

WPX ENERGY, INC.

FORM 8-K (Current report filing)

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**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): April 29, 2014

WPX Energy, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-35322
(Commission
File Number)

45-1836028
(I.R.S. Employer
Identification No.)

One Williams Center, Tulsa, Oklahoma
(Address of Principal Executive Offices)

74172-0172
(Zip Code)

Registrant's Telephone Number, Including Area Code: (855) 979-2012

Check the appropriate box below if the Form 8-K 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))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

The Board of Directors of WPX Energy, Inc. (together with its subsidiaries, the “Company”) has appointed Richard E. Muncrief, age 55, as President and Chief Executive Officer of the Company, effective as of May 15, 2014 (the “Effective Date”). The Board also appointed Mr. Muncrief as a Class II member of the Board, effective as of the resignation of James J. Bender, the Company’s interim President and Chief Executive Officer, as a member of the Board. As previously disclosed by the Company, Mr. Bender has agreed to resign as a Class II member of the Board immediately following the Company’s annual meeting of stockholders on May 22, 2014. Mr. Bender will step down as President and Chief Executive Officer of the Company on the Effective Date.

Mr. Muncrief has nearly thirty years of experience in the upstream and midstream energy business, and since June 2009 has served as Senior Vice President, Operations of Continental Resources, Inc. From August 2008 through May 2009, he served as Corporate Business Manager of Resource Production Company, and from September 2007 to August 2008 he served as President, Chief Operating Officer and as a director of Quest Midstream Partners, LP. From 1980 to 2007, he served in various managerial capacities with ConocoPhillips and its predecessor companies. Mr. Muncrief earned a bachelor of science degree in petroleum engineering technology from Oklahoma State University.

There are no arrangements or understandings between Mr. Muncrief and any other persons pursuant to which he was selected as a director of the Company. He has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

In connection with Mr. Muncrief’s appointment as President and Chief Executive Officer, he and the Company have entered into an employment agreement with a three-year term (the “Employment Agreement”). Under the terms of the Employment Agreement, Mr. Muncrief and the Company have agreed to enter into certain additional agreements on the Effective Date. The additional agreements include certain agreements that govern the terms of equity awards to be granted to him under the Company’s 2013 Incentive Plan (the “Equity Award Agreements”), certain agreements that govern the terms of one-time equity awards to be granted to him as an inducement to enter into an employment relationship with the Company (the “Equity Inducement Agreements”), and an agreement that will provide for certain payments and benefits in the event that his employment is terminated following a change in control of the Company (the “CIC Agreement”). The terms of the Employment Agreement, the Equity Award Agreements, the Equity Inducement Agreements and the CIC Agreement are summarized below. This summary is qualified in its entirety by reference to the texts of these agreements that are included in this Current Report as Exhibits 10.1 through 10.7 and are incorporated herein in their entirety.

Salary. Mr. Muncrief’s initial annual base salary rate will be \$800,000.

Annual Cash Incentive Opportunity. Mr. Muncrief will participate in the Company’s Annual Incentive Plan (“AIP”), as the same may be in effect from time to time. His annual cash award target will be 100% of his salary earned during any applicable period, and actual payout as a percentage of target may vary from 0% to 250%, depending on performance by the Company against targets set under the AIP. Mr. Muncrief’s AIP payment for 2014 will be the greater of \$800,000 or the amount that results from the performance of the Company against targets set for 2014 under the AIP.

Equity Award Agreements. The Company will grant Mr. Muncrief the following equity awards, as of the Effective Date, under the Company’s 2013 Incentive Plan:

- An option to purchase 121,167 shares of the Company’s common stock, par value \$0.01 per share (“Common Stock”), at a price per share equal to the closing price of the Common Stock on the New York Stock Exchange on the Effective Date. This option award will vest in one-third increments on each anniversary of March 3, 2014, provided that Mr. Muncrief remains an active employee of the Company on such date.
- 70,120 time-based restricted stock units, which provide the right to receive Common Stock upon vesting. One third of these time-based RSUs will vest on each anniversary of March 3, 2014, provided that Mr. Muncrief remains an active employee of the Company on such date.

- 140,240 performance-based restricted stock units, which provide the right to receive Common Stock upon vesting. These performance-based RSUs will vest on March 3, 2017, provided that Mr. Muncrief remains an active employee of the Company on such date and the Company achieves a “total shareholder return,” measured against the total shareholder returns of its peer companies, that meets the performance targets set over the performance period. Depending on the Company’s relative total shareholder return, as measured against its peers, Mr. Muncrief has the opportunity to earn from 0% to 200% of the shares of Common Stock subject to this equity award. Notwithstanding the Company’s performance against its peers, Mr. Muncrief will receive no more than 100% of the shares of Common Stock subject to this award if total shareholder return over the performance period is negative.

To the extent set forth in the Equity Award Agreements, these equity awards will be subject to earlier payment upon death, disability, termination without cause, or resignation for “Good Reason,” as that term is defined in the Equity Award Agreements. All unvested equity awards will be forfeited in the event of a termination for cause.

Equity Inducement Agreements. The Company will grant Mr. Muncrief the following equity awards, as of the Effective Date, as an inducement to enter into an employment relationship. These equity awards will not be granted under the Company’s 2013 Incentive Plan and are intended to replace unvested, time-based equity awards that had been granted to Mr. Muncrief by his former employer. Forty percent of the replacement equity awards to be granted by the Company consist of time-based RSUs, as forty percent is approximately the proportion of time that Mr. Muncrief was employed during the vesting periods applicable to the equity awards granted by his former employer. The remaining sixty percent of replacement equity awards that the Company will grant to Mr. Muncrief are performance-based RSUs.

- Time-based RSUs, which provide the right to receive Common Stock upon vesting, having an aggregate value equal to 40% of (i) the number of RSUs held by Mr. Muncrief with his former employer immediately prior to the Effective Date, multiplied by (ii) the closing trading price of his former employer’s common stock on the last trading day immediately prior to the Effective Date. These time-based RSUs will vest one year after the Effective Date, provided that Mr. Muncrief remains an active employee of the Company on such date.
- Performance-based RSUs, which provide the right to receive Common Stock upon vesting, having an aggregate value equal to 60% of (i) the number of RSUs held by Mr. Muncrief with his former employer immediately prior to the Effective Date, multiplied by (ii) the closing trading price of his former employer’s common stock on the last trading day immediately prior to the Effective Date. Half of the shares of Common Stock subject to this award will vest if, at any time between the Effective Date and the third anniversary of the Effective Date (the “Performance Period”), the closing price of the Common Stock on the New York Stock Exchange (the “Closing Price”) is equal to or exceeds 115% of the Closing Price on the Effective Date for twenty consecutive trading days. The remaining half of shares of Common Stock subject to this award will vest if, at any time during the Performance Period, the Closing Price equals or exceeds 130% of the Closing Price on the Effective Date for twenty consecutive trading days. Vested shares of Common Stock, if any, will be issued to Mr. Muncrief no earlier than the second anniversary of the Effective Date, and any such issuance is contingent on his remaining an active employee through such date.

To the extent set forth in the Equity Inducement Agreements, these equity awards are subject to earlier payment upon death, disability, termination without cause, or resignation for “Good Reason,” as that term is defined in the Equity Inducement Agreements. All unvested equity awards will be forfeited in the event of a termination for cause.

Termination of Employment. Under the Employment Agreement, which will terminate on the third anniversary of the Effective Date, Mr. Muncrief would be entitled to the following compensation upon termination of his employment (in addition to any vesting of his equity awards under the Equity Award Agreements and the Equity Inducement Agreements). Upon termination of the Employment Agreement, Mr. Muncrief will be employed at will by the Company.

- If the Company terminates Mr. Muncrief without cause, he will be entitled to a cash payment equal to two times his annual base salary and target bonus, as well as a pro-rated payment under the AIP for the year in which he is terminated.
- In the event of Mr. Muncrief’s death or disability, he or his estate will be entitled to a pro-rated payment under the AIP for the year in which death or disability occurs.

Under the CIC Agreement, if Mr. Muncrief is terminated without cause or resigns for “good reason” within two years of a change of control of the Company, he will be entitled to a cash payment equal to three times his annual base salary and target bonus as well as a pro-rated payment under the AIP for the year in which his employment terminates (in addition to any vesting of his equity awards under the Equity Award Agreements and the Equity Inducement Agreements).

Other. Mr. Muncrief will be entitled to the following additional benefits in connection with his appointment as President and Chief Executive Officer.

- Annual reimbursement up to \$7,500 for financial planning expenses.
- Reimbursement for an annual executive physical.
- Limited personal use of Company aircraft, subject to policies adopted from time to time by the Board of Directors.
- Participation in the Company's health and retirement plans.
- A \$50,000 lump sum payment in lieu of COBRA coverage upon certain termination events.
- Reimbursement for relocation-related costs and expenses provided to other senior executives, including expenses for temporary housing.
- Reimbursement up to \$50,000 for reasonable legal fees and expenses incurred in connection with negotiation and preparation of agreements related to employment terms.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

- 10.1 Employment Agreement, dated April 29, 2014, between WPX Energy, Inc. and Richard E. Muncrief.
- 10.2 Form of Nonqualified Stock Option Agreement between WPX Energy, Inc. and Richard E. Muncrief.
- 10.3 Form of 2014 Time-Based Restricted Stock Unit Agreement between WPX Energy, Inc. and Richard E. Muncrief.
- 10.4 Form of 2014 Performance-Based Restricted Stock Unit Agreement between WPX Energy, Inc. and Richard E. Muncrief.
- 10.5 Form of Time-Based Restricted Stock Unit Inducement Award Agreement between WPX Energy, Inc. and Richard E. Muncrief.
- 10.6 Form of Performance-Based Restricted Stock Unit Inducement Award Agreement between WPX Energy, Inc. and Richard E. Muncrief.
- 10.7 Form of Change in Control Agreement between WPX Energy, Inc. and CEO (incorporated by reference to Exhibit 10.1 to WPX Energy, Inc.'s Current Report on Form 8-K (File No. 001-35322) filed with the SEC on July 23, 2012).
- 99.1 Press Release, dated May 1, 2014, issued by WPX Energy, Inc.

SIGNATURE

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.

WPX ENERGY, INC.

By: /s/ Stephen E. Brilz

Stephen E. Brilz

Vice President and Secretary

DATED: May 2, 2014

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
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10.7	Form of Change in Control Agreement between WPX Energy, Inc. and CEO (incorporated by reference to Exhibit 10.1 to WPX Energy, Inc.'s Current Report on Form 8-K (File No. 001-35322) filed with the SEC on July 23, 2012).
99.1	Press Release, dated May 1, 2014, issued by WPX Energy, Inc.

EMPLOYMENT AGREEMENT

This Employment Agreement (this “Agreement”) is entered into as of April 29, 2014 by and between WPX Energy, Inc. (the “Company”) and Richard E. Muncrief (the “Executive”).

WHEREAS, the Company desires to engage the services of the Executive as its President and Chief Executive Officer and the Executive desires to be employed by the Company in such capacity;

WHEREAS, the Company desires to be assured that the unique and expert services of the Executive will be available to the Company, and that the Executive is willing and able to render such services on the terms and conditions hereinafter set forth;

WHEREAS, the Company desires to be assured that the confidential information and goodwill of the Company will be preserved for the exclusive benefit of the Company; and

WHEREAS, the Executive has represented to the Company that he is not a party to or bound by any confidentiality, noncompetition, nonsolicitation, employment, consulting or other agreement or restriction which could conflict with, or be violated by, the performance of the Executive’s duties to the Company or obligations under this Agreement, nor is the Executive subject to any agreements with any other employer.

NOW, THEREFORE, in consideration of such employment and the mutual covenants and promises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Executive agree as follows:

1 EMPLOYMENT AND RESPONSIBILITIES

Subject to the terms set forth herein, the Company agrees to employ the Executive as President and Chief Executive Officer of the Company commencing on May 15, 2014 (such date, the “Effective Date”), and Executive hereby accepts such employment. As President and Chief Executive Officer of the Company, the Executive shall have such authority, perform such duties, and fulfill such responsibilities normally associated with this position, as well as those that are delegated to the Executive by the Board of Directors of the Company (the “Board”). The Executive shall also serve the Company and its subsidiaries and affiliates in such capacities as the Board may request. While employed, the Executive shall report to the Chairman of the Board, and Executive shall devote his full business time and attention to the business and affairs of the Company, and shall use his best efforts to advance the interests of the Company; provided that, Executive may (i) serve on for-profit boards or committees with the prior written approval of the Board; or (ii) serve on civic or charitable boards or committees, provided, that such activities do not, individually or in the aggregate, interfere with the performance of the Executive’s duties and responsibilities with respect to the Company. During the term of employment hereunder, the Executive shall perform his duties principally at the Company’s headquarters.

2 TERM

This Agreement shall be effective as of the Effective Date. The Executive's employment hereunder shall begin on the Effective Date and shall continue until the day preceding the third anniversary of the Effective Date, unless terminated prior thereto by the Company or the Executive in accordance with Section 5 below (the "Expiration Date" and such period of employment being the "Employment Period"). Nothing in this Agreement shall mandate or prohibit a continuation of the Executive's employment following the expiration of the Employment Period upon such terms and conditions as the Company and the Executive may agree, and thereafter, the Executive shall be employed on an at-will basis unless the parties agree to the contrary.

3 COMPENSATION

During the Employment Period, the Company agrees to pay to the Executive, and he agrees to accept in full consideration for all services performed by him and the other covenants and agreements set forth herein, the following compensation:

3.1 Base Salary . The Company will pay the Executive an annual base salary of Eight Hundred Thousand Dollars (\$800,000.00) before all customary payroll deductions ("Base Salary"). This Base Salary will be paid in accordance with the usual payroll practices of the Company in effect from time to time. The Executive's Base Salary shall be reviewed at least annually during the Employment Period by the Compensation Committee of the Board (the "Compensation Committee"), and any changes to the Executive's Base Salary will be subject to approval by the Board. The term Base Salary, as utilized in this Agreement, shall refer to Base Salary as it may be adjusted.

3.2 Annual Bonus . The Executive will be eligible to receive in respect of each calendar year an annual cash bonus under the Company's Annual Incentive Program as in effect from time to time ("AIP") in an amount targeted at one hundred percent (100%) of Base Salary and with a maximum AIP bonus of two hundred and fifty percent (250%) of Base Salary, based upon the determination of the Compensation Committee as to the levels of achievement under the applicable AIP performance goals for the applicable plan year ("Annual Bonus"). Any Annual Bonus payable to the Executive under the AIP shall be paid at the same time and subject to the same terms and conditions as bonuses are paid generally under the AIP to other executive officers of the Company. Notwithstanding any other provision herein, the Annual Bonus payable for the 2014 AIP plan year will be an amount equal to the greater of (i) the target amount of Eight Hundred Thousand Dollars (\$800,000.00) or (ii) the actual Annual Bonus as determined by the Compensation Committee. Except as otherwise provided in this Agreement, the Executive shall only be entitled to receive an Annual Bonus in respect of any calendar year if the Executive remains employed by the Company through the date on which the Annual Bonus is paid. All determinations regarding the Annual Bonus shall be made by the Compensation Committee and the Board in their sole discretion.

3.3 Annual Equity Awards . The Executive shall receive an initial equity-based long term incentive compensation award as follows: (i) an option to purchase One Hundred Twenty One Thousand One Hundred Sixty Seven (121,167) shares of Company common stock (the “Option”); (ii) time-based restricted stock units with respect to Seventy Thousand One Hundred Twenty (70,120) shares of Company common stock (“Time-Based RSUs”); and (iii) performance-based restricted stock units with respect to One Hundred Forty Thousand Two Hundred Forty (140,240) shares of Company common stock (“Performance-Based RSUs”, together with the Time-Based RSUs, the “RSUs”). The Option and the RSUs shall be subject to and granted under the terms of the WPX Energy, Inc. 2013 Incentive Plan (the “Equity Plan”) and the award agreements pursuant to which such Option and RSUs shall be granted. Thereafter, the Executive shall be eligible to receive annual equity-based awards, if any, as determined by the Board.

3.4 Additional Equity Awards. The Executive shall receive a one-time equity award of restricted stock units of the Company (the “Inducement RSUs”) having, as of the Effective Date, an aggregate value equal to (i) Seventy Five Thousand Thirty Eight (75,038) unvested restricted stock units held by or offered to the Executive with his prior employer; multiplied by (ii) the closing trading price of such prior employer’s common stock on the last trading day immediately prior to the Effective Date (the “Forfeited Value”). The number of Inducement RSUs shall be determined by dividing the Forfeited Value by the Company’s closing trading price on the last trading day immediately prior to the Effective Date. The Inducement RSUs shall consist sixty percent (60%) of performance-vesting Inducement RSUs and forty percent (40%) of time-vesting Inducement RSUs, which shall vest in accordance with the terms and conditions of the underlying award agreements. Any awards under this Section 3.4 are not being made under the Equity Plan and shall be deemed an “inducement award” (in accordance with New York Stock Exchange rules). Such awards shall be made under an award agreement, the terms and conditions of which shall govern.

4 BENEFITS

4.1 Benefit Plans . During the term of this Agreement, the Executive will be entitled to participate in all employee benefit plans, programs and/or arrangements generally applicable to senior-level executives and in effect from time to time, which may include 401(k), health, life, and disability insurance plans, subject to the terms thereof, other than those relating to severance (as to which Section 5 shall govern). During the term of this Agreement, the Executive will be entitled to six (6) weeks paid vacation per calendar year, prorated for 2014, which shall accrue and be useable by the Executive in accordance with Company policy, as may be in effect from time to time.

4.2 Perquisites; Additional Payments

(i) Perquisites . During the Employment Period, the Executive will be entitled to the following perquisites: (a) reimbursement for financial and tax planning, subject to a maximum of Seven Thousand Five Hundred Dollars (\$7,500.00) per year; (b) reimbursement of reasonable costs for an annual physical examination; and (c) personal use of the corporate aircraft, if any, in accordance with the Company’s policies as determined by the Compensation Committee as may be amended from time to time.

(ii) Additional Payments. In connection with the commencement of the Executive's employment, the Executive shall receive: (a) relocation benefits in accordance with the Company's standard relocation benefits policy for senior executives; (b) reimbursement for the Executive's reasonable legal fees and expenses incurred in connection with the preparation and negotiation of this Agreement, promptly upon presentation of an itemized legal bill, subject to a maximum of Fifty Thousand Dollars (\$50,000.00).

5 TERMINATION OF EMPLOYMENT

Upon the Executive's termination of employment under this Section 5, the Executive agrees that he shall resign from all officer, director and other positions he may then hold with the Company and its subsidiaries and affiliates. The Executive shall promptly execute any additional documentation the Company may request to reflect such resignations.

5.1 Termination by the Company without Cause

(i) The Company shall have the right to terminate Executive's employment at any time during the Employment Period without Cause (defined below) by giving thirty (30) days' notice to Executive as described in Section 5.8 (the "Notice Period"). During the Notice Period, the Executive shall remain on the payroll as an active employee and will not be deemed to have terminated until the end of such Notice Period; provided, however, during the Notice Period, the Executive shall no longer have the authority, duties and responsibilities described in Section 1 (unless the Board provides in writing that the Executive shall continue to have such authority, duties and responsibilities) and such limitation shall not constitute Good Reason. For sake of clarity, neither termination of Executive's employment upon death or Disability (defined below) pursuant to Section 5.5 nor upon or after expiration of the Employment Period for any reason shall constitute a termination without Cause for purposes of this Section 5.

(ii) In the event that the Company terminates the Executive's employment during the Employment Period without Cause:

(a) The Company shall pay or provide to the Executive (1) any accrued and unpaid Base Salary through the Termination Date, payable pursuant to the Company's standard payroll policies; (2) any compensation and benefits to the extent payable to the Executive based on the Executive's participation in any compensation or benefit plan, program or arrangement of the Company through the Termination Date, payable in accordance with the terms of such plan, program or arrangement; and (3) any expense reimbursement to which the Executive is entitled under the Company's standard expense reimbursement policy (the "Accrued Obligations");

(b) The Company shall pay to the Executive an Annual Bonus for the year in which such termination occurs, paid at the same time and subject to the same terms and conditions as bonuses are paid generally under the AIP to other executive officers of the Company, prorated based on the number of days in such year prior to the Executive's termination, divided by 365 (the "Prorated Bonus").

(c) Subject to Section 5.7 hereof, the Company shall (1) pay to the Executive, within sixty (60) days following the Termination Date, a lump sum cash payment (the "Severance Payment") equal to two times (2x) the sum of (A) the Base Salary as in effect immediately prior to termination of employment plus (B) the amount of the target Annual Bonus

for the applicable year completed prior to Executive's termination of employment, which payment is in addition to the payment referenced in Section 5.1(ii)(a) and (b); and (2) pay to the Executive a one-time payment in the amount equal of Fifty Thousand Dollars (\$50,000.00), in lieu of a reimbursement for COBRA premiums (together with the Severance Payment, the "Severance Benefit").

5.2 Termination by the Company for Cause. The Company shall have the right to terminate the Executive's employment at any time during the Employment Period for Cause by giving notice to the Executive as provided in Section 5.8. In the event the Executive's employment is terminated for Cause, the Company's sole obligation shall be to pay or provide to the Executive any Accrued Obligations.

5.3 Resignation by the Executive without Good Reason . The Executive may resign from employment during the Employment Period without Good Reason at any time by giving notice to the Company as described in Section 5.8. In the event the Executive resigns from employment without Good Reason, the Company's sole obligation shall be to pay or provide to Executive any Accrued Obligations.

5.4 Resignation by the Executive for Good Reason . The Executive may resign from employment under this Agreement for Good Reason by giving notice to the Company as described in Section 5.8. In the event the Executive resigns from employment for Good Reason: the Company shall pay or provide to the Executive (i) any Accrued Obligations; (ii) the Prorated Bonus; and (iii) subject to Section 5.7 hereof, the Severance Benefit described in Section 5.1(ii)(c).

5.5 Termination by reason of Death or Disability

(i) The Company shall have the right to terminate the Executive's employment at any time during the Employment Period upon the Executive's death or Disability (defined below). In the event that the Executive's employment is terminated upon the Executive's death or Disability:

(a) The Company shall pay to the Executive or the Executive's legal representatives any Accrued Obligations;

(b) The Company shall pay to the Executive an Annual Bonus for the year in which such death or Disability occurs, paid at the same time and subject to the same terms and conditions as bonuses are paid generally under the AIP to other executive officers of the Company, prorated based on the number of days in such year prior to the Executive's death or Disability, divided by 365.

(ii) For the purposes of this Agreement, the term "Disability" means the Executive's inability to perform the duties set forth in Section 1 hereof for a period of twelve (12) consecutive weeks, or a cumulative period of ninety (90) business days in any twelve (12) month period, as a result of physical or mental illness or loss of legal capacity.

5.6 Termination in connection with a Change in Control . If there is a Change in Control and the Executive's employment is terminated under circumstances which entitle the Executive to receive severance amounts or benefits under the WPX Energy, Inc. Change in Control Severance Agreement by and between the Executive and the Company, dated as of May 15, 2014 (the "CIC Agreement"), the Executive shall receive such amounts and/or benefits, subject to the terms and conditions thereof, in lieu of the amounts and benefits described in this Section 5, to which the Executive would be entitled; provided, however, that this Agreement shall control the severance obligations of the Company and the Executive in all other circumstances.

5.7 Release; Conditions . The Executive shall not (i) be entitled to any severance benefits in the event Executive's employment terminates due to Disability, without Cause or for Good Reason, unless, in each case, (a) the Executive has executed and delivered to the Company a general release of claims (in the standard form of release used by the Company for senior executives) (the "Release") and (b) such Release has become irrevocable under the Age Discrimination in Employment Act not later than sixty (60) days after the Termination Date. The Executive's entitlement to the severance benefits are further conditioned upon Executive complying with the terms of Sections 6, as provided in Section 6.7 .

5.8 Notice . Notice of termination of employment under this Agreement shall be communicated by or to the Executive (on one hand) or the Company (on the other hand) in writing in accordance with Section 8.1. Termination of the Executive's employment pursuant to this Agreement shall be effective on the earliest of:

- (i) immediately after the Company gives notice to the Executive of the Executive's termination without Cause, unless the parties agree to a later date, in which case, termination shall be effective as of such later date;
- (ii) immediately upon approval by the Board of termination of the Executive's employment for Cause;
- (iii) immediately upon the Executive's death;
- (iv) in the case of termination by reason of the Executive's Disability, the date on which Executive is determined to be disabled for purposes of Section 5.5;
- (v) in the case of resignation for Good Reason, thirty (30) days after the Executive gives written notice to the Company; provided, that the Executive gives notice to the Company within ninety (90) days of the Executive's first actual knowledge of such act or omission; provided, further, that the Company has failed to cure such act or omission within the thirty (30) day period after receiving the notice of termination;
- (vi) or thirty (30) days after the Executive gives written notice to the Company of the Executive's resignation from employment under this Agreement, provided that the Company may set an earlier termination date at any time prior to the Termination Date, in which case the Executive's resignation shall be effective as of such other date.

5.9 Certain Definitions

(i) “Cause” means any one (1) or more of the following: (a) the Executive’s conviction of or plea of nolo contendere to a felony or other crime involving fraud, dishonesty or moral turpitude; (b) the Executive’s willful or reckless material misconduct in the performance of his duties which results in an adverse effect on Company or its affiliates; (c) the Executive’s willful or reckless violation or disregard of the code of business conduct; (d) the Executive’s material willful or reckless violation or disregard of a Company policy; or (e) the Executive’s habitual or gross neglect of duties; provided, however, that for purposes of clauses (b) and (e), “Cause” shall not include any one or more of the following: (1) bad judgment or negligence, other than the Executive’s habitual neglect of duties or gross negligence; (2) any act or omission believed by the Executive in good faith, after reasonable investigation, to have been in or not opposed to the interest of Company or its affiliates (without intent of the Executive to gain, directly or indirectly, a profit to which the Executive was not legally entitled); (3) any act or omission with respect to which a determination could properly have been made by the Board that the Executive had satisfied the applicable standard of conduct for indemnification or reimbursement under Company’s by-laws, any applicable indemnification agreement, or applicable law, in each case as in effect at the time of such act or omission; or (4) failure to meet performance goals, objectives or measures following good faith efforts to meet such goals, objectives or measures; and further provided that, for purposes of clauses (b) through (e) if an act, or a failure to act, which was done, or omitted to be done, by Executive in good faith and with a reasonable belief, after reasonable investigation, that Executive’s act, or failure to act, was in the best interests of Company or its affiliate or was required by applicable law or administrative regulation, such breach shall not constitute “Cause” if, within ten (10) business days after the Executive is given written notice of such breach that specifically refers to this Section, the Executive cures such breach to the fullest extent that it is curable. With respect to the above definition of “Cause”, no act or conduct by Executive will constitute “Cause” if the Executive acted: (A) in accordance with the instructions or advice of counsel representing the Company or if there was a conflict such that the Executive could not consult with counsel representing the Company or other qualified counsel, or (B) as required by legal process.

(ii) “Change in Control” means the meaning given to such term in Section 1.15 of the CIC Agreement.

(iii) “Good Reason” means a separation from service initiated by the Executive on account of any one or more of the following actions or omissions: (a) a material adverse reduction in the nature or scope of the Executive’s office, position, duties, functions, responsibilities or authority (including reporting responsibilities and authority); (b) any reduction in or failure to pay the Executive’s Base Salary at an annual rate at least equal to the Base Salary as of the Effective Date; (c) a material reduction of the Executive’s aggregate compensation and/or aggregate benefits from the amounts and/or levels in effect on the Effective Date, unless such reduction is part of a policy applicable to executives of the Company and of any successor entity or at the consent of the Executive; (d) a required relocation of more than fifty (50) miles of the Executive’s workplace without the consent of the Executive; provided, such new location is farther from the Executive’s residence than the prior location; or (e) the failure at any time of a successor to the Company to explicitly to assume and agree to be bound by this Agreement. Notwithstanding anything in this Agreement to the contrary, no act or omission shall constitute grounds for “Good Reason”: (a) Unless the Executive gives a notice of termination to the Company at least thirty (30) days prior to his intent to terminate his employment for Good

Reason, which describes the alleged act or omission giving rise to Good Reason; and (b) Unless such notice of termination is given within ninety (90) days of Executive's first actual knowledge of such act or omission; and (c) Unless Company fails to cure such act or omission within the thirty (30) day period after receiving the notice of termination. No act or omission shall constitute grounds for "Good Reason", if Executive has consented in writing to such act or omission in a document that makes specific reference to this Section.

5.10 Expiration of Agreement . No payments or benefits shall become due to the Executive upon the expiration of the Employment Period, regardless of whether the employment of the Executive continues or is terminated for any reason following the Expiration Date.

6 RESTRICTIVE COVENANTS

6.1 Confidential Information . The Executive acknowledges that in the course of performing services for the Company and its affiliates, the Executive may create (alone or with others), learn of, have access to, or receive Confidential Information (as defined below). The Executive recognizes that all such Confidential Information is the sole and exclusive property of the Company and its affiliates or of third parties to which the Company or an affiliate owes a duty of confidentiality, that it is the Company's policy to safeguard and keep confidential all such Confidential Information, and that disclosure of Confidential Information to an unauthorized third party would cause irreparable damage to the Company and its affiliates. Executive agrees that, except as required by the duties of the Executive's employment with the Company or any of its affiliates and except in connection with enforcing the Executive's rights under this Agreement or if compelled by a court or governmental agency, in each case provided that prior written notice is given to the Company, the Executive will not, without the written consent of the Company, willfully disseminate or otherwise disclose, directly or indirectly, any Confidential Information disclosed to the Executive or otherwise obtained by the Executive during his employment with Company or its affiliates, and will take all necessary precautions to prevent disclosure, to any unauthorized individual or entity (whether or not such individual or entity is employed or engaged by, or is otherwise affiliated with, the Company or any affiliate), and will use the Confidential Information solely for the benefit of the Company and its affiliates and will not use the Confidential Information for the benefit of any other person nor permit its use for the benefit of the Executive. These obligations shall continue during and after the termination of the Executive's employment for any reason and for so long as the Confidential Information remains Confidential Information.

For the purposes of this Agreement, "Confidential Information" means any non-public information of any kind or nature in the possession of the Company or any of its affiliates, including without limitation, processes, methods, designs, innovations, devices, inventions, discoveries, data, techniques, models, customer lists, marketing, business or strategic plans, financial information, research and development information, trade secrets or other subject matter relating to the Company's or its affiliates' products, services, businesses, operations, employees, customers or suppliers, whether in tangible or intangible form, including (i) any information that gives the Company or any of its affiliates a competitive advantage in the exploration and/or production, marketing or sale of oil, gas or other energy or any other businesses in which the Company or an affiliate is engaged, or (ii) any information obtained by the Company or any of its affiliates from third parties to which the Company or an affiliate owes

a duty of confidentiality, or (iii) any information that was learned, discovered, developed, conceived, originated or prepared during or as a result of the Executive's performance of any services on behalf of the Company or any affiliate. Notwithstanding the foregoing, "Confidential Information" shall not include: (i) information that is or becomes generally known to the public through no fault of the Executive; (ii) information obtained on a non-confidential basis from a third party other than the Company or any affiliate, which third party disclosed such information without breaching any legal, contractual or fiduciary obligation; or (iii) information approved for release by written authorization of the Company.

6.2 Non-Competition . During the Employment Period, any period of subsequent employment of the Executive by the Company and for six (6) months following the Executive's termination of employment from the Company, the Executive agrees that without the written consent of the Company, the Executive shall not at any time, directly or indirectly, in any capacity:

(i) Engage or participate in, become employed by, serve as a director of, or render advisory or consulting or other services in connection with, any Competitive Business (as defined below); provided, however, that after Executive's Separation from Service, this Section 6 shall not preclude the Executive from (a) being an employee of, or consultant to, any business unit of a Competitive Business if (1) such business unit does not qualify as a Competitive Business in its own right and (2) the Executive does not have any direct or indirect involvement in, or responsibility for, any operations of such Competitive Business that cause it to qualify as a Competitive Business, or (b) with the approval of the Board, being a consultant to, an advisor to, a director of, or an employee of a Competitive Business; or

(ii) Make or retain any financial investment, whether in the form of equity or debt, or own any interest, in any Competitive Business. Nothing in this Section 6 shall, however, restrict the Executive from making an investment in any Competitive Business if such investment does not (a) represent more than one percent (1%) of the aggregate market value of the outstanding capital stock or debt (as applicable) of such Competitive Business, (b) give the Executive any right or ability, directly or indirectly, to control or influence the policy decisions or management of such Competitive Business, or (c) create a conflict of interest between the Executive's duties to the Company and its affiliates or under this Agreement and his interest in such investment.

(iii) For the purposes of this Agreement, "Competitive Business" means, as of any date, any energy business and any individual or entity (and any branch, office, or operation thereof) which engages in, or proposes to engage in (with the Executive's assistance) any of the following in which the Executive has been engaged in the twelve (12) months preceding the Termination Date: the exploration and/or production, marketing or sale of oil, gas or other energy product, which is located (a) anywhere in the United States where the Company is then engaged, or (b) anywhere outside of the United States where the Company is then engaged in, or proposes as of the Termination Date to engage in to the knowledge of the Executive, any of such activities.

6.3 Non-Solicitation . During the Employment Period, any period of subsequent employment of the Executive by the Company and for twelve (12) months following the Executive's termination of employment from the Company, the Executive agrees that without the written consent of the Company, Executive shall not at any time, directly or indirectly, in any capacity:

(i) Other than in connection with the good-faith performance of his duties as an officer of the Company or its affiliates, cause or attempt to cause any employee, director or consultant of the Company or an affiliate to terminate his or her relationship with the Company or an affiliate;

(ii) Employ, engage as a consultant or adviser, or solicit the employment or engagement as a consultant or adviser, of any employee of the Company or an affiliate (other than by the Company or its affiliates), or cause or attempt to cause any person to do any of the foregoing;

(iii) Establish (or take preliminary steps to establish) a business with, or cause or attempt to cause others to establish (or take preliminary steps to establish) a business with, any employee of the Company or an affiliate, if such business is or will be a Competitive Business;

(iv) Interfere with the relationship of the Company or an affiliate with, or endeavor to entice away from Company or an affiliate, any person who or which at any time during the period commencing twelve (12) months prior to the Termination Date was or is, to the Executive's knowledge, a material customer or material supplier of, or maintained a material business relationship with, the Company or an affiliate; or

(v) Directly solicit the sale of goods, services or a combination of goods and services from the established customers of the Company or an affiliate to a Competitive Business.

6.4 Intellectual Property

(i) During the period of the Executive's employment with Company or any affiliate, and thereafter upon Company's request, regardless of the reason for the Executive's separation from service, the Executive shall disclose immediately to the Company all Work Product (defined below) that: (a) relates to the business of the Company or any affiliate or any customer or supplier to the Company or an affiliate or any of the products or services being developed, manufactured, sold or otherwise provided by the Company or an affiliate or that may be used in relation therewith; (b) results from tasks or projects assigned to the Executive by the Company or an affiliate; or (c) results from the use of the premises or personal property (whether tangible or intangible) owned, leased or contracted for by the Company or an affiliate. The Executive agrees that any Work Product shall be the property of the Company and, if subject to copyright, shall be considered a "work made for hire" within the meaning of the Copyright Act of 1976, as amended. If and to the extent that any such Work Product is not a "work made for hire" within the meaning of the Copyright Act of 1976, as amended, the Executive hereby assigns, and agrees to assign, to the Company all right, title and interest in and to the Work Product and all copies thereof, and all copyrights, patent rights, trademark rights, trade secret rights and all other proprietary and intellectual property rights in the Work Product, without further consideration, free from any claim, lien for balance due, or rights of retention thereto on the part of the Executive.

(ii) Notwithstanding the foregoing, the Company agrees and acknowledges that the provisions of this Section 6.4 relating to ownership and disclosure of Work Product do not apply to any inventions or other subject matter for which no equipment, supplies, facility, or trade secret information of the Company or an affiliate was used and that are developed entirely on Executive's own time, unless: (a) the invention or other subject matter relates (1) to the business of the Company or an affiliate, or (2) to the actual or demonstrably anticipated research or development of the Company or any affiliate, or (b) the invention or other subject matter results from any work performed by the Executive for the Company or any affiliate.

(iii) The Executive agrees that, upon disclosure of Work Product to the Company, Executive will, during his employment by the Company or an affiliate and at any time thereafter, at the request and cost of the Company, execute all such documents and perform all such acts as the Company or an affiliate (or their respective duly authorized agents) may reasonably require: (a) to apply for, obtain and vest in the name of the Company alone (unless the Company otherwise directs) letters patent, copyrights or other intellectual property protection in any country throughout the world, and when so obtained or vested to renew and restore the same; and (b) to prosecute or defend any opposition proceedings in respect of such applications and any opposition proceedings or petitions or applications for revocation of such letters patent, copyright or other intellectual property protection, or otherwise in respect of the Work Product.

(iv) In the event that the Company is unable, after reasonable effort, to secure the Executive's execution of such documents as provided in this Section 6.4, whether because of the Executive's physical or mental incapacity or for any other reason whatsoever, the Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as his agent and attorney-in-fact, to act for and on his behalf to execute and file any such application or applications and to do all other lawfully permitted acts to further the prosecution, issuance and protection of letters patent, copyright and other intellectual property protection with the same legal force and effect as if personally executed by the Executive.

(v) For purposes of this Agreement, "Work Product" means any and all work product, including, but not limited to, documentation, tools, templates, processes, procedures, discoveries, inventions, innovations, technical data, concepts, know-how, methodologies, methods, drawings, prototypes, trade secrets, notebooks, reports, findings, business plans, recommendations and memoranda of every description, that the Executive makes, conceives, discovers or develops alone or with others during the course of the Executive's employment with the Company or during the twenty four (24) month period following the Executive's Termination Date (whether or not protectable upon application by copyright, patent, trademark, trade secret or other proprietary rights).

6.5 Reasonableness of Restrictive Covenants

(i) The Executive acknowledges that the covenants contained in this Agreement are reasonable in the scope of the activities restricted, the geographic area covered by the restrictions, and the duration of the restrictions, and that such covenants are reasonably necessary to protect the Company's legitimate interests in its Confidential Information, its proprietary work, and in its relationships with its employees, customers, suppliers and agents.

(ii) The Company has, and the Executive has had an opportunity to, consult with their respective legal counsel and to be advised concerning the reasonableness and propriety of such covenants. The Executive acknowledges that his observance of the covenants contained herein will not deprive the Executive of the ability to earn a livelihood or to support his or his dependents.

(iii) Executive understands he is bound by the terms of this Section 6, whether or not he receives severance payments under this Agreement or otherwise.

6.6 Right to Injunction; Survival of Undertakings

(i) In recognition of the confidential nature of the Confidential Information, and in recognition of the necessity of the limited restrictions imposed by this Agreement, the Executive and the Company agree that it would be impossible to measure solely in money the damages which the Company would suffer if the Executive were to breach any of his obligations hereunder. The Executive acknowledges that any breach of any provision of this Agreement would irreparably injure the Company. Accordingly, the Executive agrees that if he breaches any of the provisions of Section 6 of this Agreement, the Company shall be entitled, in addition to any other remedies to which the Company may be entitled under this Agreement or otherwise, to an injunction to be issued by a court of competent jurisdiction, to restrain any breach, or threatened breach, of any provision of this Agreement without the necessity of posting a bond or other security therefor, and the Executive hereby waives any right to assert any claim or defense that the Company has an adequate remedy at law for any such breach.

(ii) If a court determines that any covenant included in this Section 6 is unenforceable in whole or in part because of such covenant's duration or geographical or other scope, such court shall have the power to modify the duration or scope of such provision, as the case may be, so as to cause such covenant as so modified to be enforceable. Furthermore, if a court determines that a certain form of remedy or relief sought by the Company for the breach of a covenant included in this Section 6 is unavailable under applicable law, such a finding shall not prohibit the Company from obtaining a different form of remedy or relief with respect to such breach which such court has not found to be unavailable.

(iii) All of the provisions of this Agreement shall survive any separation from service of the Executive.

6.7 Effect of Breach of Covenants . In the event that the Executive violates or is in breach of any of the restrictive covenant contained in this Agreement or the Release, the Executive forfeits his right to receive any payment or benefit under this Agreement.

6.8 Survival of Representations . The provisions contained in this Section 6 shall survive the Expiration Date and the termination of the Executive's employment with the Company.

7 SECTION 409A

7.1 Overview . The intent of the parties is that the payments and benefits under this Agreement comply with or be exempt from Section 409A and the regulations and guidance promulgated thereunder (collectively, “Section 409A”) of the Internal Revenue Code of 1986, as amended (the “Code”) and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. If the Executive notifies the Company that he has received advice of a licensed attorney with tax experience that any provision of this Agreement would cause the Executive to incur any additional tax or interest under Section 409A (with specificity as to the reason therefor) or the Company independently makes such determination, the Company may, to the extent possible and after consulting with the Executive, reform such provision to try to comply with Section 409A through good faith modifications to the minimum extent reasonably appropriate to conform with Section 409A. To the extent that any provision hereof is modified in order to comply with or be exempt from Section 409A, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Executive and the Company of the applicable provision without violating the provisions of Section 409A.

7.2 Separation from Service . If any payment, compensation or other benefit provided to the Executive under this Agreement in connection with his “separation from service” (within the meaning of Section 409A) is determined, in whole or in part, to constitute “nonqualified deferred compensation” within the meaning of Section 409A and the Executive is a specified employee (as defined in Section 409A(2)(B)(i)) at the time of separation from service, no part of such payments shall be paid before the day that is six (6) months plus one (1) day after the date of separation or, if earlier, ten (10) business days following the Executive’s death (the “New Payment Date”). The aggregate of any payments and benefits that otherwise would have been paid and/or provided to the Executive during the period between the Termination Date and the New Payment Date shall be paid to the Executive in a lump sum on such New Payment Date. Thereafter, any payments and/or benefits that remain outstanding as of the day immediately following the New Payment Date shall be paid without delay over the time period originally scheduled, in accordance with the terms of this Agreement. Notwithstanding anything to the contrary herein, to the extent that the foregoing delay applies to the provision of any ongoing welfare benefits, the Executive shall pay the full cost of premiums for such welfare benefits due and payable prior to the New Payment Date and the Company shall pay the Executive an amount equal to the amount of such premiums which otherwise would have been paid by the Company during such period on or within five (5) business days following the New Payment Date.

7.3 Termination of Employment . A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits subject to Section 409A upon or following a termination of employment unless such termination is also a “separation from service” within the meaning of Section 409A, and for purposes of any such provision of this Agreement, references to a “resignation,” “termination,” “terminate,” “termination of employment” or like terms shall mean separation from service (within the meaning of Section 409A).

7.4 Expenses and Reimbursements . All expenses or other reimbursements as provided herein shall be payable in accordance with the Company's policies in effect from time to time, but in any event shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by the Executive. With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A: (a) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit; and (b) the amount of expenses eligible for reimbursements or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year.

7.5 Installment Payments . For purposes of Section 409A, the Executive's right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., payment shall be made within thirty (30) days following the Termination Date), the actual date of payment within the specified period shall be within the sole discretion of the Company.

7.6 No Representations or Warranties . Nothing contained in this Agreement shall constitute any representation or warranty by the Company or the Executive regarding compliance with Section 409A. The Company has no obligation to take any action to prevent the assessment of any excise tax under Section 409A on any person and none of the Company, its subsidiaries or affiliates, or any of their employees or representatives shall have any liability to the Executive with respect thereto.

8 MISCELLANEOUS

8.1 Form of Notice

All notices given hereunder shall be given in writing, shall specifically refer to this Agreement and shall be personally delivered or sent by e-mail, telecopy or other electronic facsimile transmission or by registered or certified mail, return receipt requested, at the mailing address set forth below or at such other address as may hereafter be designated by notice given in compliance with the terms hereof:

If to the Executive: Richard E. Muncrief
At the most recent address on the Company's records

with a copy to: Jim T. Priest, Esq.
Rubenstein & Pitts, PLLC
1503 East 19th Street
Edmond, Oklahoma 73013
Facsimile: (405)-340-1901

If to the Company: WPX Energy, Inc.
One Williams Center
Tulsa, Oklahoma 74172-0172
Attention: General Counsel
Facsimile: (539) 573-5608

with a copy to: Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, New York 10153
Attention: Glenn D. West, Esq.
Facsimile: (212) 310-8007

If notice is mailed, such notice shall be effective upon mailing, or if notice is personally delivered or sent by e-mail, telecopy or other electronic facsimile transmission, it shall be effective upon receipt.

8.2 Withholding. The Company may withhold from any compensation and benefits payable to the Executive all applicable federal, state and local withholding taxes.

8.3 Assignment

This Agreement and all rights under this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective personal or legal representatives, executors, administrators, heirs, distributees, devisees, legatees, successors and assigns. Nothing in this Agreement shall be construed to confer any right, benefit or remedy upon any person that is neither a party hereto nor a personal or legal representative, executor, administrator, heir, distributee, devisee, legatee, successor or assign of a party hereto. This Agreement is personal in nature, and none of the parties to this Agreement shall, without the written consent of the others, assign or transfer this Agreement or any one or more of its rights or obligations under this Agreement to any other person or entity, except that the Company may assign its rights and delegate its obligations under this Agreement to any entity that acquires all or substantially all of its business, whether by sale of assets, merger or like transaction. If the Executive should die while any amounts are still payable, or any benefits are still required to be provided, to the Executive hereunder, all such amounts or benefits, unless otherwise provided herein, shall be paid or provided in accordance with the terms of this Agreement to the Executive's devisee, legatee or other designee or, if there be no such person, to the Executive's estate.

8.4 Waivers

No delay or failure by any party hereto in exercising, protecting or enforcing any of its rights, titles, interests or remedies under this Agreement, and no course of dealing or performance with respect thereto, will constitute a waiver thereof. The express waiver by a party hereto of any right, title, interest or remedy in a particular instance or circumstance will not constitute a waiver thereof in any other instance or circumstance. All rights and remedies shall be cumulative and not exclusive of any other rights or remedies.

8.5 Conditions Precedent, Warranties

The Executive represents and warrants to the Company that (i) the Executive is not a party to or bound by any confidentiality, noncompetition, nonsolicitation, employment, consulting or other agreement or restriction which could conflict with, or be violated by, the performance of the Executive's duties to the Company or obligations under this Agreement; and (ii) the Executive is not subject to any agreements with any other employer. The Executive

acknowledges and agrees that the Company's obligations hereunder and the Executive's employment with the Company are contingent upon: (i) the absence of any conflicting agreements of the Executive as provided for in this Section 8.5; and (ii) the satisfactory completion of a background check.

8.6 Recoupment . Notwithstanding anything herein to the contrary, this Agreement shall not impact any rights or restrictions under the Company's Recoupment Policy for incentive compensation, as adopted by the Board and referred to in the Company's most recent proxy statement filed with the Securities and Exchange Commission, as in effect on the date hereof or as such policy may be modified from time to time as a result of regulations to which the Company is subject, and the Executive acknowledges and agrees he remains subject to the terms of such policy following the Termination Date.

8.7 Severability

If any provision of this Agreement is held invalid, illegal or unenforceable under applicable law, for any reason, including, without limitation, the duration of such provision, its geographical scope or the extent of the activities prohibited or required by it, then, to the full extent permitted by law (a) all other provisions will remain in full force and effect and will be liberally construed in order to carry out the intent of the parties hereto as nearly as may be possible, (b) such invalidity, illegality or unenforceability will not affect the validity, legality or enforceability of any other provision hereof, and (c) any court or arbitrator having jurisdiction thereover shall (and will have the power to) reform such provision to the extent necessary for such provision to be enforceable under applicable law.

8.8 Counterparts

This Agreement, and any amendment or modification entered into pursuant to Section 9.10 hereof, may be executed in any number of counterparts (including facsimile counterparts), each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, will constitute one and the same instrument.

8.9 Applicable Law

This Agreement, and all claims or causes of action or other matters (whether in contract, tort or otherwise) that may be based upon, arise out of or relate to this Agreement or the negotiation, execution or performance of this Agreement or the consummation of any of the transactions contemplated hereby, shall be governed by and construed in accordance with the laws of the state of Oklahoma applicable to contracts made and performed in Oklahoma, excluding any conflict or choice of law rule or principle that might otherwise refer construction or interpretation thereof to the substantive laws of another jurisdiction.

8.10 Entire Agreement

This Agreement, the CIC Agreement and the award agreements under the Equity Plan or otherwise providing for equity awards under Section 3.4 hereof (the "Equity Awards") constitute the entire agreement between the Company and the Executive relating to employment of the Executive with the Company and the subject matter addressed herein, and supersede and cancel

any and all previous or contemporaneous contracts, arrangements or understandings, whether oral or written between the Company and the Executive relating to his employment with or termination from the Company. If any provision of any agreement, plan, program, policy, arrangement or other written document between or relating to the Company and the Executive (hereinafter referred to as an “Other Document”) conflicts with any provision of this Agreement, the CIC Agreement and the Equity Awards, the provisions of this Agreement, the CIC Agreement and the Equity Awards shall control and prevail. Notwithstanding the foregoing, if any provision of an Other Document conflicts with duration of any restrictive covenant set forth in Section 6 hereof, the provision providing for the greater length of time shall prevail. No amendment, modification, waiver, termination or discharge of any provision of this Agreement, nor consent to any departure therefrom by either party, will in any event be effective unless the same is in writing, specifically identifying this Agreement and the provision intended to be amended, modified, waived, terminated or discharged and signed by the Company and the Executive, and will be effective only in the specific instance and for the specific purpose for which given.

The next page is the signature page.

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement on the date set forth above.

EXECUTIVE

/s/ Richard E. Muncrief
RICHARD E. MUNCRIEF

WPX ENERGY, INC.

/s/ William G. Lowrie
Name: WILLIAM G. LOWRIE
Title: Chairman of the Board of Directors

[SIGNATURE PAGE FOR MUNCRIEF EMPLOYMENT AGREEMENT]

May 15, 2014

TO: Richard E. Muncrief
FROM: William G. Lowrie
SUBJECT: Nonqualified Stock Option Award

You have been selected to receive a stock option grant certain terms of which are set forth in the attached Nonqualified Stock Option Agreement. Your stock option award is subject to three-year graded vesting. You may view the vesting schedule for this award on-line.

This stock option award is granted to you in recognition of your role as a key employee whose responsibilities and performance are critical to the attainment of long-term goals. This award and similar awards are made on a selective basis and are, therefore, to be kept confidential. It is granted and subject to the terms and conditions of the WPX Energy, Inc. 2013 Incentive Plan, as amended from time to time, and the Nonqualified Stock Option Agreement.

If you have any questions about this award, you may contact a dedicated Fidelity Stock Plan Representative at 1-800-544-9354.

WPX ENERGY, INC.
2013 INCENTIVE PLAN
NONQUALIFIED STOCK OPTION AGREEMENT

This Nonqualified Stock Option Agreement (“Option Agreement”) contains the terms of the Option (as defined below) granted to you in this Option Agreement. Certain other terms of the Option are defined in the Plan (as defined below).

1. **Stock Options.** Subject to the terms of the WPX Energy, Inc. 2013 Incentive Plan or any successor plan, including any supplements or amendments and restatements to it (the “Plan”), you have been granted the right (“Option”) to purchase from the Company 121,167 shares of the Company’s Common Stock, par value \$1 per share (the “Shares”) effective May 15, 2014 (the “Effective Date”). Your Option is exercisable in whole or in part at the exercise price of \$[Grant Price] (the “Option Price”), the closing stock price on May 15, 2014, and has an expiration date of March 3, 2024. The Option will vest in one-third increments each year for three years on each of March 3, 2015, March 3, 2016 and March 3, 2017, and is exercisable at such times and during such periods as are set forth in this Option Agreement and the Plan.

2. **Incorporation of Plan and Acceptance of Documents .** The Plan applies as though it were included in this Option Agreement. Any capitalized word has a special meaning, which can be found either in the Plan or in this Option Agreement. You agree to accept as binding, conclusive and final all decisions and interpretations of the Committee upon any questions arising under the Plan or this Option Agreement. You acknowledge that you have received a copy of, or have online access to, the Plan and hereby automatically accept the Option subject to all the terms and provisions of the Plan and this Option Agreement. You further acknowledge and agree that you have received a copy of, or that you have online access to, the prospectus and you hereby acknowledge your automatic acceptance and receipt of such prospectus electronically.

3. **Exercise.** Except as otherwise provided in this Option Agreement, you may exercise vested Options, in whole or in part, by delivering a notice of exercise to the Plan’s designated broker, showing the number of Shares for which the Option is being exercised, and providing payment in full for the Option Price. To give notice of exercise of an Option and receive instructions on payment of the Option Price, contact the Plan Administrator. If you have not signed and delivered this Option Agreement prior to submitting a notification of such election, submission of your notification of election shall constitute your agreement with the terms and conditions of this Option Agreement. Notwithstanding the preceding sentence, the Company reserves the right to require your signature to this Option Agreement prior to accepting a notification of election to exercise this Option in whole or in part.

4. **Payment.** You must pay the Option Price in full by any one or more of the following methods, subject to approval of the Committee in its sole discretion, (i) subject to applicable law, in cash through the sale of the Shares acquired on exercise of the Option through a broker-dealer to whom you have submitted an irrevocable notice of exercise and irrevocable instructions to deliver promptly to the Company the amount of sale or loan proceeds sufficient to pay the Option Price; (ii) in cash, by personal check or wire transfer; (iii) in Shares valued at their Fair Market Value on the date of exercise; (iv) withholding of Shares otherwise deliverable upon

exercise valued at their Fair Market Value on the date of exercise; or (v) in any combination of the above methods. Certificates for any Shares used to pay the Option Price must be attested to in writing to the Company or delivered to the Company in negotiable form, duly endorsed in blank or with separate stock powers attached, and must be free and clear of all liens, encumbrances, claims and any other charges thereon of any kind.

5. Tax Withholding. Whenever any Options are exercised under the terms of this Option Agreement, the Company will not deliver your Shares unless you remit or, in appropriate cases, agree to remit when due the minimum amount necessary to satisfy all of the Company's federal, state and local withholding tax requirements relating to your Option or the Shares. The Committee may require you to satisfy these minimum withholding tax obligations by any (or a combination) of the following means as determined by the Committee in its sole discretion: (i) a cash payment; (ii) withholding from compensation otherwise payable to you; (iii) authorizing the Company to withhold from the Shares otherwise deliverable to you as a result of the exercise of an Option, a number of Shares having a Fair Market Value, as of the date the withholding tax obligation arises, less than or equal to the amount of the withholding obligation; or (iv) delivering to the Company unencumbered Mature Shares having a Fair Market Value, as of the date the withholding tax obligation arises, less than or equal to the amount of the withholding obligation.

6. Rights in the Event of Termination of Service.

(a) Rights in the Event of Termination of Service. If your service with the Company and its Affiliates is terminated for any reason other than death, retirement, Disability or for Cause as defined below, the Option, to the extent vested on the date of your termination, will remain exercisable for six months from the date of such termination (but may not be exercised later than the last day of the original Option Term).

(b) Rights in the Event of Death. If you die while in the service of the Company and its Affiliates, your Option will immediately vest and the Option shall remain exercisable for a period of five years from the date of your death (but may not be exercised later than the last day of the original Option Term) by the person who becomes entitled to exercise your Option after your death (whether by will or by the laws of descent and distribution, or by means of a written beneficiary designation you filed with the Stock Administration Department before your death).

(c) Rights in the Event of Retirement or Disability. If your service with the Company and its Affiliates is terminated for retirement (as defined below) or Disability (as defined below), your Option will immediately vest and the Option shall remain exercisable for five years from the date of your termination (but may not be exercised later than the last day of the original Option Term). The term "Disability" is defined in the Company's long-term disability plan in which you participate or are eligible to participate, as determined by the Committee. Your service will "terminate for retirement" if your employment for the Company or any of its Affiliates is terminated after attaining age fifty-five (55) and completing at least five (5) years of continuous service.

(d) Rights in the Event of Termination for Cause. If your service for the Company or an Affiliate terminates for Cause (as defined under the Plan and set forth below), any Option exercisable on or before such termination shall remain exercisable for a period of 30 days from the date of such termination (but may not be exercised later than the last day of the original Option Term). As of the date of this Agreement, the Plan defines "Cause" as (i) your willful failure to substantially perform your duties, other than any such failure resulting from a Disability; or (ii) your gross negligence or willful misconduct which results in a significantly adverse effect upon the Company or an Affiliate; or (iii) your willful violation or disregard of the Company's or an Affiliate's code of business conduct or other published policy of the Company or an Affiliate; or (iv) your conviction of a crime involving an act of fraud, embezzlement, theft, or any other act constituting a felony involving moral turpitude or causing material harm, financial or otherwise, to the Company or an Affiliate. The Company may change the definition of Cause under the Plan at any time.

7. Notices. All notices to the Company or to the Committee must be in writing and delivered by hand or by mail, addressed to WPX Energy, Inc., One Williams Center, Tulsa, Oklahoma 74172, Attention: Stock Administration Department. Notices become effective upon their receipt by the Company if delivered as described in this section. To give notice of exercise of an Option and receive instructions on payment of the Option Price, contact the Plan Administrator.

8. Securities Law Compliance. The Company may, without liability for its good faith actions, place legend restrictions upon Shares obtained by exercising this Option and issue "stop transfer" instructions requiring compliance with applicable securities laws and the terms of this Option.

9. No Right to Employment or Service. Nothing in the Option Agreement or the Plan shall interfere with or limit in any way the right of the Company or an Affiliate to terminate your employment or service at any time, nor confer upon you the right to continue in the employ of the Company and/or Affiliate.

10. Domestic Relations Orders. You hereby acknowledge that nothing in this Agreement shall be construed as requiring the Committee to allow a Domestic Relations Order with respect to this Option grant.

11. Tax Consultation. You understand you will incur tax consequences as a result of purchase or disposition of the Shares. You agree to consult with any tax consultants you think advisable in connection with the purchase of the Shares and acknowledge that you are not relying, and will not rely, on the Company for any tax advice.

WPX ENERGY, INC.

By _____
William G. Lowrie
Chairman of the Board

Name: Richard E. Muncrief
SSN: _____

May 15, 2014

TO: Richard E. Muncrief
FROM: William G. Lowrie
SUBJECT: 2014 Restricted Stock Unit Award

You have been selected to receive a restricted stock unit award. This award, which is subject to adjustment under the 2014 Restricted Stock Unit Agreement (the "Agreement"), is granted to you in recognition of your role as a key employee whose responsibilities and performance are critical to the attainment of long-term goals. This award and similar awards are made on a selective basis and are, therefore, to be kept confidential. It is granted and subject to the terms and conditions of the WPX Energy, Inc. 2013 Incentive Plan, as amended and restated from time to time, and the Agreement.

Subject to all of the terms of the Agreement, you will become entitled to payment of 1/3 of this award if you are an active employee of the Company on each annual anniversary of the date on which this award is made until the award has been paid in full.

If you have any questions about this award, you may contact a dedicated Fidelity Stock Plan Representative at 1-800-544-9354.

WPX ENERGY, INC.
2014 RESTRICTED STOCK UNIT AGREEMENT

THIS RESTRICTED STOCK UNIT AGREEMENT (this “Agreement”), which contains the terms and conditions for the Restricted Stock Units (“Restricted Stock Units” or “RSUs”) referred to in the 2014 Restricted Stock Unit Award Letter delivered in hard copy or electronically to Participant (“2014 Award Letter”), is by and between **WPX ENERGY, INC.**, a Delaware corporation (the “Company”) and the individual identified on the last page hereof (the “Participant”).

1. **Grant of RSUs**. Subject to the terms and conditions of the WPX Energy, Inc. 2013 Incentive Plan or any successor, as amended and restated from time to time (the “Plan”), this Agreement and the 2014 Award Letter, the Company hereby grants an award (the “Award”) to the Participant of 70,120 RSUs effective May 15, 2014 (the “Effective Date”). The Award gives the Participant the opportunity to earn the right to receive the number of shares of the Common Stock of the Company equal to the number of RSUs shown in the prior sentence, subject to adjustment under the terms of this Agreement. These shares are referred to in this Agreement as the “Shares.” Until the Participant both becomes vested in the Shares under the terms of Paragraph 4 and is paid such Shares under the terms of Paragraph 5, the Participant shall have no rights as a stockholder of the Company with respect to the Shares.

2. **Incorporation of Plan and Acceptance of Documents**. The Plan is incorporated by reference and all capitalized terms used herein which are not defined in this Agreement or in the attached Appendix A shall have the respective meanings set forth in the Plan. The Participant acknowledges that he or she has received a copy of, or has online access to, the Plan and hereby automatically accepts the RSUs subject to all the terms and provisions of the Plan and this Agreement. The Participant hereby further agrees that he or she has received a copy of, or has online access to, the prospectus and hereby acknowledges his or her automatic acceptance and receipt of such prospectus electronically.

3. **Committee Decisions and Interpretations**. The Participant hereby agrees to accept as binding, conclusive and final all actions, decisions and/or interpretations of the Committee, its delegates, or agents, upon any questions or other matters arising under the Plan or this Agreement.

4. **Vesting; Legally Binding Rights**.

(a) Notwithstanding any other provision of this Agreement, a Participant shall not be entitled to any payment of Shares under this Agreement unless and until such Participant obtains a legally binding right to such Shares and satisfies applicable vesting conditions for such payment.

(b) Except as otherwise provided in Subparagraphs 4(c) – 4(g) below, the Participant shall vest in one-third of the Shares on the date that is one year after March 3, 2014 (the “Vesting Date”) (not including the Vesting Date, in one-third of the Shares on a date that is two years after the Vesting Date (not including the Vesting Date), and in the final one-third of the Shares on a date that is three years after the Vesting Date (not including the Vesting Date) (each such anniversary of the Vesting Date, a “Maturity Date”), but only if the Participant remains an active employee of the Company or any of its Affiliates through such Maturity Date. For example, if the Vesting Date of Participant’s award under this Agreement is **March 3, 2014**, the Maturity Dates will be **March 3, 2015, March 3, 2016, and March 3, 2017**.

(c) If a Participant dies prior to the final Maturity Date while an active employee of the Company or any of its Affiliates, the Participant shall vest in all unvested Shares at the time of such death.

(d) If a Participant becomes Disabled prior to the final Maturity Date while an active employee of the Company or any of its Affiliates, the Participant shall vest in all unvested Shares at the time the Participant becomes Disabled.

(e) If the Participant experiences a Separation from Service prior to the final Maturity Date and within two years following a Change in Control, either voluntarily for Good Reason or involuntarily (other than due to Cause), the Participant shall vest in all unvested Shares upon such Separation from Service.

(f) If the Participant experiences an involuntary Separation from Service prior to the final Maturity Date and the Participant either receives benefits under a severance pay plan or program maintained by the Company or receives benefits under a separation agreement with the Company, the Participant shall vest in all unvested Shares upon such Separation from Service.

(g) If the Participant experiences an involuntary Separation from Service prior to the final Maturity Date due to a sale of a business or the outsourcing of any portion of a business, the Participant shall vest in all unvested Shares upon such Separation from Service, but only if the Company or any of its Affiliates failed to make an offer of comparable employment, as defined by a severance pay plan or program maintained by the Company, to the Participant. For purposes of this Subparagraph 4(g), a Termination of Affiliation shall constitute an involuntary Separation from Service.

5. Payment of Shares.

(a) The payment date for all Shares in which a Participant becomes vested pursuant to Subparagraph 4(b) above shall be within the 30th day following a Maturity Date.

(b) The payment date for all Shares in which a Participant becomes vested pursuant to Subparagraph 4(c) above shall be within the 60th day following such death.

(c) The payment date for all shares in which a Participant becomes vested pursuant to Subparagraph 4(d) above shall be within the 30th day after the Participant becomes Disabled.

(d) The payment date for all Shares in which the Participant becomes vested pursuant to Subparagraphs 4(e), 4(f), and 4(g) above shall be with the 30th day following such Participant's Separation from Service.

(e) Upon conversion of RSUs into Shares under this Agreement, such RSUs shall be cancelled. Shares that become payable under this Agreement will be paid by the Company by the delivery to the Participant, or the Participant's beneficiary or legal representative, of one or more certificates (or other indicia of ownership) representing shares of Common Stock equal in number to the number of Shares otherwise payable under this Agreement less the number of Shares having a Fair Market Value, as of the date the withholding tax obligation arises, equal to the minimum statutory withholding requirements. Notwithstanding the foregoing, to the extent permitted by Section 409A of the Code and the guidance issued by the Internal Revenue Service thereunder, if federal employment taxes become due when the Participant becomes entitled to payment of Shares, the number of Shares necessary to cover minimum statutory withholding requirements may, in the discretion of the Company, be used to satisfy such requirements upon such entitlement.

6. Other Provisions .

(a) The Participant understands and agrees that payments under this Agreement shall not be used for, or in the determination of, any other payment or benefit under any continuing agreement, plan, policy, practice, or arrangement providing for the making of any payment or the provision of any benefits to or for the Participant or the Participant's beneficiaries or representatives, including, without limitation, any employment agreement, any change of control severance protection plan, or any employee benefit plan as defined in Section 3(3) of ERISA, including, but not limited to qualified and non-qualified retirement plans.

(b) The Participant agrees and understands that, subject to the limit expressed in clause (iii) of the following sentence, upon payment of Shares under this Agreement, stock certificates (or other indicia of ownership) issued may be held as collateral for monies he/she owes to the Company or any of its Affiliates, including but not limited to personal loan(s), Company credit card debt, relocation repayment obligations, or benefits from any plan that provides for pre-paid educational assistance. In addition, the Company may accelerate the time or schedule of a payment of vested Shares, and/or deduct from any payment of Shares to the Participant under this Agreement, or to his or her beneficiaries in the case of the Participant's death, that number of Shares having a Fair Market Value at the date of such deduction to the amount of such debt as satisfaction of any such debt, *provided* that (i) such debt is incurred in the ordinary course of the employment relationship between the Company or any of its Affiliates and the Participant, (ii) the aggregate amount of any such debt-related collateral held or deduction made in any taxable year of the Company with respect to the Participant does not exceed \$5,000, and (iii) the deduction of Shares is made at the same time and in the same amount as the debt otherwise would have been due and collected from the Participant.

(c) Except as provided in Subparagraphs 4(c) through 4(g) above, in the event that the Participant experiences a Separation from Service prior to the Participant's becoming vested in the Shares under this Agreement, RSUs subject to this Agreement and any right to Shares issuable hereunder shall be forfeited.

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- (d) The Participant acknowledges that this Award and similar awards are made on a selective basis and are, therefore, to be kept confidential.
- (e) RSUs, Shares, and the Participant's interest in RSUs and Shares may not be sold, assigned, transferred, pledged, or otherwise disposed of or encumbered at any time prior to both (i) the Participant's becoming vested in such Shares and (ii) payment of such Shares under this Agreement.
- (f) If the Participant at any time forfeits any or all of the RSUs pursuant to this Agreement, the Participant agrees that all of the Participant's rights to and interest in such RSUs and in Shares issuable hereunder shall terminate upon forfeiture without payment of consideration.
- (g) The Committee shall determine whether an event has occurred resulting in the forfeiture of the Shares, in accordance with this Agreement, and all determinations of the Committee shall be final and conclusive.
- (h) With respect to the right to receive payment of the Shares under this Agreement, nothing contained herein shall give the Participant any rights that are greater than those of a general creditor of the Company.
- (i) The obligations of the Company under this Agreement are unfunded and unsecured. Each Participant shall have the status of a general creditor of the Company with respect to amounts due, if any, under this Agreement.
- (j) The parties to this Agreement intend that this Agreement meet the applicable requirements of Section 409A of the Code and recognize that it may be necessary to modify this Agreement and/or the Plan to reflect guidance under Section 409A of the Code issued by the Internal Revenue Service. Participant agrees that the Committee shall have sole discretion in determining (i) whether any such modification is desirable or appropriate and (ii) the terms of any such modification.
- (k) The Participant hereby automatically becomes a party to this Agreement whether or not he or she accepts the Award electronically or in writing in accordance with procedures of the Committee, its delegates or agents.
- (l) Nothing in this Agreement or the Plan shall interfere with or limit in any way the right of the Company or an Affiliate to terminate the Participant's employment or service at any time, nor confer upon the Participant the right to continue in the employ of the Company and/or Affiliate.
- (m) The Participant hereby acknowledges that nothing in this Agreement shall be construed as requiring the Committee to allow a domestic relations order with respect to this Award.

7. Notices. All notices to the Company required hereunder shall be in writing and delivered by hand or by mail, addressed to WPX Energy, Inc., One Williams Center, Tulsa, Oklahoma 74172, Attention: Stock Administration Department. Notices shall become effective upon their receipt by the Company if delivered in the foregoing manner. To direct the sale of any Shares issued under this Agreement, the Participant shall contact the Plan Administrator.

8. Tax Consultation. The Participant understands he or she will incur tax consequences as a result of acquisition or disposition of the Shares. The Participant agrees to consult with any tax consultants deemed advisable in connection with the acquisition of the Shares and acknowledges that he or she is not relying, and will not rely, on the Company for any tax advice.

WPX ENERGY, INC.

By: _____
William G. Lowrie
Chairman of the Board

Participant: Richard E. Muncrief
SSN: _____

APPENDIX A
DEFINITIONS

“*Affiliate*” means all persons with whom the Company would be considered a single employer under Section 414(b) of the Code and all persons with whom such person would be considered a single employer under Section 414(c) of the Code.

“*Disabled*” means a Participant qualifies for long-term disability benefits under the Company’s long-term disability plan, or if the Company does not sponsor such a disability plan, the Participant qualifies for Social Security Disability Insurance under Title II of the Social Security Act. Notwithstanding the forgoing, all determinations of whether a Participant is Disabled shall be made in accordance with Section 409A of the Internal Revenue Code of 1986, as amended, and the guidance thereunder.

“*Separation from Service*” means a Participant’s termination or deemed termination from employment with the Company and its Affiliates. For purposes of determining whether a Separation from Service has occurred, the employment relationship is treated as continuing intact while the Participant is on military leave, sick leave, or other bona fide leave of absence if the period of such leave does not exceed six months, or if longer, so long as the Participant retains a right to reemployment with his or her employer under an applicable statute or by contract. For this purpose, a leave of absence constitutes a bona fide leave of absence only if there is a reasonable expectation that the Participant will return to perform services for his or her employer. If the period of leave exceeds six months and the Participant does not retain a right to reemployment under an applicable statute or by contract, the employment relationship will be deemed to terminate on the first date immediately following such six month period.

Notwithstanding the foregoing, if a leave of absence is due to any medically determinable physical or mental impairment that can be expected to last for a continuous period of more than six months but less than 12 months, and such impairment causes the Participant to be unable to perform the duties of the Participant’s position of employment or any substantially similar position of employment, a period equal to such Participant’s leave of absence will be substituted for such six-month period, so long as that period is less than 12 months. If such an absence exceeds 12 months, then the Participant will be considered Disabled and Section 4(d) will govern.

A Separation from Service occurs at the date as of which the facts and circumstances indicate either that, after such date: (A) the Participant and the Company reasonably anticipate the Participant will perform no further services for the Company and its Affiliates (whether as an employee or an independent contractor) or (B) that the level of bona fide services the Participant will perform for the Company and its Affiliates (whether as an employee or independent contractor) will permanently decrease to no more than 20% of the average level of bona fide services performed over the immediately preceding 36-month period or, if the Participant has been providing services to the Company and its Affiliates for less than 36 months, the full period over which the Participant has rendered services, whether as an employee or independent contractor. The determination of whether a Separation from Service has occurred shall be governed by the provisions of Treasury Regulation § 1.409A-1, as amended, taking into account the objective facts and circumstances with respect to the level of bona fide services performed by the Participant after a certain date.

May 15, 2014

TO: Richard E. Muncrief
FROM: William G. Lowrie
SUBJECT: 2014 Performance-Based Restricted Stock Unit Award

You have been selected to receive a performance-based restricted stock unit award to be paid if the Company exceeds the Threshold goal for Total Shareholder Return, as established by the Committee, over the Performance Period. This award, which is subject to adjustment under the 2014 Performance-Based Restricted Stock Unit Agreement (the "Agreement"), is granted to you in recognition of your role as a key employee whose responsibilities and performance are critical to the attainment of long-term goals. This award and similar awards are made on a selective basis and are, therefore, to be kept confidential. It is granted and subject to the terms and conditions of the WPX Energy, Inc. 2013 Incentive Plan, as amended and restated from time to time, and the Agreement.

Subject to all of the terms of the Agreement, you will become entitled to payment of the award if you are an active employee of the Company on March 3 of the third year following the year in which this award is made, and performance measures are certified for the three-year period beginning January 1 of the year in which this award is made to you. The termination provisions associated with this award are included in the Agreement.

If you have any questions about this award, you may contact a dedicated Fidelity Stock Plan Representative at 1-800-544-9354.

WPX ENERGY, INC.
2014 PERFORMANCE-BASED RESTRICTED STOCK UNIT AGREEMENT

THIS 2014 PERFORMANCE-BASED RESTRICTED STOCK UNIT AGREEMENT (this “Agreement”), which contains the terms and conditions for the Restricted Stock Units (“Restricted Stock Units” or “RSUs”) referred to in the 2014 Performance-Based Restricted Stock Unit Award Letter delivered in hard copy or electronically to Participant (“2013 Award Letter”), is by and between **WPX ENERGY, INC.**, a Delaware corporation (the “Company”), and the individual identified on the last page hereof (the “Participant”).

1. **Grant of RSUs**. Subject to the terms and conditions of the WPX Energy, Inc. 2013 Incentive Plan or any successor plan, as amended and restated from time to time (the “Plan”), this Agreement, and the 2014 Award Letter, the Company hereby grants to the Participant an award (the “Award”) of 140,240 RSUs effective May 15, 2014 (the “Effective Date”). The Award, which is subject to adjustment under the terms of this Agreement, gives the Participant the opportunity to earn the right to receive the number of shares of the Common Stock of the Company equal to the number of RSUs shown in the prior sentence if the Target goal, as established by the Committee, is achieved by the Company over the Performance Period. These shares, together with any other shares that are payable under this Agreement, are referred to in the Agreement as “Shares.” Until the Participant both becomes vested in the Shares under the terms of Paragraph 5 and is paid such Shares under the terms of Paragraph 6, the Participant shall have no rights as a stockholder of the Company with respect to the Shares.

2. **Incorporation of Plan and Acceptance of Documents**. The Plan is incorporated by reference and all capitalized terms used herein which are not defined in this Agreement or in the attached Appendix A shall have the meaning set forth in the Plan. The Participant acknowledges that he or she has received a copy of, or has online access to, the Plan, and hereby automatically accepts the RSUs subject to all the terms and provisions of the Plan and this Agreement. The Participant hereby further agrees that he or she has received a copy of, or has online access to, the prospectus and hereby acknowledges his or her automatic acceptance and receipt of such prospectus electronically.

3. **Committee Decisions and Interpretations; Committee Discretion**. The Participant hereby agrees to accept as binding, conclusive, and final all actions, decisions, and/or interpretations of the Committee, its delegates, or agents, upon any questions or other matters arising under the Plan or this Agreement.

4. **Performance Measures; Number of Shares Payable to the Participant**.

(a) Performance measures established by the Committee shall be based on targeted levels of both absolute and relative Total Shareholder Return. The Committee establishes (i) “Threshold,” “Target,” and “Maximum” goals for Total Shareholder Return (both for absolute and relative Total Shareholder Return) during the Performance Period and (ii) the designated numbers of Shares that may be received by the Participant based upon the achievement of each such goal during the Performance Period, all as more fully described in Subparagraphs 4 (b) through 4(c) below. The number of Shares that may be received by the Participant if the Target goal is reached is equal to the number of RSUs set forth in Paragraph 1 above.

(b) The RSUs awarded to Participant and subject to this Agreement as reflected in Paragraph 1 above represents Participant's opportunity to earn the right to payment of an equal number of Shares ("Target Number of Shares") upon (i) certification by the Committee that 100% of the Target goal for Total Shareholder Return for the Performance Period has been met and (ii) satisfaction of all the other conditions set forth in Paragraph 5 below.

(c) Subject to the Committee's discretion as set forth in Subparagraph 4(d) below and to satisfaction of all other conditions set forth in Paragraph 5 below, the actual number of Shares earned by and payable to Participant upon certification of Total Shareholder Return results and satisfaction of all other conditions set forth in Paragraph 5 below will be determined on a continuum ranging from 0% (at the Threshold goal) to 200% (at the Maximum goal) of the Target Number of Shares depending on the level of Total Shareholder Return certified by the Committee at the end of the Performance Period.

(d) Notwithstanding (i) any other provision of this Agreement or the Plan or (ii) certification by the Committee that targets for Total Shareholder Return above the Threshold goal have been achieved during the Performance Period, the Committee may in its sole and absolute discretion reduce, but not below zero (0), the number of Shares payable to the Participant based on such factors as it deems appropriate, including but not limited to the Company's performance. Accordingly, any reference in this Agreement to Shares that (i) become payable, (ii) may be received by a Participant, or (iii) are earned by a Participant, and any similar reference, shall be understood to mean the number of Shares that are received, payable, or earned after any such reduction is made.

5. Vesting; Legally Binding Rights.

(a) Notwithstanding any other provision of this Agreement, a Participant shall not be entitled to any payment of Shares under this Agreement unless and until such Participant obtains a legally binding right to such Shares and satisfies applicable vesting conditions for such payment.

(b) Except as otherwise provided in Subparagraphs 5(c) – 5(g) below and subject to the provisions of Subparagraph 4(d) above, the Participant shall vest in Shares under this Agreement only if and at the time that both of the following conditions are fully satisfied:

(i) The Participant remains an active employee of the Company or any of its Affiliates on **March 3** of the third year following the year that contains the Effective Date (the "Maturity Date"); and

(ii) The Committee certifies that the Company has met Total Shareholder Return targets above the Threshold goal as defined by the Committee for the three-year performance period beginning January 1, 2014 (the “Performance Period”). Certification, if any, by the Committee for the Performance Period shall be made by the Maturity Date or as soon thereafter as is administratively practicable.

(c) If a Participant dies, becomes Disabled, or qualifies for Retirement prior to the Maturity Date while an active employee of the Company or any of its Affiliates, at but not prior to the Maturity Date, and only to the extent and at the time that the Committee certifies that the performance measures for the Performance Period are satisfied under Subparagraph 5(b)(ii) above, upon such certification, the Participant shall vest in that number of Shares the Participant might otherwise have received for the Performance Period in accordance with Paragraph 4 above prorated to reflect that portion of the Performance Period prior to such Participant’s ceasing being an active employee of the Company and its Affiliates. The pro rata number of Shares in which the Participant may become vested in such case shall equal that number determined by multiplying (i) the number of Shares the Participant might otherwise have received for the Performance Period in accordance with Paragraph 4 above times (ii) a fraction, the numerator of which is the number of full and partial months in the period that begins the month following the month that contains the Effective Date and ends on (and includes) the date of the Participant ceases being an active employee of the Company and its Affiliates, and the denominator of which is the total number of full and partial months in the period that begins the month following the month that contains the Effective Date and ends on (and includes) the Maturity Date.

(d) (i) If the Participant Separates from Service prior to the Maturity Date (such date, the “Separation Date”) because such participant qualifies for Retirement, then on the Maturity Date the Participant shall vest in a pro rata number of the Shares as determined in accordance with this Paragraph 5.

(ii) A Participant “qualifies for Retirement” only if such Participant experiences a Separation from Service and has attained age 55 and completed at least five years of continuous service with the Company or any of its Affiliates will be considered to have met the qualification for Retirement.

(e) If a Participant experiences a Separation from Service prior to the Maturity Date within two years following a Change in Control , either voluntarily for Good Reason or involuntarily (other than due to Cause), the Participant shall vest in that number Shares equal to the number of Shares that might otherwise be received by the Participant upon achievement of the Target goal.

(f) If the Participant experiences an involuntary Separation from Service prior to the Maturity Date and the Participant either receives benefits under a severance pay plan or program maintained by the Company or receives benefits under a separation agreement with the Company, at but not prior to the Maturity Date and only to the extent the

Committee certifies that the performance measures for the Performance Period are satisfied under Subparagraph 5(b)(ii) above, the Participant shall, on the date of such certification, become vested in that number of Shares the Participant might otherwise have received for the Performance Period in accordance with Paragraph 4 above prorated to reflect that portion of the Performance Period prior to the Participant's ceasing being an active employee of the Company and its Affiliates. The pro rata number of Shares which may be payable to Participant on but not prior to the Maturity Date in such case shall equal that number determined by multiplying (i) the number of Shares the Participant might otherwise have received for the Performance Period in accordance with Paragraph 4 above times (ii) a fraction, the numerator of which is the number of full and partial months in the period that begins the month following the month that includes the Effective Date and ends on (and includes) the date the Participant ceases being an active employee of the Company and its Affiliates, and the denominator of which is the number of full and partial months in the period that begins the month following the month that contains the Effective Date and ends on (and includes) the Maturity Date.

(g) If (i) the Participant experiences an involuntary Separation from Service prior to the Maturity Date due to a sale of a business or the outsourcing of any portion of a business, and (ii) the Company or any of its Affiliates fails to make an offer of comparable employment, as defined a severance plan or program maintained by the Company, to the Participant, then at the time and to the extent the Committee certifies that the performance measures for the Performance Period are satisfied under Subparagraph 5(b)(ii) above, upon such certification, the Participant shall become vested in that number of Shares the Participant might otherwise have received for the Performance Period in accordance with Paragraph 4 above prorated to reflect that portion of the Performance Period prior to the Participant's ceasing being an active employee of the Company and its Affiliates. The pro rata number of Shares in which the Participant may become vested on, but not prior to, the Maturity Date in such case shall equal that number of Shares determined by multiplying (i) the number of Shares the Participant might otherwise have received for the Performance Period in accordance with Paragraph 4 above times (ii) a fraction, the numerator of which is the number of full and partial months in the period that begins the month following the month that contains the Effective Date and ends on (and includes) the date the Participant ceases being an active employee of the Company and its Affiliates, and the denominator of which is the total number of full and partial months in the period that begins the month following the month that contains the Effective Date and ends on (and includes) the Maturity Date.

For purposes of this Subparagraph 5(g), a Termination of Affiliation shall constitute an involuntary Separation from Service.

6. Payment of Shares .

- (a) (i) The payment date for all Shares in which a Participant becomes vested pursuant to Subparagraph 5(e) above shall be within the 30th day after such Participant's Separation from Service, *provided* that if the Participant was a "key employee" within the meaning of Section 409A(a)(B)(i) of the Code immediately prior to his or her Separation from Service, payment shall not be made sooner than six months following the date of such Separation from Service.

(ii) For purposes of this Subparagraph 6(a), “key employee” means an employee designated on an annual basis by the Company as of December 31 (the “Key Employee Designation Date”) as an employee meeting the requirements of Section 416(i) of Code utilizing the definition of compensation under Treasury Regulation § 1.415(c)-2(d)(2). A Participant designated as a “key employee” shall be a “key employee” for the entire 12-month period beginning on April 1 following the Key Employee Designation Date.

(b) The payment date for all Shares in which the Participant becomes vested pursuant to Paragraph 5 above, other than Subparagraph 5(e) (as to which the payment date is determined in accordance with Subparagraph 6(a) above), shall be the calendar year containing the Maturity Date.

(c) Upon conversion of RSUs into Shares under this Agreement, such RSUs shall be cancelled. Shares that become payable under this Agreement will be paid by the Company by the delivery to the Participant, or the Participant’s beneficiary or legal representative, one or more certificates (or other indicia of ownership) representing Shares of Common Stock equal in number to the number of Shares otherwise payable under this Agreement less the number of Shares having a Fair Market Value, as of the date the withholding tax obligation arises, equal to the minimum statutory withholding requirements. Notwithstanding the foregoing, to the extent permitted by Section 409A of the Internal Revenue of 1986, as amended (the “*Code*”) and the guidance thereunder, if federal employment taxes become due upon the Participant’s becoming entitled to payment of Shares, the number of Shares necessary to cover minimum statutory withholding requirements may, in the Company’s discretion, be used to satisfy such requirements upon such entitlement.

7. Other Provisions.

(a) The Participant understands and agrees that payments under this Agreement shall not be used for, or in the determination of, any other payment or benefit under any continuing agreement, plan, policy, practice, or arrangement providing for the making of any payment or the provision of any benefits to or for the Participant or the Participant’s beneficiaries or representatives, including, without limitation, any employment agreement, any change of control severance protection plan, or any employee benefit plan as defined in Section 3(3) of ERISA, including, but not limited to qualified and non-qualified retirement plans.

(b) The Participant agrees and understands that, subject to the limit expressed in clause (iii) of the following sentence, stock certificates (or other indicia of ownership) issued may be held as collateral for monies he/she owes to the Company or any of its Affiliates, including but not limited to personal loan(s), Company credit card debt, relocation repayment obligations or benefits from any plan that provides for pre-paid educational assistance. In addition, the Company may accelerate the time or schedule of a payment of vested Shares, and/or deduct from any payment of Shares to the Participant under this Agreement, or to his or her beneficiaries in the case of the Participant's death, that number of Shares having a Fair Market Value at the date of such deduction to the amount of such debt as satisfaction of any such debt, *provided* that (i) such debt is incurred in the ordinary course of the employment relationship between the Company or any of its Affiliates and the Participant, (ii) the aggregate amount of any such debt-related collateral held or deduction made in any taxable year of the Company with respect to the Participant does not exceed \$5,000, and (iii) the deduction of Shares is made at the same time and in the same amount as the debt otherwise would have been due and collected from the Participant.

(c) Except as provided in Subparagraphs 5(c) through 5(g) above, in the event that the Participant's employment with the Company or any of its Affiliates terminates prior to the Maturity Date, RSUs subject to this Agreement and any right to Shares issuable hereunder shall be forfeited.

(d) The Participant acknowledges that this Award and similar awards are made on a selective basis and are, therefore, to be kept confidential.

(e) RSUs, Shares, and Participant's interest in RSUs and Shares, may not be sold, assigned, transferred, pledged, or otherwise disposed of or encumbered at any time prior to both (i) the Participant's becoming vested in Shares and (ii) payment of Shares under this Agreement.

(f) If the Participant at any time forfeits any or all of the RSUs pursuant to this Agreement, the Participant agrees that all of the Participant's rights to and interest in such RSUs and in Shares issuable thereunder shall terminate upon forfeiture without payment of consideration.

(g) The Committee shall determine whether an event has occurred resulting in the forfeiture of the RSUs and any Shares issuable thereunder in accordance with this Agreement and all determinations of the Committee shall be final and conclusive.

(h) With respect to the right to receive payment of Shares under this Agreement, nothing contained herein shall give the Participant any rights that are greater than those of a general creditor of the Company.

(i) The obligations of the Company under this Agreement are unfunded and unsecured. Each Participant shall have the status of a general creditor of the Company with respect to amounts due, if any, under this Agreement.

(j) The parties to this Agreement intend that this Agreement meet the requirements of Section 409A of the Code and recognize that it may be necessary to modify this Agreement and/or the Plan to reflect guidance under Section 409A of the Code issued by the Internal Revenue Service. Participant agrees that the Committee shall have sole discretion in determining (i) whether any such modification is desirable or appropriate and (ii) the terms of any such modification.

(k) The Participant hereby automatically becomes a party to this Agreement whether or not he or she accepts the Award electronically or in writing in accordance with procedures of the Committee, its delegates or agents.

(l) Nothing in this Agreement or the Plan shall interfere with or limit in any way the right of the Company or an Affiliate to terminate the Participant's employment or service at any time, nor confer upon the Participant the right to continue in the employ of the Company and/or Affiliate.

(m) The Participant hereby acknowledges that nothing in this Agreement shall be construed as requiring the Committee to allow a domestic relations order with respect to this Award.

8. Notices. All notices to the Company required hereunder shall be in writing and delivered by hand or by mail, addressed to WPX Energy, Inc., One Williams Center, Tulsa, Oklahoma 74172, Attention: Stock Administration Department. Notices shall become effective upon their receipt by the Company if delivered in the foregoing manner. To direct the sale of any Shares issued under this Agreement, the Participant shall contact the Plan Administrator.

9. Tax Consultation. The Participant understands he or she will incur tax consequences as a result of acquisition or disposition of the Shares. The Participant agrees to consult with any tax consultants deemed advisable in connection with the acquisition of the Shares and acknowledge that he or she is not relying, and will not rely, on the Company for any tax advice.

WPX ENERGY, INC.

By: _____
William G. Lowrie
Chairman of the Board

Participant: **Richard E. Muncrief**
SSN: _____

APPENDIX A
DEFINITIONS

“*Affiliate*” means all persons with whom the Company would be considered a single employer under Section 414(b) of the Code and all persons with whom such person would be considered a single employer under Section 414(c) of the Code.

“*Disabled*” means a Participant qualifies for long-term disability benefits under the Company’s long-term disability plan, or if the Company does not sponsor such a disability plan, the Participant qualifies for Social Security Disability Insurance under Title II of the Social Security Act. Notwithstanding the forgoing, all determinations of whether a Participant is Disabled shall be made in accordance with Section 409A of the Internal Revenue Code of 1986, as amended, and the guidance thereunder.

“*Separation from Service*” means a Participant’s termination or deemed termination from employment with the Company and its Affiliates. For purposes of determining whether a Separation from Service has occurred, the employment relationship is treated as continuing intact while the Participant is on military leave, sick leave, or other bona fide leave of absence if the period of such leave does not exceed six months, or if longer, so long as the Participant retains a right to reemployment with his or her employer under an applicable statute or by contract. For this purpose, a leave of absence constitutes a bona fide leave of absence only if there is a reasonable expectation that the Participant will return to perform services for his or her employer. If the period of leave exceeds six months and the Participant does not retain a right to reemployment under an applicable statute or by contract, the employment relationship will be deemed to terminate on the first date immediately following such six month period.

Notwithstanding the foregoing, if a leave of absence is due to any medically determinable physical or mental impairment that can be expected to last for a continuous period of more than six months but less than 12 months, and such impairment causes the Participant to be unable to perform the duties of the Participant’s position of employment or any substantially similar position of employment, a period equal to such Participant’s leave of absence will be substituted for such six-month period, so long as that period is less than 12 months. If such an absence exceeds 12 months, then the Participant will be considered Disabled and Section 4(d) will govern.

A Separation from Service occurs at the date as of which the facts and circumstances indicate either that, after such date: (A) the Participant and the Company reasonably anticipate the Participant will perform no further services for the Company and its Affiliates (whether as an employee or an independent contractor) or (B) that the level of bona fide services the Participant will perform for the Company and its Affiliates (whether as an employee or independent contractor) will permanently decrease to no more than 20% of the average level of bona fide services performed over the immediately preceding 36-month period or, if the Participant has been providing services to the Company and its Affiliates for less than 36 months, the full period over which the Participant has rendered services, whether as an employee or independent contractor. The determination of whether a Separation from Service has occurred shall be governed by the provisions of Treasury Regulation § 1.409A-1, as amended, taking into account the objective facts and circumstances with respect to the level of bona fide services performed by the Participant after a certain date.

WPX ENERGY, INC.
TIME-BASED RESTRICTED STOCK UNIT
INDUCEMENT AWARD AGREEMENT

THIS TIME-BASED RESTRICTED STOCK UNIT INDUCEMENT AWARD AGREEMENT and Appendices A and B attached hereto (this “Agreement”), which contains the terms and conditions for the Restricted Stock Units (“Restricted Stock Units” or “RSUs”), is by and between **WPX ENERGY, INC.**, a Delaware corporation (the “Company”) and the individual identified on the last page hereof (the “Participant”).

1. **Grant of RSUs**. Subject to the terms and conditions of this Agreement, the Company hereby grants an award (the “Award”) to the Participant of [•] RSUs effective May 15, 2014 (the “Effective Date”). The Award gives the Participant the opportunity to earn the right to receive the number of shares of the Common Stock of the Company equal to the number of RSUs shown in the prior sentence, subject to adjustment under the terms of this Agreement. These shares are referred to in this Agreement as the “Shares.” Until the Participant both becomes vested in the Shares under the terms of Paragraph 4 and is paid such Shares under the terms of Paragraph 5, the Participant shall have no rights as a stockholder of the Company with respect to the Shares.
2. **Acceptance of Documents**. The Participant acknowledges that he has received a copy of, or has online access to, this Agreement and hereby automatically accepts the RSUs subject to all the terms and provisions of this Agreement. The Participant hereby further agrees that he has received a copy of, or has online access to, the prospectus and hereby acknowledges his or her automatic acceptance and receipt of such prospectus electronically.
3. **Committee Decisions and Interpretations**. The Participant hereby agrees to accept as binding, conclusive and final all actions, decisions and/or interpretations of the Committee, its delegates, or agents, upon any questions or other matters arising under the Plan or this Agreement.
4. **Vesting; Legally Binding Rights**.
 - (a) Notwithstanding any other provision of this Agreement, the Participant shall not be entitled to any payment of Shares under this Agreement unless and until such Participant obtains a legally binding right to such Shares and satisfies applicable vesting conditions for such payment.
 - (b) Except as otherwise provided in Subparagraphs 4(c) – 4(f) below, the Participant shall vest in 100% of the Shares on the date that is one year after the Effective Date (not including the Effective Date) (such anniversary of the Effective Date, the “Maturity Date”), but only if the Participant remains an active employee of the Company or any of its Affiliates through such Maturity Date. For example, if the Effective Date of Participant’s award under this Agreement is May 15, 2014, the Maturity Date will be May 15, 2015.
 - (c) If the Participant dies prior to the Maturity Date while an active employee of the Company or any of its Affiliates, the Participant shall vest in all unvested Shares at the time of such death.

(d) If the Participant becomes Disabled prior to the Maturity Date while an active employee of the Company or any of its Affiliates, the Participant shall vest in all unvested Shares at the time the Participant becomes Disabled.

(e) If the Participant experiences a Separation from Service by the Company without Cause or by the Executive for Good Reason prior to the Maturity Date, the Participant shall vest in all unvested Shares upon such Separation from Service.

(f) If the Participant experiences a Separation from Service by the Company for Cause or by the Executive without Good Reason prior to the final Maturity Date, the Participant shall forfeit all Shares at the time of such Separation from Service.

5. Payment of Shares.

(a) The payment date for all Shares in which the Participant becomes vested pursuant to Subparagraph 4(b) above shall be within the 30th day following the Maturity Date.

(b) The payment date for all Shares in which the Participant becomes vested pursuant to Subparagraph 4(c) above shall be within the 60th day following such death.

(c) The payment date for all Shares in which the Participant becomes vested pursuant to Subparagraph 4(d) above shall be within the 30th day after the Participant becomes Disabled.

(d) The payment date for all Shares in which the Participant becomes vested pursuant to Subparagraph 4(e) above shall be within the 30th day following such Participant's Separation from Service.

(e) Upon conversion of RSUs into Shares under this Agreement, such RSUs shall be cancelled. Shares that become payable under this Agreement will be paid by the Company by the delivery to the Participant, or the Participant's beneficiary or legal representative, of one or more certificates (or other indicia of ownership) representing shares of Common Stock equal in number to the number of Shares otherwise payable under this Agreement less the number of Shares having a Fair Market Value, as of the date the withholding tax obligation arises, equal to the minimum statutory withholding requirements. Notwithstanding the foregoing, to the extent permitted by Section 409A of the Code and the guidance issued by the Internal Revenue Service thereunder, if federal employment taxes become due when the Participant becomes entitled to payment of Shares, the number of Shares necessary to cover minimum statutory withholding requirements may, in the discretion of the Company, be used to satisfy such requirements upon such entitlement.

6. Other Provisions.

(a) The Participant understands and agrees that payments under this Agreement shall not be used for, or in the determination of, any other payment or benefit under any continuing agreement, plan, policy, practice, or arrangement providing for the making of any payment or the provision of any benefits to or for the Participant or the Participant's beneficiaries or representatives, including, without limitation, any employment agreement, any change of control severance protection plan, or any employee benefit plan as defined in Section 3(3) of ERISA, including, but not limited to qualified and non-qualified retirement plans.

(b) The Participant agrees and understands that, subject to the limit expressed in clause (iii) of the following sentence, upon payment of Shares under this Agreement, stock certificates (or other indicia of ownership) issued may be held as collateral for monies he/she owes to the Company or any of its Affiliates, including but not limited to personal loan(s), Company credit card debt, relocation repayment obligations, or benefits from any plan that provides for pre-paid educational assistance. In addition, the Company may accelerate the time or schedule of a payment of vested Shares, and/or deduct from any payment of Shares to the Participant under this Agreement, or to his or her beneficiaries in the case of the Participant's death, that number of Shares having a Fair Market Value at the date of such deduction to the amount of such debt as satisfaction of any such debt, *provided* that (i) such debt is incurred in the ordinary course of the employment relationship between the Company or any of its Affiliates and the Participant, (ii) the aggregate amount of any such debt-related collateral held or deduction made in any taxable year of the Company with respect to the Participant does not exceed \$5,000, and (iii) the deduction of Shares is made at the same time and in the same amount as the debt otherwise would have been due and collected from the Participant.

(c) Except as provided otherwise in Subparagraphs 4(c) through 4(i) above, in the event that the Participant experiences a Separation from Service prior to the Participant's becoming vested in the Shares under this Agreement, RSUs subject to this Agreement and any right to Shares issuable hereunder shall be forfeited.

(d) RSUs, Shares, and the Participant's interest in RSUs and Shares may not be sold, assigned, transferred, pledged, or otherwise disposed of or encumbered at any time prior to both (i) the Participant's becoming vested in such Shares and (ii) payment of such Shares under this Agreement.

(e) If the Participant at any time forfeits any or all of the RSUs pursuant to this Agreement, the Participant agrees that all of the Participant's rights to and interest in such RSUs and in Shares issuable hereunder shall terminate upon forfeiture without payment of consideration.

(f) The Committee shall determine whether an event has occurred resulting in the forfeiture of the Shares, in accordance with this Agreement, and all determinations of the Committee shall be final and conclusive.

(g) With respect to the right to receive payment of the Shares under this Agreement, nothing contained herein shall give the Participant any rights that are greater than those of a general creditor of the Company.

(h) The obligations of the Company under this Agreement are unfunded and unsecured. Each Participant shall have the status of a general creditor of the Company with respect to amounts due, if any, under this Agreement.

(i) The parties to this Agreement intend that this Agreement meet the applicable requirements of Section 409A of the Code and recognize that it may be necessary to modify this Agreement and/or the Plan to reflect guidance under Section 409A of the Code issued by the Internal Revenue Service. Participant agrees that the Committee shall have sole discretion in determining (i) whether any such modification is desirable or appropriate and (ii) the terms of any such modification.

(j) The Participant hereby automatically becomes a party to this Agreement whether or not he accepts the Award electronically or in writing in accordance with procedures of the Committee, its delegates or agents.

(k) Nothing in this Agreement or the Plan shall interfere with or limit in any way the right of the Company or an Affiliate to terminate the Participant's employment or service at any time, nor confer upon the Participant the right to continue in the employ of the Company and/or Affiliate.

(l) The Participant hereby acknowledges that nothing in this Agreement shall be construed as requiring the Committee to allow a domestic relations order with respect to this Award.

7. Notices. All notices to the Company required hereunder shall be in writing and delivered by hand or by mail, addressed to WPX Energy, Inc., One Williams Center, Tulsa, Oklahoma 74172, Attention: Stock Administration Department. Notices shall become effective upon their receipt by the Company if delivered in the foregoing manner. To direct the sale of any Shares issued under this Agreement, the Participant shall contact a dedicated Fidelity Stock Plan Representative.

8. Tax Consultation. The Participant understands he will incur tax consequences as a result of acquisition or disposition of the Shares. The Participant agrees to consult with any tax consultants deemed advisable in connection with the acquisition of the Shares and acknowledges that he is not relying, and will not rely, on the Company for any tax advice.

WPX ENERGY, INC.

By: _____
William G. Lowrie
Chairman of the Board

Participant: Richard E. Muncrief
SSN: _____

APPENDIX A
DEFINITIONS

“*Affiliate*” means all persons with whom the Company would be considered a single employer under Section 414(b) of the Code and all persons with whom such person would be considered a single employer under Section 414(c) of the Code.

“*Disabled*” means a Participant qualifies for long-term disability benefits under the Company’s long-term disability plan, or if the Company does not sponsor such a disability plan, the Participant qualifies for Social Security Disability Insurance under Title II of the Social Security Act. Notwithstanding the forgoing, all determinations of whether a Participant is Disabled shall be made in accordance with Section 409A of the Internal Revenue Code of 1986, as amended, and the guidance thereunder.

“*Retirement*” means a Separation from Service (other than for Cause) after attaining age fifty-five (55) and completing at least five (5) years of continuous service.

“*Separation from Service*” means a Participant’s termination or deemed termination from employment with the Company and its Affiliates. For purposes of determining whether a Separation from Service has occurred, the employment relationship is treated as continuing intact while the Participant is on military leave, sick leave, or other bona fide leave of absence if the period of such leave does not exceed six months, or if longer, so long as the Participant retains a right to reemployment with his or her employer under an applicable statute or by contract. For this purpose, a leave of absence constitutes a bona fide leave of absence only if there is a reasonable expectation that the Participant will return to perform services for his or her employer. If the period of leave exceeds six months and the Participant does not retain a right to reemployment under an applicable statute or by contract, the employment relationship will be deemed to terminate on the first date immediately following such six month period.

Notwithstanding the foregoing, if a leave of absence is due to any medically determinable physical or mental impairment that can be expected to last for a continuous period of more than six months but less than 12 months, and such impairment causes the Participant to be unable to perform the duties of the Participant’s position of employment or any substantially similar position of employment, a period equal to such Participant’s leave of absence will be substituted for such six-month period, so long as that period is less than 12 months. If such an absence exceeds 12 months, then the Participant will be considered Disabled and Section 4(d) will govern.

A Separation from Service occurs at the date as of which the facts and circumstances indicate either that, after such date: (A) the Participant and the Company reasonably anticipate the Participant will perform no further services for the Company and its Affiliates (whether as an employee or an independent contractor) or (B) that the level of bona fide services the Participant will perform for the Company and its Affiliates (whether as an employee or independent contractor) will permanently decrease to no more than 20% of the average level of bona fide services performed over the immediately preceding 36-month period or, if the Participant has been providing services to the Company and its Affiliates for less than 36 months, the full period over which the Participant has rendered services, whether as an employee or independent contractor. The determination of whether a Separation from Service has occurred shall be governed by the provisions of Treasury Regulation § 1.409A-1, as amended, taking into account the objective facts and circumstances with respect to the level of bona fide services performed by the Participant after a certain date.

APPENDIX B

WPX ENERGY, Inc.

Inducement Award – Richard E. Muncrief

(Effective as of May 15, 2014)

Article 1.—Effective Date , History, Objectives, and Duration

1.1 Effective Date. In connection with WPX Energy, Inc. (the “Company”) agreeing to employ Richard E. Muncrief (“Grantee”) as its President and Chief Executive Officer effective as of May 15, 2014, the Company is agreeing to award Grantee time-vesting and performance-vesting restricted stock units of the Company which are intended to be “inducement awards” (in accordance with New York Stock Exchange rules) (the “Inducement Award”), subject to the terms and conditions of the applicable award agreement and this Appendix A (the “Inducement Award Agreement”). Inducement Awards are not granted pursuant to the WPX Energy, Inc. 2013 Incentive Plan (the “Plan”). Inducement Awards are granted effective as of, and contingent upon, Grantee commencing employment with the Company in such capacity (the “Effective Date”).

Article 2.—Definitions

The following terms shall have the meanings set forth below:

2.1 “Affiliate” means any Person that directly or indirectly, through one or more intermediaries, controls, or is controlled by or is under common control with the Company.

2.2 “Board” has the meaning set forth in Section 1.3.

2.3 “Committee” and “Management Committee” have the respective meanings set forth in Article 3.

2.4 “Common Stock” means the common stock, \$1.00 par value, of the Company.

2.5 “Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time. References to a particular section of the Exchange Act include references to successor provisions.

2.6 “Fair Market Value” means (a) with respect to any property other than Shares, the fair market value of such property determined by such methods or procedures as shall be established from time to time by the Committee, and (b) with respect to Shares, unless otherwise determined in the good faith discretion of the Committee, as of any date: (i) the closing price on the date of determination reported in *The Wall Street Journal* (or an equivalent alternate or successor) (or, if no sale of Shares was reported for such date, on the most recent trading day prior to such date on which a sale of Shares was reported); (ii) if the Shares are not listed on the New York Stock Exchange, the closing price of the Shares on such other national exchange on

which the Shares are principally traded or as reported by the Nasdaq Global Select or Global Market System, or similar securities market, or if no such quotations are available, the average of the high bid and low asked quotations in the over-the-counter market as reported by the Nasdaq Capital Market or similar securities market; or (iii) in the event that there shall be no public market for the Shares, the fair market value of the Shares as determined (which determination shall be conclusive) in good faith by the Committee.

2.7 “Grant Date” means the date on which an Inducement Award is granted or, in the case of a grant to an Eligible Person, such later date as specified in advance by the Committee.

2.8 “Grantee” means Richard E. Muncrief.

2.9 “including” or “includes” means “including, without limitation,” or “includes, without limitation,” respectively.

2.10 “Person” means any individual, sole proprietorship, partnership, joint venture, limited liability company, trust, unincorporated organization, association, corporation, institution, public benefit corporation, entity or government instrumentality, division, agency, body or department.

2.11 “Restricted Stock Unit” means a right, granted in accordance the Inducement Award Agreement, to receive a Share or cash payment equal to the value thereof.

2.12 “Retirement” shall have the meaning ascribed to such term in the Company’s governing tax-qualified retirement plan applicable to the Grantee, or if no such plan is applicable to the Grantee, in the good faith determination of the Committee.

2.13 “Rule 16b-3” means Rule 16b-3 promulgated by the SEC under the Exchange Act, as amended from time to time, together with any successor rule.

2.14 “SEC” means the United States Securities and Exchange Commission, or any successor thereto.

2.15 “Section 16 Non-Management Director” means a Non-Management Director who satisfies the requirements to qualify as a “non-employee director” under Rule 16b-3.

2.16 “Section 16 Person” means a person who is subject to potential liability under Section 16(b) of the Exchange Act with respect to transactions involving equity securities of the Company.

2.17 “Securities Act” means the Securities Act of 1933, as amended from time to time. References to a particular section of the Securities Act include references to successor provisions.

2.18 “Share” means a share of Common Stock, and such other securities of the Company as may be substituted or resubstituted for Shares pursuant to Section 4.2 hereof.

Article 3.—Administration

3.1 Committee.

(a) Subject to Article 8 and Section 3.2, the Inducement Award Agreement shall be administered by a committee (the “Committee”). Except to the extent the Board reserves administrative powers to itself or appoints a different committee to administer the Inducement Award Agreement, the Committee shall be the Compensation Committee of the Board. In addition, to the extent the Board considers it desirable to comply with Rule 16b-3, the Committee shall consist of two or more directors of the Company, all of whom qualify as “outside directors” within the meaning of Section 16 Non-Management Directors (the “Independent Committee”). The number of members of the Committee shall from time to time be increased or decreased, and shall be subject to such conditions, in each case as the Board deems appropriate to permit transactions in Shares pursuant to the Inducement Award to satisfy such conditions of Rule 16b-3 as then in effect.

(b) The Board or the Compensation Committee may, by resolution, appoint and delegate to another committee of one or more officers of the Company (other than the Grantee) (a “Management Committee”) any or all of the authority of the Board or the Committee, as applicable, with respect to Inducement Awards. Any delegation of authority pursuant to this Section 3.1(b) shall comply with the requirements of applicable law, including Section 157(c) of the General Corporation Law of the State of Delaware to the extent applicable.

(c) Unless the context requires otherwise, any references herein to “Committee” include references to the Board, the Compensation Committee of the Board, the Management Committee, or the Independent Committee (if distinct from any of the foregoing, as applicable). For avoidance of doubt, notwithstanding any provision of the Inducement Award to the contrary, any action taken by the Compensation Committee of the Board shall be treated as a valid action of the Committee, except as limited by the terms of the Board’s delegation of authority to the Compensation Committee of the Board or in the event that such action would violate applicable law.

3.2 Powers of Committee. Subject to and consistent with the provisions of the Inducement Award Agreement, the Committee has full and final authority and sole discretion to construe and interpret the Inducement Award Agreement and to make all determinations, including factual determinations, necessary or advisable for the administration of the Inducement Award Agreement, including:

(a) to determine whether any performance or vesting conditions have been satisfied;

(b) to determine whether, to what extent and under what circumstances an Inducement Award may be settled in cash or Shares, or an Inducement Award may be accelerated, vested, canceled, forfeited or surrendered or any terms of the Inducement Award may be waived, and to accelerate the exercisability of, and to accelerate or waive any or all of the terms and conditions applicable to any Inducement Award for any reason and at any time;

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- (c) to offer to exchange or buy out any previously granted Inducement Award for a payment in cash or Shares;
 - (d) to make, amend, suspend, waive and rescind rules and regulations relating to the Inducement Award Agreements;
 - (e) to appoint such agents as the Committee may deem necessary or advisable to administer the Inducement Award Agreements;
 - (f) with the consent of the Grantee, to amend any such Inducement Award at any time, among other things, to permit transfers of such Inducement Award to the extent permitted by the Inducement Award; *provided* that the consent of the Grantee shall not be required for any amendment (i) which does not materially adversely affect the rights of the Grantee, or (ii) which is necessary or advisable (as determined by the Committee) to carry out the purpose of the Inducement Award as a result of any new applicable law or change in an existing applicable law, or (iii) to the extent the Inducement Award specifically permits amendment without consent, or (iv) provided for or specifically contemplated in the Inducement Award;
 - (g) to cancel, with the consent of the Grantee, outstanding Inducement Awards and to grant new Inducement Awards in substitution therefor;
 - (h) to make such adjustments or modifications to Inducement Awards are advisable to fulfill the purposes of the Inducement Award (including to comply with local law);
 - (i) to impose such additional terms and conditions upon the grant, exercise or retention of Inducement Awards as the Committee may, before or concurrently with the grant thereof, deem appropriate, including, as applicable, limiting the percentage of Inducement Awards which may from time to time be exercised by the Grantee;
 - (j) to make adjustments in the terms and conditions of, and the criteria in, Inducement Awards in recognition of unusual or nonrecurring events (including events described in Section 4.1) affecting the Company or an Affiliate or the financial statements of the Company or an Affiliate, or in response to changes in applicable laws, regulations or accounting principles;
 - (k) to correct any defect or supply any omission or reconcile any inconsistency, and to construe and interpret Inducement Award Agreement, the rules and regulations, and any other instrument entered into or relating to an Inducement Award; and
 - (l) to take any other action with respect to any matters relating to the Inducement Award Agreement and to make all other decisions and determinations as may be required under the terms of the Inducement Award Agreement or as the Committee may deem necessary or advisable for the administration of the Inducement Award Agreement.

Any action of the Committee with respect to the Inducement Award Agreement shall be final, conclusive and binding on all persons, including the Company, its Affiliates, the Grantee, any person claiming any rights under the Inducement Award from or through the Grantee, and stockholders, except to the extent the Committee may subsequently modify, or take further

action not consistent with, its prior action. If not specified in the Inducement Award Agreement, the time at which the Committee must or may make any determination shall be determined by the Committee, and any such determination may thereafter be modified by the Committee. The express grant of any specific power to the Committee, and the taking of any action by the Committee, shall not be construed as limiting any power or authority of the Committee.

Article 4.—Adjustments

4.1 Adjustments in Authorized Shares and Inducement Awards . In the event of any dividend or other distribution (whether in the form of cash, Shares, or other property, but excluding regular, quarterly cash dividends), recapitalization, forward or reverse stock split, subdivision, consolidation or reduction of capital, reorganization, merger, consolidation, scheme of arrangement, split-up, spin-off or combination involving the Company or repurchase or exchange of Shares or other securities of the Company or other rights to purchase Shares or other securities of the Company, or other similar corporate transaction or event that affects the Shares, provided that any such transaction or event referred to heretofore does not involve the receipt of consideration by the Company, then the Committee shall, in such manner as it deems equitable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Inducement Award Agreement, adjust (a) the number and type of Shares (or other securities or property) with respect to which Inducement Awards may be granted, (b) the number and type of Shares (or other securities or property) subject to outstanding Inducement Awards, (c) the number of Shares with respect to which Inducement Awards may be granted to the Grantee, and (d) the number and type of Shares (or other securities or property) as to which Inducement Awards may be settled; *provided* , that the number of Shares subject to any Inducement Award denominated in Shares shall always be a whole number.

Article 5.—General Conditions of Inducement Awards

5.1 General Terms and Termination of Affiliation . The Committee may impose on any Inducement Award or the exercise or settlement thereof, at the Grant Date or, subject to the provisions of Section 8.1, thereafter, such additional terms and conditions not inconsistent with the provisions of the Inducement Award as the Committee shall determine, including terms requiring forfeiture, acceleration or pro-rata acceleration of Inducement Awards. Except as may be required under the Delaware General Corporation Law, Inducement Awards may be granted for no consideration other than prior and future services.

5.2 Nontransferability of Inducement Awards .

(a) Each Inducement Award and each right under any Inducement Award shall be exercisable only by the Grantee during the Grantee's lifetime, or, if permissible under applicable law, by the Grantee's guardian or legal representative.

(b) No Inducement Award (prior to the time, if applicable, Shares are delivered in respect of such Inducement Award), and no right under any Inducement Award, may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Grantee other than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company and any Affiliate; *provided* that the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance.

(c) Notwithstanding subsections (a) and (b) above, to the extent provided in the Inducement Award Agreement, such Restricted Stock Units may be transferred to one or more trusts or persons during the lifetime of the Grantee in connection with the Grantee's estate planning or wealth transfer planning, and may be exercised by such transferee in accordance with the terms of such Inducement Award. If so determined by the Committee, the Grantee may, in the manner established by the Committee, designate a beneficiary or beneficiaries to exercise the rights of the Grantee, and to receive any distribution with respect to any Inducement Award upon the death of the Grantee. A transferee, beneficiary, guardian, legal representative or other person claiming any rights under the Inducement Award Agreement from or through the Grantee shall be subject to and consistent with the provisions of the Inducement Award Agreement, except to the extent the any additional restrictions or limitations are deemed necessary or appropriate by the Committee.

(d) Nothing herein shall be construed as requiring the Committee to honor a domestic relations order except as required under the respective Inducement Award Agreement or to the extent required under applicable law.

5.3 Cancellation and Rescission of Inducement Awards. Unless the Inducement Award Agreement specifies otherwise, the Committee may cancel, rescind, suspend, withhold, or otherwise limit or restrict any unexercised Inducement Award at any time if the Grantee is not in compliance with all applicable provisions of the Inducement Award Agreement.

5.4 Compliance with Rule 16b-3.

(a) Reformation to Comply with Exchange Act Rules. To the extent the Committee determines that a grant or other transaction by a Section 16 Person should comply with applicable provisions of Rule 16b-3 (except for transactions exempted under alternative Exchange Act rules), the Committee shall take such actions as necessary to make such grant or other transaction so comply, and if any provision of any Inducement Award Agreement does not comply with the requirements of Rule 16b-3 as then applicable to any such grant or transaction, such provision will be construed or deemed amended, if the Committee so determines, to the extent necessary to conform to the then applicable requirements of Rule 16b-3 without the consent of or notice to the affected Section 16 Person.

(b) Rule 16b-3 Administration. Any function relating to a Section 16 Person shall be performed solely by the Committee or the Board if necessary to ensure compliance with applicable requirements of Rule 16b-3, to the extent the Committee determines that such compliance is desired. Each member of the Committee or person acting on behalf of the Committee shall be entitled to, in good faith, rely or act upon any report or other information furnished to him by any officer, manager or other employee of the Company or any Affiliate, the Company's independent certified public accountants or any executive compensation consultant or attorney or other professional retained by the Company to assist in the administration of the Inducement Award Agreement.

5.5 Deferral of Inducement Award Payouts. The Committee may permit or require the Grantee to defer receipt of the payment of cash or the delivery of Shares that would otherwise be due by virtue of the lapse or waiver of restrictions for Restricted Stock Units. The Committee may also require such a deferral of receipt in order to avoid non-deductibility of any amounts associated with such Inducement Award or to comply with the requirements of applicable law. If any such deferral is required or permitted, the Committee shall, in its sole discretion, establish rules and procedures for such payment deferrals. Except as otherwise provided in an Inducement Award Agreement or this Section 5.5, any payment of any Shares that are subject to such deferral shall be made or delivered to the Grantee upon the Grantee's termination of employment. Notwithstanding anything herein to the contrary, in no event will any deferral or payment of a deferred number of Shares or any other payment with respect to any Inducement Award be allowed if the Committee determines, in its sole discretion, that the deferral would result in the imposition of the additional tax under Section 409A(a)(1)(B) of the Code.

Article 6.—Restricted Stock Units

6.1 Delivery and Limitations. Delivery of Shares will occur upon the terms and conditions of the Inducement Award Agreement. In addition, an Inducement Award shall be subject to such additional limitations as the Committee may impose. The Grantee will have no voting rights and will have no rights to receive dividends or dividend equivalents in respect of his Restricted Stock Units.

Article 7.—Change in Control

7.1 Acceleration of Exercisability and Lapse of Restrictions. If, upon or within two (2) years following a Change in Control, the Grantee has a termination of employment with the Company and its Affiliates (excluding any transfer to the Company or its Affiliates) voluntarily for Good Reason, or involuntarily (other than due to Cause, death, Disability, or Retirement), all restrictions or limitations on any outstanding Inducement Awards shall lapse and all performance criteria and other conditions to payment of Inducement Awards shall be deemed to be achieved or fulfilled (at the target level, to the extent applicable).

7.2 Definitions. For purposes of this Article 7, the following terms shall have the meanings as set forth in Section 5.9 of the Employment Agreement by and between the Company and the Grantee, entered into as of April 29, 2014: "Cause", "Change in Control" and "Good Reason".

Article 8.—Amendment, Modification, and Termination

8.1 Inducement Awards Previously Granted. Except as otherwise specifically permitted in Inducement Award Agreement, no termination, amendment, or modification of the Inducement Award Agreement shall adversely affect in any material way any Inducement Award previously granted under the Inducement Award Agreement, without the written consent of the Grantee of such Inducement Award.

Article 9.—Withholding

9.1 Mandatory Tax Withholding. Whenever, under the Inducement Award Agreement, (i) Shares are to be delivered upon payment of an Inducement Award, (ii) a cash payment is made for any Inducement Award, or (iii) any other payment event occurs with respect to rights and benefits hereunder, the Company or any Affiliate shall be entitled to require (A) that the Grantee remit an amount in cash, or in the Company's discretion, in Shares, valued at their Fair Market Value on the date the withholding obligation arises, sufficient to satisfy all of the employer's federal, state, and local tax withholding requirements related thereto but no more than the minimum amount necessary to satisfy such amounts (" Required Withholding"), (B) the withholding of such Required Withholding from compensation otherwise due to the Grantee or from any Shares valued at their Fair Market Value at the date the withholding obligation arises, or from any other payment due to the Grantee under the Inducement Award or otherwise or (C) any combination of the foregoing.

Article 10.—Additional Provisions

10.1 Successors. All obligations of the Company under the Inducement Award Agreement with respect to Inducement Awards granted hereunder shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise of all or substantially all of the business and/or assets of the Company.

10.2 Severability. If any part of the Inducement Award Agreement is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any other part of the Inducement Award Agreement. Any Section or part of a Section so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

10.3 Requirements of Law. The granting of Inducement Awards and the delivery of Shares under the Inducement Award Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or securities exchanges as may be required. Notwithstanding any provision of the Inducement Award Agreement, the Grantee shall not be entitled to exercise, or receive benefits under, any Inducement Award, and the Company (and any Affiliate) shall not be obligated to deliver any Shares or deliver benefits to the Grantee, if such exercise or delivery would constitute a violation by the Grantee or the Company of any applicable law or regulation.

10.4 Securities Law Compliance.

(a) If the Committee deems it necessary to comply with any applicable securities law, or the requirements of any securities exchange or other form of securities market upon which Shares may be listed, the Committee may impose any restriction on Shares acquired pursuant to Inducement Awards under the Inducement Award Agreement as it may deem advisable. All certificates for Shares delivered under the Inducement Award Agreement pursuant to any Inducement Award or the exercise thereof shall be subject to such stop transfer

orders and other restrictions as the Committee may deem advisable under the rules, regulations and other requirements of the SEC, any securities exchange or other form of securities market upon which Shares are then listed, any applicable securities law, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions. If so requested by the Company, the Grantee shall make a written representation to the Company that he will not sell or offer to sell any Shares unless a registration statement shall be in effect with respect to such Shares under the Securities Act of 1933, as amended, and any applicable state or foreign securities law or unless he shall have furnished an opinion to the Company, in form and substance satisfactory to the Company, that such registration is not required.

(b) If the Committee determines that the exercise, nonforfeitability of, or delivery of benefits pursuant to, any Inducement Award would violate any applicable provision of securities laws or the listing requirements of any securities exchange or other form of securities market on which are listed any of the Company's equity securities, then the Committee may postpone any such exercise, nonforfeitability or delivery, as applicable, but the Company shall use all reasonable efforts to cause such exercise, nonforfeitability or delivery to comply with all such provisions at the earliest practicable date.

10.5 No Rights as a Stockholder. No Grantee shall have any rights as a stockholder of the Company with respect to the Shares which may be deliverable upon payment of such Inducement Award until such Shares have been delivered to him.

10.6 Nature of Payments. Unless specified in the Inducement Award Agreement or otherwise determined by the Company, Inducement Awards shall be special incentive payments to the Grantee and shall not be taken into account in computing the amount of salary or compensation of the Grantee for purposes of determining any pension, retirement, death or other benefit under (a) any pension, retirement, profit-sharing, bonus, insurance or other employee benefit plan of the Company or any Affiliate, except as such plan shall otherwise expressly provide, or (b) any agreement between (i) the Company or any Affiliate and (ii) the Grantee, except as such agreement shall otherwise expressly provide.

10.7 Governing Law. The Inducement Award Agreement shall be construed in accordance with and governed by the laws of the State of Delaware, other than its laws respecting choice of law.

10.8 Share Certificates. Any certificates for Shares delivered under the terms of the Inducement Award Agreement shall be subject to such stop-transfer orders and other restrictions as the Committee may deem advisable under federal or state securities laws, rules and regulations thereunder, and the rules of any foreign securities laws, rules and regulations thereunder, and the rules of any national securities exchange or other form of securities market on which Shares are listed or quoted. The Committee may cause a legend or legends to be placed on any such certificates to make appropriate reference to such restrictions or any other restrictions or limitations that may be applicable to Shares. In addition, during any period in which Inducement Awards or Shares are subject to restrictions or limitations under the terms of the Inducement Award Agreement or any Inducement Award Agreement, or during any period during which delivery or receipt of an Inducement Award or Shares has been deferred by the

Committee or the Grantee, the Committee may require the Grantee to enter into an agreement providing that certificates representing Shares deliverable or delivered pursuant to an Inducement Award shall remain in the physical custody of the Company or such other person as the Committee may designate.

10.9 Unfunded Status of Inducement Awards; Creation of Trusts . The Inducement Award Agreement is intended to constitute an “unfunded” plan for incentive and deferred compensation. With respect to any payments not yet made to the Grantee pursuant to an Inducement Award, nothing contained in the Inducement Award Agreement or any Inducement Award Agreement shall give the Grantee any rights that are greater than those of a general creditor of the Company; *provided* that the Committee may authorize the creation of trusts or make other arrangements to meet the Company’s obligations under the Inducement Award Agreement to deliver cash, Shares or other property pursuant to any Inducement Award which trusts or other arrangements shall be consistent with the “unfunded” status of the Inducement Award Agreement unless the Committee otherwise determines.

10.10 Employment . Nothing in the Inducement Award Agreement or an Inducement Award Agreement shall interfere with or limit in any way the right of the Company or any Affiliate to terminate the Grantee’s employment at any time, for any reason or no reason, or shall confer upon the Grantee the right to continue in the employ or as an officer of the Company or any Affiliate.

10.11 Military Service . Inducement Awards shall be administered in accordance with Section 414(u) of the Code and the Uniformed Services Employment and Reemployment Rights Act of 1994 to the extent required by law or as determined by the Committee.

10.12 Construction; Gender and Number . The following rules of construction will apply to the Inducement Award Agreement: (a) the word “or” is disjunctive but not necessarily exclusive, and (b) words in the singular include the plural, words in the plural include the singular, and words in the neuter gender include the masculine and feminine genders and words in the masculine or feminine gender include the other neuter genders.

10.13 Headings . The headings of articles and sections are included solely for convenience of reference, and if there is any conflict between such headings and the text of this Plan, the text shall control.

10.14 Obligations . Unless otherwise specified in the Inducement Award Agreement, the obligation to deliver, pay or transfer any amount of money or other property pursuant to Inducement Awards under this Plan shall be the sole obligation of the Grantee’s employer; *provided* that the obligation to deliver or transfer any Shares pursuant to Inducement Awards under this Plan shall be the sole obligation of the Company.

10.15 Code Section 409A Compliance . The Board intends that any Inducement Awards under the Inducement Award Agreement shall be administered, interpreted, and construed in a manner intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended (“Code”), the regulations issued thereunder or any exceptions thereto (or disregarded to the extent such provisions cannot be so administered, interpreted, or construed). If the

Committee determines that an Inducement Award, Inducement Award Agreement, payment, distribution, deferral election, transaction or any other action or arrangement contemplated by the provisions of the Inducement Award Agreement would, if undertaken, cause the Grantee to become subject to additional taxes pursuant to Section 409A, unless the Committee expressly determines otherwise, such grant of Inducement Award, payment, distribution, deferral election, transaction or other action or arrangement shall not be undertaken and the related provisions of the Inducement Award Agreement and/or Inducement Award Agreement will be amended or deemed modified in as close a manner as possible to give effect to the original terms of the Inducement Award, or, only if necessary because a modification or deemed modification would not be reasonably effective in avoiding the additional income tax under Section 409A(a)(1)(B) of the Code, rescinded in order to comply with the requirements of Section 409A to the extent determined by the Committee without the consent of or notice to the Grantee. Notwithstanding the foregoing, with respect to any Inducement Award intended by the Committee to be exempt from the requirements of Section 409A which is to be paid out when vested, such payment shall be made as soon as administratively feasible after the Inducement Award becomes vested, but in no event shall such payment be made later than 2-1/2 months after the end of the calendar year in which the Inducement Award became vested unless (a) deferred pursuant to Section 5.5 otherwise permitted under the exemption provisions of Section 409A.

10.16 Recoupment. In the event that financial results of the Company are significantly restated due to fraud or intentional misconduct, the Board will review any performance-based incentive payments paid to executive officers, who are found by the Board to be personally responsible for the fraud or intentional misconduct that caused the need for the restatement and will, to the extent permitted by applicable law, seek recoupment from all executive officers of any amounts paid in excess of the amounts that would have been paid based on the restated financial results.

WPX ENERGY, INC.
PERFORMANCE-BASED RESTRICTED STOCK UNIT
INDUCEMENT AWARD AGREEMENT

THIS PERFORMANCE-BASED RESTRICTED STOCK UNIT INDUCEMENT AWARD AGREEMENT and Appendices A and B attached hereto (this “Agreement”), contains the terms and conditions for the Restricted Stock Units (“Restricted Stock Units” or “RSUs”), is by and between **WPX ENERGY, INC.**, a Delaware corporation (the “Company”) and the individual identified on the last page hereof (the “Participant”).

1. Grant of RSUs. Subject to the terms and conditions of this Agreement, the Company hereby grants an award (the “Award”) to the Participant of [•] RSUs effective May 15, 2014 (the “Effective Date”). The Award gives the Participant the opportunity to earn the right to receive the number of shares of the Common Stock of the Company equal to the number of RSUs shown in the prior sentence, subject to adjustment under the terms of this Agreement and the attainment of performance goals set forth in Paragraph 4. These shares are referred to in this Agreement as the “Shares.” Until the Participant both becomes vested in the Shares under the terms of Paragraph 4 and is paid such Shares under the terms of Paragraph 5, the Participant shall have no rights as a stockholder of the Company with respect to the Shares.
2. Acceptance of Documents. The Participant acknowledges that he has received a copy of, or has online access to, this Agreement and hereby automatically accepts the RSUs subject to all the terms and provisions of this Agreement. The Participant hereby further agrees that he has received a copy of, or has online access to, the prospectus and hereby acknowledges his or her automatic acceptance and receipt of such prospectus electronically.
3. Committee Decisions and Interpretations. The Participant hereby agrees to accept as binding, conclusive, and final all actions, decisions, and/or interpretations of the Committee, its delegates, or agents, upon any questions or other matters arising under the Plan or this Agreement.
4. Vesting and Performance Measures.
 - (a) Notwithstanding any other provision of this Agreement, a Participant shall not be entitled to any payment of Shares under this Agreement unless and until such Participant obtains a legally binding right to such Shares and satisfies applicable vesting conditions for such payment.
 - (b) The Participant is entitled to receive (i) 50% of the Shares if, at any time during the period beginning on the Effective Date and ending on date that is three years after the Effective Date (not including the Effective Date) (such period, the “Performance Period”), for any twenty consecutive trading days, the price of Common Stock is equal to or exceeds 115% of the closing trading price of the Common Stock as listed on the NYSE on the last trading day immediately prior to the Effective Date; and (ii) the remaining 50% of the Shares if, at any time during the Performance Period, for any twenty consecutive trading days, the price of the Common Stock is equal to or exceeds 130% of

the closing trading price of the Common Stock as listed on the NYSE on the last trading day immediately prior to the Effective Date; provided, that, notwithstanding the earlier satisfaction of such performance targets, no payment of Shares shall be made until the later of (A) the second anniversary of the Effective Date or (B) the date during the Performance Period on which the performance targets described above in this Subparagraph 4(b) are satisfied (each, a “Payment Date”), in each case, provided that the Participant must be continuously employed by the Company or its affiliate through the applicable Payment Date.

5. Termination.

(a) Termination Prior to Second Anniversary of the Effective Date. If the Participant dies, becomes Disabled, is terminated by the Company without Cause or resigns for Good Reason prior to the second anniversary of the Effective Date but following the satisfaction of performance targets in Subparagraph 4(b), as of the date of termination (i) if the performance target described in Subparagraph 4(b)(i) has been satisfied prior to the date of such termination, then the Participant shall vest in 50% of the Shares; and (ii) if the performance target described in Subparagraph 4(b)(ii) has been satisfied, then the Participant shall vest in 100% of the Shares. For the avoidance of doubt, if the Participant dies, becomes Disabled, is terminated by the Company without Cause or resigns for Good Reason prior to the second anniversary of the Effective Date and the performance targets have not yet been satisfied, then the Participant shall forfeit all rights to and interest in the RSUs and Shares.

(b) Termination Following Second Anniversary of the Effective Date. If (i) the Participant dies, becomes Disabled, is terminated by the Company without Cause or resigns for Good Reason after the second anniversary of the Effective Date and (ii) within six months following such termination date (but no later than the end of the Performance Period) the performance targets in Subparagraph 4(b) are satisfied, then (A) if the performance target described in Subparagraph 4(b)(i) has been satisfied, the Participant or his estate shall vest in 50% of the Shares or (B) the performance target described in Subparagraph 4(b)(ii) has been satisfied, the Participant or his estate shall vest in 100% of the Shares. For the avoidance of doubt, if the Participant dies, becomes Disabled, is terminated by the Company without Cause or resigns for Good Reason after the second anniversary of the Effective Date and the performance targets described in Subparagraph 4(b) are not satisfied within six months of the termination date, then the Participant shall forfeit all rights to and interest in the RSUs and Shares.

(c) Termination for Cause or Resignation without Good Reason. If the Participant is terminated by the Company for Cause or resigns without Good Reason prior to any Payment Date, the Participant shall forfeit all rights to and interest in the RSUs and Shares.

6. Payment of Shares.

(a) (i) The payment date for all Shares in which a Participant becomes vested pursuant to Paragraph 5 above shall be within the 30th day after such Participant's Separation from Service, *provided* that if the Participant was a "key employee" within the meaning of Section 409A(a)(B)(i) of the Code (as defined below) immediately prior to his or her Separation from Service, payment shall not be made sooner than six months following the date of such Separation from Service.

(ii) For purposes of this Subparagraph 6(a), "key employee" means an employee designated on an annual basis by the Company as of December 31 (the "Key Employee Designation Date") as an employee meeting the requirements of Section 416(i) of Code utilizing the definition of compensation under Treasury Regulation § 1.415(c)-2(d)(2). A Participant designated as a "key employee" shall be a "key employee" for the entire 12-month period beginning on April 1 following the Key Employee Designation Date.

(b) Upon conversion of RSUs into Shares under this Agreement, such RSUs shall be cancelled. Shares that become payable under this Agreement will be paid by the Company by the delivery to the Participant, or the Participant's beneficiary or legal representative, one or more certificates (or other indicia of ownership) representing Shares of Common Stock equal in number to the number of Shares otherwise payable under this Agreement less the number of Shares having a Fair Market Value, as of the date the withholding tax obligation arises, equal to the minimum statutory withholding requirements. Notwithstanding the foregoing, to the extent permitted by Section 409A of the Internal Revenue of 1986, as amended (the "*Code*") and the guidance thereunder, if federal employment taxes become due upon the Participant's becoming entitled to payment of Shares, the number of Shares necessary to cover minimum statutory withholding requirements may, in the Company's discretion, be used to satisfy such requirements upon such entitlement.

7. Other Provisions.

(a) The Participant understands and agrees that payments under this Agreement shall not be used for, or in the determination of, any other payment or benefit under any continuing agreement, plan, policy, practice, or arrangement providing for the making of any payment or the provision of any benefits to or for the Participant or the Participant's beneficiaries or representatives, including, without limitation, any employment agreement, any change of control severance protection plan, or any employee benefit plan as defined in Section 3(3) of ERISA, including, but not limited to qualified and non-qualified retirement plans.

(b) The Participant agrees and understands that, subject to the limit expressed in clause (iii) of the following sentence, stock certificates (or other indicia of ownership) issued may be held as collateral for monies he owes to the Company or any of its Affiliates, including but not limited to personal loan(s), Company credit card debt, relocation repayment obligations or benefits from any plan that provides for pre-paid educational assistance. In addition, the Company may accelerate the time or schedule of a payment of vested Shares, and/or deduct from any payment of Shares to the Participant under this Agreement, or to his or her beneficiaries in the case of the Participant's death, that number of Shares having a Fair Market Value at the date of such deduction to the amount of such debt as satisfaction of any such debt, *provided* that (i) such debt is incurred in the ordinary course of the employment relationship between the Company or any of its Affiliates and the Participant, (ii) the aggregate amount of any such debt-related collateral held or deduction made in any taxable year of the Company with respect to the Participant does not exceed \$5,000, and (iii) the deduction of Shares is made at the same time and in the same amount as the debt otherwise would have been due and collected from the Participant.

(c) RSUs, Shares, and Participant's interest in RSUs and Shares, may not be sold, assigned, transferred, pledged, or otherwise disposed of or encumbered at any time prior to both (i) the Participant's becoming vested in Shares and (ii) payment of Shares under this Agreement.

(d) If the Participant at any time forfeits any or all of the RSUs pursuant to this Agreement, the Participant agrees that all of the Participant's rights to and interest in such RSUs and in Shares issuable thereunder shall terminate upon forfeiture without payment of consideration.

(e) The Committee shall determine whether an event has occurred resulting in the forfeiture of the RSUs and any Shares issuable thereunder in accordance with this Agreement and all determinations of the Committee shall be final and conclusive.

(f) With respect to the right to receive payment of Shares under this Agreement, nothing contained herein shall give the Participant any rights that are greater than those of a general creditor of the Company.

(g) The obligations of the Company under this Agreement are unfunded and unsecured. The Participant shall have the status of a general creditor of the Company with respect to amounts due, if any, under this Agreement.

(h) The parties to this Agreement intend that this Agreement meet the requirements of Section 409A of the Code and recognize that it may be necessary to modify this Agreement to reflect guidance under Section 409A of the Code issued by the Internal Revenue Service. The Participant agrees that the Committee shall have sole discretion in determining (i) whether any such modification is desirable or appropriate and (ii) the terms of any such modification.

(i) The Participant hereby automatically becomes a party to this Agreement whether or not he accepts the Award electronically or in writing in accordance with procedures of the Committee, its delegates or agents.

(j) Nothing in this Agreement shall interfere with or limit in any way the right of the Company or an Affiliate to terminate the Participant's employment or service at any time, nor confer upon the Participant the right to continue in the employ of the Company and/or Affiliate.

(k) The Participant hereby acknowledges that nothing in this Agreement shall be construed as requiring the Committee to allow a domestic relations order with respect to this Award.

8. Notices. All notices to the Company required hereunder shall be in writing and delivered by hand or by mail, addressed to WPX Energy, Inc., One Williams Center, Tulsa, Oklahoma 74172, Attention: Stock Administration Department. Notices shall become effective upon their receipt by the Company if delivered in the foregoing manner. To direct the sale of any Shares issued under this Agreement, the Participant shall contact the Fidelity Stock Plan representative.

9. Tax Consultation. The Participant understands he will incur tax consequences as a result of acquisition or disposition of the Shares. The Participant agrees to consult with any tax consultants deemed advisable in connection with the acquisition of the Shares and acknowledge that he is not relying, and will not rely, on the Company for any tax advice.

WPX ENERGY, INC.

By: _____
William G. Lowrie
Chairman of the Board

Participant: **Richard E. Muncrief**

SSN: _____

APPENDIX A
DEFINITIONS

“*Affiliate*” means all persons with whom the Company would be considered a single employer under Section 414(b) of the Code and all persons with whom such person would be considered a single employer under Section 414(c) of the Code.

“*Disabled*” means a Participant qualifies for long-term disability benefits under the Company’s long-term disability plan, or if the Company does not sponsor such a disability plan, the Participant qualifies for Social Security Disability Insurance under Title II of the Social Security Act. Notwithstanding the forgoing, all determinations of whether a Participant is Disabled shall be made in accordance with Section 409A of the Internal Revenue Code of 1986, as amended, and the guidance thereunder.

“*Separation from Service*” means a Participant’s termination or deemed termination from employment with the Company and its Affiliates. For purposes of determining whether a Separation from Service has occurred, the employment relationship is treated as continuing intact while the Participant is on military leave, sick leave, or other bona fide leave of absence if the period of such leave does not exceed six months, or if longer, so long as the Participant retains a right to reemployment with his or her employer under an applicable statute or by contract. For this purpose, a leave of absence constitutes a bona fide leave of absence only if there is a reasonable expectation that the Participant will return to perform services for his or her employer. If the period of leave exceeds six months and the Participant does not retain a right to reemployment under an applicable statute or by contract, the employment relationship will be deemed to terminate on the first date immediately following such six month period.

Notwithstanding the foregoing, if a leave of absence is due to any medically determinable physical or mental impairment that can be expected to last for a continuous period of more than six months but less than 12 months, and such impairment causes the Participant to be unable to perform the duties of the Participant’s position of employment or any substantially similar position of employment, a period equal to such Participant’s leave of absence will be substituted for such six-month period, so long as that period is less than 12 months. If such an absence exceeds 12 months, then the Participant will be considered Disabled and Section 4(d) will govern.

A Separation from Service occurs at the date as of which the facts and circumstances indicate either that, after such date: (A) the Participant and the Company reasonably anticipate the Participant will perform no further services for the Company and its Affiliates (whether as an employee or an independent contractor) or (B) that the level of bona fide services the Participant will perform for the Company and its Affiliates (whether as an employee or independent contractor) will permanently decrease to no more than 20% of the average level of bona fide services performed over the immediately preceding 36-month period or, if the Participant has been providing services to the Company and its Affiliates for less than 36 months, the full period over which the Participant has rendered services, whether as an employee or independent contractor. The determination of whether a Separation from Service has occurred shall be governed by the provisions of Treasury Regulation § 1.409A-1, as amended, taking into account the objective facts and circumstances with respect to the level of bona fide services performed by the Participant after a certain date.

APPENDIX B

WPX ENERGY, Inc.

Inducement Award – Richard E. Muncrief

(Effective as of May 15, 2014)

Article 1.—Effective Date, History, Objectives, and Duration

1.1 Effective Date. In connection with WPX Energy, Inc. (the “Company”) agreeing to employ Richard E. Muncrief (“Grantee”) as its President and Chief Executive Officer effective as of May 15, 2014, the Company is agreeing to award Grantee time-vesting and performance-vesting restricted stock units of the Company which are intended to be “inducement awards” (in accordance with New York Stock Exchange rules) (the “Inducement Award”), subject to the terms and conditions of the applicable award agreement and this Appendix A (the “Inducement Award Agreement”). Inducement Awards are not granted pursuant to the WPX Energy, Inc. 2013 Incentive Plan (the “Plan”). Inducement Awards are granted effective as of, and contingent upon, Grantee commencing employment with the Company in such capacity (the “Effective Date”).

Article 2.—Definitions

The following terms shall have the meanings set forth below:

2.1 “Affiliate” means any Person that directly or indirectly, through one or more intermediaries, controls, or is controlled by or is under common control with the Company.

2.2 “Board” has the meaning set forth in Section 1.3.

2.3 “Committee” and “Management Committee” have the respective meanings set forth in Article 3.

2.4 “Common Stock” means the common stock, \$1.00 par value, of the Company.

2.5 “Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time. References to a particular section of the Exchange Act include references to successor provisions.

2.6 “Fair Market Value” means (a) with respect to any property other than Shares, the fair market value of such property determined by such methods or procedures as shall be established from time to time by the Committee, and (b) with respect to Shares, unless otherwise determined in the good faith discretion of the Committee, as of any date: (i) the closing price on the date of determination reported in *The Wall Street Journal* (or an equivalent alternate or successor) (or, if no sale of Shares was reported for such date, on the most recent trading day

prior to such date on which a sale of Shares was reported); (ii) if the Shares are not listed on the New York Stock Exchange, the closing price of the Shares on such other national exchange on which the Shares are principally traded or as reported by the Nasdaq Global Select or Global Market System, or similar securities market, or if no such quotations are available, the average of the high bid and low asked quotations in the over-the-counter market as reported by the Nasdaq Capital Market or similar securities market; or (iii) in the event that there shall be no public market for the Shares, the fair market value of the Shares as determined (which determination shall be conclusive) in good faith by the Committee.

2.7 “Grant Date” means the date on which an Inducement Award is granted or, in the case of a grant to an Eligible Person, such later date as specified in advance by the Committee.

2.8 “Grantee” means Richard E. Muncrief.

2.9 “including” or “includes” means “including, without limitation,” or “includes, without limitation,” respectively.

2.10 “Person” means any individual, sole proprietorship, partnership, joint venture, limited liability company, trust, unincorporated organization, association, corporation, institution, public benefit corporation, entity or government instrumentality, division, agency, body or department.

2.11 “Restricted Stock Unit” means a right, granted in accordance the Inducement Award Agreement, to receive a Share or cash payment equal to the value thereof.

2.12 “Retirement” shall have the meaning ascribed to such term in the Company’s governing tax-qualified retirement plan applicable to the Grantee, or if no such plan is applicable to the Grantee, in the good faith determination of the Committee.

2.13 “Rule 16b-3” means Rule 16b-3 promulgated by the SEC under the Exchange Act, as amended from time to time, together with any successor rule.

2.14 “SEC” means the United States Securities and Exchange Commission, or any successor thereto.

2.15 “Section 16 Non-Management Director” means a Non-Management Director who satisfies the requirements to qualify as a “non-employee director” under Rule 16b-3.

2.16 “Section 16 Person” means a person who is subject to potential liability under Section 16(b) of the Exchange Act with respect to transactions involving equity securities of the Company.

2.17 “Securities Act” means the Securities Act of 1933, as amended from time to time. References to a particular section of the Securities Act include references to successor provisions.

2.18 “Share” means a share of Common Stock, and such other securities of the Company as may be substituted or resubstituted for Shares pursuant to Section 4.2 hereof.

Article 3.—Administration

3.1 Committee.

(a) Subject to Article 8 and Section 3.2, the Inducement Award Agreement shall be administered by a committee (the “Committee”). Except to the extent the Board reserves administrative powers to itself or appoints a different committee to administer the Inducement Award Agreement, the Committee shall be the Compensation Committee of the Board. In addition, to the extent the Board considers it desirable to comply with Rule 16b-3, the Committee shall consist of two or more directors of the Company, all of whom qualify as “outside directors” within the meaning of Section 16 Non-Management Directors (the “Independent Committee”). The number of members of the Committee shall from time to time be increased or decreased, and shall be subject to such conditions, in each case as the Board deems appropriate to permit transactions in Shares pursuant to the Inducement Award to satisfy such conditions of Rule 16b-3 as then in effect.

(b) The Board or the Compensation Committee may, by resolution, appoint and delegate to another committee of one or more officers of the Company (other than the Grantee) (a “Management Committee”) any or all of the authority of the Board or the Committee, as applicable, with respect to Inducement Awards. Any delegation of authority pursuant to this Section 3.1(b) shall comply with the requirements of applicable law, including Section 157(c) of the General Corporation Law of the State of Delaware to the extent applicable.

(c) Unless the context requires otherwise, any references herein to “Committee” include references to the Board, the Compensation Committee of the Board, the Management Committee, or the Independent Committee (if distinct from any of the foregoing, as applicable). For avoidance of doubt, notwithstanding any provision of the Inducement Award to the contrary, any action taken by the Compensation Committee of the Board shall be treated as a valid action of the Committee, except as limited by the terms of the Board’s delegation of authority to the Compensation Committee of the Board or in the event that such action would violate applicable law.

3.2 Powers of Committee. Subject to and consistent with the provisions of the Inducement Award Agreement, the Committee has full and final authority and sole discretion to construe and interpret the Inducement Award Agreement and to make all determinations, including factual determinations, necessary or advisable for the administration of the Inducement Award Agreement, including:

(a) to determine whether any performance or vesting conditions have been satisfied;

(b) to determine whether, to what extent and under what circumstances an Inducement Award may be settled in cash or Shares, or an Inducement Award may be accelerated, vested, canceled, forfeited or surrendered or any terms of the Inducement Award may be waived, and to accelerate the exercisability of, and to accelerate or waive any or all of the terms and conditions applicable to any Inducement Award for any reason and at any time;

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- (c) to offer to exchange or buy out any previously granted Inducement Award for a payment in cash or Shares;
 - (d) to make, amend, suspend, waive and rescind rules and regulations relating to the Inducement Award Agreements;
 - (e) to appoint such agents as the Committee may deem necessary or advisable to administer the Inducement Award Agreements;
 - (f) with the consent of the Grantee, to amend any such Inducement Award at any time, among other things, to permit transfers of such Inducement Award to the extent permitted by the Inducement Award; *provided* that the consent of the Grantee shall not be required for any amendment (i) which does not materially adversely affect the rights of the Grantee, or (ii) which is necessary or advisable (as determined by the Committee) to carry out the purpose of the Inducement Award as a result of any new applicable law or change in an existing applicable law, or (iii) to the extent the Inducement Award specifically permits amendment without consent, or (iv) provided for or specifically contemplated in the Inducement Award;
 - (g) to cancel, with the consent of the Grantee, outstanding Inducement Awards and to grant new Inducement Awards in substitution therefor;
 - (h) to make such adjustments or modifications to Inducement Awards are advisable to fulfill the purposes of the Inducement Award (including to comply with local law);
 - (i) to impose such additional terms and conditions upon the grant, exercise or retention of Inducement Awards as the Committee may, before or concurrently with the grant thereof, deem appropriate, including, as applicable, limiting the percentage of Inducement Awards which may from time to time be exercised by the Grantee;
 - (j) to make adjustments in the terms and conditions of, and the criteria in, Inducement Awards in recognition of unusual or nonrecurring events (including events described in Section 4.1) affecting the Company or an Affiliate or the financial statements of the Company or an Affiliate, or in response to changes in applicable laws, regulations or accounting principles;
 - (k) to correct any defect or supply any omission or reconcile any inconsistency, and to construe and interpret Inducement Award Agreement, the rules and regulations, and any other instrument entered into or relating to an Inducement Award; and
 - (l) to take any other action with respect to any matters relating to the Inducement Award Agreement and to make all other decisions and determinations as may be required under the terms of the Inducement Award Agreement or as the Committee may deem necessary or advisable for the administration of the Inducement Award Agreement.

Any action of the Committee with respect to the Inducement Award Agreement shall be final, conclusive and binding on all persons, including the Company, its Affiliates, the Grantee, any person claiming any rights under the Inducement Award from or through the Grantee, and stockholders, except to the extent the Committee may subsequently modify, or take further action not consistent with, its prior action. If not specified in the Inducement Award Agreement, the time at which the Committee must or may make any determination shall be determined by the Committee, and any such determination may thereafter be modified by the Committee. The express grant of any specific power to the Committee, and the taking of any action by the Committee, shall not be construed as limiting any power or authority of the Committee.

Article 4.—Adjustments

4.1 Adjustments in Authorized Shares and Inducement Awards . In the event of any dividend or other distribution (whether in the form of cash, Shares, or other property, but excluding regular, quarterly cash dividends), recapitalization, forward or reverse stock split, subdivision, consolidation or reduction of capital, reorganization, merger, consolidation, scheme of arrangement, split-up, spin-off or combination involving the Company or repurchase or exchange of Shares or other securities of the Company or other rights to purchase Shares or other securities of the Company, or other similar corporate transaction or event that affects the Shares, provided that any such transaction or event referred to heretofore does not involve the receipt of consideration by the Company, then the Committee shall, in such manner as it deems equitable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Inducement Award Agreement, adjust (a) the number and type of Shares (or other securities or property) with respect to which Inducement Awards may be granted, (b) the number and type of Shares (or other securities or property) subject to outstanding Inducement Awards, (c) the number of Shares with respect to which Inducement Awards may be granted to the Grantee, and (d) the number and type of Shares (or other securities or property) as to which Inducement Awards may be settled; *provided* , that the number of Shares subject to any Inducement Award denominated in Shares shall always be a whole number.

Article 5.—General Conditions of Inducement Awards

5.1 General Terms and Termination of Affiliation . The Committee may impose on any Inducement Award or the exercise or settlement thereof, at the Grant Date or, subject to the provisions of Section 8.1, thereafter, such additional terms and conditions not inconsistent with the provisions of the Inducement Award as the Committee shall determine, including terms requiring forfeiture, acceleration or pro-rata acceleration of Inducement Awards. Except as may be required under the Delaware General Corporation Law, Inducement Awards may be granted for no consideration other than prior and future services.

5.2 Nontransferability of Inducement Awards .

(a) Each Inducement Award and each right under any Inducement Award shall be exercisable only by the Grantee during the Grantee's lifetime, or, if permissible under applicable law, by the Grantee's guardian or legal representative.

(b) No Inducement Award (prior to the time, if applicable, Shares are delivered in respect of such Inducement Award), and no right under any Inducement Award, may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Grantee other than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company and any Affiliate; *provided* that the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance.

(c) Notwithstanding subsections (a) and (b) above, to the extent provided in the Inducement Award Agreement, such Restricted Stock Units may be transferred to one or more trusts or persons during the lifetime of the Grantee in connection with the Grantee's estate planning or wealth transfer planning, and may be exercised by such transferee in accordance with the terms of such Inducement Award. If so determined by the Committee, the Grantee may, in the manner established by the Committee, designate a beneficiary or beneficiaries to exercise the rights of the Grantee, and to receive any distribution with respect to any Inducement Award upon the death of the Grantee. A transferee, beneficiary, guardian, legal representative or other person claiming any rights under the Inducement Award Agreement from or through the Grantee shall be subject to and consistent with the provisions of the Inducement Award Agreement, except to the extent the any additional restrictions or limitations are deemed necessary or appropriate by the Committee.

(d) Nothing herein shall be construed as requiring the Committee to honor a domestic relations order except as required under the respective Inducement Award Agreement or to the extent required under applicable law.

5.3 Cancellation and Rescission of Inducement Awards. Unless the Inducement Award Agreement specifies otherwise, the Committee may cancel, rescind, suspend, withhold, or otherwise limit or restrict any unexercised Inducement Award at any time if the Grantee is not in compliance with all applicable provisions of the Inducement Award Agreement.

5.4 Compliance with Rule 16b-3.

(a) Reformation to Comply with Exchange Act Rules. To the extent the Committee determines that a grant or other transaction by a Section 16 Person should comply with applicable provisions of Rule 16b-3 (except for transactions exempted under alternative Exchange Act rules), the Committee shall take such actions as necessary to make such grant or other transaction so comply, and if any provision of any Inducement Award Agreement does not comply with the requirements of Rule 16b-3 as then applicable to any such grant or transaction, such provision will be construed or deemed amended, if the Committee so determines, to the extent necessary to conform to the then applicable requirements of Rule 16b-3 without the consent of or notice to the affected Section 16 Person.

(b) Rule 16b-3 Administration. Any function relating to a Section 16 Person shall be performed solely by the Committee or the Board if necessary to ensure compliance with applicable requirements of Rule 16b-3, to the extent the Committee determines that such compliance is desired. Each member of the Committee or person acting on behalf of the Committee shall be entitled to, in good faith, rely or act upon any report or other information furnished to him by any officer, manager or other employee of the Company or any Affiliate, the Company's independent certified public accountants or any executive compensation consultant or attorney or other professional retained by the Company to assist in the administration of the Inducement Award Agreement.

5.5 Deferral of Inducement Award Payouts. The Committee may permit or require the Grantee to defer receipt of the payment of cash or the delivery of Shares that would otherwise be due by virtue of the lapse or waiver of restrictions for Restricted Stock Units. The Committee may also require such a deferral of receipt in order to avoid non-deductibility of any amounts associated with such Inducement Award or to comply with the requirements of applicable law. If any such deferral is required or permitted, the Committee shall, in its sole discretion, establish rules and procedures for such payment deferrals. Except as otherwise provided in an Inducement Award Agreement or this Section 5.5, any payment of any Shares that are subject to such deferral shall be made or delivered to the Grantee upon the Grantee's termination of employment. Notwithstanding anything herein to the contrary, in no event will any deferral or payment of a deferred number of Shares or any other payment with respect to any Inducement Award be allowed if the Committee determines, in its sole discretion, that the deferral would result in the imposition of the additional tax under Section 409A(a)(1)(B) of the Code.

Article 6.—Restricted Stock Units

6.1 Delivery and Limitations. Delivery of Shares will occur upon the terms and conditions of the Inducement Award Agreement. In addition, an Inducement Award shall be subject to such additional limitations as the Committee may impose. The Grantee will have no voting rights and will have no rights to receive dividends or dividend equivalents in respect of his Restricted Stock Units.

Article 7.—Change in Control

7.1 Acceleration of Exercisability and Lapse of Restrictions. If, upon or within two (2) years following a Change in Control, the Grantee has a termination of employment with the Company and its Affiliates (excluding any transfer to the Company or its Affiliates) voluntarily for Good Reason, or involuntarily (other than due to Cause, death, Disability, or Retirement), all restrictions or limitations on any outstanding Inducement Awards shall lapse and all performance criteria and other conditions to payment of Inducement Awards shall be deemed to be achieved or fulfilled (at the target level, to the extent applicable).

7.2 Definitions. For purposes of this Article 7, the following terms shall have the meanings as set forth in Section 5.9 of the Employment Agreement by and between the Company and the Grantee, entered into as of April 29, 2014: "Cause", "Change in Control" and "Good Reason".

Article 8.—Amendment, Modification, and Termination

8.1 Inducement Awards Previously Granted. Except as otherwise specifically permitted in Inducement Award Agreement, no termination, amendment, or modification of the Inducement Award Agreement shall adversely affect in any material way any Inducement Award previously granted under the Inducement Award Agreement, without the written consent of the Grantee of such Inducement Award.

Article 9.—Withholding

9.1 Mandatory Tax Withholding. Whenever, under the Inducement Award Agreement, (i) Shares are to be delivered upon payment of an Inducement Award, (ii) a cash payment is made for any Inducement Award, or (iii) any other payment event occurs with respect to rights and benefits hereunder, the Company or any Affiliate shall be entitled to require (A) that the Grantee remit an amount in cash, or in the Company's discretion, in Shares, valued at their Fair Market Value on the date the withholding obligation arises, sufficient to satisfy all of the employer's federal, state, and local tax withholding requirements related thereto but no more than the minimum amount necessary to satisfy such amounts (" Required Withholding"), (B) the withholding of such Required Withholding from compensation otherwise due to the Grantee or from any Shares valued at their Fair Market Value at the date the withholding obligation arises, or from any other payment due to the Grantee under the Inducement Award or otherwise or (C) any combination of the foregoing.

Article 10.—Additional Provisions

10.1 Successors. All obligations of the Company under the Inducement Award Agreement with respect to Inducement Awards granted hereunder shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise of all or substantially all of the business and/or assets of the Company.

10.2 Severability. If any part of the Inducement Award Agreement is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any other part of the Inducement Award Agreement. Any Section or part of a Section so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

10.3 Requirements of Law. The granting of Inducement Awards and the delivery of Shares under the Inducement Award Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or securities exchanges as may be required. Notwithstanding any provision of the Inducement Award Agreement, the Grantee shall not be entitled to exercise, or receive benefits under, any Inducement Award, and the Company (and any Affiliate) shall not be obligated to deliver any Shares or deliver benefits to the Grantee, if such exercise or delivery would constitute a violation by the Grantee or the Company of any applicable law or regulation.

10.4 Securities Law Compliance.

(a) If the Committee deems it necessary to comply with any applicable securities law, or the requirements of any securities exchange or other form of securities market upon which Shares may be listed, the Committee may impose any restriction on Shares acquired

pursuant to Inducement Awards under the Inducement Award Agreement as it may deem advisable. All certificates for Shares delivered under the Inducement Award Agreement pursuant to any Inducement Award or the exercise thereof shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations and other requirements of the SEC, any securities exchange or other form of securities market upon which Shares are then listed, any applicable securities law, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions. If so requested by the Company, the Grantee shall make a written representation to the Company that he will not sell or offer to sell any Shares unless a registration statement shall be in effect with respect to such Shares under the Securities Act of 1933, as amended, and any applicable state or foreign securities law or unless he shall have furnished an opinion to the Company, in form and substance satisfactory to the Company, that such registration is not required.

(b) If the Committee determines that the exercise, nonforfeitability of, or delivery of benefits pursuant to, any Inducement Award would violate any applicable provision of securities laws or the listing requirements of any securities exchange or other form of securities market on which are listed any of the Company's equity securities, then the Committee may postpone any such exercise, nonforfeitability or delivery, as applicable, but the Company shall use all reasonable efforts to cause such exercise, nonforfeitability or delivery to comply with all such provisions at the earliest practicable date.

10.5 No Rights as a Stockholder. No Grantee shall have any rights as a stockholder of the Company with respect to the Shares which may be deliverable upon payment of such Inducement Award until such Shares have been delivered to him.

10.6 Nature of Payments. Unless specified in the Inducement Award Agreement or otherwise determined by the Company, Inducement Awards shall be special incentive payments to the Grantee and shall not be taken into account in computing the amount of salary or compensation of the Grantee for purposes of determining any pension, retirement, death or other benefit under (a) any pension, retirement, profit-sharing, bonus, insurance or other employee benefit plan of the Company or any Affiliate, except as such plan shall otherwise expressly provide, or (b) any agreement between (i) the Company or any Affiliate and (ii) the Grantee, except as such agreement shall otherwise expressly provide.

10.7 Governing Law. The Inducement Award Agreement shall be construed in accordance with and governed by the laws of the State of Delaware, other than its laws respecting choice of law.

10.8 Share Certificates. Any certificates for Shares delivered under the terms of the Inducement Award Agreement shall be subject to such stop-transfer orders and other restrictions as the Committee may deem advisable under federal or state securities laws, rules and regulations thereunder, and the rules of any foreign securities laws, rules and regulations thereunder, and the rules of any national securities exchange or other form of securities market on which Shares are listed or quoted. The Committee may cause a legend or legends to be placed on any such certificates to make appropriate reference to such restrictions or any other

restrictions or limitations that may be applicable to Shares. In addition, during any period in which Inducement Awards or Shares are subject to restrictions or limitations under the terms of the Inducement Award Agreement or any Inducement Award Agreement, or during any period during which delivery or receipt of an Inducement Award or Shares has been deferred by the Committee or the Grantee, the Committee may require the Grantee to enter into an agreement providing that certificates representing Shares deliverable or delivered pursuant to an Inducement Award shall remain in the physical custody of the Company or such other person as the Committee may designate.

10.9 Unfunded Status of Inducement Awards; Creation of Trusts. The Inducement Award Agreement is intended to constitute an “unfunded” plan for incentive and deferred compensation. With respect to any payments not yet made to the Grantee pursuant to an Inducement Award, nothing contained in the Inducement Award Agreement or any Inducement Award Agreement shall give the Grantee any rights that are greater than those of a general creditor of the Company; *provided* that the Committee may authorize the creation of trusts or make other arrangements to meet the Company’s obligations under the Inducement Award Agreement to deliver cash, Shares or other property pursuant to any Inducement Award which trusts or other arrangements shall be consistent with the “unfunded” status of the Inducement Award Agreement unless the Committee otherwise determines.

10.10 Employment. Nothing in the Inducement Award Agreement or an Inducement Award Agreement shall interfere with or limit in any way the right of the Company or any Affiliate to terminate the Grantee’s employment at any time, for any reason or no reason, or shall confer upon the Grantee the right to continue in the employ or as an officer of the Company or any Affiliate.

10.11 Military Service. Inducement Awards shall be administered in accordance with Section 414(u) of the Code and the Uniformed Services Employment and Reemployment Rights Act of 1994 to the extent required by law or as determined by the Committee.

10.12 Construction; Gender and Number. The following rules of construction will apply to the Inducement Award Agreement: (a) the word “or” is disjunctive but not necessarily exclusive, and (b) words in the singular include the plural, words in the plural include the singular, and words in the neuter gender include the masculine and feminine genders and words in the masculine or feminine gender include the other neuter genders.

10.13 Headings. The headings of articles and sections are included solely for convenience of reference, and if there is any conflict between such headings and the text of this Plan, the text shall control.

10.14 Obligations. Unless otherwise specified in the Inducement Award Agreement, the obligation to deliver, pay or transfer any amount of money or other property pursuant to Inducement Awards under this Plan shall be the sole obligation of the Grantee’s employer; *provided* that the obligation to deliver or transfer any Shares pursuant to Inducement Awards under this Plan shall be the sole obligation of the Company.

10.15 Code Section 409A Compliance. The Board intends that any Inducement Awards under the Inducement Award Agreement shall be administered, interpreted, and construed in a manner intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended (“Code”), the regulations issued thereunder or any exceptions thereto (or disregarded to the extent such provisions cannot be so administered, interpreted, or construed). If the Committee determines that an Inducement Award, Inducement Award Agreement, payment, distribution, deferral election, transaction or any other action or arrangement contemplated by the provisions of the Inducement Award Agreement would, if undertaken, cause the Grantee to become subject to additional taxes pursuant to Section 409A, unless the Committee expressly determines otherwise, such grant of Inducement Award, payment, distribution, deferral election, transaction or other action or arrangement shall not be undertaken and the related provisions of the Inducement Award Agreement and/or Inducement Award Agreement will be amended or deemed modified in as close a manner as possible to give effect to the original terms of the Inducement Award, or, only if necessary because a modification or deemed modification would not be reasonably effective in avoiding the additional income tax under Section 409A(a)(1)(B) of the Code, rescinded in order to comply with the requirements of Section 409A to the extent determined by the Committee without the consent of or notice to the Grantee. Notwithstanding the foregoing, with respect to any Inducement Award intended by the Committee to be exempt from the requirements of Section 409A which is to be paid out when vested, such payment shall be made as soon as administratively feasible after the Inducement Award becomes vested, but in no event shall such payment be made later than 2-1/2 months after the end of the calendar year in which the Inducement Award became vested unless (a) deferred pursuant to Section 5.5 otherwise permitted under the exemption provisions of Section 409A.

10.16 Recoupment. In the event that financial results of the Company are significantly restated due to fraud or intentional misconduct, the Board will review any performance-based incentive payments paid to executive officers, who are found by the Board to be personally responsible for the fraud or intentional misconduct that caused the need for the restatement and will, to the extent permitted by applicable law, seek recoupment from all executive officers of any amounts paid in excess of the amounts that would have been paid based on the restated financial results.



News Release

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WPX Energy Names Rick Muncrief CEO

Industry Veteran Helped Spur Dramatic Growth at Continental Resources

TULSA, Okla. – The WPX Energy (NYSE:WPX) Board of Directors has named Richard E. (Rick) Muncrief as the company’s next president and chief executive officer. The appointment is effective May 15, 2014. He also will join the WPX board following the company’s annual meeting of shareholders on May 22.

Muncrief, 55, is a petroleum engineer who has more than 30 years of upstream and midstream energy experience, most recently as senior vice president of operations and resource development at Continental Resources (NYSE:CLR) where he oversaw corporate engineering, reservoir development, drilling, production operations and supply chain management.

During his tenure with Continental – where he worked since June 2009 until his appointment at WPX – Muncrief helped Continental increase reserves, production and share price by more than four-fold while lowering production expense by more than 15 percent.

“Rick has an accomplished record of sizing things up and driving plans that produce exceptional results, profitable growth and lower costs,” said WPX Chairman William G. Lowrie. “He has prior experience in our growth areas, particularly the Williston and San Juan basins, and is ready to hit the ground running.

“Our board believes that Rick is going to connect very well with investors and employees alike as he charts a strategic course for WPX. His technical acumen, driven nature, operations experience and character are a great fit for shaping the future of the company,” Lowrie added.

Muncrief has worked in organizations of differing size ranging from independents to a large super-major, notably 27 years with ConocoPhillips, Burlington Resources and their predecessor companies in various technical and leadership capacities.

He received a bachelor of science degree in petroleum engineering technology from Oklahoma State University in 1980. Muncrief is a native of southern Oklahoma and has spent the majority of his career in the Rocky Mountain region.

“There’s an innovative spirit at WPX,” Muncrief says. “I expect WPX to succeed and I’m eager to become part of the company. We have much to leverage from WPX’s assets and the contributions of those who helped forge the company into a leading independent producer.”

James J. Bender, who has been serving as WPX president, CEO and board member on an interim basis since December 2013, plans to retire upon completing the transition of his duties to Muncrief. Bender previously was the general counsel and a senior vice president at WPX following its spinoff from Williams in early 2012.

WPX Chairman William G. Lowrie added, “Our board is grateful to Jim for his leadership and service. He effectively managed challenges, executed on the business’s priorities, provided stability and made critical decisions to help set the stage for a transformation time at WPX.”

WPX retained the recruiting firm of Spencer Stuart to assist the company in its search process for a new chief executive officer.

About WPX Energy, Inc.

WPX Energy is an independent exploration and production company formed during a spinoff two years ago. Overall, WPX has more than 30 years of experience in its sector along with 40 local, state and federal awards for efficiency, innovation and corporate social responsibility.

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This press release includes “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that the company expects, believes or anticipates will or may occur in the future are forward-looking statements. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the company. Statements regarding future drilling and production are subject to all of the risks and uncertainties normally incident to the exploration for and development and production of oil and gas. These risks include, but are not limited to, the volatility of oil, natural gas and NGL prices; uncertainties inherent in estimating oil, natural gas and NGL reserves; drilling risks; environmental risks; and political or regulatory changes. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. The forward-looking statements in this press release are made as of the date of this press release, even if subsequently made available by WPX Energy on its website or otherwise. WPX Energy does not undertake and expressly disclaims any obligation to update the forward-looking statements as a result of new information, future events or otherwise. Investors are urged to consider carefully the disclosure in our filings with the Securities and Exchange Commission, available from us at WPX Energy, Attn: Investor Relations, P.O. Box 21810, Tulsa, Okla., 74102, or from the SEC’s website at www.sec.gov.