



ConocoPhillips

a new class of E&P
INVESTMENT

Barclays CEO Energy Conference

Ryan Lance, Chairman & CEO

Sept. 12, 2013

Cautionary Statement

The following presentation includes forward-looking statements. These statements relate to future events, such as anticipated revenues, earnings, business strategies, competitive position or other aspects of our operations or operating results. Actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict such as oil and gas prices; operational hazards and drilling risks; potential failure to achieve, and potential delays in achieving expected reserves or production levels from existing and future oil and gas development projects; unsuccessful exploratory activities; unexpected cost increases or technical difficulties in constructing, maintaining or modifying company facilities; international monetary conditions and exchange controls; potential liability for remedial actions under existing or future environmental regulations or 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; general domestic and international economic and political conditions, as well as changes in tax, environmental and other laws applicable to ConocoPhillips' business and other economic, business, competitive and/or regulatory factors affecting ConocoPhillips' business generally as set forth in ConocoPhillips' filings with the Securities and Exchange Commission (SEC).

Use of non-GAAP financial information – This presentation includes non-GAAP financial measures, which are included to help facilitate comparison of company operating performance across periods and with peer companies. A reconciliation of these non-GAAP measures to the nearest corresponding GAAP measure is included in the appendix.

Cautionary Note to U.S. Investors – The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves. We use the term "resource" in this presentation that the SEC's guidelines prohibit us from including in filings with the SEC. U.S. investors are urged to consider closely the oil and gas disclosures in our Form 10-K and other reports and filings with the SEC. Copies are available from the SEC and from the ConocoPhillips website.



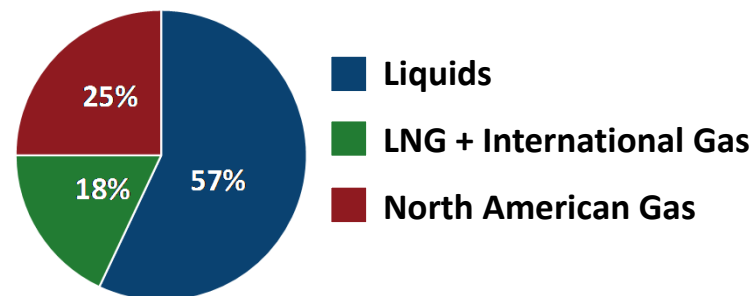
ConocoPhillips: A New Class of E&P Investment

We offer the marketplace a new class of E&P investment. Our goal is to consistently deliver strong, predictable returns to shareholders.

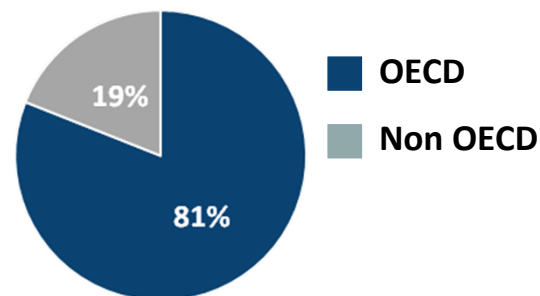
ConocoPhillips: Unmatched as an Independent E&P Today

- ▶ Largest independent E&P company
- ▶ Diverse asset base with scope and scale
 - Multiple sources of growth
 - Positioned in key resource trends globally
- ▶ Significant technical capability
- ▶ Strong balance sheet
- ▶ Commitment to shareholders

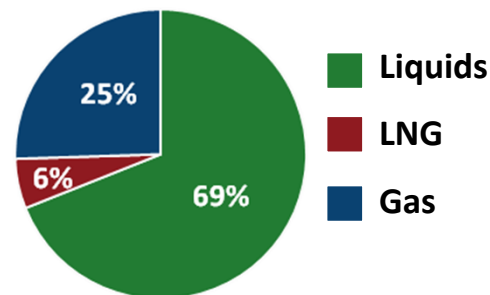
Production: 1,515-1,530 MBOED¹ (2013e)



Proved Reserves: 8.6 BBOE (YE 2012)



Resources: 43 BBOE (YE 2012)



¹ Production from continuing operations.

Largest independent E&P based on production and proved reserves.

Natural gas production and resources targeted toward liquefied natural gas depicted as LNG.

Our Strategy is Aligned with Our View of the Environment

➤ Diversification, scale and capability are a competitive advantage

➤ Disciplined investment strategy

- Focus on organic growth
- Invest in high-margin programs and projects
- Apply technical capability
- Maintain financial flexibility
- Divest nonstrategic assets
- Prune and rebalance portfolio



➤ Goal to have options and choices

What Will We Deliver?



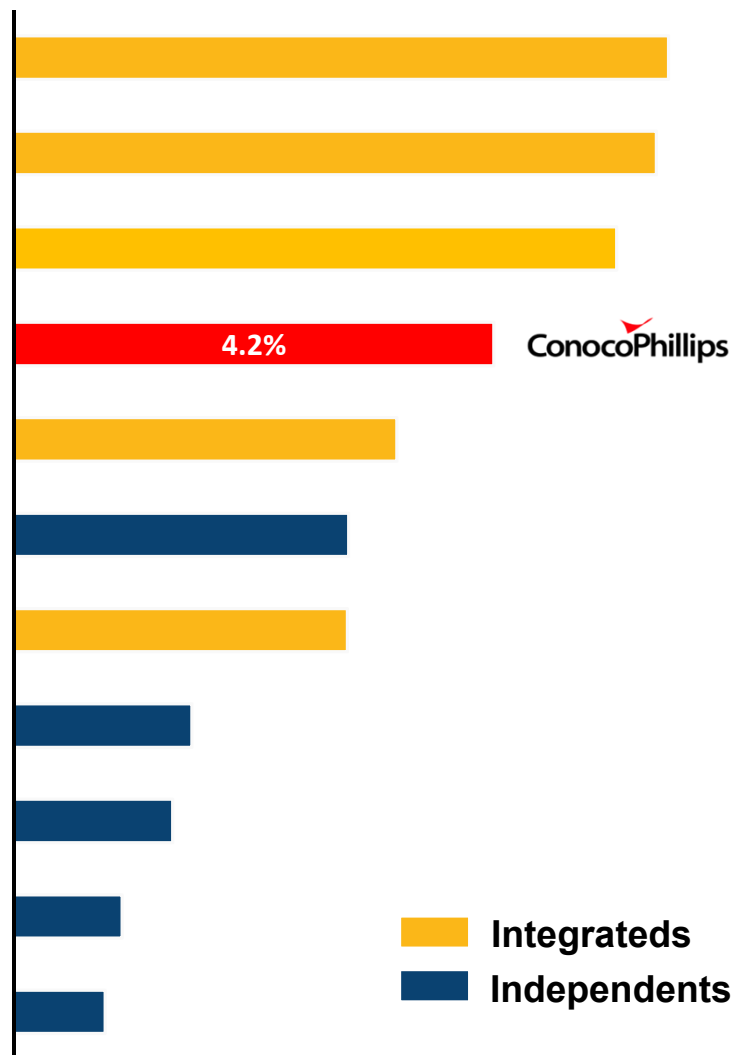
- Relentless focus on safety and execution
- Compelling dividend
- 3 – 5% production growth rate
- 3 – 5% margin growth rate
- Ongoing priority to improve financial returns

Production and margin reflect compound annual growth rates.

A Compelling Dividend is Key to Our Value Proposition

- Highest priority use of cash flow
- Enhances capital discipline
- Predictable portion of shareholder returns
- Differential compared to range of peers
- 4.5 percent increase in July 2013; targeting consistent increases

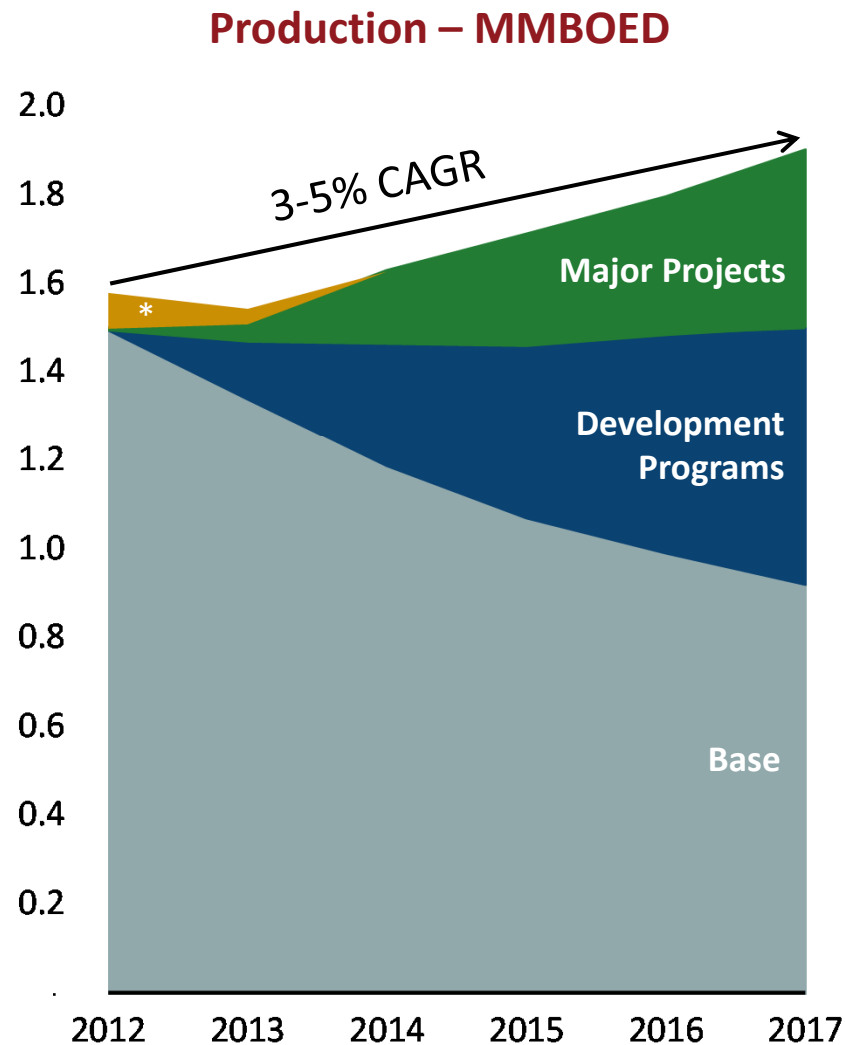
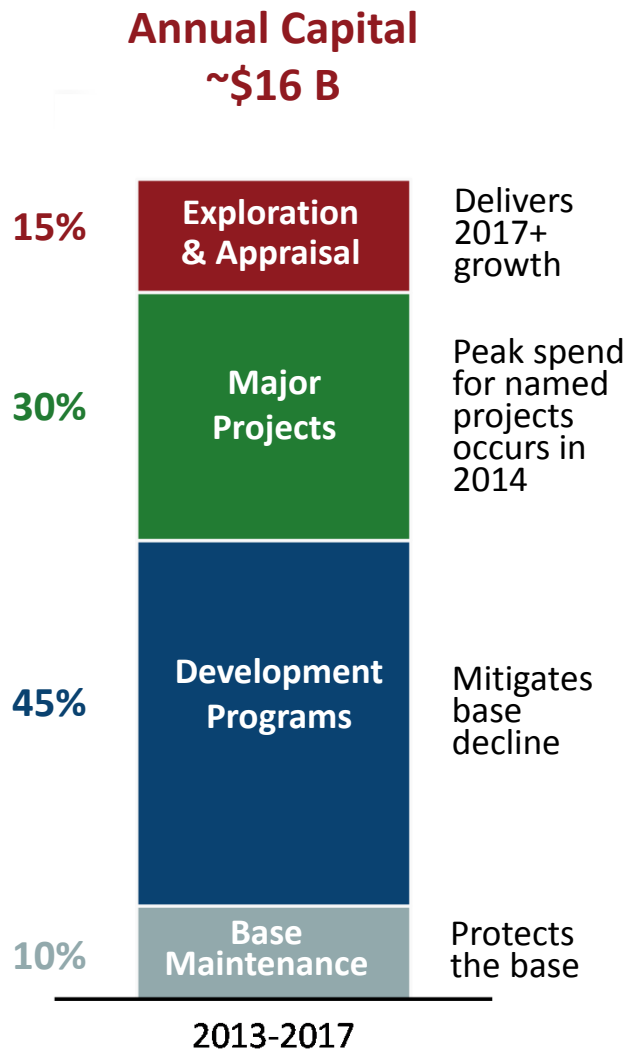
Dividend Yield¹



¹ Dividend yield as of Aug. 30, 2013.

Peers include: APA, APC, BG, BP, CVX, DVN, OXY, RDS, TOT, XOM.

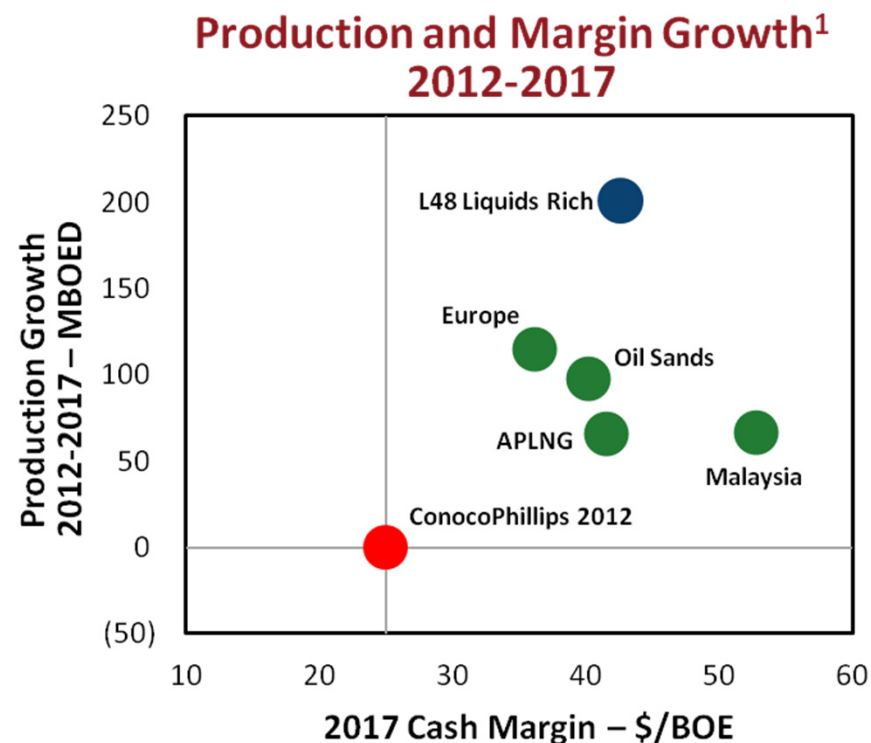
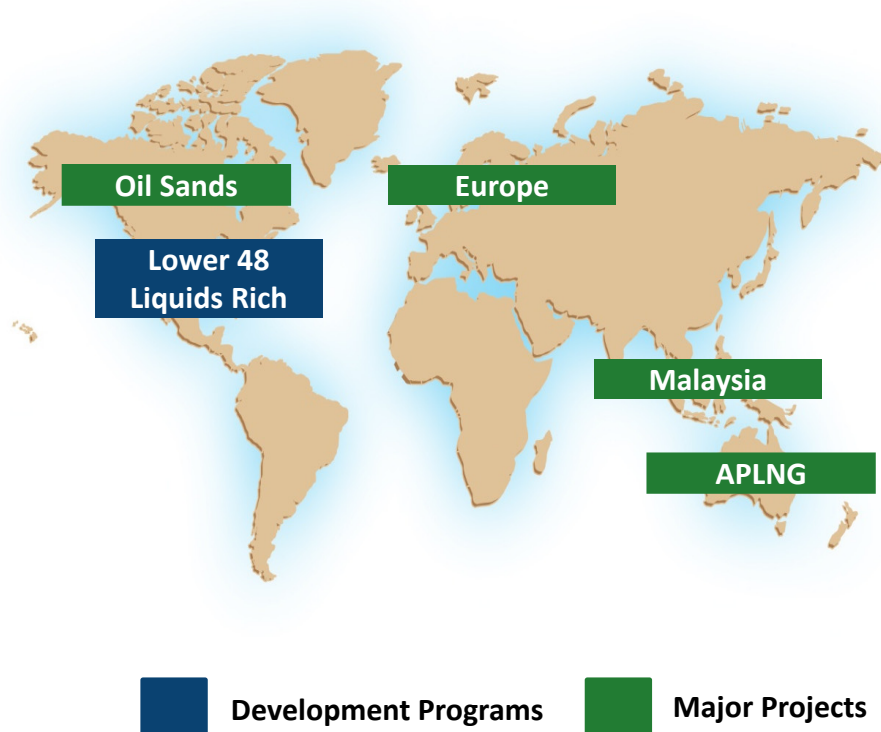
Commitment to Capital Discipline and Growth



* Reflects production from 2012-2013 closed and announced dispositions.

Our Commitment to Margin Improvement

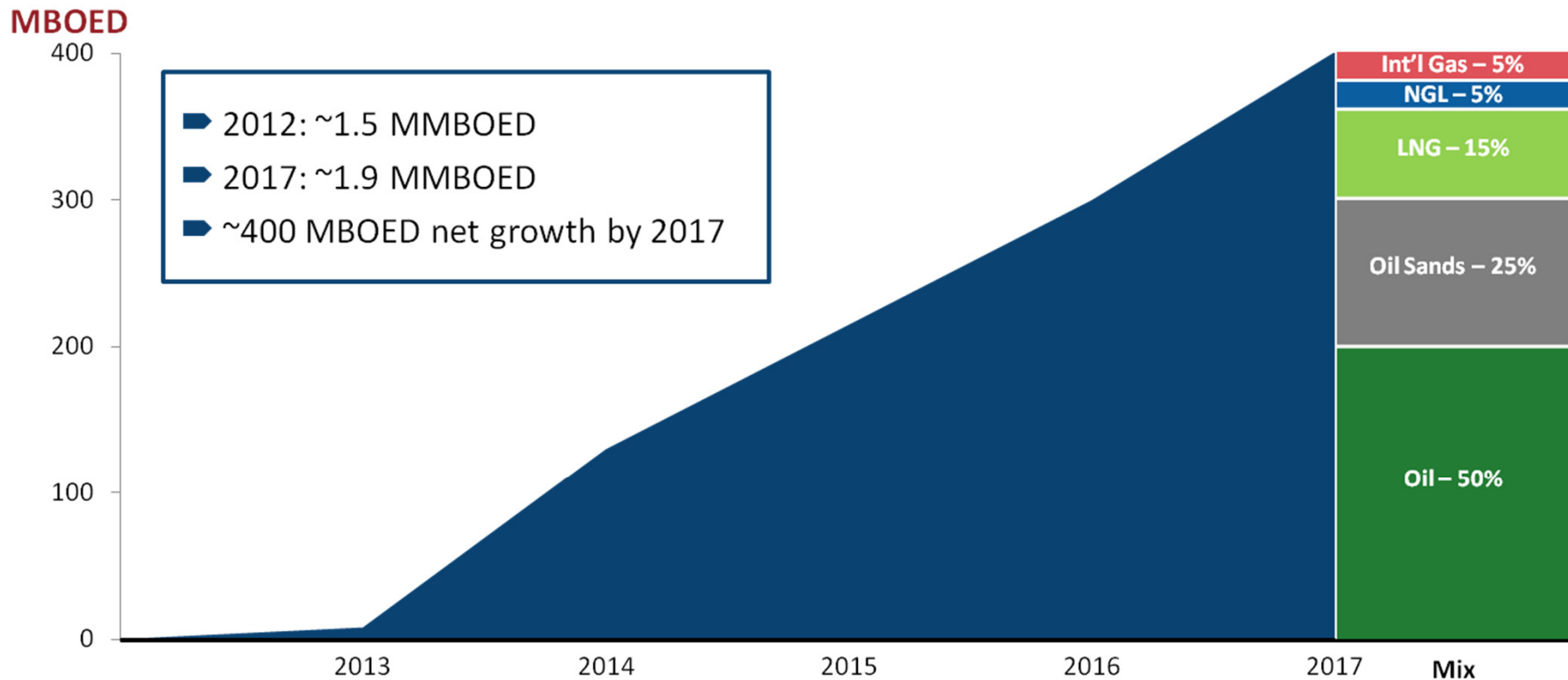
- Five significant areas ramping up between 2012-2017
- Incremental growth comes from high-margin investments
- Lower-risk geographies and geologies; diversified plays



¹ Based on 2013 real prices of \$100 Brent / \$90 WTI / \$70 WCS / \$3.50 Henry Hub. Assumes partial sell down of APLNG and oil sands interests.

Margin Improvement from Strong Growth and Mix Shift

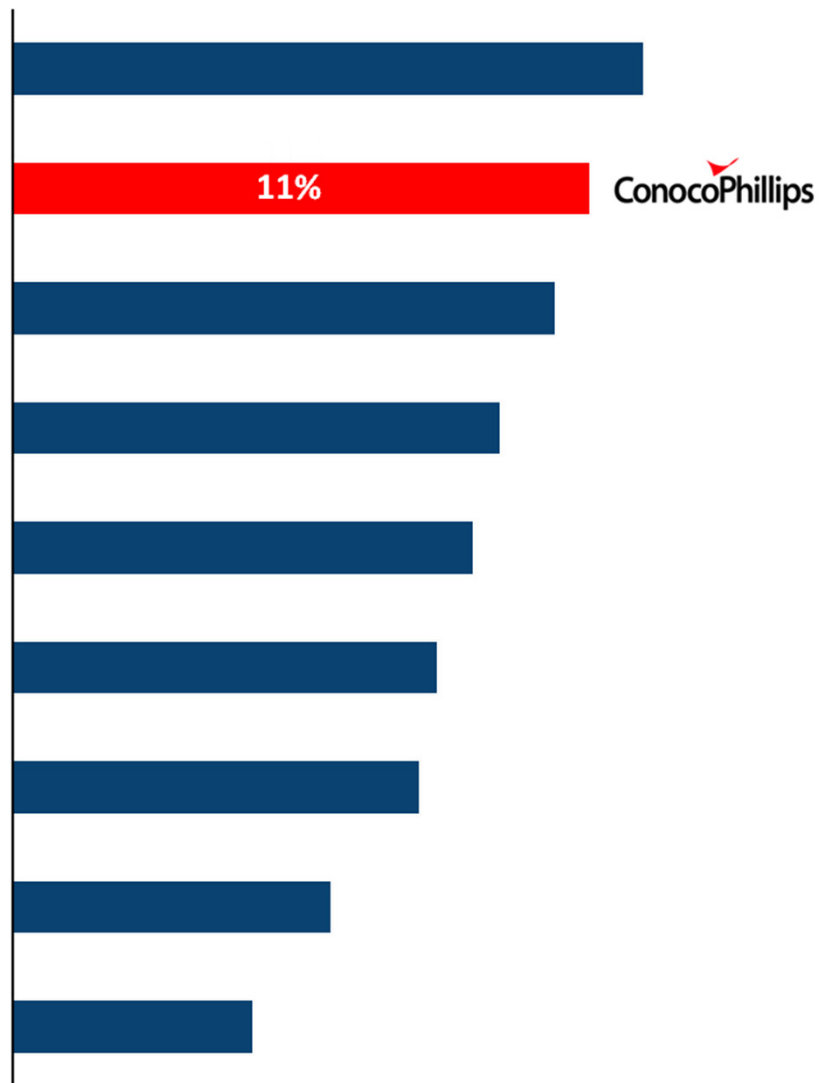
- Investment strategy drives strong organic growth
- Visible growth by end of 2013
- High-margin growth creates ~\$6 B of incremental cash flow
 - \$40-\$45 per BOE average cash margin¹
 - Liquids growth from areas with lower tax rates



¹ Based on 2013 real prices of \$100 Brent / \$90 WTI / \$70 WCS / \$3.50 Henry Hub. Assumes partial sell down of APLNG and oil sands interests.

Focused on Continuously Improving Returns

2012 ROCE Compared to Independent E&Ps



- Ongoing focus on cost structure and efficiency
- Asset divestitures improve portfolio returns
- Short-term returns impacted by capital investments in major projects
- High-margin growth improves long-term returns performance

High-Quality Legacy Base Production and Capability

BASE

DEVELOPMENT PROGRAMS

MAJOR PROJECTS

EXPLORATION

- ▶ Focused on systematic Operations Excellence programs to mitigate risk, improve production efficiency and preserve value:
 - Asset and operating integrity
 - Planning and scheduling
 - Maintenance and reliability
 - Surveillance and optimization



- ▶ Low declines in high-margin oil and high-liquid yield legacy assets
- ▶ Higher declines in low-margin, dry gas assets
- ▶ Development programs mitigate base decline

High-Margin Worldwide Development Program Inventory

BASE

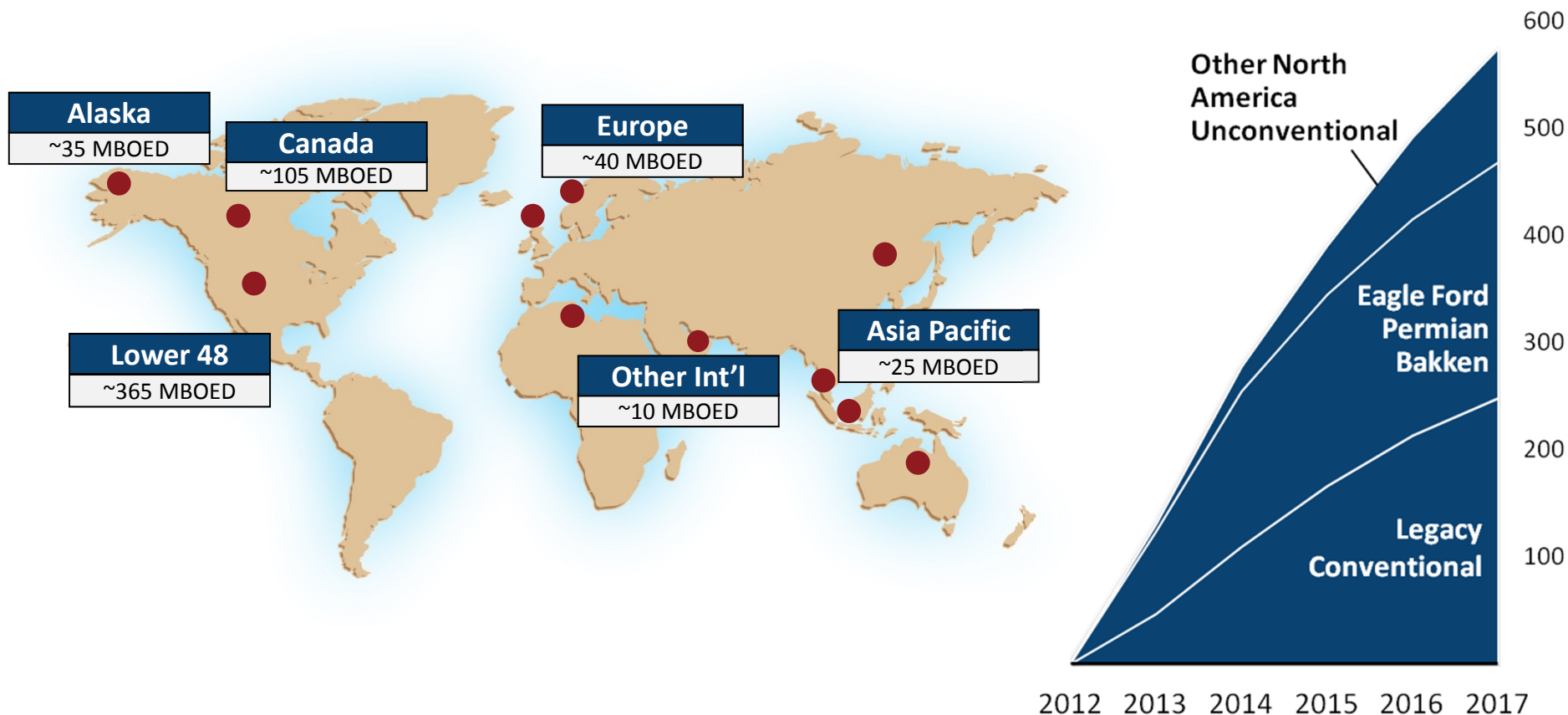
DEVELOPMENT PROGRAMS

MAJOR PROJECTS

EXPLORATION

- ▶ Development programs will account for ~600 MBOED by 2017
- ▶ >60% of production growth from high-impact Lower 48 programs

Development Program Growth (2012-2017) MBOED



Permian Conventional: Decades of Legacy Field Inventory

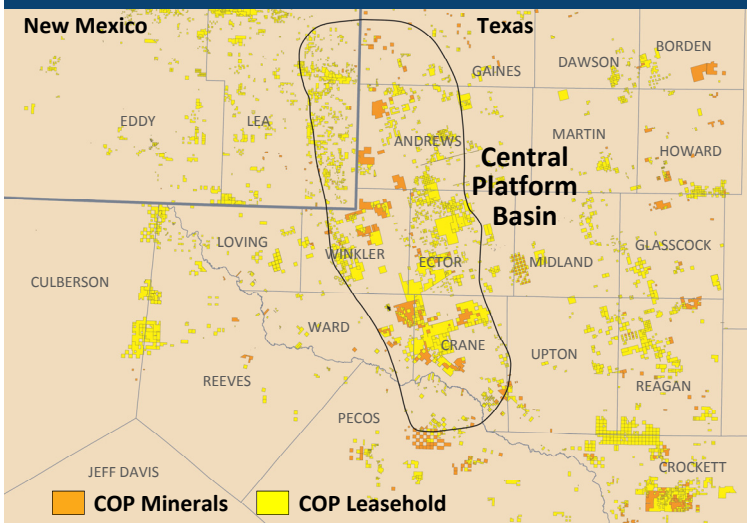
BASE

DEVELOPMENT PROGRAMS

MAJOR PROJECTS

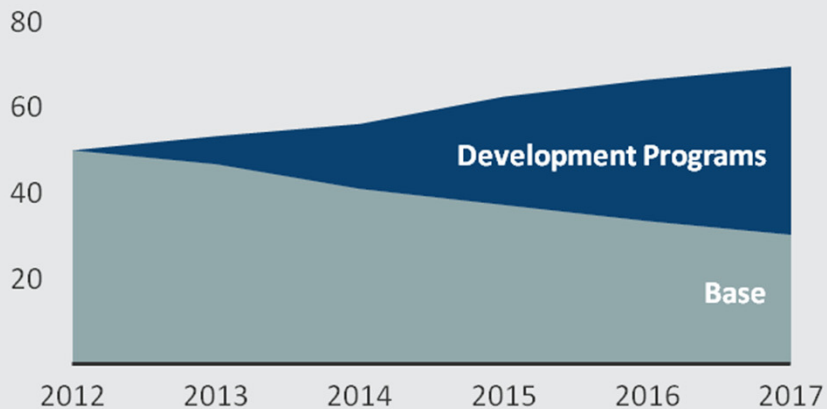
EXPLORATION

Permian Basin

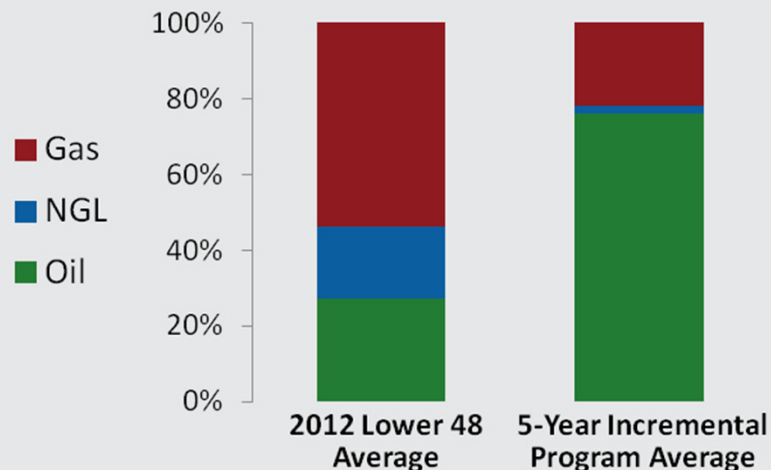


- 5-year investment: ~\$3 B
- Incremental F&D: ~\$15/BOE
- ~1 MM net acres; 0.8 BBOE resource
- Infill drilling and waterflood expansion
- Adds ~40 MBOED by 2017
- Results in ~7% CAGR through 2017

Base and Development Program Production – MBOED



Product Mix – % BOE



Bakken: Growth from Development in Heart of Trend

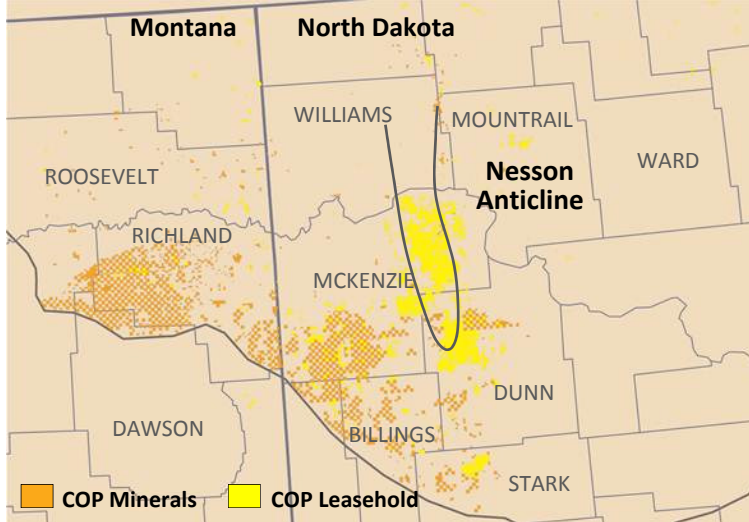
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DEVELOPMENT PROGRAMS

MAJOR PROJECTS

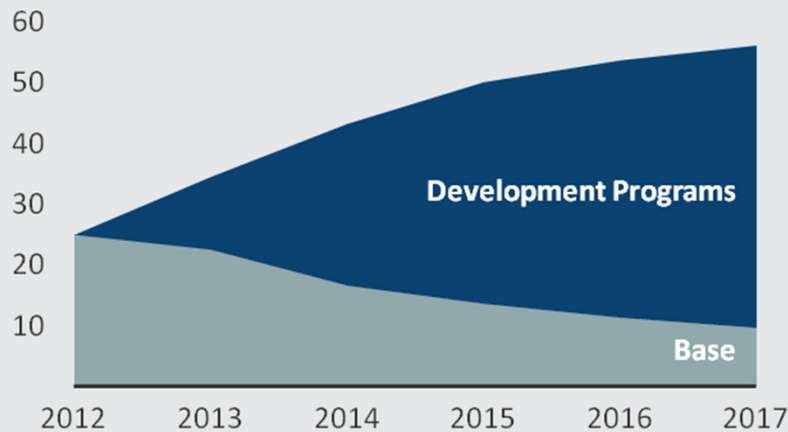
EXPLORATION

Bakken

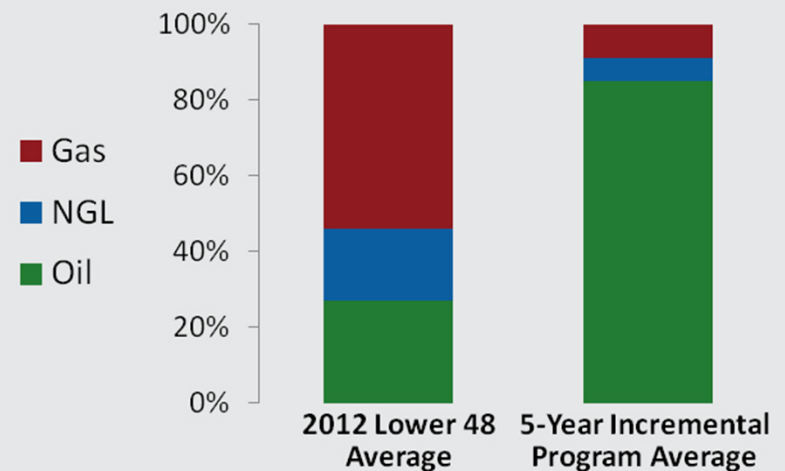


- 5-year investment: ~\$4 B
- Incremental F&D: ~\$20/BOE
- 626 M net acres¹; 0.6 BBOE resource
- >1,400 identified drilling locations
- Top-quartile initial production rates²
- Adds ~45 MBOED by 2017
- Results in ~18% CAGR through 2017

Base and Development Program Production – MBOED



Product Mix – % BOE



¹ 207 M net lease acres and 419 M net mineral acres.

² Source: IHS Enerdeq.

Eagle Ford: Nearing Full Field Development Phase

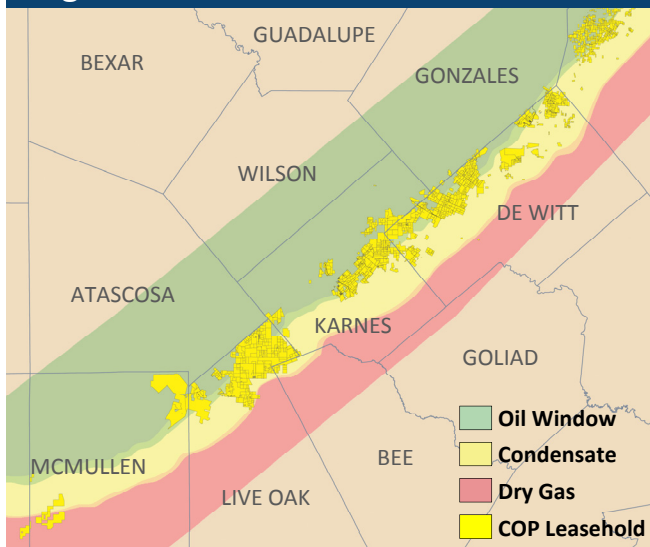
BASE

DEVELOPMENT PROGRAMS

MAJOR PROJECTS

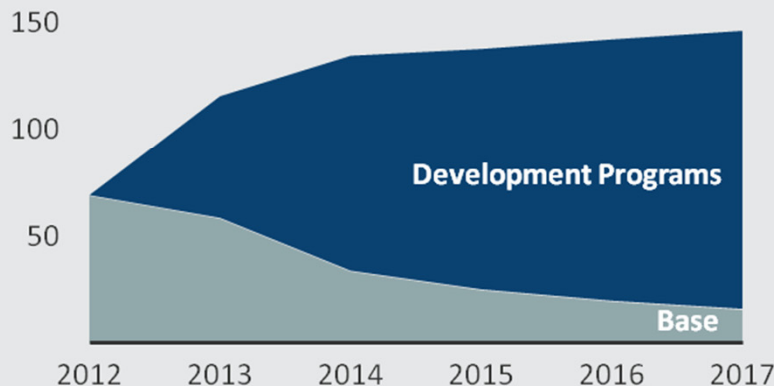
EXPLORATION

Eagle Ford

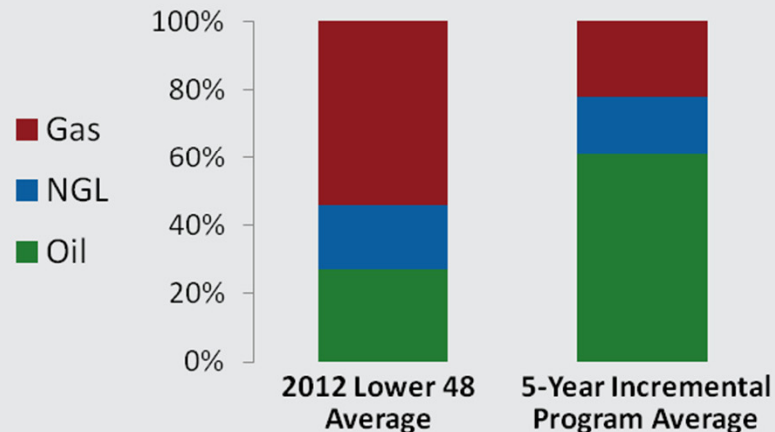


- 5-year investment: ~\$8 B
- Incremental F&D: ~\$20/BOE
- 227 M net acres; 1.8 BBOE resource
- Highest-quality position in sweet spot, acquired at \$300/acre
- >1,900 identified drilling locations
- Adds ~130 MBOED by 2017
- Results in ~16% CAGR through 2017

Base and Development Program Production – MBOED



Product Mix – % BOE



Unconventional Reservoirs: Sweet Spot Identification

BASE

DEVELOPMENT PROGRAMS

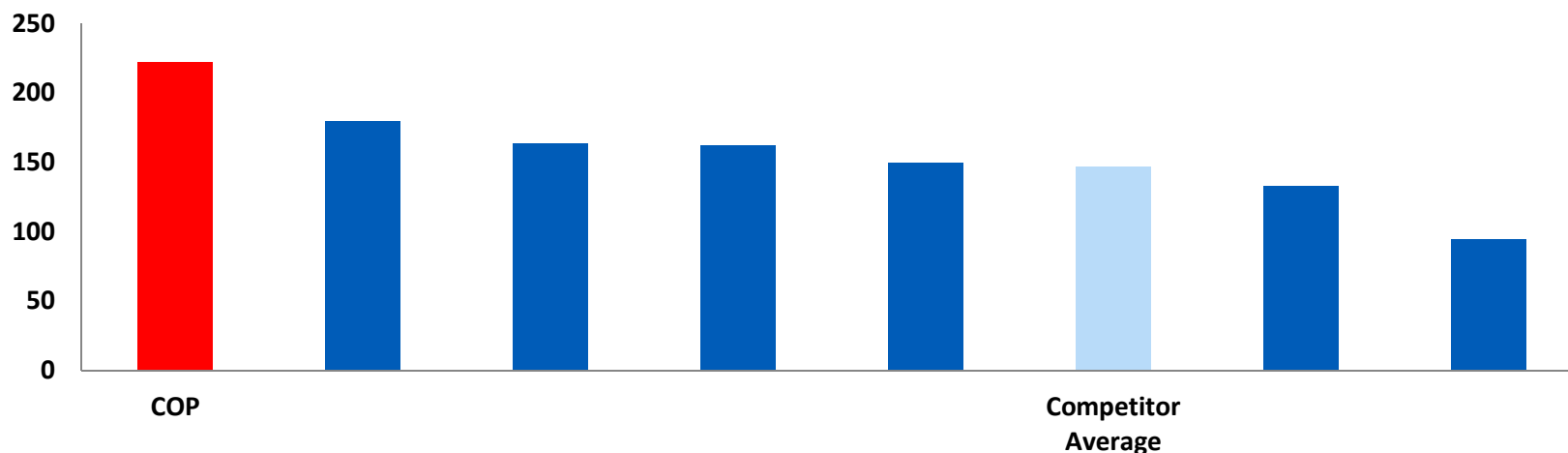
MAJOR PROJECTS

EXPLORATION

Early mover in best parts of plays yields best-in-class results

- ▶ Multi-disciplinary approach
- ▶ Eagle Ford, Bakken and Permian successful outcomes
- ▶ Securing additional liquids-rich sweet spots

Eagle Ford Competitors – Average Oil Rate per Well (BD)¹



	Total Production (BOED)	Avg. Well Count	Total Production per Well (BOED)	% Oil	Oil Production per Well (BD)
COP	118,000	350	337	69%	233
Competitor Average	117,000	473	247	62%	153

¹ Source: 1Q13 gross 2-stream data from IHS for APC, BHP, CHK, COP, EOG, MRO and PXD.

High-Margin Major Growth Projects in Execution

BASE

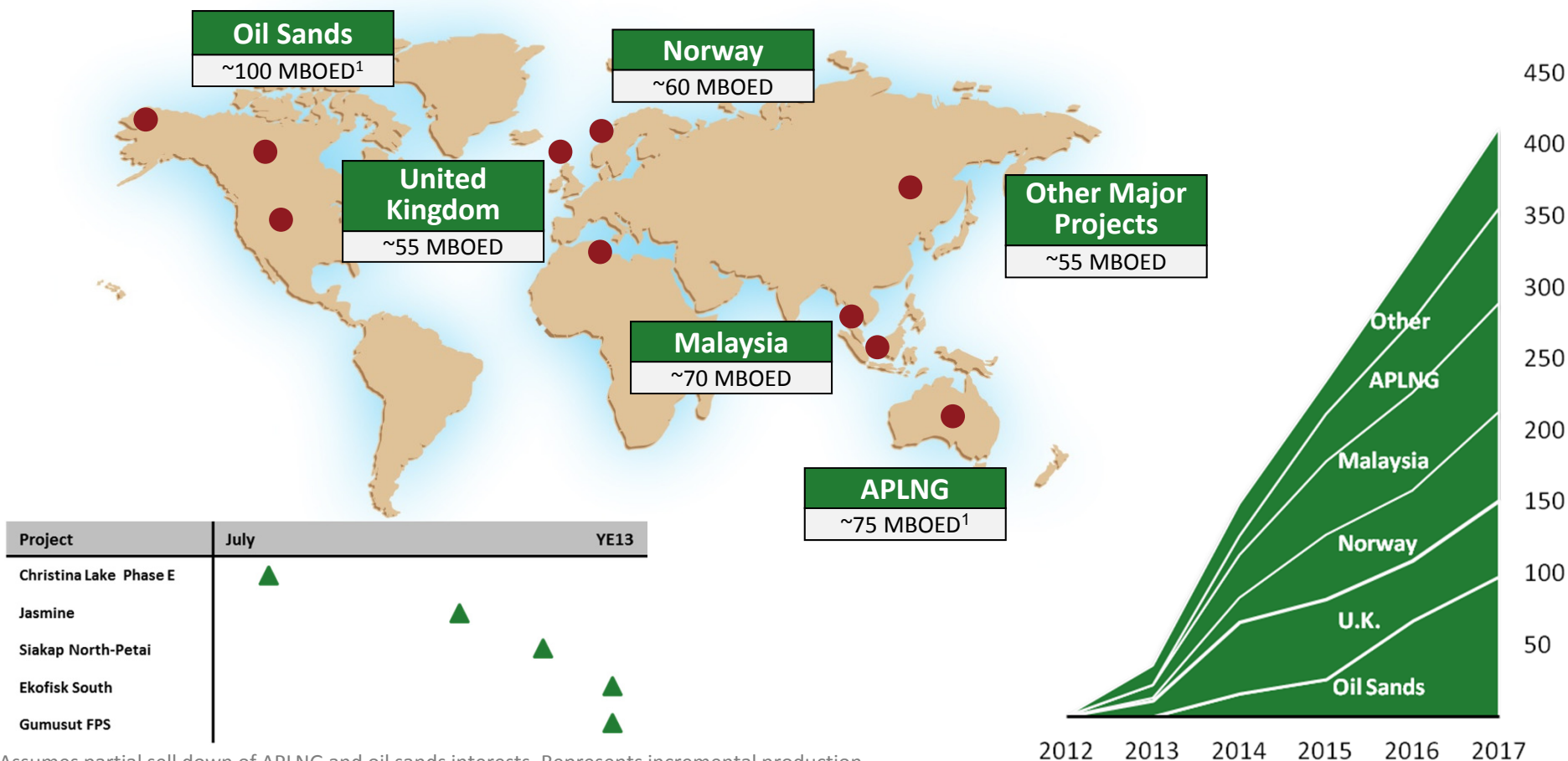
DEVELOPMENT PROGRAMS

MAJOR PROJECTS

EXPLORATION

- Major projects will account for ~400 MBOED by 2017
- Lower-risk geographies and geologies; diversified market exposure

Major Projects Growth (2012-2017) MBOED



¹ Assumes partial sell down of APLNG and oil sands interests. Represents incremental production.

Oil Sands: Significant Growth from Projects in Execution

BASE

DEVELOPMENT PROGRAMS

MAJOR PROJECTS

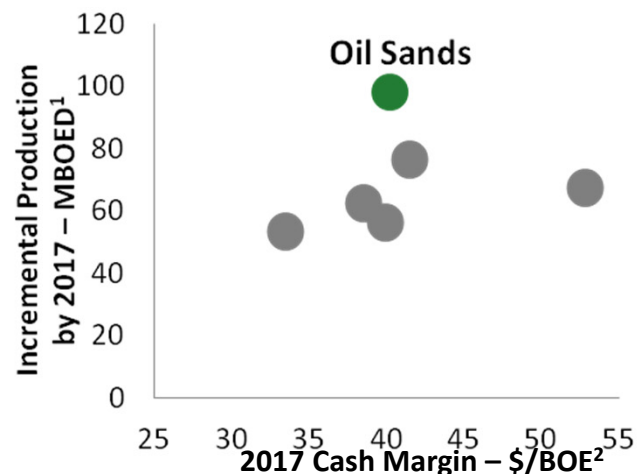
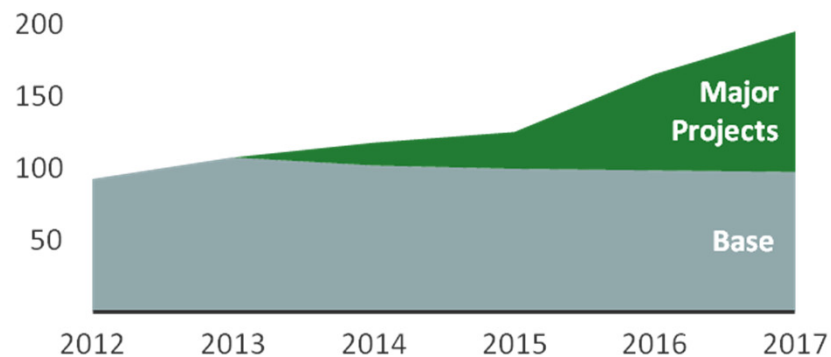
EXPLORATION

Christina Lake



- ▶ 5-year investment: ~\$5 B¹
- ▶ Full-cycle F&D: ~\$15/BOE
- ▶ Surmont Phase 2 first steam in 2015
- ▶ FCCL: Executing projects at Foster Creek, Christina Lake and Narrows Lake
- ▶ Employing new technologies to improve efficiency and cost of supply
- ▶ Total oil sands ~16% CAGR

Base and Major Projects Production – MBOED¹



¹ Assumes partial sell down of oil sands interests.

² Based on 2013 real prices of \$100 Brent / \$90 WTI / \$70 WCS / \$3.50 Henry Hub; equity affiliates shown on a proportionally consolidated basis.

United Kingdom: Strong Production Growth from Projects

BASE

DEVELOPMENT PROGRAMS

MAJOR PROJECTS

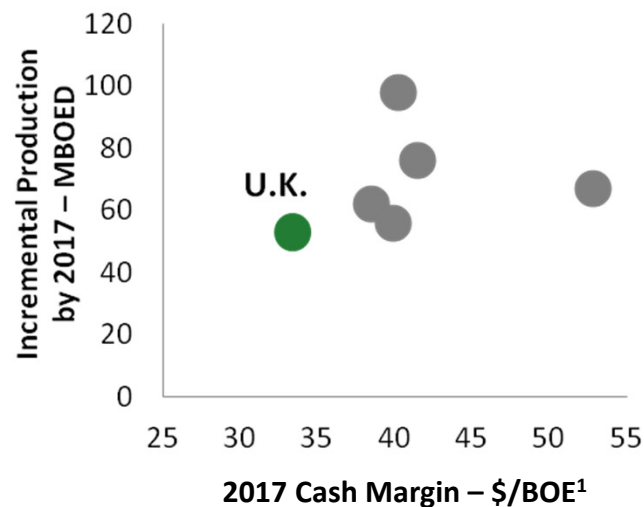
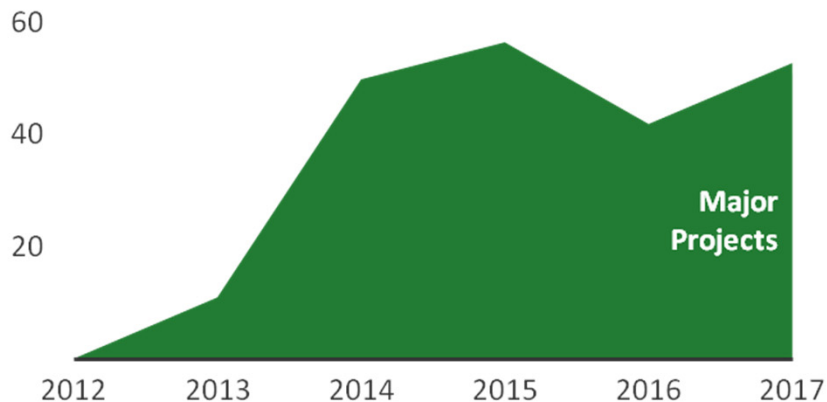
EXPLORATION

Jasmine



- 5-year investment: ~\$2.5 B
- Full-cycle F&D: ~\$20/BOE
- Jasmine: Largest recent discovery in U.K. sector; on track for late-4Q startup
- High-value exploration opportunities can be tested from Jasmine platform
- Additional projects include: Britannia satellite developments and compression project, East Irish Sea developments and Clair Ridge

Major Projects Incremental Production – MBOED



¹ Based on 2013 real prices of \$100 Brent / \$90 WTI / \$70 WCS / \$3.50 Henry Hub.

Norway: Major Projects Drive Another 40 Years of Production

BASE

DEVELOPMENT PROGRAMS

MAJOR PROJECTS

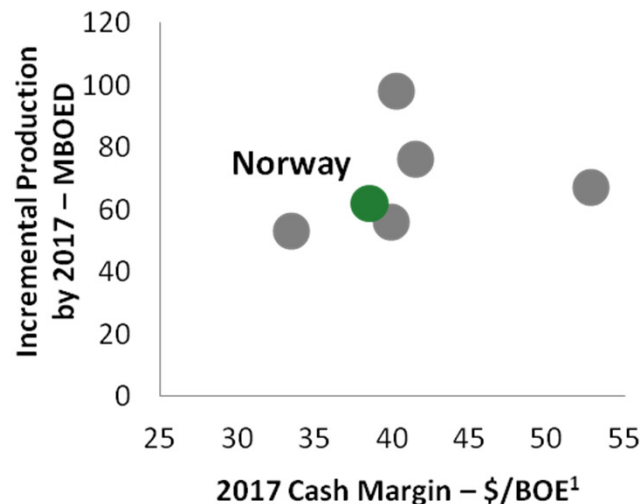
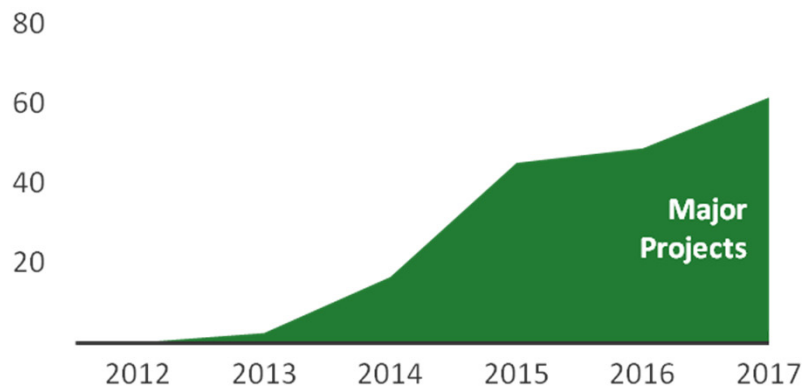
EXPLORATION

Ekofisk South



- ▶ 5-year investment: ~\$4 B
- ▶ Full-cycle F&D: ~\$25/BOE
- ▶ Ekofisk South and Eldfisk II will continue to improve oil recovery from the Greater Ekofisk Area
- ▶ Additional projects include: Tor Redevelopment, Tommeliten Alpha and Aasta Hansteen

Major Projects Incremental Production – MBOED



¹ Based on 2013 real prices of \$100 Brent / \$90 WTI / \$70 WCS / \$3.50 Henry Hub.

Malaysia: Projects Ramping Up, with Upside

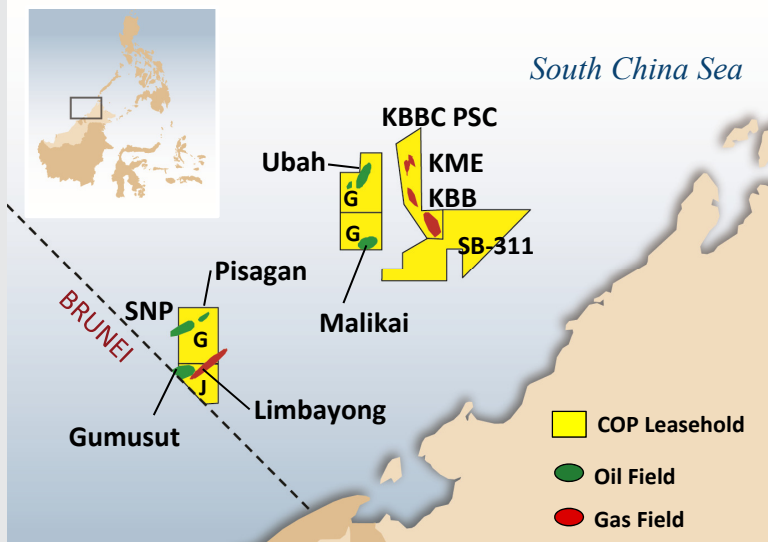
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MAJOR PROJECTS

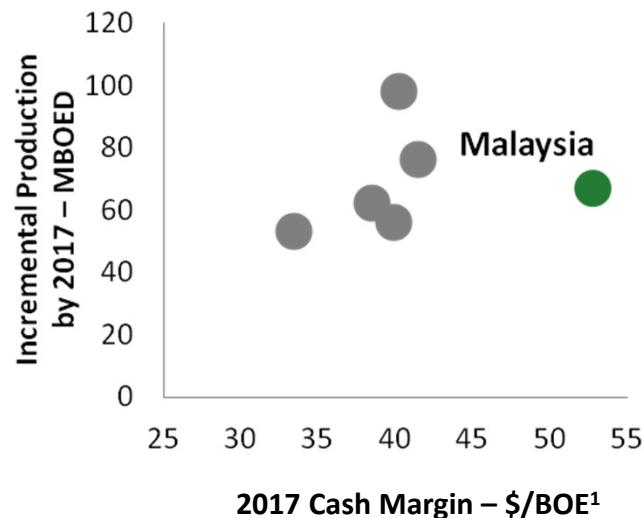
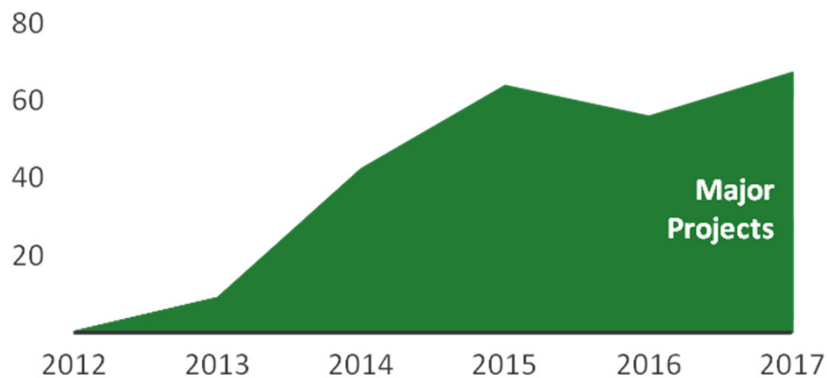
EXPLORATION

Malaysia



- 5-year investment: ~\$2.5 B
- Full-cycle F&D: ~\$15/BOE
- 4 developments in execution: Gumusut, SNP, KBB and Malikai
- Gumusut full field and SNP first oil in late 2013
- Additional growth potential in Pisagan, Ubah, Limbayong, KME discoveries and SB-311 exploration

Major Projects Incremental Production – MBOED



¹ Based on 2013 real prices of \$100 Brent / \$90 WTI / \$70 WCS / \$3.50 Henry Hub.

APLNG: Project Progressing On Schedule

BASE

DEVELOPMENT PROGRAMS

MAJOR PROJECTS

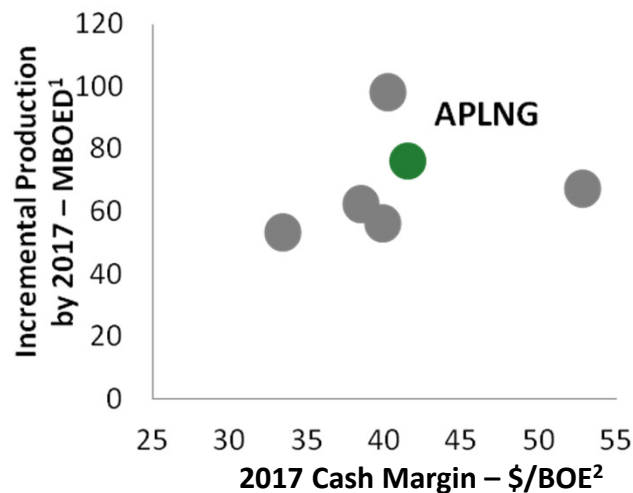
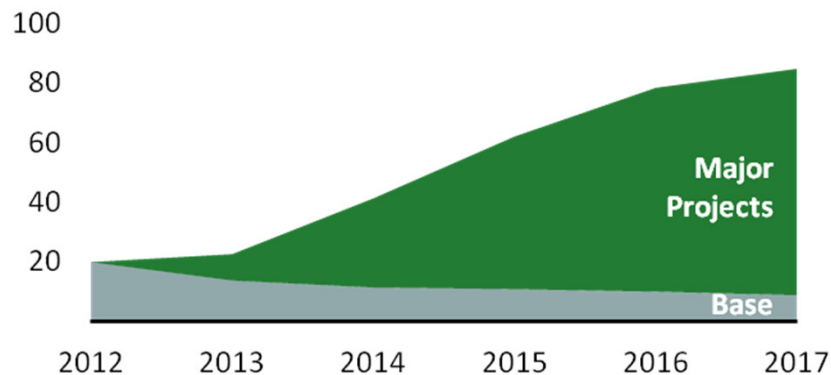
EXPLORATION

APLNG



- 5-year investment: ~\$2.5 B¹
- Full-cycle F&D: ~\$25/BOE
- Initial focus on two 4.5 MTPA LNG trains
- Project on schedule for first cargo mid-2015
- Permitted for two additional trains
- Phase 1 capital ~7% increase on AUD basis

Base and Major Projects Production – MBOED¹



¹ Assumes partial sell down.

² Based on 2013 real prices of \$100 Brent / \$90 WTI / \$70 WCS / \$3.50 Henry Hub; equity affiliates shown on a proportionally consolidated basis.

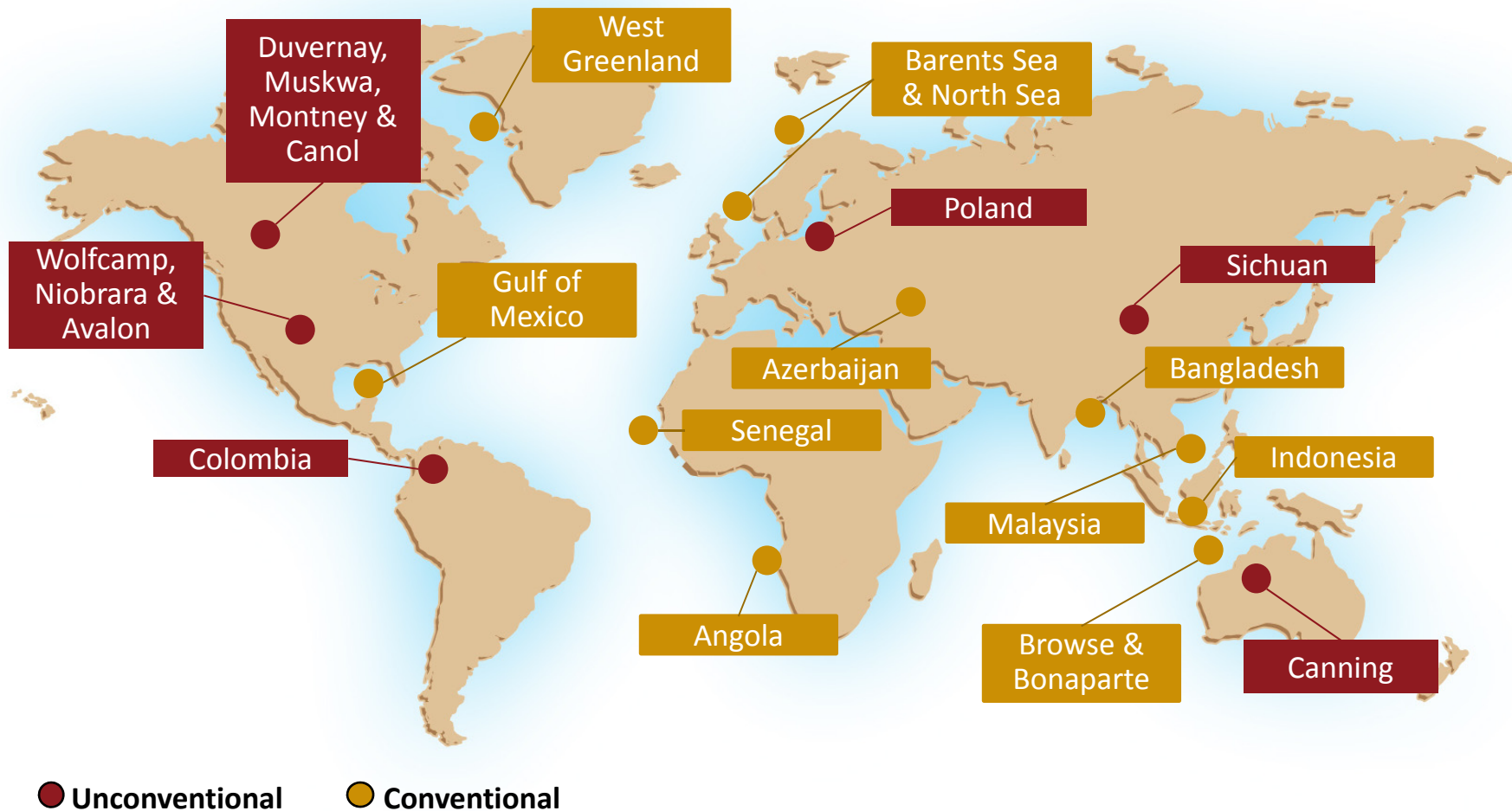
Diverse Unconventional and Conventional Exploration Portfolio

BASE

DEVELOPMENT PROGRAMS

MAJOR PROJECTS

EXPLORATION



International Conventionals: Deepwater Angola

BASE

DEVELOPMENT PROGRAMS

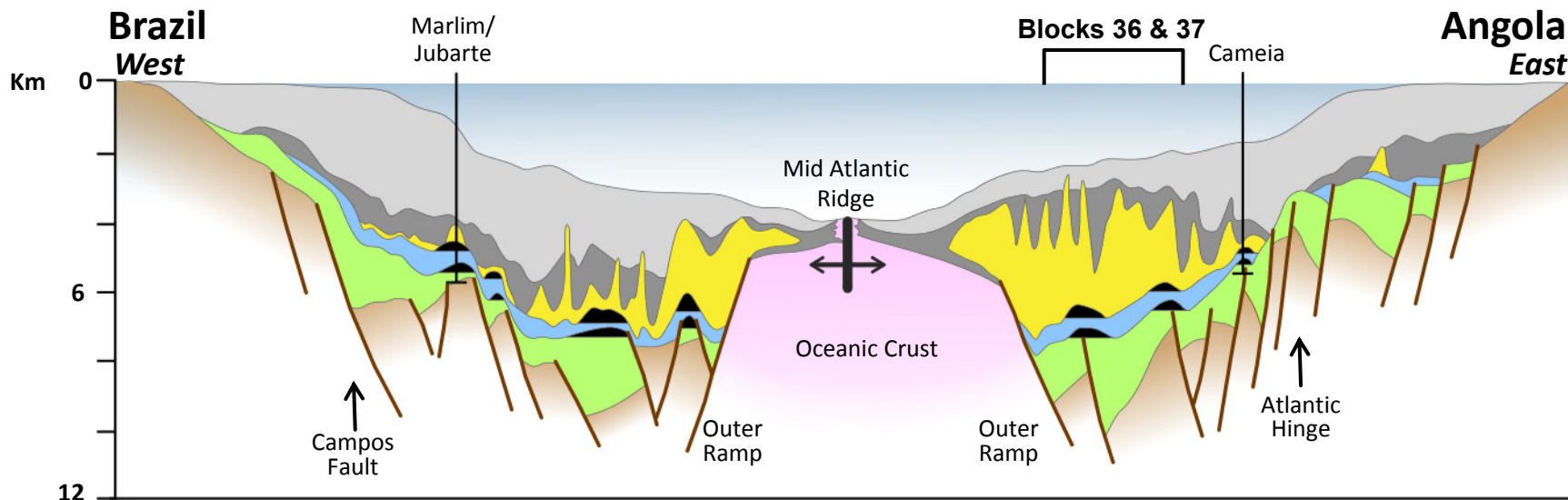
MAJOR PROJECTS

EXPLORATION

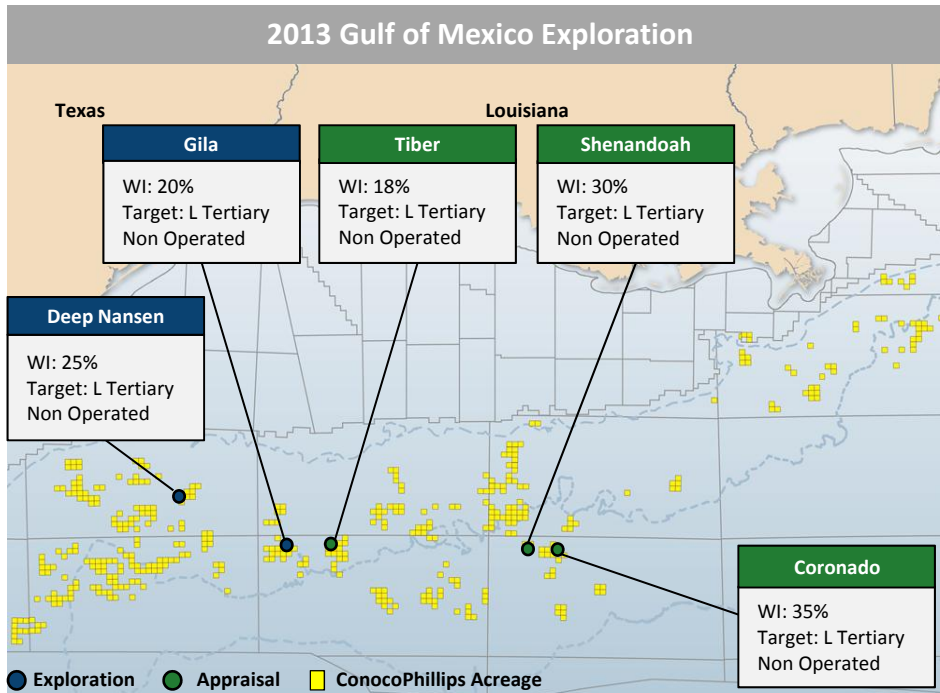
Angola



- ▶ Play identified as a probable analog to Brazil pre-salt play
- ▶ Recent discoveries de-risk play concept in Kwanza Basin
- ▶ ConocoPhillips-operated 2.5 MM acre position
- ▶ 2012-2013: 3-D seismic acquisition confirms presence of multiple promising prospects
- ▶ 2014: 4+ well drilling program begins



Exploration Catalysts in Deepwater GOM

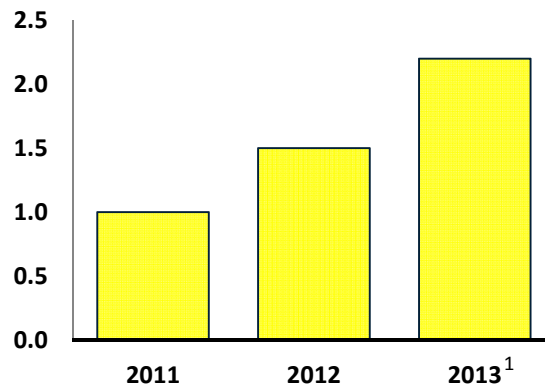


- Two significant discoveries announced
 - Shenandoah appraisal well discovery >1,000 feet net pay
 - Coronado wildcat discovery >400 feet net pay

- Inventory building and drilling activity continues
 - Gila: Acquired 20% working interest; currently drilling well
 - Tiber spud Aug. 3
 - Deep Nansen will spud this quarter

- Operated drilling program begins in 2014.

Deepwater GOM
Net Acreage
(MM)



¹ As of June 2013.

2013 – 2014: Positioned for Success

Operational

- Significant inflection point
- Visible results from exploration programs
- Committed to safe and efficient operations

Financial

- Maintain strong balance sheet
- Demonstrate margin improvement
- Focus on improving returns

Strategic

- Delivering on value proposition
- Complete announced asset sales
- Dividend remains top priority

Our Value Proposition



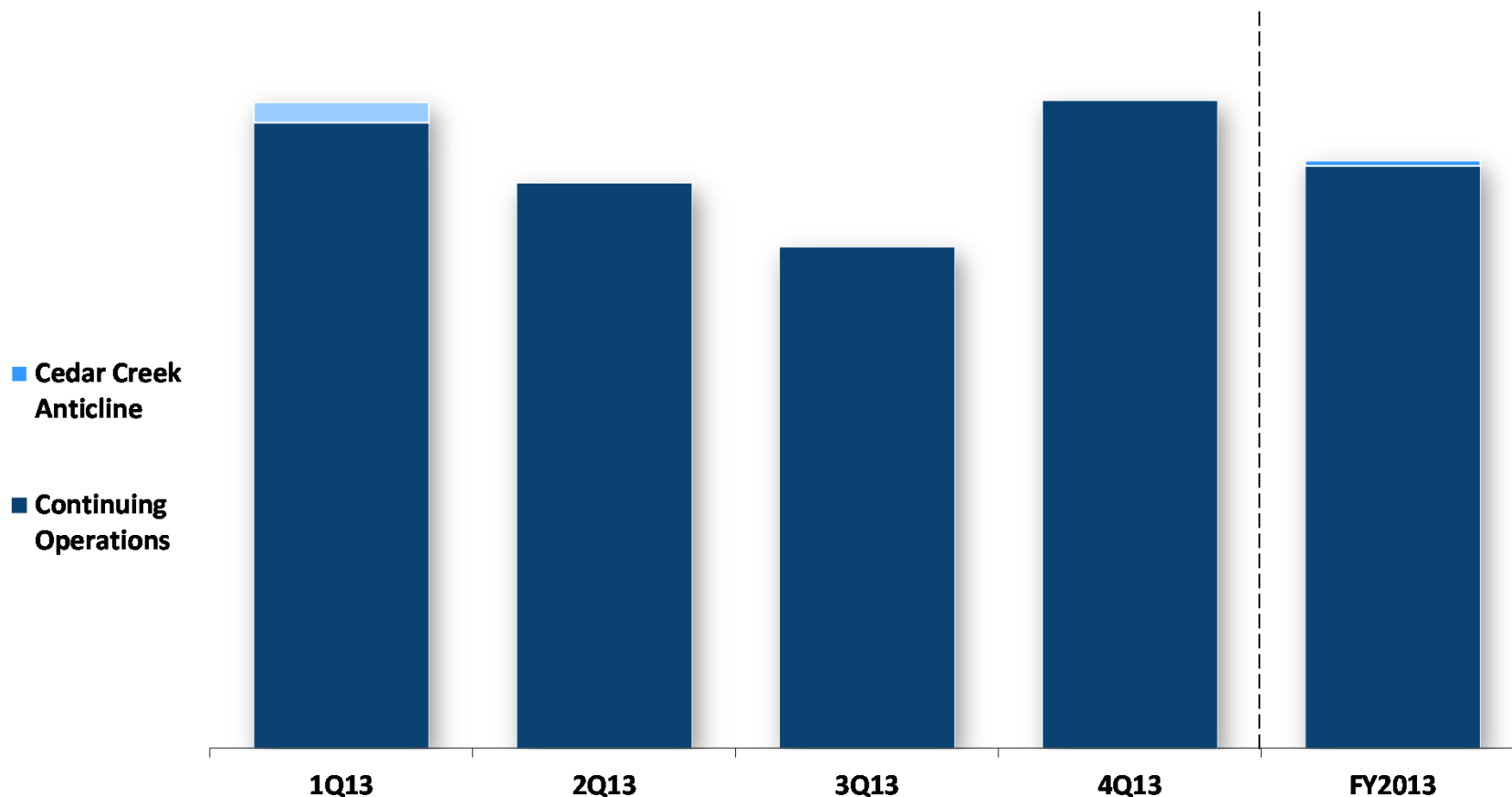
- Relentless focus on safety and execution
- Compelling dividend
- 3 – 5% production growth rate
- 3 – 5% margin growth rate
- Ongoing priority to improve financial returns

Production and margin reflect compound annual growth rates.



Appendix

2013 Production Outlook



MBOED	1Q13 Actual	2Q13 Actual	3Q13 Outlook	4Q13 Outlook	FY13 Outlook
Continuing Operations ¹	1,555	1,510	1,460 – 1,490	1,535 – 1,575	1,515 – 1,530
Discontinued Operations	41	42	0 – 40	0 – 40	25 – 40
Total Production	1,596	1,552	1,460 – 1,530	1,535 – 1,615	1,540 – 1,570

¹Includes production for Cedar Creek Anticline.

Annualized Net Income Sensitivities

► Crude

- **Brent/ANS:** \$75-85 MM change for \$1/BBL change
- **WTI:** \$30-40 MM change for \$1/BBL change
- **WCS¹:** \$20-25 MM change for \$1/BBL change

► North American NGL

- **Representative blend:** \$10-15 MM change for \$1/BBL change

► Natural Gas

- **HH:** \$115-125 MM change for \$0.25/MCF change
- **International gas:** \$10-15 MM change for \$0.25/MCF change

¹ WCS price used for the sensitivity should reflect a one-month lag.

* The published sensitivities above reflect annual estimates and may not apply to quarterly results due to lift timing/product sales differences, significant turnaround activity or other unforeseen portfolio shifts in production. Additionally, the above sensitivities apply to the current range of commodity price fluctuations, but may not apply to significant and unexpected increases or decreases.

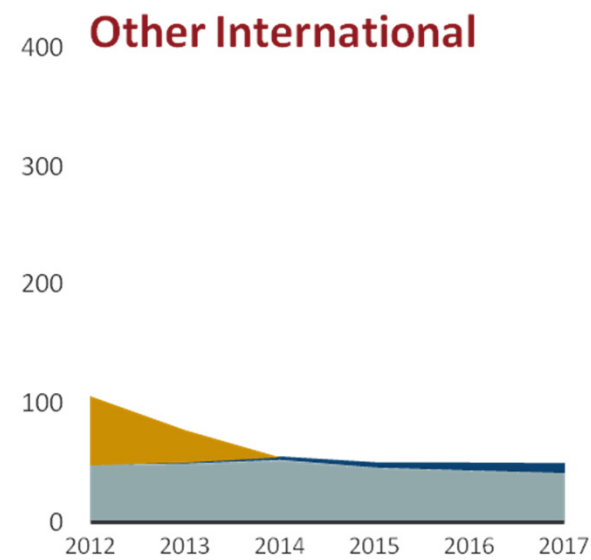
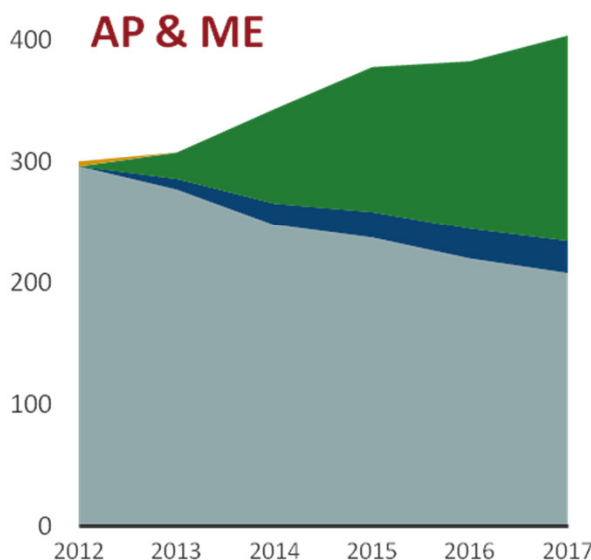
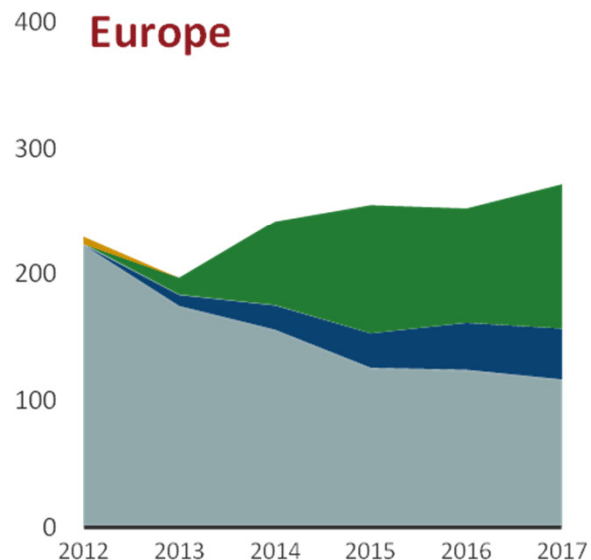
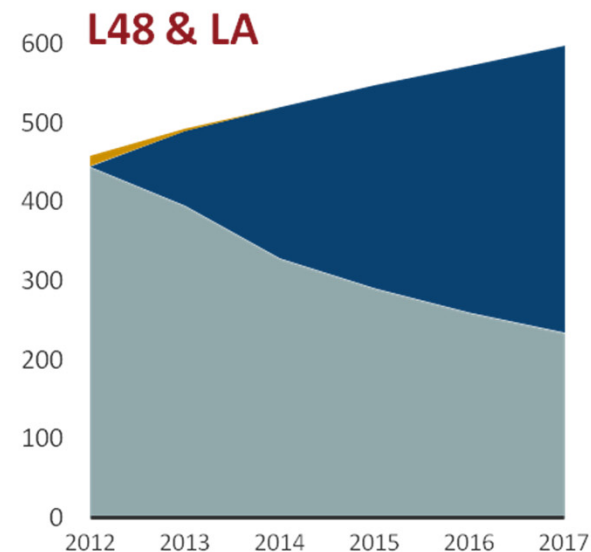
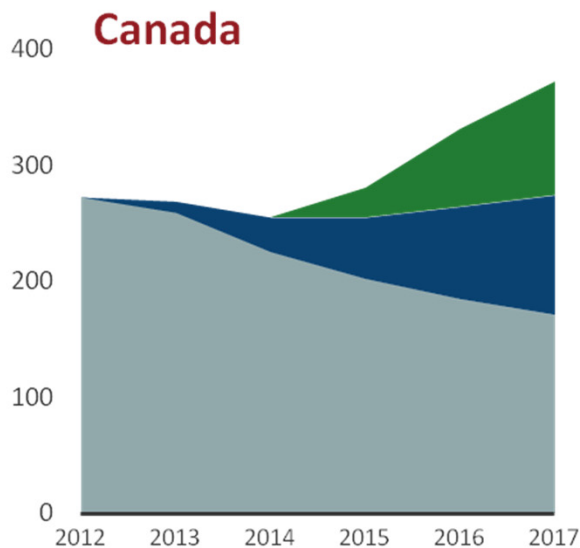
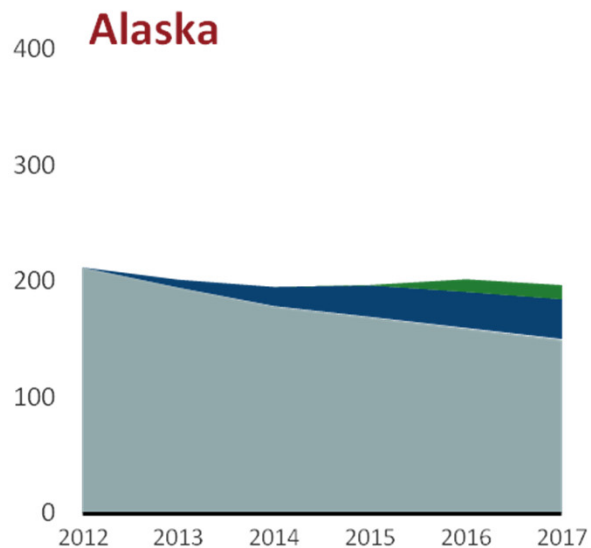
Substantial Progress on Portfolio High-Grading

Announced Transactions ¹	Expected Proceeds – \$B ¹
Kashagan	~5.4
Algeria	~1.8
Nigeria	~1.8
Total	~9.0

- ▶ Asset sale criteria
 - Nonstrategic
 - Mature, limited growth potential
 - Ability to achieve fair value
 - Tax-efficient transactions
- ▶ 2012 impact
 - 64 MBOED production
 - 364 MMBOE reserves
- ▶ Completed sale of Cedar Creek Anticline, Clyden oil sands leasehold and Phoenix Park
- ▶ Proceeds fund high-margin development programs and major projects

¹ Reflects announced transactions and expected proceeds as of Aug. 1, 2013.

Segment Production (MBOED)



Base
 Development Programs
 Major Projects
 Dispositions*

* Reflects production from 2012-2013 closed and announced dispositions.

Non-GAAP Reconciliations

2012

Return on Capital Employed

Numerator (\$MM)

Net Income Attributable to ConocoPhillips	\$ 8,428
Adjustment to exclude special items	(1,694)
Net income attributable to noncontrolling interests	70
After-tax interest expense	461
ROCE Earnings	<u>\$ 7,265</u>

Denominator (\$MM)

Average capital employed ¹	\$ 78,281
Adjustment to exclude Discontinued Operations	(10,928)
Adjusted average capital employed	<u>\$ 67,353</u>

ROCE (percent) 11%

Ending Cash and Restricted Cash (\$MM)

Cash and cash equivalents	\$ 3,618
Restricted cash	748
Ending Cash and Restricted Cash	<u>\$ 4,366</u>

Cash margin represents the projected cash flow from operating activities, excluding working capital, divided by estimated production. Estimated cash flow is based on flat prices of \$100 Brent / \$90 WTI / \$70 WCS / \$3.50 Henry Hub.

¹ Total equity plus total debt.

Abbreviations and Glossary

- **3-D:** three dimensional
- **4-D:** four dimensional
- **ANS:** Alaska North Slope
- **B:** billion
- **Base Production:** production from existing infrastructure
- **BBL:** barrel
- **BBOE:** billions of barrels of oil equivalent
- **BOE:** barrels of oil equivalent
- **CAGR:** compound annual growth rate
- **CFO:** cash from operations
- **CSOR:** cumulative steam-to-oil ratio
- **CTD:** coiled tubing drilling
- **Development Programs:** drilling and optimization activity
- **EUR:** estimated ultimate recovery
- **F&D:** finding and development
- **GAAP:** generally accepted accounting principles
- **GOM:** Gulf of Mexico
- **HBP:** held by production
- **HH:** Henry Hub
- **Liquid Yield:** liquid-to-gas ratio
- **LNG:** liquefied natural gas
- **M:** thousand
- **MM:** million
- **MBOED:** thousands of barrels of oil equivalent per day
- **MMBOE:** millions of barrels of oil equivalent
- **MMBOED:** millions of barrels of oil equivalent per day
- **MTPA:** millions of tonnes per annum
- **NOC:** national oil company
- **OECD:** Organisation for Economic Co-operation and Development
- **ROCE:** return on capital employed
- **SAGD:** steam-assisted gravity drainage
- **SDL:** steerable drilling liner
- **TSR:** total shareholder return
- **WCS:** Western Canada Select
- **WI:** working interest
- **WTI:** West Texas Intermediate

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