

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

(Dollars in millions)

	2016					2017		
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	1st Qtr	2nd Qtr	YTD
Revenues:								
Product revenues:								
Oil sales	\$ 97	\$ 142	\$ 139	\$ 173	\$ 551	\$ 188	\$ 226	\$ 414
Natural gas sales	25	24	37	39	125	44	40	84
Natural gas liquid sales	5	10	12	19	46	21	23	44
Total product revenues	127	176	188	231	722	253	289	542
Net gain (loss) on derivatives	57	(154)	38	(148)	(207)	203	116	319
Gas management	31	116	25	5	177	5	8	13
Other	1	-	-	-	1	-	-	-
Total revenues	216	138	251	88	693	461	413	874
Costs and expenses:								
Depreciation, depletion and amortization	152	163	150	158	623	147	171	318
Lease and facility operating	42	41	40	40	163	48	53	101
Gathering, processing and transportation	16	20	19	21	76	21	21	42
Taxes other than income	11	16	14	19	60	19	23	42
Exploration	9	12	10	11	42	39	21	60
General and administrative	53	55	51	55	214	43	46	89
Gas management	39	132	31	6	208	5	8	13
Net (gain) loss on sales of assets and divestment of transportation contracts	(198)	(4)	227	(3)	22	(35)	(7)	(42)
Other-net	2	2	10	2	16	4	8	12
Total costs and expenses	126	437	552	309	1,424	291	344	635
Operating income (loss)	90	(299)	(301)	(221)	(731)	170	69	239
Interest expense	(57)	(53)	(49)	(48)	(207)	(47)	(46)	(93)
Investment income and other	2	(1)	-	-	1	2	-	2
Income (loss) from continuing operations before income taxes	\$ 35	\$ (353)	\$ (350)	\$ (269)	\$ (937)	\$ 125	\$ 23	\$ 148
Provision (benefit) for income taxes	35	(130)	(132)	(98)	(325)	31	(53)	(22)
Income (loss) from continuing operations	\$ -	\$ (223)	\$ (218)	\$ (171)	\$ (612)	\$ 94	\$ 76	\$ 170
Income (loss) from discontinued operations	(12)	25	(1)	(1)	11	(2)	-	(2)
Net income (loss)	\$ (12)	\$ (198)	\$ (219)	\$ (172)	\$ (601)	\$ 92	\$ 76	\$ 168
Less: Dividends on preferred stock	5	6	4	3	18	4	4	8
Less: Loss on induced conversion of preferred stock	-	-	22	-	22	-	-	-
Net income (loss) available to WPX Energy, Inc. common stockholders	\$ (17)	\$ (204)	\$ (245)	\$ (175)	\$ (641)	\$ 88	\$ 72	\$ 160
Amounts available to WPX Energy, Inc. common stockholders:								
Income (loss) from continuing operations	\$ (5)	\$ (229)	\$ (244)	\$ (174)	\$ (652)	\$ 90	\$ 72	\$ 162
Income (loss) from discontinued operations	(12)	25	(1)	(1)	11	(2)	-	(2)
Net income (loss)	\$ (17)	\$ (204)	\$ (245)	\$ (175)	\$ (641)	\$ 88	\$ 72	\$ 160
Summary of Production Volumes (1)								
Oil (MBbls)	3,774	3,719	3,576	4,108	15,178	4,149	5,331	9,479
Natural gas (MMcf)	16,820	18,764	18,845	18,414	72,842	17,605	18,475	36,080
Natural gas liquids (MBbls)	708	909	1,047	981	3,645	1,015	1,252	2,267
Combined equivalent volumes (MBoe) (2)	7,285	7,755	7,764	8,159	30,963	8,098	9,662	17,759
Per day volumes								
Oil (MBbls/d)	41.5	40.9	38.9	44.7	41.5	46.1	58.6	52.4
Natural gas (MMcf/d)	185	206	205	200	199	196	203	199
Natural gas liquids (MBbls/d)	7.8	10.0	11.4	10.7	10.0	11.3	13.8	12.5
Combined equivalent volumes (Mboe/d) (2)	80.1	85.2	84.4	88.7	84.6	90.0	106.2	98.1
(1) Excludes activity classified as discontinued operations.								
(2) Mboe is converted using the ratio of one barrel of oil, condensate or natural gas liquids to six thousand cubic feet of natural gas.								
Realized average price per unit (1)								
Oil (per barrel)	\$ 25.62	\$ 38.38	\$ 38.71	\$ 42.18	\$ 36.31	\$ 45.31	\$ 42.46	\$ 43.70
Natural gas (per Mcf)	\$ 1.52	\$ 1.23	\$ 1.97	\$ 2.13	\$ 1.72	\$ 2.51	\$ 2.13	\$ 2.32
Natural gas liquids (per barrel)	\$ 7.14	\$ 11.21	\$ 11.50	\$ 18.54	\$ 12.48	\$ 20.85	\$ 18.28	\$ 19.43
(1) Excludes activity classified as discontinued operations.								
Expenses per Boe (1)								
Depreciation, depletion and amortization	\$ 20.93	\$ 21.02	\$ 19.30	\$ 19.27	\$ 20.11	\$ 18.11	\$ 17.78	\$ 17.93
Lease and facility operating	\$ 5.74	\$ 5.34	\$ 5.07	\$ 4.93	\$ 5.26	\$ 5.87	\$ 5.55	\$ 5.69
Gathering, processing and transportation	\$ 2.17	\$ 2.57	\$ 2.51	\$ 2.54	\$ 2.45	\$ 2.65	\$ 2.16	\$ 2.38
Taxes other than income	\$ 1.47	\$ 2.05	\$ 1.84	\$ 2.37	\$ 1.94	\$ 2.31	\$ 2.43	\$ 2.38
General and administrative	\$ 7.34	\$ 7.09	\$ 6.50	\$ 6.71	\$ 6.90	\$ 5.27	\$ 4.80	\$ 5.02
Interest expense	\$ 7.89	\$ 6.72	\$ 6.40	\$ 5.87	\$ 6.69	\$ 5.75	\$ 4.83	\$ 5.25
(1) Excludes activity classified as discontinued operations.								

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

	2016					2017		
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year	1st Qtr	2nd Qtr	YTD
Reconciliation of adjusted loss from continuing operations available to common stockholders:								
Income (loss) from continuing operations available to WPX Energy, Inc. common stockholders - reported	\$ (5)	\$ (229)	\$ (244)	\$ (174)	\$ (652)	\$ 90	\$ 72	\$ 162
Pre-tax adjustments:								
Impairments reported in exploration expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23	\$ -	\$ 23
Impairment of inventory	\$ -	\$ -	\$ 4	\$ -	\$ 4	\$ -	\$ -	\$ -
Net (gain) loss on sales of assets and divestment of transportation contracts	\$ (198)	\$ (4)	\$ 227	\$ (3)	\$ 22	\$ (35)	\$ (7)	\$ (42)
Accrual for Denver office lease	\$ -	\$ -	\$ 5	\$ -	\$ 5	\$ -	\$ -	\$ -
Costs related to severance and relocation	\$ 3	\$ 7	\$ 3	\$ 2	\$ 15	\$ -	\$ -	\$ -
Previously capitalized costs expensed following credit facility amendment	\$ 4	\$ -	\$ -	\$ -	\$ 4	\$ -	\$ -	\$ -
(Gain) loss on retirement of debt	\$ (3)	\$ 3	\$ -	\$ 1	\$ 1	\$ -	\$ -	\$ -
Unrealized MTM (gain) loss	\$ 76	\$ 223	\$ 20	\$ 190	\$ 509	\$ (208)	\$ (102)	\$ (310)
Total pre-tax adjustments	\$ (118)	\$ 229	\$ 259	\$ 190	\$ 560	\$ (220)	\$ (109)	\$ (329)
Less tax effect for above items	\$ 43	\$ (85)	\$ (96)	\$ (71)	\$ (208)	\$ 83	\$ 40	\$ 122
Impact of state deferred tax rate change	\$ 14	\$ -	\$ -	\$ 1	\$ 15	\$ (6)	\$ -	\$ (6)
Impact of state tax valuation allowance (annual effective tax rate method)	\$ 8	\$ -	\$ -	\$ -	\$ 8	\$ (6)	\$ (34)	\$ (40)
Adjustment for estimated annual effective tax rate method	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (26)	\$ (26)
Loss on induced conversion of preferred stock	\$ -	\$ -	\$ 22	\$ -	\$ 22	\$ -	\$ -	\$ -
Total adjustments, after tax	\$ (53)	\$ 144	\$ 185	\$ 120	\$ 397	\$ (149)	\$ (129)	\$ (279)
Adjusted loss from continuing operations available to common stockholders	\$ (58)	\$ (85)	\$ (59)	\$ (54)	\$ (255)	\$ (59)	\$ (57)	\$ (117)

Reconciliation of adjusted diluted loss per common share:								
Income (loss) from continuing operations - diluted earnings per share - reported	\$ (0.02)	\$ (0.76)	\$ (0.72)	\$ (0.51)	\$ (2.08)	\$ 0.22	\$ 0.18	\$ 0.40
Impact of adjusted diluted weighted-average shares	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.01	\$ -	\$ 0.01
Pretax adjustments (1):								
Impairments reported in exploration expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.06	\$ -	\$ 0.06
Impairment of inventory	\$ -	\$ -	\$ 0.01	\$ -	\$ 0.01	\$ -	\$ -	\$ -
Net (gain) loss on sales of assets and divestment of transportation contracts	\$ (0.72)	\$ (0.01)	\$ 0.67	\$ (0.01)	\$ 0.07	\$ (0.09)	\$ (0.02)	\$ (0.11)
Accrual for Denver office lease	\$ -	\$ -	\$ 0.01	\$ -	\$ 0.02	\$ -	\$ -	\$ -
Costs related to severance and relocation	\$ 0.01	\$ 0.02	\$ 0.01	\$ 0.01	\$ 0.05	\$ -	\$ -	\$ -
Previously capitalized costs expensed following credit facility amendment	\$ 0.01	\$ -	\$ -	\$ -	\$ 0.01	\$ -	\$ -	\$ -
(Gain) loss on retirement of debt	\$ (0.01)	\$ 0.01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrealized MTM (gain) loss	\$ 0.27	\$ 0.74	\$ 0.06	\$ 0.55	\$ 1.62	\$ (0.54)	\$ (0.26)	\$ (0.79)
Total pretax adjustments	\$ (0.44)	\$ 0.76	\$ 0.76	\$ 0.55	\$ 1.78	\$ (0.57)	\$ (0.28)	\$ (0.84)
Less tax effect for above items	\$ 0.17	\$ (0.28)	\$ (0.27)	\$ (0.20)	\$ (0.67)	\$ 0.22	\$ 0.12	\$ 0.31
Impact of state tax rate change	\$ 0.05	\$ -	\$ -	\$ -	\$ 0.05	\$ (0.01)	\$ -	\$ (0.01)
Impact of state valuation allowance (annual effective tax rate method)	\$ 0.03	\$ -	\$ -	\$ -	\$ 0.03	\$ (0.02)	\$ (0.09)	\$ (0.10)
Adjustment for estimated annual effective tax rate method	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (0.07)	\$ (0.07)
Loss on induced conversion of preferred stock	\$ -	\$ -	\$ 0.06	\$ -	\$ 0.07	\$ -	\$ -	\$ -
Total adjustments, after-tax	\$ (0.19)	\$ 0.48	\$ 0.55	\$ 0.35	\$ 1.26	\$ (0.38)	\$ (0.32)	\$ (0.71)
Adjusted diluted loss per common share	\$ (0.21)	\$ (0.28)	\$ (0.17)	\$ (0.16)	\$ (0.82)	\$ (0.15)	\$ (0.14)	\$ (0.30)
Reported diluted weighted-average shares (millions)	276.1	300.7	341.5	344.6	313.3	410.4	423.2	418.8
Effect of dilutive securities due to adjusted loss from continuing operations available to common stockholders	-	-	-	-	-	(24.1)	(25.4)	(26.7)
Adjusted diluted weighted-average shares (millions)	276.1	300.7	341.5	344.6	313.3	386.3	397.8	392.1

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

Reconciliation of Adjusted EBITDAX								
Net income (loss) - reported	\$ (12)	\$ (198)	\$ (219)	\$ (172)	\$ (601)	\$ 92	\$ 76	\$ 168
Interest expense	57	53	49	48	207	47	46	93
Provision (benefit) for income taxes	35	(130)	(132)	(98)	(325)	31	(53)	(22)
Depreciation, depletion and amortization	152	163	150	158	623	147	171	318
Exploration expenses	9	12	10	11	42	39	21	60
EBITDAX	241	(100)	(142)	(53)	(54)	356	261	617
Accrual for Denver office lease	-	-	5	-	5	-	-	-
Net (gain) loss on sales of assets and divestment of transportation contracts	(198)	(4)	227	(3)	22	(35)	(7)	(42)
Impairment of inventory	-	-	4	-	4	-	-	-
Net (gain) loss on derivatives	(57)	154	(38)	148	207	(203)	(116)	(319)
Net cash received (paid) related to settlement of derivatives	133	69	58	42	302	(5)	14	9
(Income) loss from discontinued operations	12	(25)	1	1	(11)	2	-	2
Adjusted EBITDAX	\$ 131	\$ 94	\$ 115	\$ 135	\$ 475	\$ 115	\$ 152	\$ 267