

IPAA & TIPRO

LEADERS IN INDUSTRY LUNCH

CLAY GASPAR, PRESIDENT & CHIEF OPERATING OFFICER

MAY 9, 2018

WPXENERGY®



WPX Today

MARKET SNAPSHOT¹

NYSE SYMBOL: **WPX**

MARKET CAP: **\$6.8B**

ENTERPRISE VALUE: **\$9.1B**

SHARE COUNT: **400MM**



DELAWARE BASIN

131,000 net acres²
6,600+ gross locations^{3,4}



WILLISTON BASIN

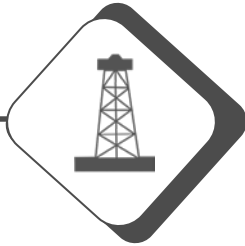
~85,000 net acres²
~465 gross locations⁴



MIDSTREAM ASSETS

Delaware JV - gas processing/oil gathering
100% owned water and gas gathering
Takeaway optionality and equity ownership

Recent Highlights



OPERATIONAL

- Delaware oil grew 149% 1Q'17 to 1Q'18
- Arikara pad produced 329,000+ barrels of oil in first 30 days
- Guiding to 76 MBO/D in 2Q'18



FINANCIAL

- Renegotiated credit facility increasing capacity to \$1.5B
- Annualized cash interest savings ~\$35MM resulting from debt tender offer



TRANSACTIONAL

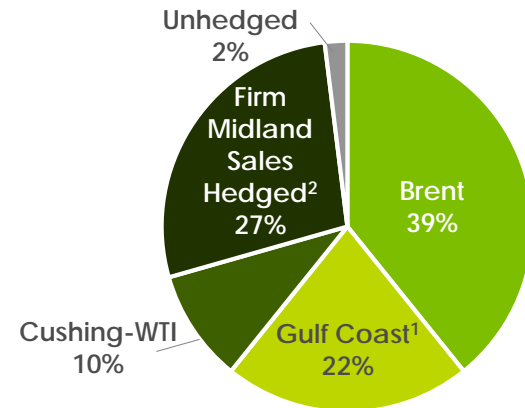
- Closed San Juan Gallup sale, \$700MM
- Successfully tendered \$500MM of debt

Crude Takeaway - Access to Premium Markets

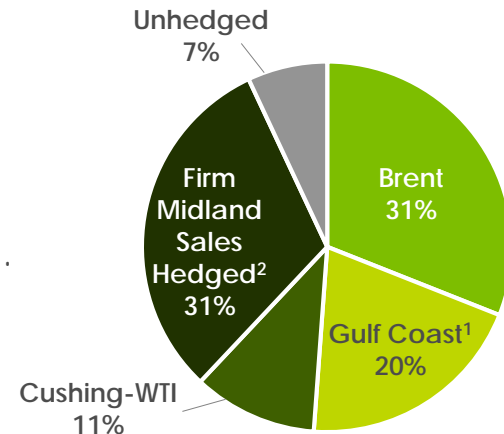


- Less than **5%** exposed to Midland spot pricing in 2018.
- **5%-10%** exposed to Midland spot pricing in 2019.
- Brent, Gulf Coast, and WTI exposure consists of firm transport and firm sales commitments on BridgeTex, Cactus, and Basin pipelines.

MAY-DEC 2018



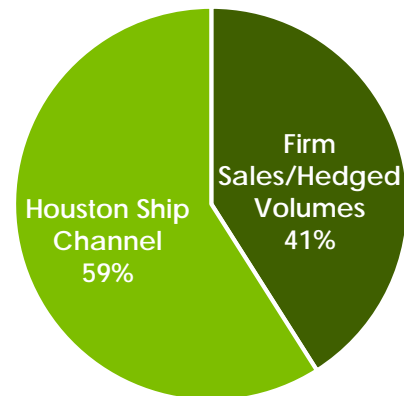
FY 2019



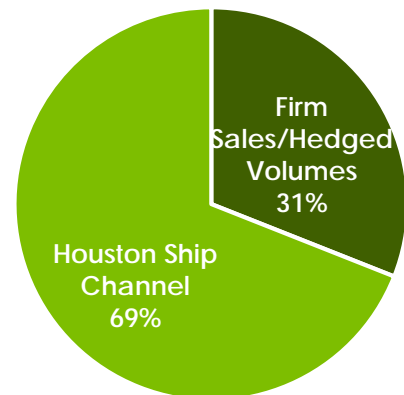
Gas Takeaway Creates Flow Assurance



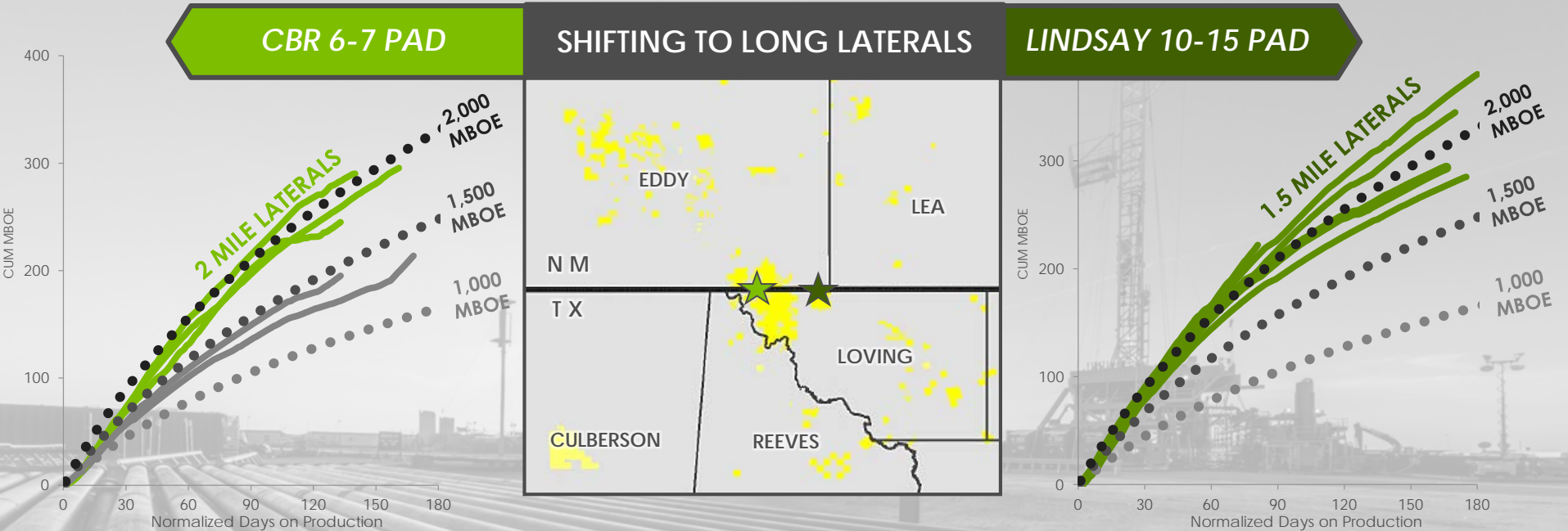
MAY-DEC 2018



FY 2019



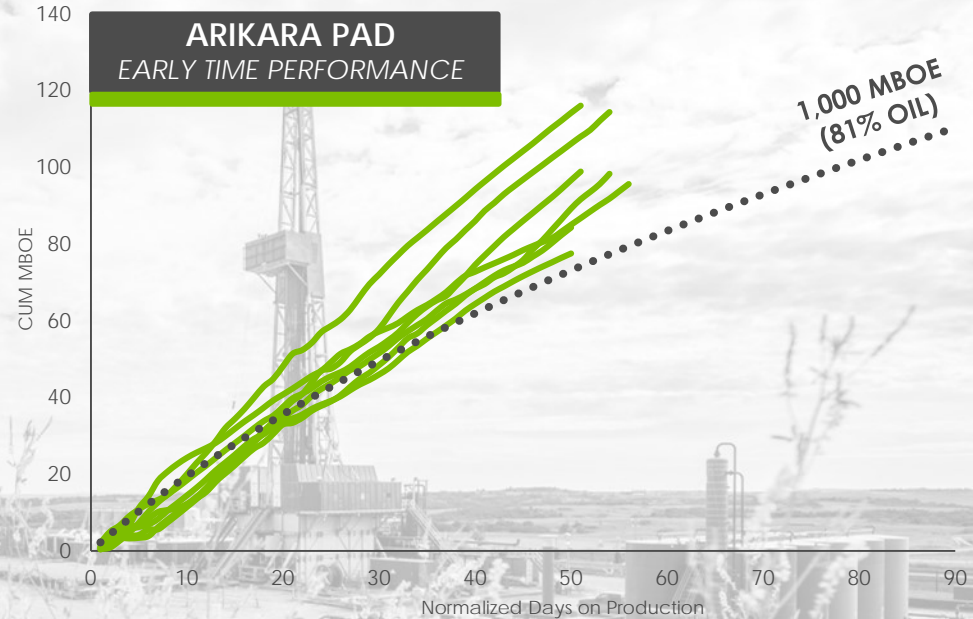
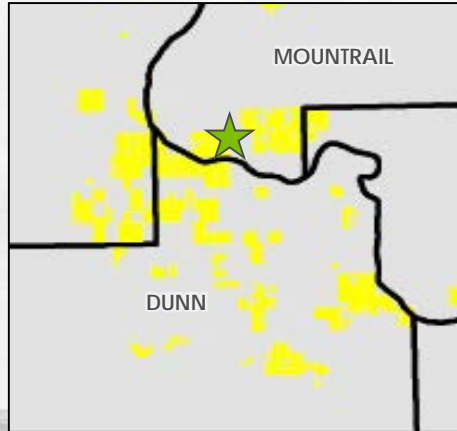
2018 Delaware Basin



- ~80% of drilling program focused on WC X/Y and WCA
- ~70% of Wolfcamp set up for extended lateral development
- Running 7 rigs & 3 frac crews
- Average lateral: ~7,500'
- Well Costs¹
 - 1-mile: \$7.0MM
 - 1.5-mile: \$8.7MM
 - 2-mile: \$10.3MM

2018 Williston Basin

NORTH SUNDAY ISLAND



Mandan North & Hidasta North

- Produced **685,000+ BOE** in 180 days (81% oil)

Arikara pad results

- Pad produced **329,000+** barrels of oil after 30 days
- 30-day IP: **75,380 BOE** (Arikara 15-22HD)
- 24hr-IP: **3,146 BOE/D** (Pad Average)

Mandan North 13-24HA (4-well pad)

- Best 24hr-IP: **5,172 BOE/D (81% oil)**

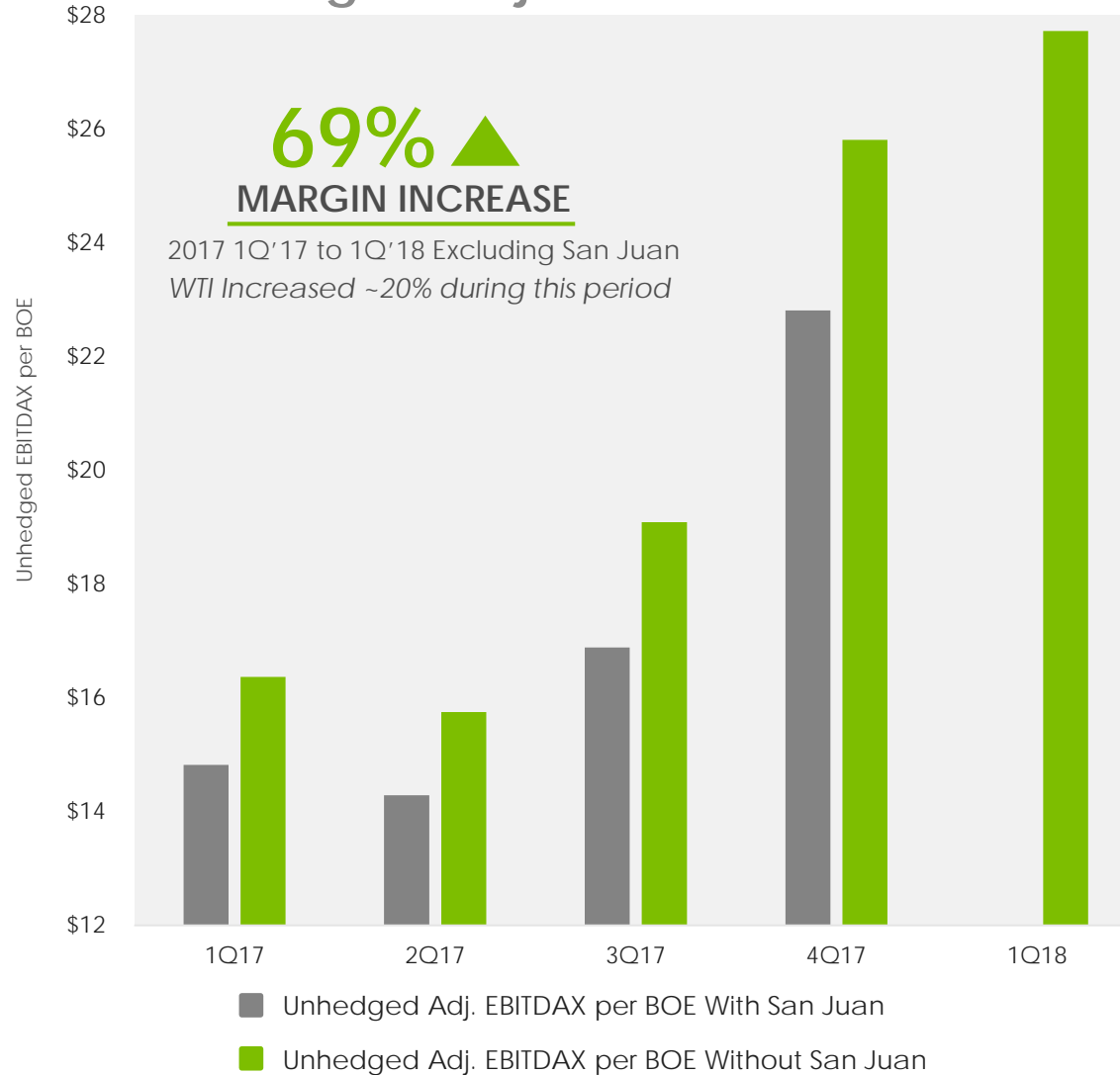
Added **3rd** rig in April

Well costs: **~\$6.3MM**

Full-time frac and wireline crew

Portfolio Transformation Driving High Margins

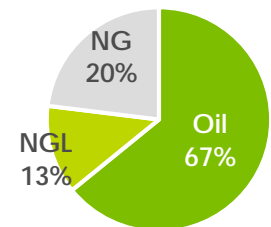
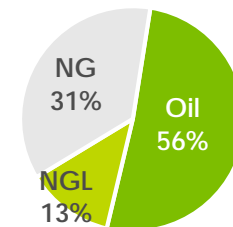
Unhedged Adjusted EBITDAX Per BOE



Shifting Commodity Mix



69% liquids with SJ
80% liquids without SJ



WPX: Positioned for Long-Term Value Creation

FINANCIAL STRENGTH

LEVERAGE OF 1.5X DURING 2019

OIL FOCUSED

150 MMBL/D DURING 2022

MIDSTREAM OPTIONALITY

VALUE CREATION/FLOW ASSURANCE

DEEP INVENTORY

OF HIGH RETURNS