600 North Dairy Ashford Road
Houston, TX 77079-1175
Media Relations: 281-293-1149
www.conocophillips.com/media

NEWS RELEASE

Dec. 6, 2013

ConocoPhillips Announces 2014 Capital Budget of $16.7 Billion and Affirms Production Growth Target

HOUSTON – ConocoPhillips (NYSE: COP) today announced a 2014 capital expenditures budget of $16.7 billion for continuing operations. Investments during 2014 will target the company's diverse portfolio of global opportunities. Approximately 55 percent of the budget is allocated toward North America and 45 percent toward Europe, Asia Pacific and other international businesses. Highlights of the company's 2014 investment program include:

- Increased investment in the company's successful development drilling programs in the Eagle Ford, Bakken and Permian.
- Higher allocation of capital to Alaska compared to 2013, reflecting increased spending on the CD-5 development and higher activity resulting from improved fiscal terms from the passage of the More Alaska Production Act (SB21).
- Peak spending at the Australia Pacific LNG (APLNG) project and ongoing high levels of spend at Surmont Phase 2 in anticipation of first production from both projects in 2015.
- Increased exploration and appraisal activity in several North American unconventional plays, including the Permian, Niobrara and Duvernay.
- Ramp up in operated conventional exploration drilling programs in the deepwater Gulf of Mexico and Angola.

The company also announced it is on track to achieve its previously stated 2014 annual average production target of approximately 1,600 thousand barrels per day (MBOED) from continuing operations, including 50 MBOED from Libya. The company expects to achieve growth in its Lower 48, Canada, Europe and Asia Pacific regions. Key sources of growth in 2014 include:

- Ramp up of major project startups at Christina Lake Phase E, Ekofisk South, Jasmine, Siakap North-Petai and Gumusut.
- Ongoing production increases from development drilling programs in the Eagle Ford, Bakken and conventional Permian plays.

"2014 is an important year for ConocoPhillips," said Ryan Lance, chairman and chief executive officer. "Since becoming an independent E&P company, we have set out to deliver a unique value proposition of 3 to 5 percent volume and margin growth with a compelling dividend. To position the company for these goals, we generated proceeds of more than $12 billion from the disposition of nonstrategic assets since the start of 2012, while investing in programs to drive future profitable growth. Today, we have an unparalleled inventory of opportunities that will enable us to deliver organic growth from continuing operations in 2014 and beyond. In addition, our planned conventional and unconventional exploration activity should provide opportunities that can keep us on track for sustained growth and returns."

In 2013, the company anticipates utilizing a portion of its cash balance to fully prepay the $2.8 billion joint venture acquisition obligation to its 50 percent owned FCCL business venture. This obligation would have otherwise been paid with interest over the 2014 to 2017 time period.

The capital budget includes funding for base maintenance, development drilling programs, major projects, and exploration and appraisal spending, as well as corporate expenditures. The allocations to these categories are generally consistent with the company's long-term guidance. The key categories of capital spending are as follows:

Base Maintenance
Approximately 13 percent of the capital budget is allocated for maintenance of the company's high-quality legacy base portfolio, including 2014 planned turnarounds.

Development Drilling Programs
Approximately 39 percent of the capital budget is allocated to the company's high-margin development drilling programs, with approximately 90 percent targeted toward North America. Growth from these development drilling programs should account for 600 MBOED of production by 2017 and offsets normal field decline from the company's producing assets.

- Approximately two-thirds of development drilling program funds will be spent in the Lower 48, primarily targeting development in the liquids-rich, unconventional plays in the Eagle Ford, Bakken and Niobrara, as well as conventional and unconventional plays in the Permian.
- The remaining one-third is targeted toward other conventional and unconventional opportunities, mainly in Alaska, Canada, Norway and Western Australia.

Major Projects
Approximately 35 percent of the capital budget is focused on the company's sanctioned major growth projects globally. In line with company expectations, 2014 reflects peak spending for the APLNG project in Australia and ongoing high levels of spend at Surmont Phase 2. Sanctioned major projects are expected to account for 400 MBOED of production by 2017.

- In Canada, activity will continue at Surmont Phase 2, with first production expected in 2015. Through the FCCL business venture there will be ongoing expansion at Foster Creek at phases F, G and H; and Christina Lake Phase F.
- In Europe, investments will focus on Eldfisk II in the Norwegian North Sea, as well as the Britannia Long-term Compression and Clair Ridge developments in the U.K.
- In the Asia Pacific region, capital will primarily be allocated to the APLNG joint venture, which will see peak spending in 2014 in preparation for first LNG expected in mid-2015. Funding will also target offshore developments in Malaysia, including construction at the Kebabangan and Malikai projects.

Exploration and Appraisal
Approximately 13 percent of the capital budget is allocated toward the company's exploration and appraisal program. Approximately 60 percent is allocated toward conventional exploration, with the remaining 40 percent targeting unconventional opportunities.

- In conventional exploration, funding will support an operated drilling program in the Gulf of Mexico, as well as continuing appraisal of several discoveries at Coronado, Shenandoah and Tiber. Internationally, ConocoPhillips will begin its operated drilling program offshore Angola, where a four well program is scheduled to begin in 2014. Drilling is also scheduled to commence offshore Senegal by mid-2014. Additional conventional activity is planned for appraisal drilling in the U.K. at Clair and at Australia's Browse Basin.
- In unconventional exploration, capital will be targeted toward liquids-rich shale plays in the Lower 48 and Canada. Exploration and appraisal activity will focus on the Niobrara and Permian in the Lower 48, and the Canol, Duvernay and Montney plays in Canada. Internationally, unconventional exploration spending will be directed toward Colombia, Poland and China.

ConocoPhillips will provide further details on its 2014 outlook during the upcoming fourth-quarter conference call, currently scheduled for Jan. 30, 2014. Additionally, the company will provide further details on its investment programs at its annual analyst meeting on April 10, 2014 in New York, where representatives from company management will discuss the company's strategic plans for growth and value creation.

--- # # # ---

<u>About ConocoPhillips</u>

ConocoPhillips is the world's largest independent E&P company based on production and proved reserves. Headquartered in Houston, Texas, ConocoPhillips had operations and activities in 29 countries, $55 billion in annualized revenue, $120 billion of total assets, and approximately 18,000 employees as of Sept. 30, 2013. Production from continuing operations averaged 1,511 MBOED for the nine months ended Sept. 30, 2013, and proved reserves were 8.6 billion BOE as of Dec. 31, 2012. For more information, go to *www.conocophillips.com*.

Contacts

Daren Beaudo (media)
281-293-2073
daren.beaudo@conocophillips.com

Sidney J. Bassett (investors)
212-207-1996
sid.bassett@conocophillips.com

Vladimir R. dela Cruz (investors)
212-207-1996
v.r.delacruz@conocophillips.com

CAUTIONARY STATEMENT FOR THE PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This news release contains forward-looking statements. Forward-looking statements relate to future events and anticipated results of operations, business strategies, and other aspects of our operations or operating results. In many cases you can identify forward-looking statements by terminology such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target" and other similar words. However, the absence of these words does not mean that the statements are not forward-looking. Where, in any forward-looking statement, the company expresses an expectation or belief as to future results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, there can be no assurance that such expectation or belief will result or be achieved. The actual results of operations can and will be affected by a variety of risks and other matters including, but not limited to, changes in commodity prices; changes in expected levels of oil and gas reserves or production; operating hazards, drilling risks, unsuccessful exploratory activities; difficulties in developing new products and manufacturing processes; unexpected cost increases; international monetary conditions; potential liability for remedial actions under existing or future environmental regulations; potential liability resulting from pending or future litigation; limited access to capital or significantly higher cost of capital related to illiquidity or uncertainty in the domestic or international financial markets; and general domestic and international economic and political conditions; as well as changes in tax, environmental and other laws applicable to our business. Other factors that could cause actual results to differ materially from those described in the forward-looking statements include other economic, business, competitive and/or regulatory factors affecting our business generally as set forth in our filings with the Securities and Exchange Commission. Unless legally required, ConocoPhillips undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.