May 14, 2012

Acquisition of Three Rivers Operating Company Permian Assets

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included in this presentation that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future, including, among others, statements and projections regarding the completion of the acquisition and the Company's future financial position, operations, performance, business strategy, capital expenditures, returns, budgets, reserves, levels of production and costs and statements regarding the plans and objectives of the Company's management for future operations, are forward-looking statements. The words "believe," "expect," "anticipate," "plan," "intend," "estimate," "potential," "should," "would," "could," or other similar expressions 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. Without limiting the generality of the foregoing, these statements are based on certain assumptions made by the Company based on management's experience, expectations and perception of historical trends, current conditions, anticipated future developments and other factors believed to be appropriate. Forward-looking statements are not guarantees of performance. Actual results may differ materially from those implied or expressed by the forward-looking statements. 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 factors discussed or referenced in the "Risk Factors" section of the Company's Form 10-K and Form 10-Qs filed with the Securities and Exchange Commission ("SEC") and risks relating to declines in the prices we receive for our oil and natural gas, including natural gas liquids; uncertainties about the estimated quantities of oil and natural gas reserves; the effects of government regulation, permitting and other legal requirements, including new legislation or regulation of hydraulic fracturing; risks related to new federal oversight or regulation of over-the-counter derivatives; risks related to the elimination of certain federal income tax deductions currently available to oil and natural gas exploration activities; drilling and operating risks; the adequacy of our capital resources and liquidity, including access to additional borrowing capacity under our credit facility; difficult and adverse conditions in the domestic and global capital and credit markets; risks related to the concentration of our operations in the Permian Basin of Southeast New Mexico and West Texas; potential financial losses or earnings reductions from our commodity price risk management program; shortages of oilfield equipment, services and qualified personnel and increased costs for such equipment, services and personnel; risks and liabilities associated with acquired properties or businesses; uncertainties about our ability to successfully execute our business and financial plans and strategies; uncertainties about our ability to replace reserves and economically develop our current reserves; general economic and business conditions, either internationally or domestically or in the jurisdictions in which we operate; competition in the oil and natural gas industry; uncertainty concerning our assumed or possible future results of operations; our substantial existing indebtedness and other important factors that could cause actual results to differ materially from those projected.

Accordingly, you should not place undue reliance on any of the Company's forward-looking statements. All forward-looking statements speak only as of the date on which such statements are 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.

Cautionary Statement Regarding Oil and Gas Quantities

The SEC requires oil and gas companies, in their filings with the SEC, to disclose proved reserves, which are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible—from a given date forward, from known reservoirs, and under existing economic conditions (using the trailing 12-month average first-day-of-the-month prices), operating methods, and government regulations—prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The SEC also permits the disclosure of separate estimates of probable or possible reserves that meet SEC definitions for such reserves; however, we currently do not disclose probable or possible reserves in our SEC filings.

In this presentation, proved reserves attributable to the Company at December 31, 2011 are estimated utilizing SEC reserve recognition standards and pricing assumptions based on the trailing 12-month average first-day-of-the-month prices of $92.71 per Bbl of oil and $4.12 per MMBtu of natural gas. The Company's estimate of its total proved reserves at December 31, 2011 is based on reports provided by Cawley, Gillespie & Associates, Inc. and Netherland, Sewell & Associates, Inc., independent petroleum engineers.

Proved reserves estimated for the Three Rivers acquisition are internal estimates based on a price of $98.20 per Bbl of oil and $4.24 per MMBtu of natural gas held flat over the life of the reserves, and are not determined in accordance with SEC rules. Accordingly, proved reserves actually booked for the Three Rivers acquisition in the Company's SEC filings may be lower than the internal estimates included in this presentation.

We may use the terms "unproved reserves," "EUR" per well and "upside potential" to describe estimates of potentially recoverable hydrocarbons that the SEC rules prohibit from being included in filings with the SEC. These are the Company's internal estimates of hydrocarbon quantities that may be potentially discovered through exploratory drilling or recovered with additional drilling or recovery techniques. These quantities may not constitute "reserves" within the meaning of the Society of Petroleum Engineer's Petroleum Resource Management System or SEC rules and do not include any proved reserves. EUR estimates and drilling locations have not been risked by Company management. Actual locations drilled and quantities that may be ultimately recovered from the Company's interests could differ substantially. There is no commitment by the Company to drill all of the drilling locations which have been attributed to these quantities. Factors affecting ultimate recovery include the scope of our ongoing drilling program, which will be directly affected by the availability of capital, drilling and production costs, availability of drilling services and equipment, drilling results, lease expirations, transportation constraints, regulatory approvals and other factors; and actual drilling results, including geological and mechanical factors affecting recovery rates. Estimates of unproved reserves, per well EUR and upside potential may change significantly as development of the Company's oil and gas assets provide additional data.

Our production forecasts and expectations for future periods are dependent upon many assumptions, including estimates of production decline rates from existing wells and the undertaking and outcome of future drilling activity, which may be affected by significant commodity price declines or drilling cost increases.

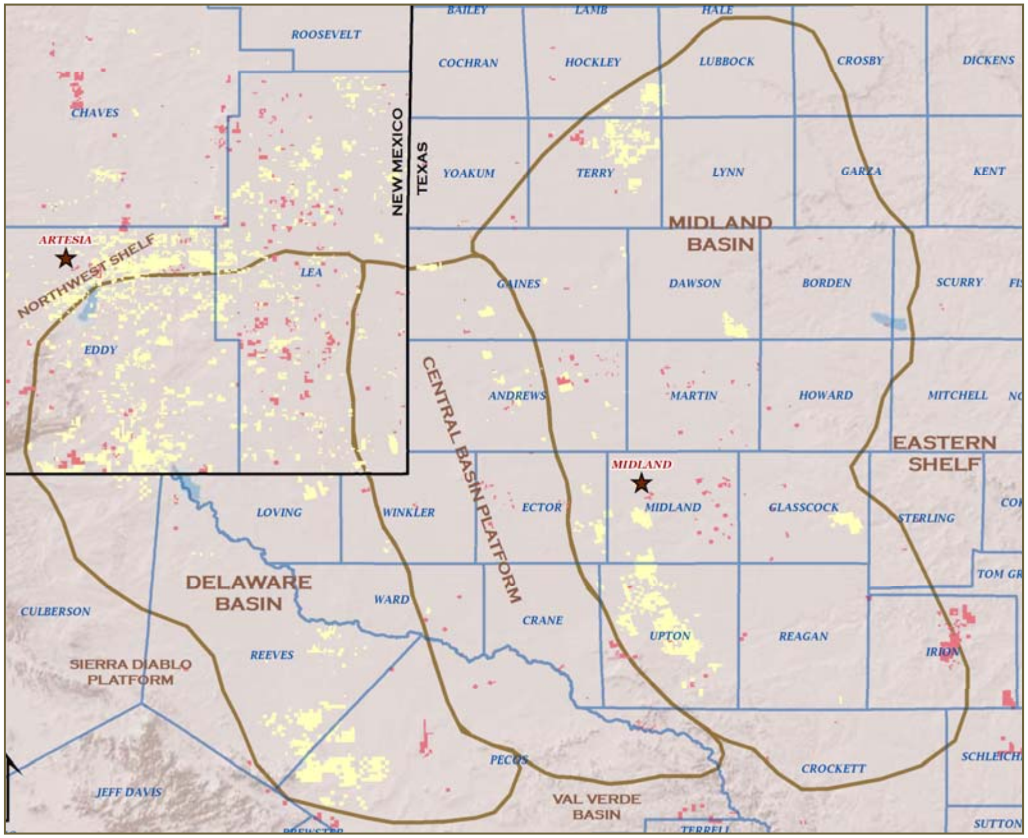
- **Concho Resources is acquiring all of the oil and natural gas assets of Three Rivers Operating Company ("Three Rivers" or "3ROC")**
  - Full step up in tax basis
- **Transaction value: $1.0 billion**
  - No debt assumed
- **Consideration:**
  - All cash transaction expected to be funded with borrowings under the credit facility
- **Timing:**
  - Effective April 1, 2012
  - Expected closing in July 2012

High Quality Asset Base	• 58 MMBoe[1] of proved reserves (50% oil; 55% PD) • Current daily production of approximately 7.0 MBoe/d • Over 1,500 identified drilling locations within the Company's existing core areas • Approximately 65% of the acreage is held by production • Material upside through multi-zone and horizontal development
Fits The Concho Acquisition Mold	• Opportunity set consistent with previous acquisitions (Chase Oil, Henry Petroleum and Marbob Energy) • Provides Concho with greater scale and visible growth opportunities across its core operating areas in the Permian Basin • Expected to be immediately accretive to all key per share metrics
Strategically Significant	• Material consolidation opportunity within the proven core of the Delaware Basin • Meaningful addition of acreage and vertical drilling locations to core Midland Basin • Continued expansion into the emerging southern Midland Basin horizontal Wolfcamp and Cline shale plays
Larger Platform, Same Strategy	• Continued focus on oil and liquids-rich plays in the Permian Basin • Commitment to rate-of-return driven growth • Pursuit of acquisitions that enhance existing portfolio

1 As of April 1, 2012.

Attractive Permian Basin Consolidation Acquisition

Combined Permian Basin Acreage Position



Concho Acreage   Three Rivers Acreage

Strategic Rationale

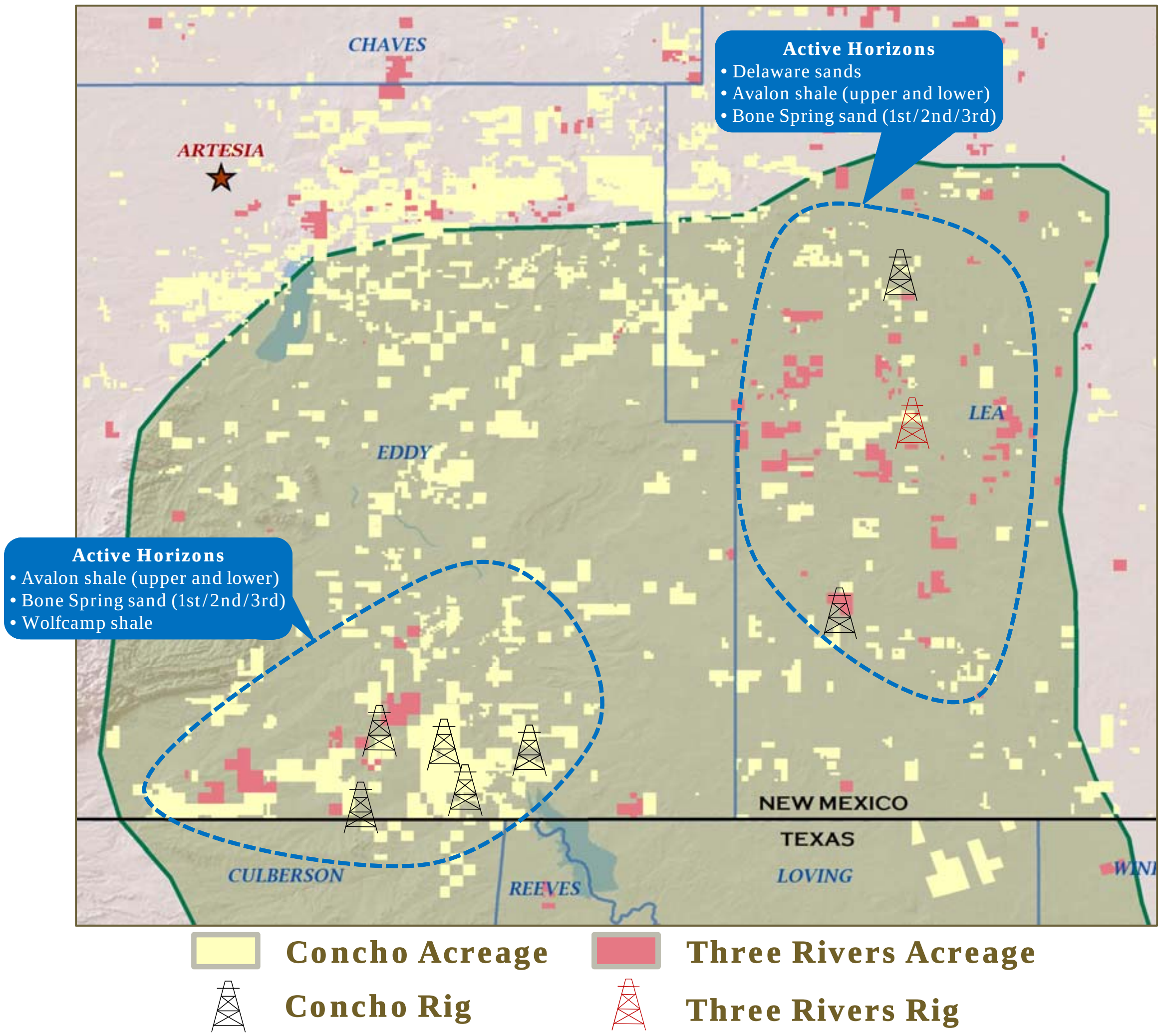
- Represents a significant consolidation transaction in the Permian Basin
- Drilling opportunities across all three of Concho's core areas
- Additional exposure to emerging oil and liquids-rich plays

Combination Impact – Consolidated

	CXO[1]	3ROC	PF
Proved Reserves (MMBoe)	400	58	458
1Q12 Net Production (MBoe/d)	76.0	7.0	83.0
Gross Drilling Locations	9,275	1,560	10,835
Gross Acreage ('000s)	980	310	1,290
Net Acreage ('000s)	544	200	744
Rig Count (Current / 2H12)	37 / 36	3 / 7	40 / 43

1 Concho year end reserves as of 12/31/11 at SEC pricing. Adjusted for 1Q12 Midland Basin acquisition which includes proved reserves of 13 MMBoe (as of November 1, 2011), 10,700 gross (10,000 net) acres, 170 40-acre Wolfberry locations and 200 20-acre Wolfberry locations.

Northern Delaware Basin – Enhancing Leading Core Position



Northern DB Consolidation

- Material acreage overlap in the proven northern Delaware Basin
  - Increases net acreage by 23%
- Engineered locations largely assume one zone per location targeting:
  - Delaware sands
  - Avalon shale
  - Bone Spring sands
  - Wolfcamp shale
- Meaningful upside potential through multi-zone development

Combination Impact – Northern DB

	CXO[1]	3ROC	PF
Hz Drilling Locations	1,417	377	1,794
Gross Acreage ('000s)	289	61	350
Net Acreage ('ooos)	166	39	204
Rig Count (Current / 2H12)	7 / 8	1 / 2	8 / 10

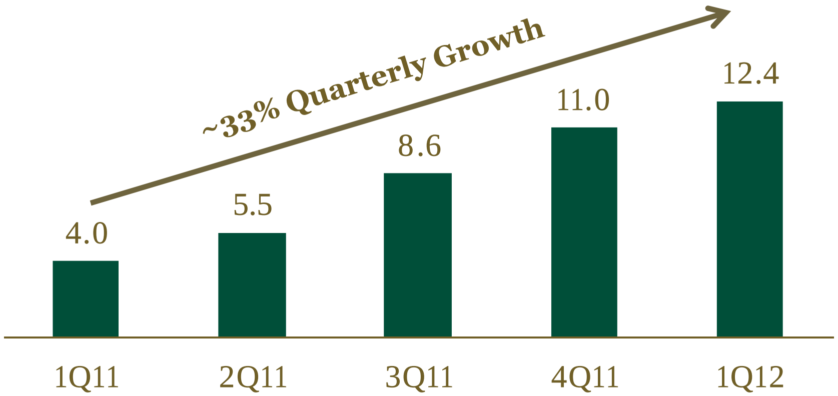
1 As of 12/31/11.

Delaware Basin Play – A Leading Operator

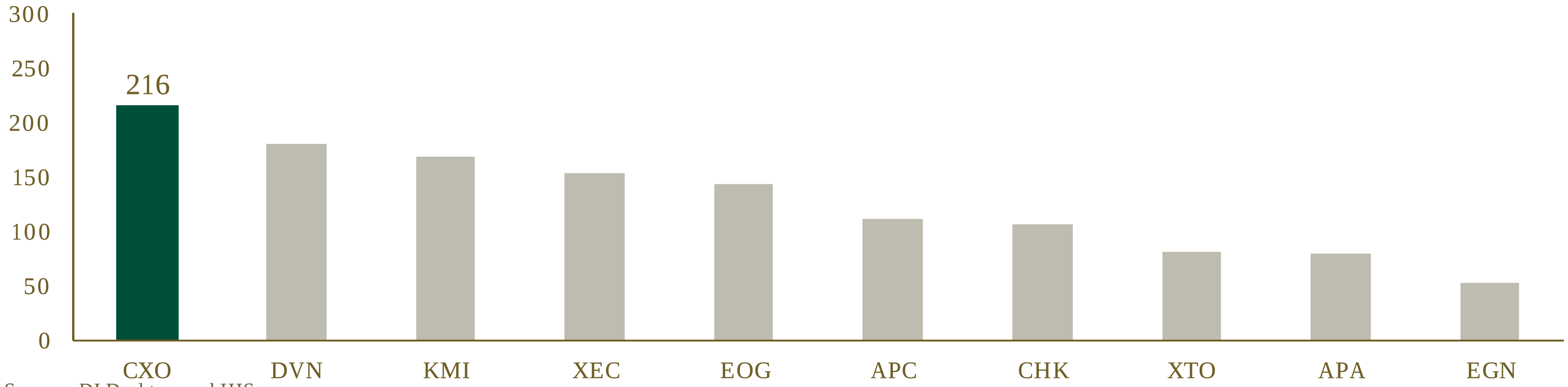
Overview

- Concho is an industry leader in horizontal development in the Delaware Basin
- Combined position and scale provide meaningful opportunity to continue rapid growth of oil and liquids-rich production
- Successfully delineating multi-zone potential
  - High-impact wells currently producing from seven unique zones
- Well performance exceeding expectations

Hz Delaware Basin Play Production (MBoe/d)[1]



Permian Horizontal Wells Drilled by Public Companies (2009 – 2012 YTD)



Source: DI Desktop and IHS.

1 Based on net production contribution from horizontal wells in the Delaware Basin.

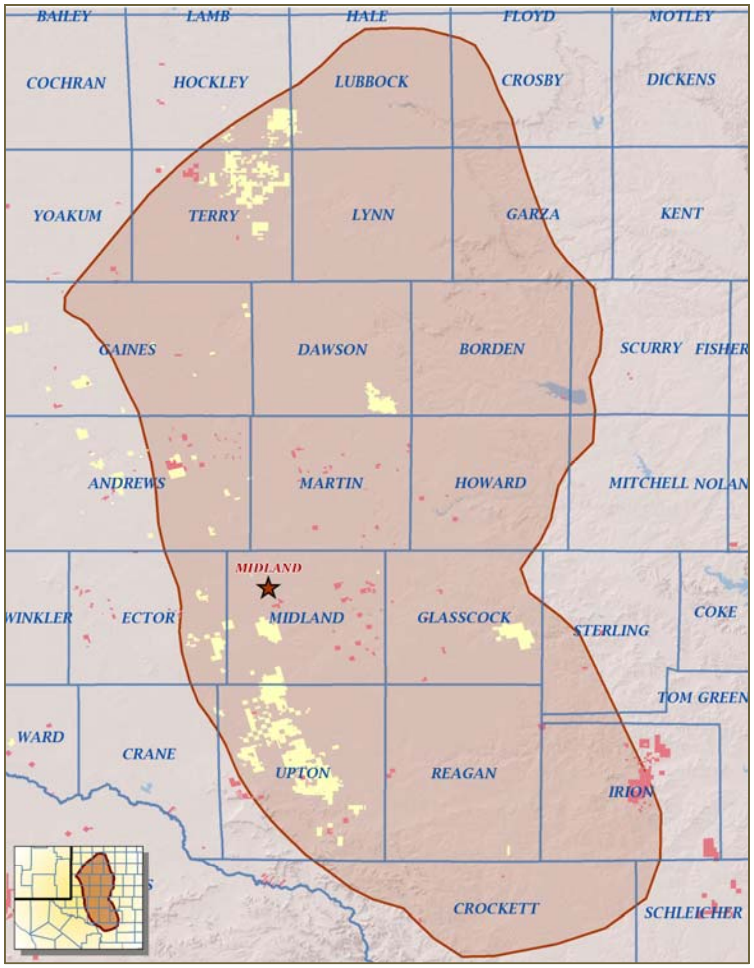
Midland Basin – Meaningful Addition to “Wolfberry” Play

Midland Basin Addition

- Significant addition to vertical drilling inventory across the Midland Basin
  - Increases net acreage by 42%
  - Primary targets include Wolfberry and shallow Wolfcamp
- Ability to accelerate vertical development through robust drilling program within low-risk, high-margin oil play
- Attractive bolt-on to existing northern Midland Basin acreage (Terry County)
- Evaluating horizontal upside

Combination Impact – Midland Basin

	CXO[1]	3ROC	PF
Vertical Locations	4,585	1,141	5,726
Horizontal Locations	*Under Evaluation*		
Gross Acreage ('000s)	224	72	295
Net Acreage ('ooos)	102	43	145
Rig Count (Current / 2H12)	19 / 18	2 / 5	21 / 23



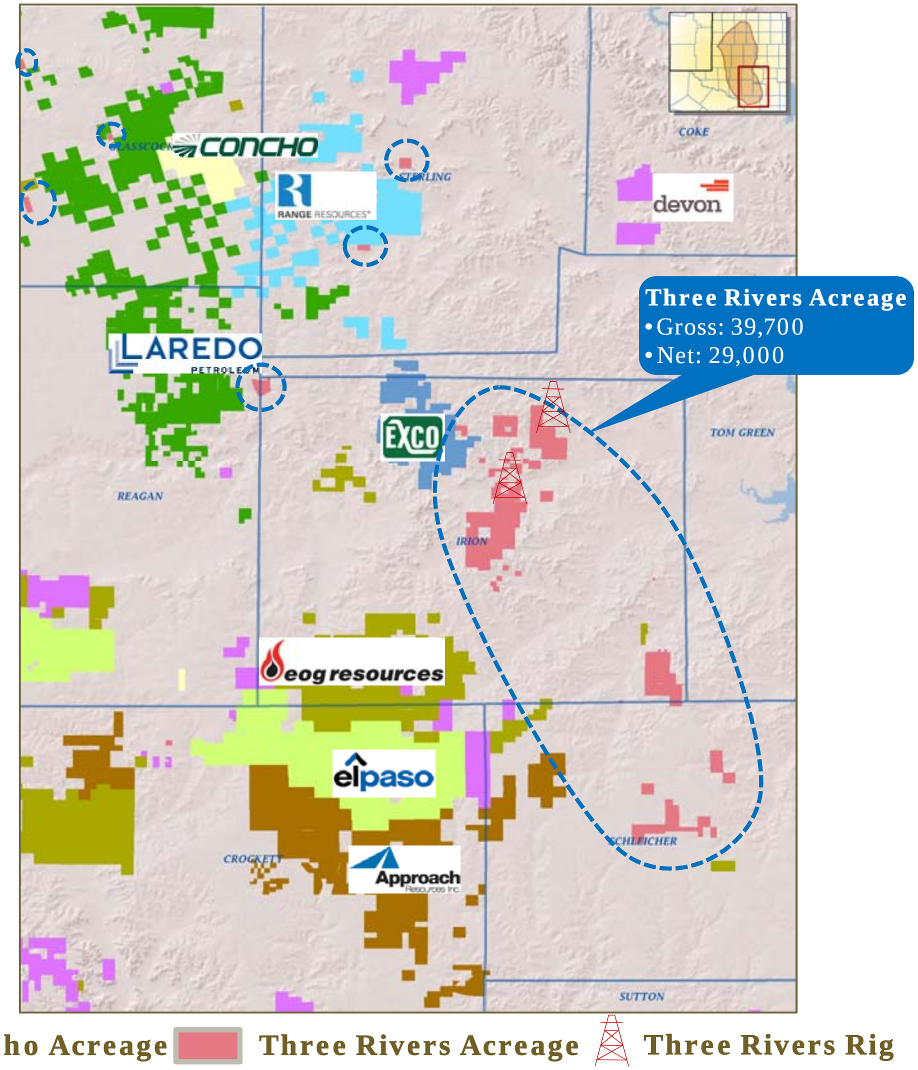
Concho Acreage Three Rivers Acreage

1 As of 12/31/11. Adjusted for 1Q12 Midland Basin acquisition which includes 10,700 gross (10,000 net) acres, 170 40-acre Wolfberry locations and 200 20-acre Wolfberry locations.

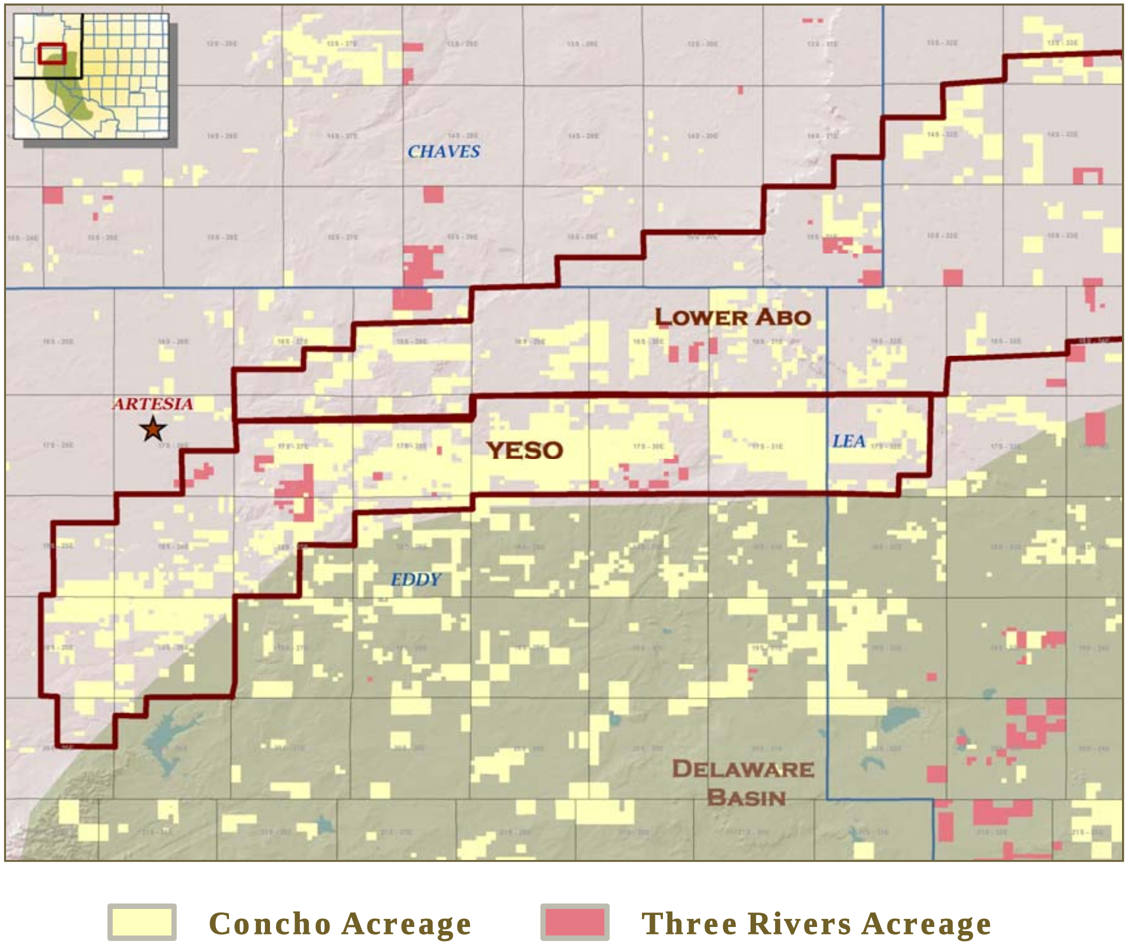
Midland Basin – Expanding Into The Emerging Southern Midland Basin

Southern Midland Basin Expansion

- Continued expansion into emerging southern Midland Basin
- Acquired acreage currently being developed with vertical wells targeting shallow Wolfcamp
  - Additional zones include Dean, Clearfork, Canyon, Strawn
- Industry ramping up horizontal development across the area
  - Results improving
- Operators primarily targeting the Wolfcamp shale
  - Multiple producing zones within the Wolfcamp
  - Cline shale offers multi-zone potential
- No horizontal drilling activity to date on Three Rivers acreage
  - Evaluating horizontal upside

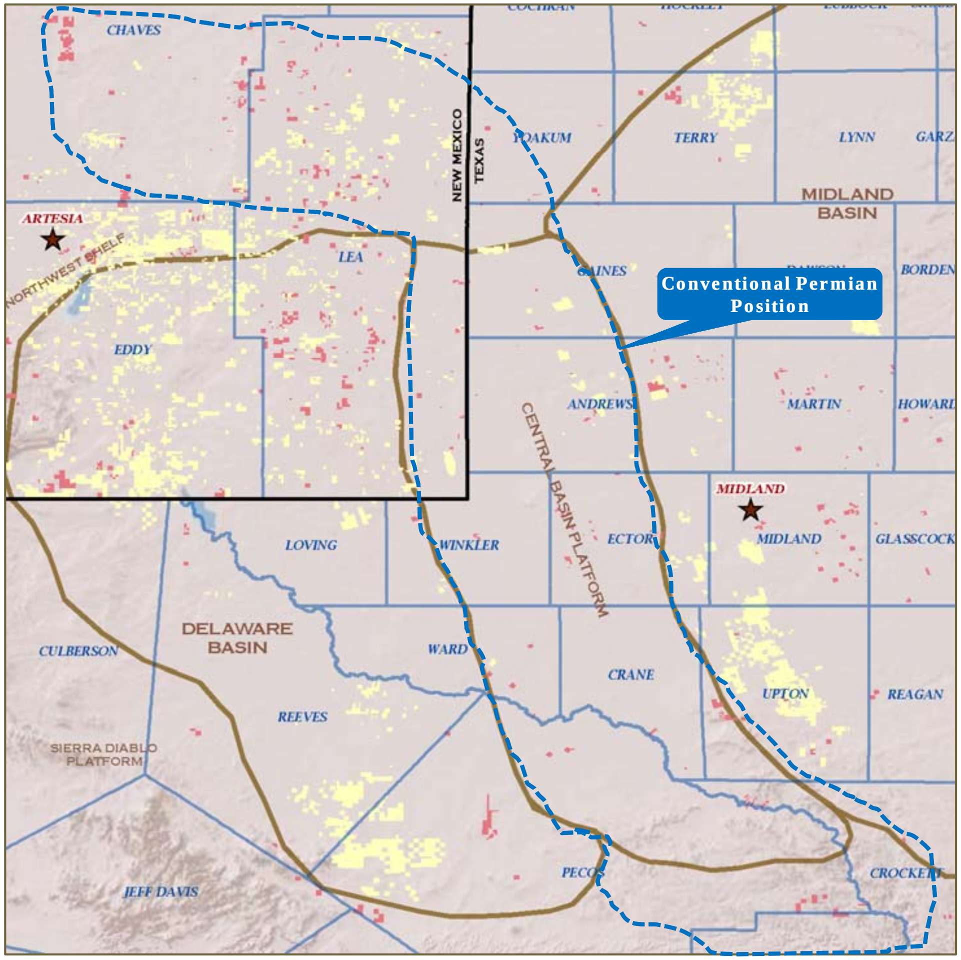


New Mexico Shelf – Complementing Core Legacy Position



New Mexico Shelf Bolt-on

- Provides bolt-on acreage across core legacy New Mexico Shelf position
- Concho has drilled over 1,000 wells in the Yeso
- Expanding the play boundary through horizontal development
- Currently operating 9 Yeso rigs, 1 Lower Abo rig
  - Two horizontal Yeso rigs; converting 3rd in 2Q12



Concho Acreage **Three Rivers Acreage**

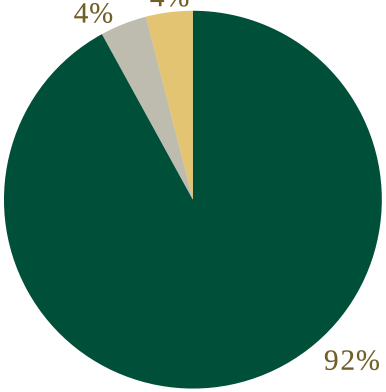
Three Rivers Conventional Permian Boundary

Conventional Permian

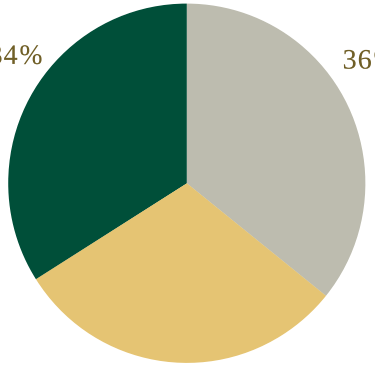
- Targeting divestitures of $200 - $400 million in existing and newly acquired assets post-close
  - Timing expected within 9 months
- Three Rivers conventional Permian assets are a source of potential divestment
  - Current net production is approximately 1.5 MBoe/d
- Long-lived production mix
- Large PDP component
- Minimal development capital
- Over 70% held by production

Updated 2012 Capital Budget and Activity

2012 Capital Budget: $1.5bn



2012 Drilling & Completion Budget: $1.4bn



New Mexico Shelf

- Average 10 rigs in 2H12
- Expect to drill ~390 wells in 2012
- 54% of proved reserves[1]
- 55% of production in 2011
- 2,755 drilling opportunities[2]
  - 1,995 Yeso

Delaware Basin

- Average 10 rigs in 2H12
- Expect to drill ~160 wells in 2012
- 13% of proved reserves[1]
- 20% of production in 2011
- Activity concentrated in the Bone Spring, Avalon and Wolfcamp
- ~472,000 gross (312,000 net) acres[2]
- 2,248 drilling opportunities[2]

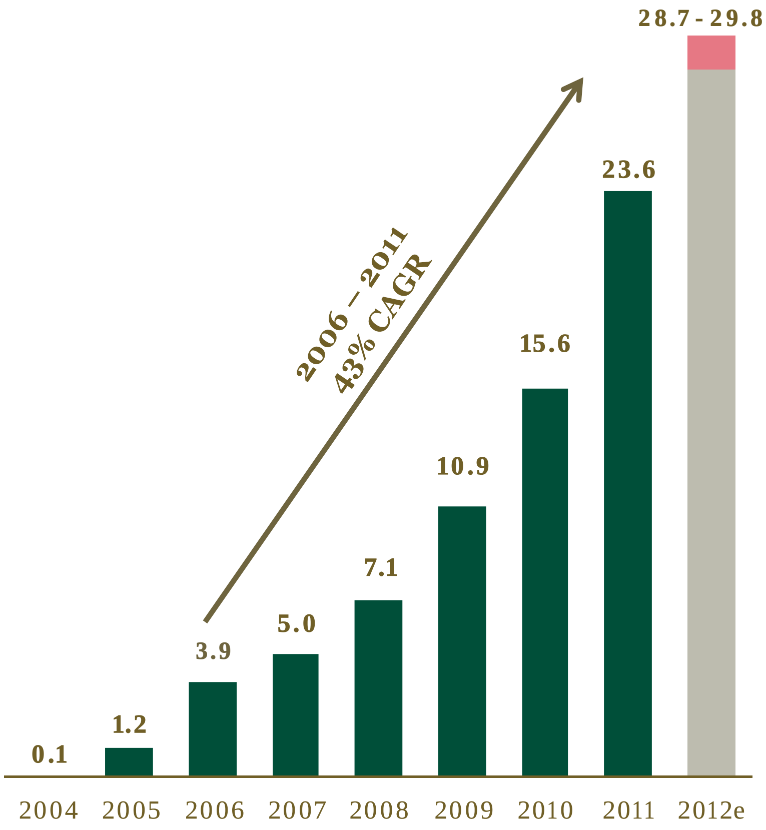
Texas Permian

- Average 23 rigs in 2H12
- Expect to drill ~400 wells in 2012
- 33% of proved reserves[1]
- 25% of production in 2011
- Activity concentrated in Wolfberry play
- 5,833 drilling opportunities[3]
  - 2,151 40-acre Wolfberry
  - 2,626 20-acre Wolfberry

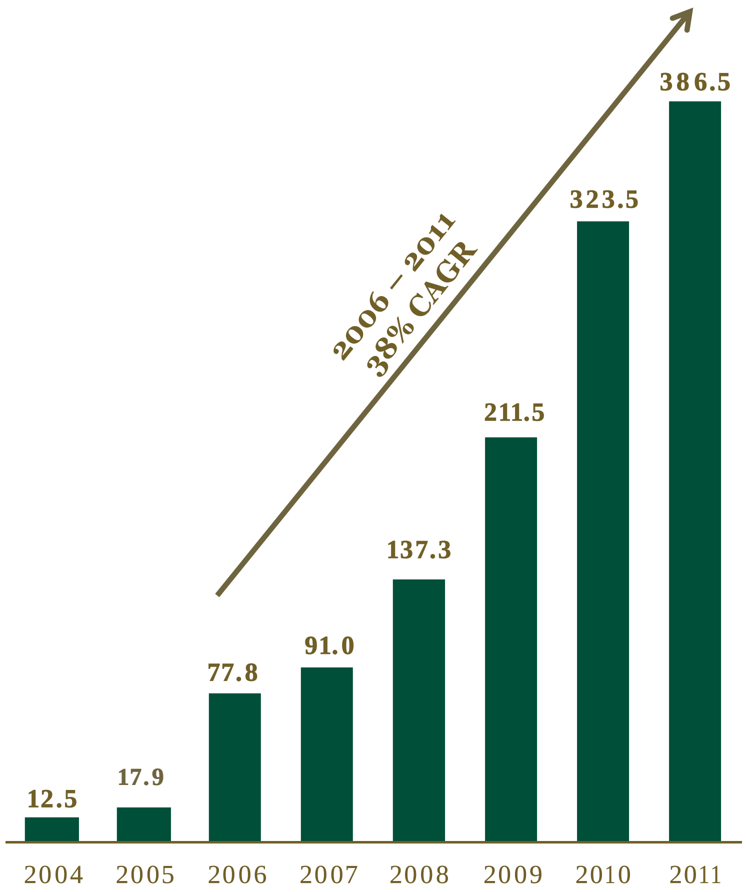
1 As of 12/31/11 at SEC pricing. Excludes 13 MMBoe of proved reserves from 1Q 2012 Midland Basin acquisition and 58 MMBoe of proved reserves from Three Rivers acquisition.
2 As of 12/31/11. Adjusted for Three Rivers acquisition.
3 As of 12/31/11. Adjusted for (i) 1Q12 Midland Basin acquisition which includes 170 40-acre Wolfberry locations and 200 20-acre Wolfberry locations, and (ii) the Three Rivers acquisition.

Track Record of Production & Reserve Growth

Annual Production (MMBoe)



Proved Reserves (MMBoe)



- A leading Permian producer with a proven track record of creating shareholder value through accretive acquisitions
  - Value creation through accelerating development and expanding resource base (Chase Oil, Henry Petroleum and Marbob Energy)
- Concentrated oil and liquids-rich asset base with significant scale in three core operating areas – Delaware Basin, Texas Permian and the New Mexico Shelf
  - Over 10,800 drilling locations [1]
- Committed to rate-of-return driven growth
- History of taking disciplined approach to funding growth
  - Committed to debt / EBITDAX <2.0x
  - Expect to divest $200 - $400 million of non-core assets within next 9 months
  - Ample liquidity, with approximately $1.8 billion available under credit facility as of 3/31/12
- Concho remains well positioned to grow both organically and through strategic acquisitions that enhance existing portfolio

1 As of 12/31/11. Adjusted for (i) 1Q12 Midland Basin acquisition which includes 170 40-acre Wolfberry locations and 200 20-acre Wolfberry locations, and (ii) the Three Rivers acquisition, which includes 1,560 locations.

Three Rivers Estimated Contribution (2H 2012 & FY 2013)

	Acquisition Impact	
	2H 2012	**FY 2013**
Production:		
Oil equivalent (MMBoe)	1.2 - 1.3	4.6 - 5.1
% Oil	45% - 55%	50% - 60%
Operating costs and expenses:		
Direct lease operating expense ($/Boe)	$10.00 - $11.00	$8.00 - $10.00
Capital expenditures ($ in millions)	$145	$425

CONCHO

Hedges as of May 13, 2012

Current Oil and Natural Gas Swaps

	2012								
	Second Quarter	Third Quarter	Fourth Quarter	Total	2013	2014	2015	2016	2017
Oil Swaps									
Volume (Bbl)	3,949,500	3,876,500	3,539,500	11,365,500	12,031,000	4,513,000	1,076,000	429,000	168,000
NYMEX price (Bbl) (a)	$ 95.27	$ 96.39	$ 96.23	$ 95.95	$ 96.08	$ 92.85	$ 86.69	$ 88.31	$ 87.00
Natural Gas Swaps									
Volume (MMBtu)	75,000	75,000	75,000	225,000	-	-	-	-	-
NYMEX price (MMBtu) (b)	$ 6.54	$ 6.54	$ 6.54	$ 6.54	-	-	-	-	-

(a) The index prices for the oil contracts are based on the NYMEX-West Texas Intermediate monthly average futures price.
(b) The index prices for the natural gas contracts are based on the NYMEX-Henry Hub last trading day of the month futures price.