

WPX Energy, Inc.
Consolidated (GAAP)
(UNAUDITED)

(Dollars in millions)	2017					2018			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	3rd Qtr	YTD
Revenues:									
Product revenues:									
Oil sales	\$ 159	\$ 194	\$ 218	\$ 308	\$ 879	\$ 360	\$ 468	\$ 503	\$ 1,331
Natural gas sales	17	16	13	21	67	17	16	18	51
Natural gas liquid sales	11	16	16	27	70	30	36	33	99
Total product revenues	187	226	247	356	1,016	407	520	554	1,481
Net gain (loss) on derivatives	203	116	(106)	(210)	3	(69)	(154)	(139)	(362)
Commodity management	5	8	4	8	25	36	64	68	168
Other	-	-	-	1	1	-	-	1	1
Total revenues	395	350	145	155	1,045	374	430	484	1,288
Costs and expenses:									
Depreciation, depletion and amortization	113	141	133	155	542	161	197	193	551
Lease and facility operating	36	41	45	46	168	55	59	68	182
Gathering, processing and transportation (1)	5	6	5	8	24	18	20	26	64
Taxes other than income	13	19	19	28	79	30	41	45	116
Exploration	36	16	17	18	87	19	17	18	54
General and administrative	41	44	40	41	166	43	44	44	131
Commodity management	5	8	4	10	27	39	54	63	156
Net (gain) loss on sales of assets	(31)	(7)	(112)	(11)	(161)	1	(1)	(1)	(1)
Other-net	4	7	4	-	15	2	2	2	6
Total costs and expenses	222	275	155	295	947	368	433	458	1,259
Operating income (loss)	173	75	(10)	(140)	98	6	(3)	26	29
Interest expense	(47)	(46)	(48)	(47)	(188)	(46)	(39)	(38)	(123)
Loss on extinguishment of debt	-	-	(17)	-	(17)	-	(71)	-	(71)
Investment income (loss) and other	2	-	2	(1)	3	(1)	1	(2)	(2)
Income (loss) from continuing operations before income taxes	\$ 128	\$ 29	\$ (73)	\$ (188)	\$ (104)	\$ (41)	\$ (112)	\$ (14)	\$ (167)
Provision (benefit) for income taxes	33	(298)	305	(168)	(128)	(15)	(33)	(8)	(56)
Income (loss) from continuing operations	\$ 95	\$ 327	\$ (378)	\$ (20)	\$ 24	\$ (26)	\$ (79)	\$ (6)	\$ (111)
Income (loss) from discontinued operations	(3)	(251)	232	(18)	(40)	(89)	(2)	(1)	(92)
Net income (loss)	\$ 92	\$ 76	\$ (146)	\$ (38)	\$ (16)	\$ (115)	\$ (81)	\$ (7)	\$ (203)
Less: Dividends on preferred stock	4	4	3	4	15	4	4	-	8
Net income (loss) available to WPX Energy, Inc. common stockholders	\$ 88	\$ 72	\$ (149)	\$ (42)	\$ (31)	\$ (119)	\$ (85)	\$ (7)	\$ (211)
Amounts available to WPX Energy, Inc. common stockholders:									
Income (loss) from continuing operations	\$ 91	\$ 323	\$ (381)	\$ (24)	\$ 9	\$ (30)	\$ (83)	\$ (6)	\$ (119)
Income (loss) from discontinued operations	(3)	(251)	232	(18)	(40)	(89)	(2)	(1)	(92)
Net income (loss)	\$ 88	\$ 72	\$ (149)	\$ (42)	\$ (31)	\$ (119)	\$ (85)	\$ (7)	\$ (211)

(1) 2018 includes the impact of the application of ASC 606 with an offset to product revenues.

Summary of Production Volumes (1)

Oil (MBbls)	3,504	4,572	4,973	5,915	18,964	5,920	7,352	7,670	20,941
Natural gas (MMcf)	7,747	8,357	7,946	11,261	35,311	11,908	13,854	14,759	40,522
Natural gas liquids (MBbls)	706	959	829	1,162	3,656	1,340	1,713	1,259	4,313
Combined equivalent volumes (MBoe) (2)	5,501	6,923	7,126	8,954	28,505	9,245	11,374	11,389	32,007
Per day volumes									
Oil (MBbls/d)	38.9	50.2	54.1	64.3	52.0	65.8	80.8	83.4	76.7
Natural gas (MMcf/d)	86	92	86	122	97	132	152	160	148
Natural gas liquids (MBbls/d)	7.8	10.5	9.0	12.6	10.0	14.9	18.8	13.7	15.8
Combined equivalent volumes (Mboe/d) (2)	61.1	76.1	77.5	97.3	78.1	102.7	125.0	123.8	117.2

(1) Excludes activity classified as discontinued operations.

(2) Mboe are calculated using the ratio of six Mcf to one barrel of oil.

Realized average price per unit (1)

Oil (per barrel)	\$ 45.32	\$ 42.65	\$ 43.74	\$ 52.04	\$ 46.36	\$ 60.91	\$ 63.63	\$ 65.52	\$ 63.55
Natural gas (per Mcf)	\$ 2.18	\$ 1.90	\$ 1.67	\$ 1.82	\$ 1.89	\$ 1.44	\$ 1.12	\$ 1.22	\$ 1.25
Natural gas liquids (per barrel)	\$ 16.31	\$ 15.76	\$ 19.28	\$ 23.92	\$ 19.26	\$ 22.14	\$ 20.94	\$ 26.68	\$ 22.99

(1) Excludes activity classified as discontinued operations.

Expenses per Boe (1)

Depreciation, depletion and amortization	\$ 20.63	\$ 20.26	\$ 18.72	\$ 17.34	\$ 19.03	\$ 17.38	\$ 17.31	\$ 17.01	\$ 17.22
Lease and facility operating	\$ 6.57	\$ 5.92	\$ 6.29	\$ 5.17	\$ 5.90	\$ 5.97	\$ 5.20	\$ 5.92	\$ 5.68
Gathering, processing and transportation	\$ 0.94	\$ 0.80	\$ 0.76	\$ 0.83	\$ 0.83	\$ 1.93	\$ 1.79	\$ 2.29	\$ 2.01
Taxes other than income	\$ 2.41	\$ 2.68	\$ 2.77	\$ 3.09	\$ 2.78	\$ 3.21	\$ 3.67	\$ 3.96	\$ 3.64
General and administrative	\$ 7.38	\$ 6.40	\$ 5.62	\$ 4.51	\$ 5.80	\$ 4.64	\$ 3.89	\$ 3.85	\$ 4.09
Interest expense	\$ 8.46	\$ 6.75	\$ 6.66	\$ 5.32	\$ 6.61	\$ 4.95	\$ 3.43	\$ 3.36	\$ 3.85

(1) Excludes activity classified as discontinued operations.

WPX Energy, Inc.
Reconciliation of NON-GAAP Measures
(UNAUDITED)

(Dollars in millions, except per share amounts)

	2017					2018			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year	1st Qtr	2nd Qtr	3rd Qtr	YTD
Reconciliation of adjusted income (loss) from continuing operations available to common stockholders:									
Income (loss) from continuing operations available to WPX Energy, Inc. common stockholders - reported	\$ 91	\$ 323	\$ (381)	\$ (24)	\$ 9	\$ (30)	\$ (83)	\$ (6)	\$ (119)
Pre-tax adjustments:									
Impairments reported in exploration expense	\$ 23	\$ -	\$ -	\$ -	\$ 23	\$ -	\$ -	\$ -	\$ -
Net (gain) loss on sales of assets	\$ (31)	\$ (7)	\$ (112)	\$ (11)	\$ (161)	\$ 1	\$ (1)	\$ (1)	\$ (1)
Loss on extinguishment of debt	\$ -	\$ -	\$ 17	\$ -	\$ 17	\$ -	\$ 71	\$ -	\$ 71
Net (gain) loss on derivatives	\$ (203)	\$ (116)	\$ 106	\$ 210	\$ (3)	\$ 69	\$ 154	\$ 139	\$ 362
Net cash received (paid) related to settlement of derivatives	\$ (5)	\$ 14	\$ 14	\$ (19)	\$ 4	\$ (55)	\$ (78)	\$ (85)	\$ (218)
Total pre-tax adjustments	\$ (216)	\$ (109)	\$ 25	\$ 180	\$ (120)	\$ 15	\$ 146	\$ 53	\$ 214
Less tax effect for above items	\$ 81	\$ 41	\$ (10)	\$ (68)	\$ 44	\$ (3)	\$ (33)	\$ (13)	\$ (49)
Impact of state deferred tax rate change	\$ (6)	\$ -	\$ -	\$ (6)	\$ (12)	\$ (4)	\$ -	\$ -	\$ (4)
Impact of state tax valuation allowance (annual effective tax rate method)	\$ (6)	\$ (161)	\$ 171	\$ (4)	\$ -	\$ -	\$ -	\$ -	\$ -
Impact of federal rate change (a)	\$ -	\$ -	\$ -	\$ (83)	\$ (83)	\$ -	\$ -	\$ -	\$ -
Adjustment for estimated annual effective tax rate method	\$ -	\$ (148)	\$ 155	\$ (7)	\$ -	\$ -	\$ (7)	\$ (5)	\$ (12)
Total adjustments, after tax	\$ (147)	\$ (377)	\$ 341	\$ 12	\$ (171)	\$ 8	\$ 106	\$ 35	\$ 149
Adjusted income (loss) from continuing operations available to common stockholders	\$ (56)	\$ (54)	\$ (40)	\$ (12)	\$ (162)	\$ (22)	\$ 23	\$ 29	\$ 30

(a) Includes \$92 million for the provisional impact of the Tax Cuts and Jobs Act offset by the impact of the pre-tax adjustments above.

Reconciliation of adjusted diluted income (loss) per common share:									
Income (loss) from continuing operations - diluted earnings per share - reported	\$ 0.23	\$ 0.77	\$ (0.96)	\$ (0.06)	\$ 0.02	\$ (0.07)	\$ (0.21)	\$ (0.01)	\$ (0.29)
Impact of adjusted diluted weighted-average shares	\$ 0.01	\$ 0.05	\$ -	\$ -	\$ -	\$ -	\$ 0.01	\$ -	\$ -
Pretax adjustments (b):									
Impairments reported in exploration expense	\$ 0.06	\$ -	\$ -	\$ -	\$ 0.06	\$ -	\$ -	\$ -	\$ -
Net (gain) loss on sales of assets	\$ (0.08)	\$ (0.02)	\$ (0.28)	\$ (0.03)	\$ (0.41)	\$ -	\$ -	\$ -	\$ -
Loss on extinguishment of debt	\$ -	\$ -	\$ 0.04	\$ -	\$ 0.04	\$ -	\$ 0.18	\$ -	\$ 0.17
Net (gain) loss on derivatives	\$ (0.53)	\$ (0.30)	\$ 0.27	\$ 0.53	\$ (0.01)	\$ 0.17	\$ 0.38	\$ 0.33	\$ 0.89
Net cash received (paid) related to settlement of derivatives	\$ (0.01)	\$ 0.04	\$ 0.03	\$ (0.05)	\$ 0.01	\$ (0.13)	\$ (0.20)	\$ (0.20)	\$ (0.53)
Total pretax adjustments	\$ (0.56)	\$ (0.28)	\$ 0.06	\$ 0.45	\$ (0.31)	\$ 0.04	\$ 0.36	\$ 0.13	\$ 0.53
Less tax effect for above items	\$ 0.20	\$ 0.10	\$ (0.02)	\$ (0.18)	\$ 0.12	\$ (0.02)	\$ (0.08)	\$ (0.04)	\$ (0.13)
Impact of state tax rate change	\$ (0.01)	\$ -	\$ -	\$ (0.02)	\$ (0.03)	\$ (0.01)	\$ -	\$ -	\$ (0.01)
Impact of state valuation allowance (annual effective tax rate method)	\$ (0.02)	\$ (0.40)	\$ 0.43	\$ 0.01	\$ -	\$ -	\$ -	\$ -	\$ -
Impact of federal rate change	\$ -	\$ -	\$ -	\$ (0.21)	\$ (0.21)	\$ -	\$ -	\$ -	\$ -
Adjustment for estimated annual effective tax rate method	\$ -	\$ (0.37)	\$ 0.39	\$ (0.02)	\$ -	\$ -	\$ (0.02)	\$ (0.01)	\$ (0.03)
Total adjustments, after-tax	\$ (0.39)	\$ (0.95)	\$ 0.86	\$ 0.03	\$ (0.43)	\$ 0.01	\$ 0.26	\$ 0.08	\$ 0.36
Adjusted diluted income (loss) per common share	\$ (0.15)	\$ (0.13)	\$ (0.10)	\$ (0.03)	\$ (0.41)	\$ (0.06)	\$ 0.06	\$ 0.07	\$ 0.07
Reported diluted weighted-average shares (millions)	410.4	423.2	398.1	398.2	397.4	398.6	400.0	414.0	404.3
Effect of dilutive securities due to adjusted income (loss) from continuing operations available to common stockholders	(24.1)	(25.4)	-	-	(2.3)	-	3.1	3.7	3.3
Adjusted diluted weighted-average shares (millions)	386.3	397.8	398.1	398.2	395.1	398.6	403.1	417.7	407.6

(b) Per share impact is based on adjusted diluted weighted-average shares.

Reconciliation of Adjusted EBITDAX									
Net income (loss) - reported	\$ 92	\$ 76	\$ (146)	\$ (38)	\$ (16)	\$ (115)	\$ (81)	\$ (7)	\$ (203)
Interest expense	47	46	48	47	188	46	39	38	123
Provision (benefit) for income taxes	33	(298)	305	(168)	(128)	(15)	(33)	(8)	(56)
Depreciation, depletion and amortization	113	141	133	155	542	161	197	193	551
Exploration expenses	36	16	17	18	87	19	17	18	54
EBITDAX	321	(19)	357	14	673	96	139	234	469
Net (gain) loss on sales of assets	(31)	(7)	(112)	(11)	(161)	1	(1)	(1)	(1)
Loss on extinguishment of debt	-	-	17	-	17	-	71	-	71
Net (gain) loss on derivatives	(203)	(116)	106	210	(3)	69	154	139	362
Net cash received (paid) related to settlement of derivatives	(5)	14	14	(19)	4	(55)	(78)	(85)	(218)
(Income) loss from discontinued operations	3	251	(232)	18	40	89	2	1	92
Adjusted EBITDAX	\$ 85	\$ 123	\$ 150	\$ 212	\$ 570	\$ 200	\$ 287	\$ 288	\$ 775