

• **Results of Operations**

Year Ended	Millions of Dollars										
	Consolidated Operations										Equity Affiliates
	Alaska	Lower 48	Total U.S.	Canada	Europe	Asia Pacific	Middle East and Africa	Russia and Caspian	Other Areas	Total	
December 31											
2006											
Sales	\$ 6,304	3,408	9,712	2,951	5,950	3,755	1,965	—	140	24,473	5,161
Transfers	210	4,023	4,233	—	2,954	9	542	—	—	7,738	2,821
Other revenues	2	56	58	145	14	(8)	127	—	4	340	108
Total revenues	6,516	7,487	14,003	3,096	8,918	3,756	2,634	—	144	32,551	8,090
Production costs excluding taxes	708	893	1,601	706	814	324	215	—	27	3,687	739
Taxes other than income taxes	914	554	1,468	52	37	91	10	1	30	1,689	3,444
Exploration expenses	105	222	327	246	73	121	44	32	17	860	46
Depreciation, depletion and amortization	460	2,272	2,732	1,155	1,200	512	220	1	21	5,841	461
Property impairments	—	15	15	131	—	10	—	—	19	175	—
Transportation costs	610	555	1,165	104	316	89	18	—	10	1,702	420
Other related expenses	11	44	55	15	87	18	38	43	28	284	52
Accretion	34	36	70	39	97	8	2	—	—	216	6
	3,674	2,896	6,570	648	6,294	2,583	2,087	(77)	(8)	18,097	2,922
Provision for income taxes	1,409	1,064	2,473	(193)	4,578	1,061	1,931	(13)	(7)	9,830	891
Results of operations for producing activities	2,265	1,832	4,097	841	1,716	1,522	156	(64)	(1)	8,267	2,031
Other earnings	68	183	251	191	335	62	32	(4)	(25)	842	133
Net income (loss)	\$ 2,333	2,015	4,348	1,032	2,051	1,584	188	(68)	(26)	9,109	2,164
Results of operations for producing activities of equity affiliates	\$ —	—	—	—	—	—	(6)	1,229	808	—	2,031