



Joanna Wright
Direct Telephone: (403) 231-0579
Direct Facsimile: (403) 231-0157

RECEIVED
MAY 06 2005

April 28, 2005

**Deh Cho Land Use Planning Committee
General Delivery, Fort Providence
Northwest Territories
X0E 0L0**

Attention: Ms. Heidi Wiebe

**VIA FAX (867) 699 3166
"Original to Follow by Mail"**

Dear Ms. Wiebe;

RE: Deh Cho Land Use Plan regional Forum Follow up

After attending the Deh Cho Land Use Plan Regional Forum last month, Anadarko felt it was important to provide you with some of our preliminary comments on the Deh Cho Land Use Plan.

As you are aware, Anadarko Canada Corporation holds third party interests in the Liard Valley of the Deh Cho. We have been active in the development of these interests for the past four years and have spent more than \$150 million to date. We have enjoyed participating in the development of a thriving service sector in the region and look forward to developing further our partnership with the communities in the future.

We would first like to commend the Deh Cho Land Use Planning Committee for their efforts in developing this initial "First Draft" of the Land Use Plan. Given the complex nature of the plan, its importance to the orderly development of the region, and the varying interests of the communities and those of industry, it is clear there was considerable thought and effort made into the development of this first draft.

The following comments, while general in nature, require further detailed discussion to ensure opportunities for growth in an environmentally and economically responsible fashion are realized by both the communities and industry alike:

1. Conservation Emphasis

The plan embodies a clear conservation and environmental protection perspective. Protection of the environment is a core value that Anadarko takes very seriously and our record in the Deh Cho demonstrates this commitment. Further careful consideration of the location and amount of land under full protection or special management must be made. As an industry

Fifth Avenue Place 425 1st Street S.W.
P.O. Box 2595 STN M
CALGARY, AB T2P 4V4
CANADA

General Telephone: (403) 231-0111
General Facsimile: (403) 231-0187

we require large enough areas of land available for development in order to justify investment of capital. Furthermore, as the Deh Cho moves towards self government, resource development will facilitate and contribute to the significant financial needs required to accomplish this goal.

Hydrocarbon Potential

The Committee's review of the hydrocarbon potential for the Deh Cho is good start in its efforts to ascertain the potential for the region for hydrocarbon development based on the available information. However it should be noted that the exploration interests of individual companies vary considerably. Restricting the scope of the exploration potential in the Deh Cho based solely on publicly available reports, limits the development potential of the region.

Paced development

Anadarko Canada is committed to conducting our operations in a manner that fosters Aboriginal participation in a fair and transparent fashion. Through a process that endeavors to build local capacity and develop resources at a community level ensures local participation in the development of the regions natural resources.

Commodity prices in today's environment are extremely robust. This has not and will not always be the case. History has taught our industry that prices can change very quickly and as such can dramatically affect the economics of a project or development. Artificially restricting development can have the opposite effect to the desired outcome should opportunities be missed when the pricing environment affords the orderly development of the natural resources in the region.

Cumulative effects Impact Management

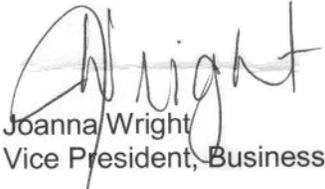
As we understand it, the indicators and thresholds as outlined in Table 8 of the "Draft Land Use Plan" are to be employed as discussion points at this phase of the development of the plan. Extensive consultation with the communities must occur as all factors; environmental, socio-economic, and conservation, must be taken into account in order for proper planning to occur. We believe that there has not been adequate consultation on this point.

We believe that if the Land Use Plan is adopted without modification, our interests as company in the area could be compromised. We suggest very strongly that you carefully consider the implications of the plan on investment and development in the region. As it stands now, limited development opportunities combined with further restrictive regulations, in addition to the already complex and costly regulatory regime, will not only inhibit future investment in the region but also jeopardize our current project economics and viability.

We are supportive of a plan that protects the people and land of the north for generations to come. The Plan should envision what short and long term impacts these decisions will have on the communities of the Deh Cho. We look forward to discussing these issues with you in further detail over the coming months. Anadarko is committed to working with you, the communities, and the government on a process that is in the best interest of the Deh Cho and all Canadians.

Respectfully,

ANADARKO CANADA CORPORATION



Joanna Wright
Vice President, Business Development & Land

Fifth Avenue Place 425 1st Street S.W.
P.O. Box 2595 STN M
CALGARY, AB T2P 4V4
CANADA

General Telephone: (403) 231-0111
General Facsimile: (403) 231-0187