660 West Anaheim St.
Wilmington, CA 90744

Department of Toxic Substances Control
Financial Responsibility Section
8800 Cal Center Drive
Sacramento, California 95826
March 20, 2007
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EPA I.D. No. CAD000072751
ConocoPhillips Company
Oily Waste Impoundments (OWI)
150 Solano Way
Martinez, CA 94553-1487

This corporate guarantee satisfies California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8, third-party liability requirements for both sudden and nonsudden accidental occurrences in the above-named owner or operator facility(ies)/TTU(s) for coverage in the amount of \$4,000,000 per facility/TTU per occurrence and \$8,000,000 annual aggregate.

3. For value received from ConocoPhillips Company, guarantor guarantees to any and all third parties who have sustained or may sustain bodily injury or property damage caused by sudden and/or nonsudden accidental occurrences arising from operations of the facility(ies)/TTU(s) covered by this guarantee that in the event that ConocoPhillips Company fails to satisfy a judgment or award based on a determination of liability for bodily injury or property damage to third parties caused by sudden and/or nonsudden accidental occurrences, arising from the operation of the above-named facility(ies)/TTU(s), or fails to pay an amount agreed to in settlement of a claim arising from or alleged to arise from such injury or damage, the guarantor will satisfy such judgment(s), award(s), or settlement agreement(s) up to the limits of coverage identified above.
4. Such obligation does not apply to the following:
 - (a) Bodily injury or property damage for which ConocoPhillips Company is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that ConocoPhillips Company would be obligated to pay in the absence of the contract or agreement.
 - (b) Any obligation of ConocoPhillips Company under a workers' compensation, disability benefits, or unemployment compensation law or any similar laws.
 - (c) Bodily injury to:
 - (1) An employee of ConocoPhillips Company arising from, and in the course of, employment by ConocoPhillips Company; or

- (2) The spouse, child, parent, brother, or sister of that employee as a consequence of, or arising from, and in the course of employment by ConocoPhillips Company. This exclusion applies:
 - (A) Whether ConocoPhillips Company may be liable as an employer or in any other capacity; and
 - (B) To any obligation to share damages with or repay another person who shall pay damages because of the injury to persons identified in paragraphs (A) and (B).
- (d) Bodily injury or property, damages arising out of the ownership, maintenance, use, or entrustment to others of any aircraft, motor vehicle, or watercraft.
- (e) Property damage to:
 - (1) Any property owned, rented, or occupied by ConocoPhillips Company;
 - (2) Premises that are sold, given away, or abandoned by ConocoPhillips Company if the property damage arises out of any part of those premises;
 - (3) Property loaned to ConocoPhillips Company;
 - (4) Personal property in the care, custody, or control of ConocoPhillips Company;
 - (5) That particular part of real property on which the ConocoPhillips Company or any contractor or subcontractors working directly or indirectly on behalf of the ConocoPhillips Company are performing operations, if the property damage arises out of these operations.
- 5. Guarantor agrees that if, at any time during or at the end of any fiscal year before termination of this guarantee, the guarantor fails to meet the financial test criteria, guarantor shall send within ninety (90) days, by certified mail, notice to the Department of Toxic Substances Control (DTSC) and to ConocoPhillips Company that he or she intends to provide alternate liability coverage as specified in California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8, sections 66264.147 and 66265.147, as applicable, in the name of ConocoPhillips Company. Within 90 days after the end of such fiscal year, the guarantor shall establish such liability coverage unless ConocoPhillips Company has done so.
- 6. The guarantor agrees to notify the DTSC by certified mail of a voluntary or involuntary proceeding under Title 11 (Bankruptcy), United States Code, naming guarantor as debtor, within ten (10) days after commencement of the proceedings.

7. Guarantor agrees that within thirty (30) days after being notified by the DTSC of a determination that the guarantor no longer meets the financial test criteria or that he or she is disallowed from continuing as a guarantor, he or she shall establish alternate liability coverage as specified in California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8, sections 66264.147 and 66265.147 in the name of ConocoPhillips Company, unless the ConocoPhillips Company has done so.
8. Guarantor reserves the right to modify this agreement to take into account amendment or modification of the liability requirements set by California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8, sections 66264.147 and 66265.147, provided that such modification shall become effective only if DTSC does not disapprove the modification within thirty (30) days of receipt of notification of the modification.
9. Guarantor agrees to remain bound under this guarantee for so long as ConocoPhillips Company shall comply with the applicable requirements of California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8, sections 66264.147 and 66265.147 for the above-listed facility(ies)/TTU(s), except as provided in paragraph 10 of this agreement.
10. Guarantor may terminate this guarantee by sending notice by certified mail to DTSC, and to ConocoPhillips Company, provided that this guarantee may not be terminated unless and until the ConocoPhillips Company obtains, and DTSC approves alternate liability coverage complying with California Code of Regulations, title 22, division 4.5, chapter 14 and 15, article 8, sections 66264.147 and 66265.147.
11. Guarantor hereby expressly waives notice of acceptance of this guarantee by any party.
12. Guarantor agrees that this guarantee is in addition to and does not affect any other responsibility or liability of the guarantor with respect to the covered facility(ies)/TTU(s).
13. The guarantor shall satisfy a third-party liability claim only on receipt of one of the following documents:
 - (a) Certification from the Principal and the third-party liability claimant(s) that the liability claim should be paid. The certification shall be worded as

Department of Toxic Substances Control
Financial Responsibility Section
8800 Cal Center Drive
Sacramento, California 95826
March 20, 2007
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follows, except that instructions in brackets are to be replaced with the relevant information and the brackets deleted:

CERTIFICATION OF VALID CLAIM

The undersigned, as parties [insert principal name] and [insert name and address of third-party claimant(s)], hereby certify that the claim of bodily injury and/or property damage caused by a [insert "sudden" and/or "nonsudden"] accidental occurrence arising from operating [insert Principal's name and facility type(s) hazardous waste "treatment", "storage" or disposal" facility/transportable treatment unit (TTU)] should be paid in the amount of \$ [insert dollars].

[Signatures]
Principal

(Notary) Date

[Signatures]
Claimant(s)

(Notary) Date

- (b) A valid final court order establishing a judgment against the Principal for bodily injury or property damage caused by sudden or nonsudden accidental occurrences arising from the operation of the Principal's facility/TTU or group of facility(ies)/TTU(s).
14. In the event of combination of this guarantee with another mechanism to meet liability requirements, this guarantee will be considered primary coverage.



LETTER FROM THE CHIEF FINANCIAL OFFICER

March 20, 2007

Continuation of Amended Corporate Guarantee for Liability

Mr. Mukul K. Agarwal
Statewide Compliance Division
California Department of Toxic Substance Control
1011 N. Grandview Avenue
Glendale, CA 91201

Reference: Facilities in California under your jurisdiction:

CAD009108705
ConocoPhillips Company
San Francisco Refinery
1380 San Pablo Ave
Rodeo, CA 94572

CAD 980881676
ConocoPhillips Company
Los Angeles Refinery – Carson Plant
1520 East Sepulveda Boulevard
Carson, CA 90745

CAD 008237679
ConocoPhillips Company
Los Angeles Refinery – Wilmington Plant
1660 West Anaheim St.
Wilmington, CA 90744

CAD 000072751
ConocoPhillips Company
Oily Waste Impoundments (OWI)
150 Solano Way
Martinez, CA 94553

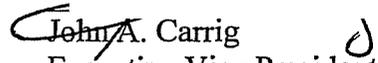
ConocoPhillips issued Guarantee for Liability Coverage (Guarantee) dated July 7, 2005 (effective date March 22, 2005). This guarantee was issued on behalf of ConocoPhillips Company and guarantees financial responsibility for RCRA-regulated third party liability requirements for sudden and/or nonsudden accidental occurrences at the above referenced facilities.

This letter will confirm that this Guarantee continues in force and that there have been no changes in the corporate structure which would affect the validity or require the updating of this Guarantee.

Please direct any questions to Greg Broussard at (832) 379-6431.

Sincerely,

Original signed by

 John A. Carrig
Executive Vice President, Finance and Chief Financial Officer