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NEWS RELEASE

International Tribunal Rules that Ecuador's taking of ConocoPhillips' investment in August 2009 constituted unlawful expropriation in violation of Ecuador's international law obligations

HOUSTON, Dec. 21, 2012 -- ConocoPhillips' [NYSE:COP] wholly owned subsidiary, Burlington Resources Inc., has received a favorable decision in the international arbitration filed against Ecuador. The Tribunal, constituted under the International Centre for the Settlement of Investment Disputes (ICSID), ruled that Ecuador unlawfully expropriated the company's significant oil investments in Blocks 7 and 21, in violation of the U.S.-Ecuador bilateral investment treaty.

The Tribunal also found that Burlington's investment, expropriated by Ecuador, included the contractual right to be indemnified for the effects of the Windfall Profits Tax (Law 42).

"This decision sends a message that contracts must be honored and governments cannot expropriate investments without compensation," said Janet Kelly, senior vice president, Legal and General Counsel. "The ruling confirms that Ecuador's actions were not in accordance with international law."

While this ruling is an essential step in the process, the Tribunal has not yet issued a decision on damages. An additional arbitration phase will take place to determine the amount of compensation owed to Burlington for Ecuador's actions.

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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.