



700 G Street
P. O. Box 100360
Anchorage, AK 99510
Phone 907.276.1215
www.conocophillipsalaska.com

NEWS RELEASE

October 24, 2014

ConocoPhillips Announces Funding Approval for Kuparuk Drill Site 2S

ANCHORAGE, Alaska – ConocoPhillips Alaska Inc. today announced that the Kuparuk field expansion project Drill Site 2S (DS2S) has been sanctioned for funding by ConocoPhillips and the Kuparuk co-owners. Plans for construction will move forward. This is the first new drill site at Kuparuk in nearly 12 years, and it is expected to add about 8,000 barrels of oil per day gross at peak production.

“Drill Site 2S is one of the key projects that we announced after passage of SB 21,” said Trond-Erik Johansen, president ConocoPhillips Alaska. “This is in addition to the two rigs we have added to our North Slope drilling fleet as well as the new build drilling rig currently under construction. The positive investment climate we now have in Alaska has been an important factor in the increased investment levels.”

The approximately \$500 million (gross) DS2S project includes a new gravel road and a new drill site, power lines, pipelines and other new surface facilities. ConocoPhillips began laying gravel for the project in the first quarter of 2014 in order to initiate facility construction in late 2014. Drilling is slated to begin in mid-2015, with first oil expected in late 2015.

In addition to DS2S and increased rig levels, since the passage of SB 21, the More Alaska Production Act, ConocoPhillips has also announced plans to pursue two other new projects on the North Slope. Permits for Greater Mooses Tooth #1 (GMT1) in the National Petroleum Reserve-Alaska were filed in July 2013. Plans for viscous oil development at Drill Site 1H North East West Sak (NEWS) in the Kuparuk Unit were announced in February 2014. Final approval for NEWS is planned for late 2014 and approval for GMT1, pending federal permit approvals, is planned for the first quarter of 2015. DS2S, GMT1 and NEWS have an estimated cost of about \$2 billion (gross) and could add tens of thousands of barrels of oil per day to North Slope production by 2018. During construction, the three projects will employ hundreds of workers.

Other Kuparuk owners include BP Exploration, ExxonMobil and Chevron.

- # # # -

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

Amy Burnett (Alaska)
907-265-1539
amy.j.burnett@conocophillips.com

ConocoPhillips Approves Funding for Kuparuk Drill Site 2S

Natalie Lowman (Alaska)
907-263-4153 desk
907-229-9190 cell
n.m.lowman@conocophillips.com

Andrea Urbanek (outside Alaska)
281-293-3472
andrea.urbanek@conocophillips.com

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

This news release 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 or the industries or markets in which we operate or participate in general. 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 may prove to be incorrect and 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). We caution you not to place undue reliance on our forward-looking statements, which are only as of the date of this news release or as otherwise indicated, and we expressly disclaim any responsibility for updating such information.