

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): January 15, 2021

ConocoPhillips

(Exact Name of Registrant as Specified in
Its Charter)

Delaware

(State or Other Jurisdiction
of Incorporation)

001-32395

(Commission
File Number)

01-0562944

(IRS Employer
Identification No.)

**925 N. Eldridge Parkway
Houston, Texas 77079**

(Address of Principal Executive Offices, Including Zip Code)

(281) 293-1000

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, If Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$.01 Par Value Per Share 7% Debentures due 2029	COP CUSIP-718507BK1	New York Stock Exchange New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.01. Completion of Acquisition or Disposition of Assets.

On January 15, 2021, ConocoPhillips, a Delaware corporation (the “Company”), completed its previously announced acquisition of Concho Resources Inc., a Delaware corporation (“Concho”), in connection with the merger of Falcon Merger Sub Corp., a Delaware corporation and a wholly-owned subsidiary of the Company (“Merger Sub”), with and into Concho (the “Merger”), pursuant to that certain Agreement and Plan of Merger, dated as of October 18, 2020 (the “Merger Agreement”), among the Company, Merger Sub and Concho. At the effective time of the Merger (the “Effective Time”), each share of common stock of Concho, par value \$0.001 per share, outstanding immediately prior to the Effective Time (excluding certain Excluded Shares and Converted Shares (each as defined in the Merger Agreement)) was converted into the right to receive 1.46 (the “Exchange Ratio”) shares of common stock of the Company, par value \$0.01 per share (the “Merger Consideration”).

At the Effective Time: (1) each outstanding award of restricted common stock of Concho (other than an award that fully vested by its terms at the Effective Time) was converted into an award in respect of a number of shares of restricted common stock of the Company equal to the product of the number of shares of common stock of Concho subject to the award multiplied by the Exchange Ratio and rounded to the nearest whole share; (2) each outstanding award of restricted common stock of Concho that fully vested by its terms at the Effective Time vested and was converted into the right to receive the Merger Consideration in respect of each share subject to the award; (3) each outstanding award of performance units (other than any such award granted following the execution of the Merger Agreement) vested (applicable performance goals were deemed satisfied at 200% of target (which is two-thirds of maximum performance) for active employees and any former employee who, as of the Effective Time, serves on the Concho board, and based on actual performance for former employees) and was converted into the right to receive an amount in cash equal to the value of the Merger Consideration in respect of each share subject to the award; and (4) each outstanding award of performance units granted following the execution of the Merger Agreement was converted into a time-vesting award in respect of a number of shares of restricted common stock of the Company equal to the product of the target number of shares of common stock of Concho subject to the award multiplied by the Exchange Ratio and rounded to the nearest whole share.

The issuance of shares of common stock of the Company in connection with the Merger was registered under the Securities Act of 1933, as amended (the “Securities Act”), pursuant to the Company’s registration statement on Form S-4 (File No. 333-250183), declared effective by the Securities and Exchange Commission (the “SEC”) on December 10, 2020. The joint proxy statement/prospectus (the “Joint Proxy Statement/Prospectus”) included in the registration statement contains additional information about the Merger.

The foregoing description of the Merger Agreement and the transactions contemplated thereby, including the Merger, is not complete and is subject to and qualified in its entirety by reference to the Merger Agreement, a copy of which was included as Annex A to the Joint Proxy Statement/Prospectus, and is incorporated herein by reference.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

As required by the terms of the Merger Agreement, effective as of January 15, 2021, the Board of Directors of the Company (the “Board”) increased the size of the Board by one member and appointed Tim Leach, the former Chairman and Chief Executive Officer of Concho, as a member of the Board, in accordance with the Amended and Restated Certificate of Incorporation, the Amended and Restated By-Laws of the Company and applicable law. Effective as of the closing of the Merger, Mr. Leach was also appointed as Executive Vice President, Lower 48 of the Company.

As previously described in the Joint Proxy Statement/Prospectus, Mr. Leach entered into a letter agreement with the Company setting forth the terms of his employment with the Company following the consummation of the Merger. For a description of Mr. Leach's letter agreement and additional information about the arrangements and transactions with respect to Mr. Leach, see the section in the Joint Proxy Statement/Prospectus entitled "The Merger—Interests of Concho Directors and Executive Officers in the Merger." Such description is incorporated herein by reference.

Item 5.07. Submission of Matters to a Vote of Security Holders.

On January 15, 2021, the Company held a special meeting of stockholders (the "Special Meeting"). The Special Meeting was held in order to vote upon the proposal set forth in the definitive joint proxy statement of the Company and Concho, filed with the SEC on December 11, 2020, to approve the issuance of shares of common stock of the Company (the "Issuance Proposal") pursuant to the Merger Agreement.

At the Special Meeting, the Issuance Proposal was approved by the affirmative vote of a majority of shares of common stock of the Company present in person (via the Company's special meeting website) or by proxy at the Special Meeting and entitled to vote on the Issuance Proposal.

As of the close of business on December 11, 2020, the record date for the Special Meeting, 1,068,034,619 shares of common stock of the Company were issued and outstanding and entitled to vote at the Special Meeting. 794,407,164 of the common stock of the Company were represented in person (via the Company's special meeting website) or by proxy at the Special Meeting, which constituted a quorum to conduct business at the meeting. The number of shares voted for or against, as well as abstentions and broker non-votes with respect to the Issuance Proposal presented at the Special Meeting was:

Votes For	Percentage For	Votes Against	Abstentions	Broker Non-Votes
787,087,414	99.28%	5,675,797	1,643,953	0

Item 8.01 Other Events.

On January 15, 2021, the Company issued a press release announcing the results of the Special Meeting held on January 15, 2021 and announcing the completion of the Merger. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements.

The audited consolidated balance sheet of Concho as of December 31, 2019 and December 31, 2018 and the consolidated statements of operations, consolidated statements of cash flows and consolidated statements of changes in stockholders' equity of Concho for the years ended December 31, 2019, 2018 and 2017, and the notes related thereto, are incorporated by reference as Exhibit 99.2 hereto and are incorporated by reference into this Item 9.01(a).

The Report of Independent Registered Public Accounting Firm, issued by Grant Thornton LLP, dated February 19, 2020, relating to the consolidated financial statements of Concho is incorporated by reference as Exhibit 99.3 hereto and is incorporated by reference into this Item 9.01(a).

The unaudited consolidated balance sheet of Concho as of September 30, 2020 and the consolidated statements of operations, consolidated statements of cash flows and consolidated statements of changes in stockholders' equity and comprehensive income of Concho for the nine month period ended September 30, 2020, and the notes related thereto, are incorporated by reference as Exhibit 99.4 hereto and are incorporated by reference into this Item 9.01(a).

(b) Pro Forma Financial Information.

The unaudited pro forma combined income statement for the year ended December 31, 2019 and the nine months ended September 30, 2020 give effect to the Merger as if it had been consummated on January 1, 2019. The unaudited pro forma combined balance sheet as of September 30, 2020 has been prepared to give effect to the Merger as if it had been consummated on September 30, 2020. The pro forma financial information and the related notes thereto, required to be filed under Item 9.01 of this Current Report on Form 8-K, were previously filed in the Joint Proxy Statement/Prospectus under the caption "Unaudited Pro Forma Combined Financial Statements" and are incorporated by reference as Exhibit 99.5 hereto and are incorporated by reference into this Item 9.01(b).

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
23.1	Consent of Grant Thornton LLP.
99.1	Press release, dated January 15, 2021, issued by ConocoPhillips.
99.2	The audited consolidated balance sheet of Concho, as of December 31, 2019 and December 31, 2018, and the consolidated statements of operations, consolidated statements of cash flows and consolidated statements of changes in stockholders' equity of Concho, for the years ended December 31, 2019, 2018 and 2017, and the notes related thereto (incorporated by reference to Part II, Item 8 of Concho's Form 10-K filed with the SEC on February 19, 2020 (the "2019 Form 10-K")).
99.3	The Report of Independent Registered Public Accounting Firm, issued by Grant Thornton LLP, dated February 19, 2020, relating to the consolidated financial statements of Concho (incorporated by reference to Part II, Item 8 of the 2020 Form 10-K).
99.4	The unaudited consolidated balance sheet of Concho as of September 30, 2020 and the consolidated statements of operations, consolidated statements of cash flows and consolidated statements of changes in stockholders' equity of Concho for the nine month period ended September 30, 2020, and the notes related thereto (incorporated by reference to Part I, Item I of Concho's Form 10-Q filed with the SEC on October 27, 2020).
99.5	The unaudited pro forma combined income statement, for the year ended December 31, 2019 and the nine months ended September 30, 2020, and the unaudited pro forma combined balance sheet as of September 30, 2020 (incorporated by reference to the information under the caption "Unaudited Pro Forma Combined Financial Statements" of the Form S-4 of ConocoPhillips (SEC File No. 333-250183)).
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CONOCOPHILLIPS

/s/ Shannon B. Kinney

Shannon B. Kinney

Deputy General Counsel, Chief Compliance Officer and Corporate Secretary

January 15, 2021

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our report dated February 19, 2020, with respect to the consolidated financial statements of Concho Resources Inc. included in its Annual Report on Form 10-K for the year ended December 31, 2019 and in this Current Report of ConocoPhillips on Form 8-K. We consent to the incorporation by reference of said report in the Registration Statements of ConocoPhillips on Form S-3 (File No. 333-240978-01) and Forms S-8 (File No. 333-250183, File No. 333-196349, File No. 333-174479, File No. 333-159318, File No. 171047, File No. 333-133101 and File No. 333-116216).

/s/ GRANT THORNTON LLP

Houston, Texas
January 15, 2021



925 North Eldridge Parkway
Houston, TX 77079-1175
Media Relations: 281-293-1149
www.conocophillips.com/media

NEWS RELEASE

Jan. 15, 2021

ConocoPhillips Completes Acquisition of Concho Resources

HOUSTON – ConocoPhillips (NYSE: COP) today announced that it has completed its acquisition of Concho Resources (“Concho”) (NYSE: CXO) following approval by shareholders of both companies.

“We appreciate the strong support for this transaction from the shareholders of both companies, which we view as further affirmation of the significant benefits it will deliver,” said Ryan Lance, ConocoPhillips chairman and chief executive officer. “This acquisition results in the combination of two premier companies that can lead the structural change for our vital industry that’s critical to investors. We expect the company to deliver differential performance on three key mandates: providing affordable energy to the world, generating superior returns on and of capital and demonstrating ESG leadership.”

Lance added, “I also welcome Tim Leach to ConocoPhillips’ board of directors and executive leadership team. Tim and his organization built a best-in-class Permian company and we both look forward to creating significant value from this transaction. Thanks to the considerable efforts of our transition teams over these past few months, we’re off to a fast start toward seamlessly integrating our two companies and building momentum as a sector leader.”

ConocoPhillips and Concho will each file the vote results for their respective special shareholder meetings on a Form 8-K with the U.S. Securities and Exchange Commission.

In accordance with the terms of the merger agreement, each share of Concho common stock was converted into the right to receive 1.46 shares of ConocoPhillips common stock at the effective time of the merger.

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About ConocoPhillips

Headquartered in Houston, Texas, ConocoPhillips had operations and activities in 15 countries, \$63 billion of total assets, and approximately 9,800 employees at Sept. 30, 2020. Production excluding Libya averaged 1,108 MBOED for the nine months ended Sept. 30, 2020, and proved reserves were 5.3 BBOE as of Dec. 31, 2019. For more information, go to www.conocophillips.com.

Contacts

John C. Roper (media)
281-293-1451
john.c.roper@conocophillips.com

Investor Relations
281-293-5000
investor.relations@conocophillips.com

CAUTIONARY STATEMENT FOR THE PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

All statements other than historical facts may be forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to future events and anticipated results of operations and business strategies, statements regarding the merger, including the anticipated benefits of the merger, the anticipated impact of the merger on ConocoPhillips' business and future financial and operating results, the expected amount and timing of synergies from the merger and other aspects of operations or operating results. All statements, other than statements of historical fact, that address activities, events or developments that ConocoPhillips expects, believes or anticipates will or may occur in the future are forward-looking statements. Words and phrases such as "anticipate," "estimate," "believe," "budget," "continue," "could," "intend," "may," "plan," "potential," "predict," "seek," "should," "will," "would," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target" and other similar words can be used to identify forward-looking statements. However, the absence of these words does not mean that the statements are not forward-looking. Where, in any forward-looking statement, ConocoPhillips expresses an expectation or belief as to future results, such expectation or belief is expressed in good faith and believed to be reasonable at the time such forward-looking statement is made. However, these statements are not guarantees of future performance and involve certain risks, uncertainties and other factors beyond ConocoPhillips' control. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in the forward-looking statements. The following important factors and uncertainties, among others, could cause actual results or events to differ materially from those included in this press release. These include the ability to successfully integrate Concho's businesses and technologies; the risk that the expected benefits and synergies of the merger may not be fully achieved in a timely manner, or at all; the risk that ConocoPhillips will be unable to retain and hire key personnel; unanticipated difficulties or expenditures relating to the merger; uncertainty as to the long-term value of ConocoPhillips common stock; the diversion of management time on merger-related matters; the inability to realize anticipated cost savings and capital expenditure reductions; the inadequacy of storage capacity for ConocoPhillips products, and ensuing curtailments, whether voluntary or involuntary, required to mitigate this physical constraint; the impact of public health crises, including pandemics (such as COVID-19) and epidemics and any related company or government policies or actions; global and regional changes in the demand, supply, prices, differentials or other market conditions affecting oil and gas, including changes resulting from a public health crisis or from the imposition or lifting of crude oil production quotas or other actions that might be imposed by OPEC and other producing countries and the resulting company or third-party actions in response to such changes; fluctuations in crude oil, bitumen, natural gas, LNG and NGLs prices, including a prolonged decline in these prices relative to historical or future expected levels; the impact of significant declines in prices for crude oil, bitumen, natural gas, LNG and NGLs, which may result in recognition of impairment charges on ConocoPhillips' long-lived assets, leaseholds and nonconsolidated equity investments; potential failures or delays in achieving expected reserve or production levels from existing and future oil and gas developments, including due to operating hazards, drilling risks and the inherent uncertainties in predicting reserves and reservoir performance; reductions in reserves replacement rates, whether as a result of the significant declines in commodity prices or otherwise; unsuccessful exploratory drilling activities or the inability to obtain access to exploratory acreage; unexpected changes in costs or technical requirements for constructing, modifying or operating E&P facilities; legislative and regulatory initiatives addressing environmental concerns, including initiatives addressing the impact of global climate change or further regulating hydraulic fracturing, methane emissions, flaring or water disposal; lack of, or disruptions in, adequate and reliable transportation for ConocoPhillips' sales volumes, including crude oil, bitumen, natural gas, LNG and NGLs; the inability to timely obtain or maintain permits, including those necessary for construction, drilling and/or development, or the inability to make capital expenditures required to maintain compliance with any necessary permits or applicable laws or regulations; the failure to complete definitive agreements and feasibility studies for, and to complete construction of, announced and future E&P and LNG development in a timely manner (if at all) or on budget; potential disruption or interruption of ConocoPhillips' operations due to accidents, extraordinary weather events, civil unrest, political events, war, terrorism, cyber attacks, and information technology failures, constraints or disruptions; changes in international monetary conditions and foreign currency exchange rate fluctuations; changes in international trade relationships, including the imposition of trade restrictions or tariffs relating to ConocoPhillips' sales volumes, including crude oil, bitumen, natural gas, LNG, NGLs and any materials or products (such as aluminum and steel) used in the operation of ConocoPhillips' business; substantial investment in, and development and use of, competing or alternative energy sources, including as a result of existing or future environmental rules and regulations; liability for remedial actions, including removal and reclamation obligations, under existing and future environmental regulations and litigation; significant operational or investment changes imposed by existing or future environmental statutes and regulations, including international agreements and national or regional legislation and regulatory measures to limit or reduce GHG emissions; liability resulting from litigation, including litigation related to the merger, or ConocoPhillips' failure to comply with applicable laws and regulations; general domestic and international economic and political developments, including armed hostilities; expropriation of assets; changes in governmental policies relating to crude oil, bitumen, natural gas, LNG and NGLs pricing, regulation or taxation, and other political, economic or diplomatic developments; volatility in the commodity futures markets; changes in tax and other laws, regulations (including alternative energy mandates), or royalty rules applicable to ConocoPhillips' business; competition and consolidation in the oil and gas E&P industry; any limitations on ConocoPhillips' access to capital or increase in ConocoPhillips' cost of capital, including as a result of illiquidity or uncertainty in domestic or international financial markets; ConocoPhillips' inability to execute, or delays in the completion of, any asset dispositions or acquisitions ConocoPhillips elects to pursue; potential failure to obtain, or delays in obtaining, any necessary regulatory approvals for pending or future asset dispositions or acquisitions, or that such approvals may require modification to the terms of the transactions or the operation of ConocoPhillips' remaining business; potential disruption of ConocoPhillips' operations as a result of pending or future asset dispositions or acquisitions, including the diversion of management time and attention; the inability to deploy the net proceeds from any asset dispositions that are pending or that ConocoPhillips elects to undertake in the future in the manner and timeframe ConocoPhillips currently anticipates, if at all; the inability to liquidate the common stock issued to ConocoPhillips by Cenovus Energy as part of ConocoPhillips' sale of certain assets in western Canada at prices ConocoPhillips deems acceptable, or at all; the operation and financing of ConocoPhillips' joint ventures; and the ability of ConocoPhillips customers and other contractual counterparties to satisfy their obligations to ConocoPhillips, including ConocoPhillips' ability to collect payments when due from the government of Venezuela or PDVSA.

Additional important risks, uncertainties and other factors are described in ConocoPhillips' Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and ConocoPhillips' Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2020, June 30, 2020 and September 30, 2020, certain Current Reports on Form 8-K and other filings ConocoPhillips makes with the SEC and in Concho's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and Concho's Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2020, June 30, 2020 and September 30, 2020, certain Current Reports on Form 8-K and other filings Concho made with the SEC.

Except as required by law, ConocoPhillips does not undertake or assume any obligation to update any forward-looking statements, whether as a result of new information or to reflect subsequent events or circumstances or otherwise. You are cautioned not to place undue reliance on these

forward-looking statements, which speak only as of the date hereof.

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