



Rand H. Swenson
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2010 GNA Committee:

I want to thank you for meeting with Mark Hughes and me on both February 1st and February 20th to discuss several matters involving the refinery and community involvement, engage in further negotiations pursuant to Section VIII(6) of the 1995 Good Neighbor Agreement, and review your proposal for a second Good Neighbor Agreement.

During the February 20th meeting, you presented several specific environmental concerns relating to the fence line monitoring and odors. We have existing working committees between community members and the refinery staff that specialize in these initiatives. I believe that these existing committees are effective and that together we have accomplished a great deal of improvements. We are committed to continuing these dialogues and to incorporate community feedback that can improve our operations and performance.

We seemed to disagree on the effectiveness of our Community Advisory Panel (CAP) in representing the community. The Company and the CAP have had 15 years of working together on a variety of issues. The current CAP meets with us on a monthly basis and serves as an important information conduit between the Company and the communities surrounding the refinery. In addition, ConocoPhillips and the CAP work collaboratively on several important community events that both the Company and the CAP members feel are important. Our local communities are spread out and often have many different viewpoints on a variety of issues. I believe the CAP does try to represent our neighbors as best they can, recognizing that all of them are volunteers. We are committed to continuing to work with the CAP to improve community relations and help with community needs. ConocoPhillips also commits to work with the regulatory agencies to disseminate more information throughout the community, such as the CAER group activities and the existing community warning system highlights.

Section VIII(6) of the 1995 Good Neighbor Agreement

Through various mechanisms at both the corporate and refinery levels, ConocoPhillips provides community funding and outreach, as well as philanthropic programs and charitable giving. As we discussed during our meetings, the Rodeo Refinery has instituted its own community funding that did not exist when the 1995 Good Neighbor Agreement funding program was developed (for example, ConocoPhillips provides funding pursuant to these programs to the John Swett Unified School District). In light of these alternative funding opportunities, ConocoPhillips does not believe that renewal of the funding obligation originally established under Section VIII(6) of the 1995 Good Neighbor Agreement is warranted.

Second Good Neighbor Agreement

We thank you for presenting your proposal for a second Good Neighbor Agreement. After careful consideration, ConocoPhillips does not agree that another Good Neighbor Agreement document is needed. We have worked hard over the last 15 years to improve the operations of the refinery, and as we discussed in our meetings, we are now significantly more regulated than we were in 1995 for both safety and environmental programs. This has come about through a combination of new and strengthened regulations at the Federal, State and County levels. All of these factors illustrate the tremendous, positive changes in the relationship between the refinery, the regulatory agencies, and the community that have happened over the last 15 years.

Thank you again for discussing your concerns and ideas. As Refinery Manager, I am very much interested in improving upon the relationships we have established over the past several years and welcome continuing dialogue with the refinery's neighbors. I look forward to working with all Crockett and Rodeo organizations, and furthering the strong relationship we have already developed with the local School District.

A handwritten signature in cursive script that reads "Rand H. Swenson".

Rand Swenson
Refinery Manager