

NEWS RELEASE

Third-Quarter 2012 Alaska Earnings Review

ANCHORAGE, October 25, 2012 --- In connection with ConocoPhillips' third-quarter 2012 earnings, which were announced earlier today, ConocoPhillips Alaska (CPA) reported the following third-quarter 2012 Alaska earnings facts:

As reported in the earnings supplemental information, CPA had net earnings of \$535 million in the third-quarter of 2012. This amount is down from \$551 million in the second-quarter primarily due to lower production available for sale during summer maintenance partially offset by sales from inventory related to tanker logistics.

During the third-quarter of 2012, CPA incurred an estimated \$917 million in obligations to Alaska and the federal government. Of this amount, an estimated \$651 million was due to Alaska in the form of severance taxes, royalties, property taxes and state income tax. Third-quarter production was approximately 39,000 barrels of oil equivalent per day lower than the previous quarter due to planned summer maintenance, seasonal variation, and normal decline. This resulted in lower production tax and royalty payments which are the primary drivers in the approximately \$332 million quarter to quarter decrease in payments to Alaska. Capital expenditures continued flat to prior periods.

"We hope that the 2013 state legislature will enact meaningful severance tax reform to attract more capital investment in key legacy fields," said Bob Heinrich, vice president, Finance, for ConocoPhillips Alaska. "It will take more investment than we see today to stem the North Slope's continuing decline."

In addition, CPA reported the following:

Full Year 2011

- CPA taxes and royalties due to Alaska and federal income tax = \$5.0 billion
 - CPA taxes and royalties due to Alaska = \$4.1 billion
 - CPA federal taxes = \$0.9 billion
- CPA earnings = \$2.0 billion

As of Sept. 30, 2012

- CPA estimated taxes and royalties due to Alaska and federal income taxes = \$3.7 billion
 - CPA estimated taxes and royalties due to Alaska = \$2.8 billion
 - CPA estimated federal taxes = \$0.9 billion
- CPA earnings = \$1.7 billion

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

MEDIA CONTACTS:

Natalie Lowman (Alaska) 907-263-4153

Davy Kong (outside Alaska) 281-293-2701

**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.