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NEWS RELEASE

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First Quarter Alaska Earnings Review

ANCHORAGE, Alaska – In connection with ConocoPhillips' first-quarter 2014 earnings announced earlier today, ConocoPhillips Alaska Inc. (ConocoPhillips Alaska) reported the following 2014 earnings facts for its Alaska business.

As reported in ConocoPhillips' earnings supplemental information, ConocoPhillips Alaska had adjusted earnings of \$598 million in the first-quarter of 2014, up from adjusted earnings of \$555 million in the fourth-quarter of 2013. ConocoPhillips Alaska's first-quarter 2014 production was approximately 5,000 barrels of oil equivalent per day (BOED) lower than the prior quarter, primarily due to normal field decline. During the first-quarter of 2014, ConocoPhillips Alaska incurred an estimated \$876 million in obligations to the state of Alaska and the federal government. Of that amount, an estimated \$570 million was due to Alaska in the form of production taxes, royalties, property taxes and state income tax. ConocoPhillips Alaska's capital expenditures in Alaska are up 37 percent over the prior quarter, and up nearly 60 percent over the same quarter last year.

ConocoPhillips Alaska's first-quarter earnings relative to the fourth quarter of 2013 were negatively affected by lower crude oil production and benefitted from higher crude oil prices and lower production taxes. The decrease in production taxes was caused primarily by a significant increase in capital spending. ConocoPhillips Alaska's capital spending in the first-quarter of 2014 was \$415 million, an increase of \$111 million above fourth-quarter 2013 levels.

"Our first quarter production taxes would have been about the same under the old tax system as under the 2013 More Alaska Production Act," said Bob Heinrich, Vice President of Finance for ConocoPhillips Alaska. "The difference is that the More Alaska Production Act will encourage industry to spend more to increase production, because the new tax law allows the industry to keep a more equitable share of the benefits of higher oil prices."

Since the Alaska legislature passed the More Alaska Production Act in April 2013, ConocoPhillips Alaska added two rigs to its North Slope rig fleet, bringing the total fleet up to six rigs, and announced plans for a new Kuparuk Drill Site (DS-2S), a new development in the National Petroleum Reserve – Alaska (the Greater Mooses Tooth 1 development), and an additional viscous oil development at Kuparuk Drill Site 1H. Collectively, these projects will require estimated capital investments of approximately \$2 billion gross, and could add more than 40,000 BOED of new oil production by 2018.

"The improvement in the Alaska business climate as a result of the More Alaska Production Act makes me optimistic that we will move ahead with our recently announced investment plans," said Trond-Erik Johansen, President of ConocoPhillips Alaska. "Our capital budget for 2014 is \$1.7 billion, which is about \$600 million more than last year, and about double what we spent in 2012. To support our 2014 work program, we have added approximately 1,700 workers in the first quarter. My hope is that Alaska's business climate will continue to encourage industry investments that lead to increased job and business opportunities for Alaskans, more oil production, more state revenue and increased contributions to the Permanent Fund."

ConocoPhillips Alaska also reported the following regarding earnings:

First-Quarter 2014

- ConocoPhillips Alaska estimated Alaska taxes and royalties and federal income tax = \$0.9 billion

- ConocoPhillips Alaska estimated taxes and royalties due to Alaska = \$0.6 billion
- ConocoPhillips Alaska estimated federal taxes = \$0.3 billion
- ConocoPhillips Alaska approximate adjusted earnings = \$0.6 billion

Since 2007, ConocoPhillips Alaska has paid over \$31.5 billion in taxes and royalties to the State of Alaska and the federal government. Of that amount, \$24.1 billion went directly to the State.

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ConocoPhillips has been leading the search for energy in Alaska for more than 50 years. The company is committed to responsibly developing Alaska's resources, providing economic opportunity for Alaska, operating at the highest safety standards and being good stewards of our communities. For more information, visit www.conocophillipsalaska.com.

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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.