ConocoPhillips Safely Delivers First Oil at Surmont 2

HOUSTON – ConocoPhillips (NYSE: COP) safely delivered first oil at its Surmont 2 in-situ oil sands facility in Canada, marking a significant milestone for the megaproject.

“The oil sands are an important part of our portfolio,” said Ryan Lance, chairman and chief executive officer. “We’re pleased to see a project of this magnitude move from the capital phase to the production phase, knowing that it will produce for decades to come. Achieving this milestone on schedule demonstrates our continued commitment to meet our operational targets.”

Construction of the Surmont 2 facility, the largest single-phase steam-assisted gravity drainage (SAGD) project ever undertaken, began in 2010. Earlier this year, ConocoPhillips announced first steam, the initial step towards production. Since that milestone, steam has successfully heated the reservoir to a point where the well pairs can be converted to a SAGD configuration and allows the oil to flow. Production was declared once the inspected product was successfully routed to sales tanks.

Production will ramp-up through 2017, adding approximately 118,000 barrels of oil per day (BOD) gross capacity. Total gross capacity for Surmont 1 and 2 is expected to reach 150,000 BOD.

ConocoPhillips Canada President Ken Lueers attributes the project’s accomplishment to the hard work of the men and women who built the megaproject.

“To achieve this milestone on schedule is a testament to the tremendous dedication, continuous hard work and relentless focus on safety and execution,” said Lueers. “I am incredibly proud of the teams who have contributed to this success.”

The Surmont project is located in the Athabasca Region of northeastern Alberta, Canada, approximately 35 miles (63 kilometres) southeast of Fort McMurray. Surmont is operated by ConocoPhillips under a 50/50 joint venture agreement with Total E&P Canada.

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About ConocoPhillips

ConocoPhillips is the world’s largest independent E&P company based on production and proved reserves. Headquartered in Houston, Texas, ConocoPhillips had operations and activities in 25 countries, $32 billion in annualized revenue, $112 billion of total assets, and approximately 18,100 employees as of June 30, 2015. Production, excluding Libya, averaged 1,603 MBOED for the six months ended June 30, 2015, and proved reserves were 8.9 billion BOE as of Dec. 31, 2014. For more information, go to www.conocophillips.com.

Contacts
CAUTIONARY STATEMENT FOR THE PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

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