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NEWS RELEASE

ConocoPhillips Announces 2013 Capital Budget of $15.8 Billion and Outlines Investment Programs

HOUSTON, Dec. 7, 2012 – ConocoPhillips (NYSE: COP) today announced a 2013 capital budget of $15.8 billion (including contributions to the FCCL joint venture), which is approximately flat to expected 2012 capital program spending. Investments during 2013 will target the company's diverse portfolio of global opportunities, with approximately 60 percent of the budget allocated toward North America and 40 percent toward Europe, Asia Pacific and other international businesses.

"The 2013 capital budget reflects continued progress toward achieving a unique combination of growth and returns as an independent E&P company," said Ryan Lance, chairman and chief executive officer. "Similar to 2012, next year's investments will be directed predominantly toward high-quality growth projects and programs that are already in execution mode, as well as exploration opportunities to build inventory for the future. We also expect to complete our announced strategic asset disposition program in 2013. When this program is complete, the combination of portfolio high-grading and strong ongoing investment programs will put ConocoPhillips on track to deliver on our long-term annual growth goals of 3 to 5 percent on both volumes and margins, with a compelling dividend."

The budget includes allocations for base maintenance, exploitation, major project, and exploration and appraisal spending, as well as corporate expenditures. In addition, the budget reflects assumptions regarding the timing of asset sales. The actual timing of dispositions could cause capital to be higher or lower. The key categories of capital spending are as follows:

Base Maintenance
Approximately 10 percent of the capital budget will be directed toward maintenance of the company's high-quality legacy base portfolio.

- This includes maintenance activities primarily in Alaska, the Lower 48, western Canada and the North Sea.
- Major turnaround activity is expected within the Greater Kuparuk Area, Greater Ekofisk Area and various fields in the U.K. North Sea.

Exploitation
Approximately 40 percent of the capital budget is allocated to the company's highly profitable exploitation programs in its legacy asset base, which includes 21 million net acres of onshore leasehold in the Lower 48 and western Canada. A significant portion of this leasehold is held by production. Growth from these exploitation programs offsets natural decline from the company's producing assets.

- Approximately two-thirds will be spent in the Lower 48, primarily focused on liquids-rich unconventional reservoir drilling programs and infrastructure development in the Eagle Ford, Bakken, Barnett and Niobrara, as well as conventional and unconventional plays in the Permian Basin.
- The remaining one-third is allocated for other conventional and unconventional opportunities, mainly in the North Sea, Alaska and western Canada, with focused drilling on higher-return liquids opportunities.
- North American dry gas plays will continue to receive minimal funding.

Major Projects
Approximately 35 percent of the capital budget is expected to be spent on the company's sanctioned major projects, which provide significant future production growth.

- In Canada, development will continue on the FCCL and Surmont oil sands projects, where the company is employing innovative technology to improve steam-to-oil ratios and improve returns. Through the company's contributions to the FCCL business venture, there will be ongoing expansion of Foster Creek as phases F, G and H advance, and at Christina Lake with phases E and F. At Surmont, the focus is on safe and efficient execution of the Phase II development with continued investment in the central processing facility, field facility and drilling activities.

- In Europe, spending will focus on continued development of the Eldfisk II and Ekofisk South expansion projects in the Norwegian North Sea, as well as the Clair Ridge development and Jasmine Field in the U.K. sector, with first oil expected from Jasmine in the second half of 2013.
- In the Asia Pacific region, capital will primarily be allocated to several offshore developments in Malaysia, including reaching full production at the Gumusut-Kakap oil field in late 2013 and construction at the Kebabangan and Malikai projects. Development will also continue on the coalbed methane-to-LNG project at the Australia Pacific LNG joint venture, as field development and infrastructure and facility construction progresses.

Exploration and Appraisal

Approximately 15 percent of the capital budget is planned for the company's worldwide exploration and appraisal program, which targets acquiring, testing and appraising material opportunities in both conventional and unconventional plays.

- In conventional exploration, activities will include drilling programs in the deepwater Gulf of Mexico on several non-operated prospects, including the Shenandoah and Tiber appraisal programs. ConocoPhillips holds approximately 1.6 million net acres in the Gulf of Mexico, and was the high bidder in the recent Western Gulf of Mexico lease sale on an additional 350,000 acres. Internationally, ConocoPhillips plans to build further on its attractive position in several material deepwater basins. In Angola, the company is analyzing recent 3-D seismic data from blocks 36 and 37, and plans to begin drilling in 2014. Appraisal activities will also continue on the Poseidon discovery in Australia's Browse Basin and the Limbayong Field, offshore Malaysia.
- In unconventional exploration, funding will support selective acreage acquisitions and appraisal programs across liquids-rich shale plays in the Lower 48 and Canada, where the company has added more than 750,000 acres since 2011. Activities are focused on accessing and testing several high-quality plays, including the Wolfcamp, Niobrara, Canol and Duvernay. Internationally, the company's focus is on shale plays that offer low-cost entry on material positions, such as its Baltic concessions in Poland, where appraisal drilling will continue in 2013. In Western Australia, drilling activities will continue in the frontier Canning Basin shale play.

"Our 2013 capital budget provides funding for the key growth projects and programs in our portfolio and provides flexibility to capture new opportunities that may arise," added Lance. "The budget supports our plan to increase value for shareholders through focused capital investments that deliver growth in production and cash margins, improved returns on capital, and sector-leading shareholder distributions."

ConocoPhillips will provide further details on its capital budget and investment programs at its annual analyst meeting on Feb. 28, 2013 in New York. Representatives from company management will discuss the company's strategic plans for growth and value creation.

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About ConocoPhillips

Headquartered in Houston, Texas, ConocoPhillips had operations and activities in 30 countries, $115 billion of assets, and approximately 16,700 employees as of Sept. 30, 2012. Production averaged 1.57 million BOE per day for the nine months ended Sept. 30, 2012, and proved reserves were 8.4 billion BOE as of Dec. 31, 2011. For more information, go to *www.conocophillips.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 press 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.