

ROBERT J. ALLISON, JR.  
CHAIRMAN OF THE BOARD

467

December 15, 2003

Via UPS Next Day

The Honorable Jonathan G. Katz  
Secretary  
U.S. Securities and Exchange Commission  
450 Fifth Street, NW  
Washington, DC 20549-0609

Ref: Comments on File No. S7-19-03, "Security Holder Director Nominations"

Dear Mr. Secretary:

I am Chairman of the Board of Directors of Anadarko Petroleum Corporation, a Delaware corporation, with annual revenues of more than \$3 billion and total assets of over \$18 billion. I appreciate the opportunity to respond to the Securities and Exchange Commission ("SEC") proposed rules to increase proxy access by shareholders to nominate directors through company proxy statements.

I agree with Congress, the SEC and the securities markets that corporate boards and management must hold themselves to the highest standards of corporate governance. Anadarko strongly supported the Sarbanes-Oxley Act of 2002 and the efforts of the SEC to implement the Act. The Company and I also supported the New York Stock Exchange corporate governance listing standards, which we believe will foster sound corporate governance and responsiveness and will encourage more transparent business practices. The SEC should allow time for those reforms to work before imposing additional, unproven requirements on issuers.

I am concerned that, under the proposed rules, directors nominated by special interest shareholders will inevitably represent the agendas of those special interest shareholders rather than the interests of all shareholders. This is not good corporate governance. Directors should represent all shareholders and not special interests.

I believe that a contested election is not the best way to select qualified board members. An independent governance committee is best suited to select qualified directors with the unique mix of skills and experience needed to oversee each company.

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The Honorable Jonathan G. Katz

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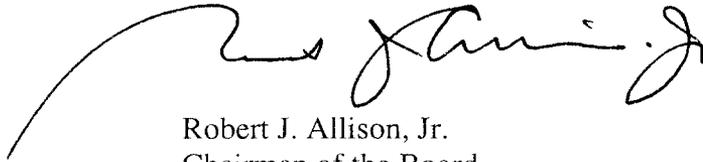
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In addition, the proposed rules go beyond the SEC's stated intent of targeting a small number of unresponsive companies and will impact many U.S. public companies regardless of their corporate governance practices or their responsiveness to shareholders. I am also concerned about the low thresholds for shareholders to submit a proposal to activate access and to nominate directors. These thresholds are too low to justify the cost and substantial disruption of the proxy contests that would result. Even companies that are performing well could face annual election contests. Annual election contests would be distracting and costly and could dissuade qualified individuals from serving as corporate directors.

If the SEC nevertheless concludes that changes in the director election process are necessary, then I believe it is necessary to substantially revise the proposed rules to better target them to non-responsive companies.

Thank you for considering these concerns about the proposed rules. If you would like to discuss these comments or any other issue, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert J. Allison, Jr.", with a long, sweeping underline that extends to the left.

Robert J. Allison, Jr.  
Chairman of the Board

RJA/ml