

ConocoPhillips

Wood River Refinery

NEWS

FALL 2002

ConocoPhillips First Day

On August 30, 2002, history was made when the merger was announced between Conoco Inc. and Phillips Petroleum Company. The U.S. Trade Commission voted 5-0 in favor of the alliance, though shareholders of both companies and other U.S. and foreign regulatory authorities okayed the merger earlier in the year. ConocoPhillips, based in Houston, Texas, is now the third-largest integrated U.S. energy company, and globally it is the sixth-largest publicly held energy company.

Our Wood River plant refines about 280,000 barrels of oil a day, and ConocoPhillips has net proved reserves of 8.7 billion barrels of oil equivalent (BOE), daily oil and natural gas production of

1.7 million BOE, and a refining capacity of 2.6 million barrels per day, with assets of \$75 billion. According to Archie W. Dunham, chairman of the board of ConocoPhillips, "ConocoPhillips combines two successful energy industry pioneers into a global energy company that is focused on providing safe, clean and sustainable energy for the world and exceptional value for our shareholders."



Jim Mulva, President and CEO of ConocoPhillips, provided much vision for the future of ConocoPhillips in his interview with Onstream, the ConocoPhillips publication. He said

that he feels it is important to remember that we are all employees of a new company, and we need to operate without thinking of ourselves as former Phillips or former Conoco employees. He summed up the new outlook of ConocoPhillips best when he said, "Our purpose should be to use our pioneering spirit to provide sustainable energy to the world's growing population. Our values are to operate safely, value all people, conduct ourselves with the utmost integrity, act responsibly and with accountability for our actions, establish an environment that encourages innovation, and work together as a team."

IN THIS ISSUE...

Refinery Manager's Corner	2
ConocoPhillips Gives Back to the Community	3
Blood Drive	3
Management Update at Wood River	3
Maintenance Organization Alignment	4
United Way Campaign	5
Great Godfrey Maze	6
A Splashing Good Time at Raging Rivers	6
Wood River Refinery to the Rescue	7
Norfolk Southern	
2001 Thoroughbred Award	7
Children's Holiday Party Preview	7
Halloween Parades	8
9/11 Tribute	8

By: Herman Seedorf

I could not be more excited to be part of this team. I have already had the opportunity to see the employees at Wood River respond to operational adversity, and have been greatly impressed by the teamwork, commitment, and professionalism. You should be very proud of Wood River Refinery.



What characterizes us here at Wood River is great opportunity. We, as a team, have the opportunity to take a good asset and make it into a great asset. Our collective focus should be to make this refinery "The Best in the Midwest". By the way, I did not coin this very appropriate phrase. I borrowed it from an employee handout here at the refinery in June 2001. However, the objective is both appropriate and doable.

We have already hosted a meeting at Wood River with our new ConocoPhillips Downstream and Commercial organizations to discuss Canadian crude opportunities. The production of Canadian synthetic crudes and blended bitumen is expected to triple in the next 10 to 15 years. To put this into perspective, recoverable reserves are of the same order of magnitude as the proven reserves of Saudi Arabia. Fortunately for us, Wood River is the last big stop on the route of some of the major crude pipelines coming from Canada.

I would expect the heavy sour blended bitumen to be the prime opportunity for Wood River. This will require us to upgrade our capability to handle these types of crudes, in concert with our future need to produce cleaner, more environmentally-friendly transportation fuels. We will be working hard to capture synergies between the Wood River Refinery and the heritage Conoco upstream Canadian interests.

Our ability to focus on these great opportunities depends on how well this refinery runs. It is hard to look to the future, if the present requires all your focus. To you Rams fans - the skilled players are useless if there is not effective "blocking and tackling." That is what we will need to allow these opportunities to progress - effective "blocking and tackling." That means what you have all heard over and over again - running the refinery in a safe, reliable, and environmentally-sensitive manner and with the understanding that we need to be a welcome part of the communities that host us.

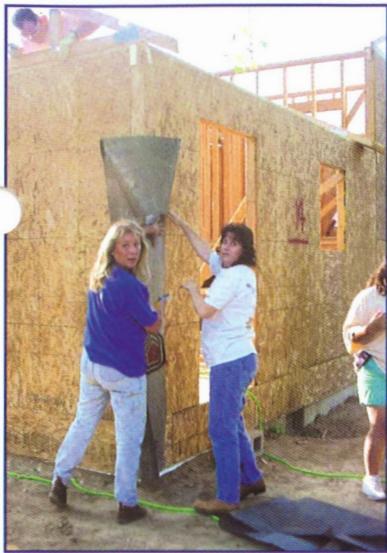
No matter how financially successful we become, there is no true success without a dedicated safety focus. There is no amount of money we can make for the shareholders of ConocoPhillips that will make us feel good if we seriously hurt one of our team members. I know the Wood River team understands this. My safety beliefs include:

Think safety every minute of every day - our chosen business is not forgiving and does not allow us to make many mistakes.

The best way to prevent major injuries is an intense focus on avoiding minor injuries.

Dedication and commitment to religiously following safety rules and procedures - they all have a history and a reason.

I want to thank all of you for making me already feel like a part of this team. I look forward to meeting and talking with every individual at Wood River. As serious as our business is, I also believe it is very important that we enjoy what we are doing and find opportunities to have some fun together. As I begin my tenure at Wood River, I could not be more excited to be a part of this team!



Lesa Hanebrink and Nancy DelVecchio make a great team.

ConocoPhillips Gives Back to the Community

On September 14 and 28, members of the ConocoPhillips team at Wood River Refinery gathered to help build a better life for a single mom and her 5 children. The local Habitat for Humanity, Lewis and Clark chapter, gathered members of the Wood River Refinery, Triad Reclaiming Service, a local law firm and several area churches to build a home in South Roxana, about a half mile from the refinery.

Nationally, Habitat for Humanity has built more than 45,000 homes across the country, and donates the houses at no profit and with no interest charged on mortgage. Locally, ConocoPhillips has donated \$10,000 in the past two years to support Habitat for Humanity, along with several sponsored workdays for employees to get involved in the cause. The house, which will soon be home to an area resident and her 5 children, will be worth \$75,000 when completed, but will have cost under \$40,000 to build, including all supplies and labor donated from area businesses and volunteers.

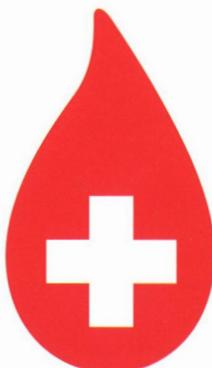
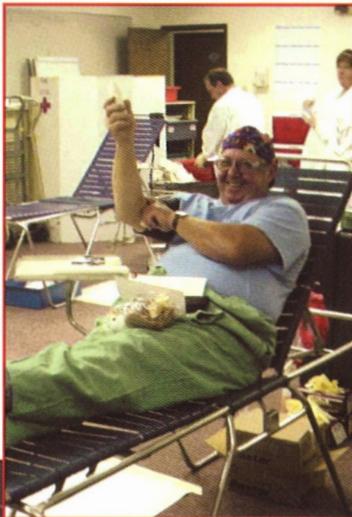
Thank you to Kevin Stuby, unit operator in Aromatics and a board member for Habitat for Humanity, and Mark Allison, Foreign Trade Zone Coordinator, for helping get us involved in this worthwhile cause. Also, thank you to all of our employees who donated their time and labor to completing this house! Your help is truly appreciated and will improve the quality of life for a local mother and her children.



Wood River Refinery employees raise the roof!

Blood Drive

The Wood River Refinery held another Refinery Blood Drive on September 17 in the Fuels Building. The blood drive was a great success with 42 donors showing their support to help fill the critical gaps in the blood supply. Thanks to everyone that participated. The next blood drive will be held on January 9, 2003, from 6 a.m. to 11 a.m. in the Fuels Building.



Management Update at Wood River

Herman Seedorf has been named Wood River Refinery Manager, replacing **Forrest Lauher** who was named Capital Management Manager, Houston.

Pete Stynes, Operations Manager, assumed responsibilities for the Offsites divisions when **David Erfert**, the former Offsites Manager, was named Technical Services Manager, Rodeo.

Rick Schwarz, the former Dispatching Team Leader, is now the Logistics/Dispatching/Environmental Operations Director, a newly created position.

Douglas Kaufman-Dickson has been named Human Resources Manager replacing **Joe Wade** who was named Wholesale Marketing Human Resources Manager for the Eastern Marketing Region.

Gina Nicholson, the former Environmental Director, has been named Health, Safety & Environmental Manager.

Maintenance Organization Alignment:

Maintenance recently organized the department to better focus in five new areas. This change will allow Maintenance to increase its success in meeting refinery business objectives and to better serve our customers. The following paragraphs describe each new area along with the latest developments.

Turnaround Management Team

The Turnaround Management Team is in the process of rebuilding after the loss of several key team members over the past two years. The group has also implemented the Turnaround Excellence Process, which is a collection of best practices including:

- Formation of a Turnaround Steering Committee
- Managing work with milestones or deadlines to insure that key plans, assignments and all other necessary events are developed far enough in advance of the turnaround start date such that the Turnaround Team can create an effective plan.
- Implementing rules and processes to manage and control add-on or discovery work (this includes work that was not on the original work list).
- Identifying roles and responsibilities for every person involved in the process.
- Implementing a strategy for contractor selection and management.

The Turnaround Steering Committee (TASC) has the responsibility to develop and maintain long-term strategy, and to support and drive the Turnaround Excellence Process. The Committee will also charter sub-teams, such as a 5-year planning team, to evaluate and build a 5-year turnaround plan that will balance multiple factors such as seasonal markets, manpower loads, inspection intervals, unit limitations and multi-unit inter-dependencies. The TASC is led by Gerard Jacquin (the T/A Management Team Leader) and the rest of the team is comprised of the Wood River senior managers including the Refinery Manager. The Wood River TASC was chartered in May 2002.

Improvements since the implementation of the Turnaround Excellence Process include three successful boiler turnarounds, all on schedule and under budget. We have also successfully completed a turnaround of the Cat Feed Hydrotreater. However, our biggest challenge will be with a major turnaround in the Spring of 2003, when we plan to execute work totaling \$50 million (approximately \$30 million in expense work and an additional \$20 million in capital work). So far everyone is doing a great job of meeting their milestones and the plan is progressing well!

Procurement, Contracts & Materials Management

The Procurement, Contracts and Materials Control Team will have a modified reporting structure under ConocoPhillips. This group will administratively report to a regional group but will "functionally" continue to support the Wood River Refinery. This is a ConocoPhillips Synergy practice that is designed to provide better service to the field locations and to allow for quick capture of synergies and global sourcing initiatives.

Preventative Maintenance

We recently assigned crews that are exclusively dedicated to PM (preventive maintenance) work. These crews also perform the valuable function of collecting data that is used to evaluate each PM for content and frequency. This information is used to optimize each PM before it is performed. These crews were established in order to get our PM system back on track and to provide a focus forum to evaluate the PM's that we are doing. Ultimately this work will be moved back as an area maintenance responsibility.

Area Maintenance

Area Maintenance Crews (also called KIR or "keep it running") are small skeleton crews that are expected to work closely with operations to keep units running each day. They will also handle the routine "noise" and small jobs that don't require substantial planning. They will also be responsible for some PM's. The concept is that the KIR crews will handle the small and unplanned work to insure that the larger planned

jobs (executed by the "Planned Maintenance" group) are not disrupted and can remain on schedule.

Planned Maintenance

The Planned Maintenance group is focused on larger jobs that are typically multi-discipline in nature and require a more structured, step-by-step, plan to insure safe, efficient & effective execution. This work will be planned by the Maintenance Planning Group, with the work executed by the Shop and Field crews, a group of centralized craftsmen that are dispatched to the job per plan. Each crew will be supervised by a "discipline" field execution supervisor. Again, the customer has one point of contact and a responsible person.

Benefits:

- Efficiency: the ability to complete more work with the same resources.
- One owner for each job (only one person for Operations to communicate with on any single job). This person also provides continuity and coordination of the job from start to finish.
- Turn-key jobs (return the job site to as good or better condition than when Maintenance arrived). Make sure scaffolds are removed and insulation is replaced.
- Dedicated PM crews will get us back on track with PM's, and will ultimately shift us from reactive to preventive work. Will also evaluate the PM's to insure that we are working the right PM's and if we are working them on the correct frequency.
- Quality Work

UNITED WAY CAMPAIGN

Another Successful United Way Campaign

The generosity of the Wood River Refinery employees shined again this year as we wrapped up another successful campaign for the United Way of the Southwest Illinois Division. Historically, the Wood River Refinery has spearheaded one of the largest United Way campaigns in the Southwestern Illinois region. This year was no exception.



Topping out at nine percent over its goal, the Wood River Refinery team helped set the pace for the 2002 United Way campaign. The campaign kicked off on July 23 and 24, and was considered the United Way's Advance Campaign, formerly referred to as a Pacesetter. This means we helped set the standard for what has geared up to be a successful year of donations for the United Way, whose mission is to improve people's lives through fundraising and by mobilizing the caring power of communities. The Wood River Refinery's Advance Campaign wrapped up on August 6 with a total donation of \$136,395.

"The Wood River Refinery employees are good friends to the United Way and, as a whole, are known throughout our area for everything they do," said Judy Kinney, Resource Development Director for the United Way Southwest Division. "The generosity of the refinery's workforce has been consistent throughout the years, not only in their donations to the United Way, but also in their sponsorships and community support."



As former Manager of the Wood River Refinery and a member of the United Way Leadership Team, Forrest Lauher was pleased with the overall success of the campaign and the employees' dedication to the effort. "I am personally moved by the amount of volunteers that gave their time and contributions to the United Way campaign, which is totally driven by the people who truly believe and care about the effort. Thank you to everyone who worked so hard to make this campaign a success."

Congratulations, Graduate!

Tasha Thomas Hazelwood East High School, St. Louis, MO

Tasha is the daughter of Keith Thomas, Maintenance. Tasha was listed as Who's Who Among American High School Students for four years, received The Director's Choice Award for Band and was the Johnetta Haley Scholars Academy Scholarship winner. Tasha plans to be a computer programmer and PC technician after receiving her Bachelor's degree in Computer Science.



GREAT GODFREY MAZE

Employees Have A Bushel of Fun at Family Night

As the leaves start to turn colors of amber and gold and signs of Halloween start popping up, families begin looking for new ways to celebrate the season. To many, nothing conjures up the spirit of the Fall season more than the smell of fresh corn, either freshly harvested corn or piping-hot kettle corn. As a major sponsor of the Great Godfrey Maze, Wood River Refinery employees and their families were brought together at an open house event held on October 9 from 4 to 9 p.m. and found themselves up to their "ears" in good times.

In its third year, the Great Godfrey Maze is a gigantic maze engraved in a seven-acre cornfield in Godfrey. As a salute to America, the Maze was designed to replicate the American Flag set behind the Statue of Liberty. As expected, the evening was full of surprises. The Maze's twists and turns, traps and dead ends, left everyone searching for the "right way" out. Lucky for some, they were smart enough to bring a flash light as the night fell before several made it out of the Maze. Others breezed through and had plenty of time to kick off the season by sampling their first batch of kettle corn of the year.

Thanks to all of the Wood River Refinery employees and their families for helping make the evening bushels of fun for everyone.

Hours of Operation:

Friday	4 p.m. – 9 p.m.
Saturday	10 a.m. – 9 p.m.
Sunday	1 p.m. – dusk

The maze closes for the season on Halloween Night, Oct. 31, 2002.



The Great Godfrey Maze is located at Robert E. Glazebrook Community Park on Stamper Lane 1/2 mile west of Route 67, in Godfrey, Illinois. (Rt 67 three miles North of Alton. Take Rt. 67 into Godfrey. Turn left just past the McDonald's on Stamper Lane Rd. Continue to Glazebrook Park, 1/2 mile from Hwy. 67.) For more information, please call 618-466-1483.

A Splashing Good Time at Raging Rivers

More than 490 ConocoPhillips employees and their families cooled off on July 27, 2002, at the second annual employee outing at Raging Rivers water park in Grafton, Illinois. The event was a great success. Thanks to everyone who participated and helped make the day a splash.



Wood River Refinery to the Rescue

Recently Wood River Refinery became concerned about the safety of bicyclists who use the bike path along the top of the levee behind the refinery dock. The bike path, when it breaks away from the top of the levee, crosses many businesses that enter along access roads. It was evident that the cyclists were often in danger of being hit by cars entering and exiting the businesses along Route 3, and something needed to be done to ensure their safety.

Wood River Refinery, the levee district, and Madison County Transit all put their heads together to come up with a solution. There were also layered audits that were taken to discuss this issue. After much debate and research, the group decided to install two metal gates, about 30 inches apart, on both sides of the access roads. They also ran barricades adjacent to the metal gates. Therefore, both the gates and the barricades force bicyclists to dismount their bikes and walk them across the street, preventing them from riding out into the street at high speeds. Walking their bikes also forces them to slow down and look for cars coming in both directions.

To slow down cars driving through the area, yield signs and speed bumps were installed so oncoming motorists would be forced to recognize any cyclists that may be coming into their path. Thank you to Dan Zipprich, Dan Dona, Larry Forehand, Melissa Erker and all of the operators at the Docks for their work with the levee district and Madison County Transit for coming up with a solution that works best for everyone!

Norfolk Southern 2001 Thoroughbred Award

The Wood River Refinery has been declared a winner by Norfolk Southern Railroad Corporation. The Wood River Refinery, as a member of the three-team Heritage Tosco facilities, has been presented with the 2001 Norfolk Southern Thoroughbred Award for having zero reportable incidents involving the shipment of hazardous materials for all of 2001. The other two Heritage Tosco facilities that were honored are located in Bayway, New Jersey; and Trainer, Pennsylvania. These three facilities were responsible for 15,632 shipments of hazardous materials via Norfolk Southern in 2001, and Wood River was responsible for 11,515 of those shipments, or nearly 75 percent. The award was received in June 2002, when it was presented to Pete Harmon and Kent Ernst here at Wood River by Norfolk Southern account manager Bill Flannigan. Congratulations to everyone at Wood River who is responsible for loading our rail cars to ensure their safety during transit. Thank you for all your hard work!

Children's Holiday Party Preview

Here comes Santa Claus, here comes Santa Claus...right to the River Bend Arena at Lewis and Clark College for the annual Children's Holiday Party! Making a special appearance for all the boys and girls on Santa's list will be Santa and Mrs. Claus, along with some of Santa's special friends. Mark your calendars now for Saturday, December 14, 2002 from 9:00 a.m. until noon. There will also be breakfast provided for all the children and grandchildren of Wood River Refinery employees and retirees, which will include donuts, danishes, bagels, muffins, coffee, milk and juice. We are also hosting a community Christmas drive during the festivities, and your ticket to enter the Holiday Party will be one of the following items: non-perishable food item, new socks, blanket, stocking cap, gloves or mittens.

We hope to see you there!



Service Anniversaries

October
30 Years
Jim Ruehrup

30 Years
Dave Mendoza
Phil Parks
Larry King
Lou Spano
Mike Ramsey

November
1 Year
Ron Hagen
Frank Hahn
Chad Kahrhoff
Brad Klotz
Tom Lawson
Darren McNear
Jeremy Sarti
Matt Schaeffer
Gary Wilson
Carol Hallows
20 Years
Steve Bruns

December
1 Year
Jason Bottjen
Mike Mathiesen
Pam Rush
Shawn Vickers
Lori Saba
Mike Johnson
5 Years
David Suess

HALLOWEEN PARADES

It's that time of year again...chilly temperatures, Halloween costumes, and of course, Halloween parades. This year is no exception, and from October 24 through October 31, Wood River Refinery will once again be participating in five area parades with our fire truck, emergency vehicle, and of course, candy to toss out to the crowds. If you or your family would like to join in the fun, please notify Gwen Baalman, ext. 2216, and specify which parade you would be able to attend.

Thurs., Oct. 24 South Roxana
Halloween Parade
Line-up Time: 5:00 p.m.

Sat., Oct. 26 Wood River
Halloween Parade
Line-up Time: 9:30 a.m.

Sat., Oct. 26 Hartford Halloween Parade
Line-up Time: 12:30 p.m.

Thurs., Oct. 31 Edwardsville
Halloween Parade
Line-up Time: 4:00 p.m.

Thurs., Oct. 31 Alton Halloween Parade
Line-up Time: 5:30-6:30 p.m.



9/11 Tribute:

This tribute to the heroes of September 11th was assembled in the Fuels Building by Maintenance Supervisor Glenn Cooper. It should also serve as a reminder of the selfless commitment to the saving of lives and property that is shared by Glenn and his fellow Emergency Responders at Wood River Refinery. Look around, heroes also walk amongst us.

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WOOD RIVER REFINERY NEWS

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ConocoPhillips Wood River Refinery publishes Wood River Refining News for employees at its Wood River Refinery.

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