

1Q 2019

PERFORMANCE HIGHLIGHTS



"Results for the first quarter of 2019 reflect our focus on large-scale development, controlling costs and generating solid returns on strategic investments, as demonstrated by the Oryx sale. During the quarter, we completed several important projects ahead of schedule, driving increased production that exceeded the high end of our guidance range. Given our strong start to the year, we are raising our full-year production growth outlook while maintaining our capital expenditure guidance."

TIM LEACH, CHAIRMAN AND CEO OF CONCHO

1Q19 RESULTS

PRODUCTION	328 MBoepd +44% y/y, exceeding high end of the Company's quarterly guidance range
CASH FLOW FROM OPERATIONS	\$623mm +28% y/y
NET LOSS	(\$695mm) or (\$3.49) per share, reflecting an unrealized loss on commodity derivatives
ADJUSTED NET INCOME ¹	\$144mm or \$0.72 per share
ADJUSTED EBITDAX ¹	\$755mm +32% y/y



DELIVERING STRONG, EFFICIENT EXECUTION

- Achieved record oil production of **210 MBopd**, a 46% increase year-over-year.
- Delivered total production of 328 MBoepd, **exceeding the high end of the Company's quarterly guidance range**.
- Reduced per unit controllable cash costs year-over-year, with a **7% reduction in production expenses**.



OUTLOOK: RAISING FULL-YEAR PRODUCTION GROWTH AND MAINTAINING CAPITAL PROGRAM GUIDANCE

- Expect 2Q 2019 production of **316 MBoepd to 322 MBoepd**.
- Raised full-year 2019 total production growth guidance to **23% to 27%**.
- Raised full-year 2019 oil production growth guidance to **27% to 31%**.
- **Maintained 2019 capital expenditure outlook**.



ADVANCING LARGE-SCALE DEVELOPMENT ACROSS HIGH-QUALITY ASSET BASE

- Development approach accelerates innovation and captures efficiencies to **optimize resource recovery and overall project economics**.
- Successfully **started production on nine projects** during 1Q 2019 and **completed these projects on time or ahead of schedule**.



GENERATING STRONG RETURNS ON INVESTMENTS

- Announced sale of the Oryx I oil gathering and transportation system in the Delaware Basin, generating expected **net proceeds of ~\$300 million**.
- Sale proceeds combined with 2018 distribution total ~\$457 million, representing a **10-times multiple on invested capital** of ~\$45 million since 2015.
- Maintained gathering arrangements with **no impact to price realizations or cost structure** in this area.



ENHANCING ASSET VALUE THROUGH MIDSTREAM INVESTMENTS

- Recently announced joint venture with Frontier Midstream Solutions IV, LLC to construct the **Beta Crude Connector oil gathering, transportation and storage system** in the Northern Midland Basin.
- System will enhance the value of the Company's high-quality footprint in the Midland Basin with a **reliable, cost-efficient gathering and transportation solution**.

¹ See press release furnished on Form 8-K on April 30, 2019, at www.sec.gov for definitions of these non-GAAP measures and reconciliations to GAAP measures.

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Forward-Looking Statements and Cautionary Statements

The foregoing contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact, included in these highlights that address activities, events or developments that Concho Resources Inc. (the "Company" or "Concho") expects, believes or anticipates will or may occur in the future are forward-looking statements. The words "estimate," "project," "predict," "believe," "expect," "anticipate," "potential," "could," "may," "enable," "foresee," "plan," "will," "guidance," "outlook," "goal" or other similar expressions that convey the uncertainty of future events or outcomes are intended to identify forward-looking statements, which generally are not historical in nature. However, the absence of these words does not mean that the statements are not forward-looking. These statements are based on certain assumptions and analyses made by the Company based on management's experience, expectations and perception of historical trends, current conditions, current plans, anticipated future developments, expected financings and other factors believed to be appropriate. Forward-looking statements are not guarantees of performance. The Company's outlook for 2Q 2019 and 2019 stated herein excludes acquisitions and is subject to change without notice depending upon a number of factors, including commodity prices, industry conditions and other risks. Except as expressly stated herein, any previously issued guidance is not being addressed in these highlights. Although the Company believes the expectations reflected in its forward-looking statements are reasonable and are based on reasonable assumptions, no assurance can be given that these assumptions are accurate or that any of these expectations will be achieved (in full or at all) or will prove to have been correct. Moreover, such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company, which may cause actual results to differ materially from those implied or expressed by the forward-looking statements. These include the risk factors and other information discussed or referenced in the Company's most recent Annual Report on Form 10-K and other filings with the SEC. Any forward-looking statement speaks only as of the date on which such statement is made, and the Company undertakes no obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law. Information on Concho's website is not part of these highlights.

Use of Non-GAAP Financial Measures

To supplement the presentation of the Company's financial results prepared in accordance with U.S. generally accepted accounting principles (GAAP), these highlights contain certain financial measures that are not prepared in accordance with GAAP, including adjusted net income, adjusted earnings per share and adjusted EBITDAX.

See "Supplemental Non-GAAP Financial Measures" in the Company's earnings release, which was furnished on Form 8-K on April 30, 2019, for a description and reconciliation of these non-GAAP measures to the most directly comparable financial measures calculated in accordance with GAAP.