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CONOCOPHILLIPS
Form 11-K
June 28, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the year ended DECEMBER 31, 2003

OR

TRANSITION REPORT PURSUANT TO 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 333-98681

CONOCOPHILLIPS STORE SAVINGS PLAN
(Full title of the Plan)

CONOCOPHILLIPS
(Name of issuer of securities)

600 NORTH DAIRY ASHFORD
HOUSTON, TEXAS
(Address of principal executive office)

77079
(Zip code)

FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial Statements

Financial statements of the ConocoPhillips Store Savings Plan, filed as a part of this annual report, are listed in the accompanying index.

(b) Exhibits

Exhibit 23 Consent of Independent Registered Public Accounting Firm.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the ConocoPhillips Store Savings Plan Committee has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

CONOCOPHILLIPS
STORE SAVINGS PLAN

/s/ J. W. Sheets

J. W. Sheets
Plan Financial Administrator

June 28, 2004

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AND SCHEDULE

CONOCOPHILLIPS
STORE SAVINGS PLAN

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* Other supplemental schedules required by Section 2520.103-10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA) have been omitted because they are not applicable.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The ConocoPhillips Store Savings Plan Committee
ConocoPhillips Store Savings Plan

We have audited the accompanying statements of net assets available for benefits of the ConocoPhillips Store Savings Plan (Plan) as of December 31, 2003 and 2002, and the related statement of changes in net assets available for benefits for the year ended December 31, 2003. These financial statements are the responsibility of the Store Savings Plan Committee (Committee). Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Committee, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2003 and 2002, and the changes in its net assets available for benefits for the year ended December 31, 2003, in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2003 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Committee. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ ERNST & YOUNG LLP
ERNST & YOUNG LLP

Houston, Texas
June 28, 2004

STATEMENT OF NET ASSETS
AVAILABLE FOR BENEFITS

CONOCOPHILLIPS
STORE SAVINGS PLAN

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	Thousands of Dollars	
At December 31	2003	2002
	-----	-----
ASSETS		
Investments		
Vanguard Funds:		
500 Index Fund	\$ 680	--
Balanced Index Fund	5,038	--
Extended Market Index Fund	734	--
Growth Index Fund	151	--
Prime Money Market Fund	14,718	--
Total Bond Market Index Fund	316	--
Total International Stock Index Fund	2,897	--
Value Index Fund	5,720	--
Plan Interest in Master Trusts		
ConocoPhillips Stock Fund	2,140	--
DuPont Stock Fund	121	--
Stable Value Fund	1,732	--
ConocoPhillips Common Stock	--	1,344
Loans to Plan Participants	1,699	2,087
	-----	-----
	35,946	3,431
Cash	--	27,245
Interest and Dividends Receivable	--	31
	-----	-----
Total Assets	35,946	30,707
	-----	-----
NET ASSETS AVAILABLE FOR BENEFITS	\$35,946	30,707
	=====	=====

See Notes to Financial Statements.

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STATEMENT OF CHANGES IN NET
ASSETS AVAILABLE FOR BENEFITS

CONOCOPHILLIPS
STORE SAVINGS PLAN

Year Ended December 31, 2003	Thousands of Dollars

ADDITIONS	
Contributions	
Participants	\$ 2,302
Rollovers	69

	2,371

Investment Income	
Interest and dividend income	475
Interest on participant loans	114

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Plan interest in Master Trusts	
Stable Value Fund	20
DuPont Stock Fund	13
ConocoPhillips Stock Fund	587
Net appreciation in fair value of investments	2,682

	3,891

Asset transfers in	2,495
Other additions	31

	2,526

Total	8,788

DEDUCTIONS	
Distributions to participants or their beneficiaries	3,267
Asset transfers out	19
Other deductions	262
Administrative expenses	1

Total	3,549

NET CHANGE	5,239
NET ASSETS AVAILABLE FOR BENEFITS	
Beginning of Year	30,707

End of Year	\$ 35,946
	=====

See Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

CONOCOPHILLIPS
STORE SAVINGS PLAN

NOTE 1--PLAN DESCRIPTION

The following description of the ConocoPhillips Store Savings Plan (Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

GENERAL

The Plan was established in 1985 as the Circle K Kash Plus Plan and has been amended and restated at various times since its formation. Effective January 1,

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1998, the Plan was amended to change its name to the Tosco Corporation Store Savings Plan. Effective January 1, 2003, the Plan sponsor, Tosco Corporation, was merged into the ConocoPhillips Company (formerly Phillips Petroleum Company), and the Plan was amended to change its name to the ConocoPhillips Store Savings Plan and ConocoPhillips Company (Sponsor) became the Plan sponsor. On October 3, 2003, the Thrift Plan for Retail Employees of Conoco Inc. merged into the Plan.

The Plan is a defined contribution, 401(k) profit sharing plan. In 2003, the Plan covered substantially all of the retail store and marketing job outlet employees on the payroll of Circle K Stores Inc. and Kayo Oil Company, who have reached the age of 18 and completed one continuous year of employment. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code, as amended by the Tax Reform Act of 1986 and subsequent legislation.

ADMINISTRATION

The Plan is administered by the ConocoPhillips Store Savings Plan Committee (Committee), a Plan Financial Administrator, a Plan Benefits Administrator, and the Chief Financial Officer of ConocoPhillips. The members of the Committee are appointed by the Board of Directors of ConocoPhillips Company. The Plan Financial Administrator and Plan Benefits Administrator are the persons who occupy, respectively, the ConocoPhillips positions of Treasurer and Compensation and Benefits Manager. Members of the Committee and the Plan Administrators serve without compensation, but are reimbursed by the Sponsor for necessary expenditures incurred in the discharge of their duties.

TRUST AGREEMENTS

On January 1, 2003, ConocoPhillips entered into both a Trust Agreement and a Master Trust Agreement with Vanguard Fiduciary

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Trust Company, as Trustee, both were superceded by a Trust Agreement and a Master Trust Agreement dated October 3, 2003. This Master Trust Agreement provides for the administration by the Trustee of the ConocoPhillips Stock Fund. The Trust Agreement provides for the administration of all other assets in the Trust Fund by the Trustee or any Successor Trustee. An additional Master Trust Agreement with the Trustee, effective October 3, 2003, provides for the administration by the Trustee of the DuPont Stock Fund. Effective October 3, 2003, pursuant to a Master Trust Agreement, the custodial trustee for the Stable Value Fund is State Street Bank and Trust Company.

EXPANDED INVESTMENT FUND OPTIONS

The Plan currently includes 11 investment funds, including the Stable Value Fund and the DuPont Stock Fund; however, the DuPont Stock Fund is closed to new investment elections.

CONTRIBUTIONS

In 2003, participants could contribute between 1 and 30 percent of their eligible compensation (up to \$200,000) to the Plan. The maximum participant contribution percentage was previously 20 percent. Earnings on investments held by the Plan in the name of a participant are automatically invested in the respective fund from which the earnings were derived.

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A new Plan provision for 2003 allows participants who reach age 50 or over in 2003 to make catch-up contributions of up to \$2,000 to the Plan. This additional amount will increase by \$1,000 per year through 2006. An annual election is required to make catch-up deposits.

On January 1, 2003, participants in the Thrift Plan for Retail Employees of Conoco Inc. became eligible to participate in the Plan.

PARTICIPANT ACCOUNTS

Each participant's account is credited with the participant's contribution and Plan earnings, and charged with an allocation of investment expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that could be provided from the participant's vested account.

VESTING

Participants were fully vested in their account balances.

LOANS TO PARTICIPANTS

Active employee participants can request a loan from their account in the Plan. In 2003, a loan from the Plan was limited to the lesser of 50 percent of the participant's account balance

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or \$50,000, both adjusted for outstanding loan balances. All interest payments made under the terms of the loan are credited to the participant's account and are not considered general earnings of the Plan. Participants' loans are repaid through payroll deductions. Participant loans are collateralized by the participants' vested account balances. Effective January 1, 2003, the maturity on these loans can not exceed 58 months. Also, participants who transferred from the Conoco Retail Thrift Plan with more than one loan are permitted to continue their loans until paid off.

SHARE ACCOUNTING METHOD FOR COMPANY STOCK

Any shares purchased or sold on any business day are valued at the Participant Transaction Price, which is calculated using the weighted-average price of the ConocoPhillips stock traded on that business day and any carryover impact from the previous trading day.

DISTRIBUTIONS

Benefits under the Plan are payable upon reaching age 59 1/2 or termination, or in the event of total disability or hardship. Effective January 1, 2003, distributions from the Plan are available in lump sums or installment payments. Any whole shares of stock in a participant's stock fund account can be distributed in the form of shares of stock at the participant's discretion. All other amounts, including fractional shares of stock, are distributed to the participant in cash.

Effective as of January 1, 2003, the age at which distributions are deferred to was changed to February 1st of the year following the year the participant reaches 70 1/2. For a surviving spouse, it was changed to the later of December 31st of the year the participant would have reached 70 1/2 or December 31st of the year following the year the participant died.

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Installment distribution options offered under the Conoco Retail Thrift Plan and exercised by a participant were grandfathered into the Plan.

ADMINISTRATION FEES

The Plan pays all reasonable expenses necessary for the operation

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of the Plan, unless such expenses are paid by the Sponsor. Fees paid by the Sponsor are not reflected in the Plan's financial statements.

NOTE 2--SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The Plan's financial statements are presented on the accrual basis of accounting. Distributions to participants or their beneficiaries are recorded when paid.

USE OF ESTIMATES

The preparation of financial statements in conformity with U. S. generally accepted accounting principles requires estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes and schedules. Actual results could differ from the estimates and assumptions used.

NOTE 3--INVESTMENTS

Prior to 2003, participants could designate, in 5 percent increments, the portion of their contributions to be placed in various funds. The percentage was changed to 1 percent effective January 1, 2003. Loan repayments are allocated to these funds based on the participant's current contribution designation.

Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

VALUATION

Common stock and mutual fund securities are valued at fair value, based on their quoted market prices. The Stable Value Fund managed under the ConocoPhillips Company Defined Contribution Plans Master Trust. The assets in this fund include investment contracts and money market instruments. The guaranteed investment contracts are valued at contract value and the money market instruments are valued at amortized cost, both of which approximate fair value. Participant loans are valued at carrying value, which approximates fair value. Purchases and sales of investments are recorded on a trade date basis.

Investment securities are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect participant account balances and the amounts reported in the Statement of Net Assets Available for Benefits.

APPRECIATION

During 2003, the Plan's investments (including gains and losses

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on investments bought and sold, as well as held during the year) appreciated in value as follows:

	Thousands of Dollars -----
Mutual Funds	\$ 2,682 -----
	\$ 2,682 =====

NOTE 4--TAX STATUS

The Internal Revenue Service (IRS) determined on March 23, 2004, that the Plan, as amended and restated as of October 3, 2003, was qualified under Section 401(a) of the Internal Revenue Code of 1986 and the Trust was exempt from federal income tax under Section 501(a).

Subsequent amendments have been adopted, but are not expected to affect the qualified status of the Plan. The Committee is not aware of any activity that would affect the qualified status of the Plan.

NOTE 5--PLAN TERMINATION

Although it has not expressed any intent to do so, the Sponsor has the right under the Plan to terminate the Plan subject to the provisions of ERISA. Upon termination, the Plan's assets would be distributed to the participants, as soon as possible and legally permitted, on the basis of their account balances existing on the date of termination as adjusted for investment gains and losses.

NOTE 6--PARTY-IN-INTEREST TRANSACTIONS

In 2003, certain investments of the Plan were in shares of mutual funds managed by Vanguard. Because Vanguard was the Plan's trustee, these transactions qualify as party-in-interest transactions. In addition, certain Plan investments are in ConocoPhillips common stock. These transactions also qualify as party-in-interest transactions. Additional Plan assets are invested in DuPont Stock. Transactions involving DuPont Stock also qualify as party-in-interest transactions as certain contracts in the Stable Value Fund were managed by DuPont Capital Management during 2003. All of these types of transactions were exempt from the prohibited transaction rules.

NOTE 7--MASTER TRUSTS

Three investment options of the Plan are held in Master Trusts and administered under Master Trust agreements entered into on January 1, 2003. These investment options include the Stable Value Fund, Conoco Phillips Stock Fund, and DuPont Stock Fund.

STABLE VALUE FUND

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The Stable Value Fund option provided by the Plan is also available to participants in the ConocoPhillips Savings Plan.

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Each plan's beneficial interest in the commingled Master Trust funds is based on that plan's proportionate share of the value of the total net assets in the Master Trust. Investment income for each plan is calculated using this same basis. The Plan's proportionate share of Master Trust net assets and investment income was approximately 0.1% as of December 31, 2003.

The Stable Value Fund consisted of "guaranteed investment contracts (GICs), separate account guaranteed investment contracts (SAGICs), synthetic contracts (SYNs), common collective trusts (CCTs)," and short-term investments and cash. The crediting interest rates for the Stable Value Fund's investment contracts ranged from 3.23% to 7.68% as of December 31, 2003. The fund's blended rate of return for 2003 was 5.33%.

The crediting rates for most SAGIC and SYN contracts were reset quarterly and were based on the market value of the underlying portfolio of assets backing these contracts. Inputs used to determine the crediting rate included each contract's portfolio market value, current yield-to-maturity, duration (i.e., the present value of the weighted average life), and market value relative to contract value. All contracts had a guaranteed rate of 0.0% or higher.

The Master Trust (Stable Value Fund) values as of December 31, 2003 were as follows:

	THOUSANDS OF DOLLARS -----
At Contract Value, which approximates fair value:	
GICs	\$ 181,510
SAGICs	183,861
SYNs	1,502,584
CCTs	65,056
At Fair Value:	
Short-term investments and cash	15,951

	\$1,948,962
	=====

The contract values of synthetic guaranteed investment contracts were net of (\$46,176) at December 31, 2003 related to wrapper contracts, which guarantee the contract value of the synthetic guaranteed investment contracts for participant initiated withdrawal events.

	MILLIONS OF DOLLARS -----
Stable Value Fund	

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Years Ended December 31, 2003	
Contributions	17
Net Appreciation	23
Net Realized Gain	1
Asset Transfers In	2,015
Distributions	(42)
Participant Loans	(1)
Asset Transfer Out	(63)

Net Change Beginning of Year	1,950

End of Year	1,950
	=====

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CONOCOPHILLIPS STOCK FUND

The ConocoPhillips Stock Fund is comprised of ConocoPhillips stock held in a Master Trust. This investment option provided by the Plan is also available to participants in the ConocoPhillips Savings Plan and the Retirement Savings Plan of ConocoPhillips Company. Each plan's beneficial interest in the commingled Master Trust funds is based on that plan's proportionate share, determined by participant-directed balances, of the value of the total net assets in the Master Trust. Investment income for each plan is calculated using this same basis. The Plan's proportionate share of Master Trust net assets and investment income was approximately 0.16% as of December 31, 2003.

	Millions of Dollars -----
Conoco Phillips Stock Fund	
Year Ended December 31, 2003	
Contributions	138
Investment Income	5
Net Appreciation	265
Net Realized Gain	65
Asset Transfers In	1,185
Distributions	(106)
Participant Loans	(20)
Asset Transfers Out	(173)

Net Change	1,359
Beginning of Year	-

End of Year	\$1,359
	=====

DUPONT STOCK FUND

The DuPont Stock Fund is comprised of DuPont stock held in a Master Trust. This investment option provided by the Plan is also available to participants in the ConocoPhillips Savings Plan. Each plan's beneficial interest in the commingled

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Master Trust funds is based on that plan's proportionate share of the value of the total net assets in the Master Trust. Investment income for each plan is calculated using this same basis. The Plan's proportionate share of Master Trust net assets and investment income was approximately 0.1% as of December 31, 2003.

	Millions of Dollars -----
DuPont Stock Fund	
Year Ended December 31, 2003	
Investment Income	2
Net Appreciation	28
Net Realized Gain	1
Asset Transfers In	247
Distributions	(4)
Asset Transfers Out	(15)

Net Change	259
Beginning of Year	-

End of Year	\$259
=====	

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SCHEDULE OF ASSETS (HELD AT END OF YEAR)
SCHEDULE H, LINE 4i

CONOCOPHILLIPS
STORE SAVINGS PLAN

At December 31, 2003

(a) (b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	Thousands of Dollars -----	
		(d) Historical Cost	(e) Current Value

Vanguard*	6,623 units, Vanguard 500 Index Fund	**	\$ 680
	275,755 units, Vanguard Balanced Index Fund	**	5,038
	27,524 units, Vanguard Extend Market Index Fund	**	734
	6,056 units, Vanguard Growth Index Fund	**	151
	14,718,150 units, Vanguard Prime Money Market Fund	**	14,718
	30,624 units, Vanguard Total Bond Market Index Fund	**	316

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	272,277 units, Vanguard		
	Total International		
	Stock Index Fund	**	2,897
	301,866 units, Vanguard		
	Value Index Fund	**	5,720
Participants*	Loans to Plan participants	--	1,699

			\$ 31,953
			=====

 *Party-in-interest

**Historical cost information is not required for participant-directed investments.

EXHIBIT INDEX

CONOCOPHILLIPS
 STORE SAVINGS PLAN

EXHIBIT NUMBER	DESCRIPTION
-----	-----
23	Consent of Independent Registered Public Accounting Firm