

WPX ENERGY, INC.

FORM 8-K (Current report filing)

Filed 01/06/12 for the Period Ending 12/30/11

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|-------------|--|
| Address | ONE WILLIAMS CENTER TULSA, OK 74172 |
| Telephone | 9185732000 |
| CIK | 0001518832 |
| Symbol | WPX |
| SIC Code | 1311 - Crude Petroleum and Natural Gas |
| Industry | Oil & Gas Operations |
| Sector | Energy |
| Fiscal Year | 12/31 |

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 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)
December 30, 2011

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
(IRS Employer
Identification No.)

One Williams Center, Tulsa, Oklahoma
(Address of principal executive offices)

74172-0172
(Zip Code)

(800) 945-5426

Registrant's telephone number, including area code

(Former name or former address, if changed since last report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 1.01 Entry into a Material Definitive Agreement.

On December 30, 2011, WPX Energy, Inc. (the “Company”) entered into a Separation and Distribution Agreement (the “Separation Agreement”) with The Williams Companies, Inc. (“Williams”), pursuant to which the Company, which at the time was a wholly owned subsidiary of Williams, would be legally and structurally separated from Williams.

Pursuant to the terms of the Separation Agreement, (i) the Company and Williams effected certain transfers of assets and assumed certain liabilities so that each of the Company and Williams would have both the assets of and liabilities associated with their respective businesses, (ii) subject to certain exceptions, all agreements, arrangements, commitments and understandings, including all intercompany loans and accounts payable and receivable, between the Company and its subsidiaries and other affiliates, on the one hand, and Williams and its other subsidiaries and other affiliates excluding WPX, on the other hand, were terminated or otherwise satisfied, effective no later than December 31, 2011 (the “Distribution Date”) and (iii) on the Distribution Date Williams distributed, on a pro rata basis, all of the issued and outstanding shares of common stock of the Company to Williams’ stockholders via a pro rata dividend (the “Spin-Off”).

Consummation of the Spin-Off was subject to customary closing conditions that were satisfied prior to the Spin-Off, including, among other things, that (i) the Securities and Exchange Commission (the “SEC”) declare effective the Company’s registration statement on Form 10 relating to the registration of the Company’s common stock under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), (ii) no stop order of the SEC suspending effectiveness of the Form 10 be in effect prior to the Spin-Off and (iii) the Company’s common stock be authorized for listing on the New York Stock Exchange.

In addition to, and concurrently with, the Separation Agreement, the Company and Williams entered into certain ancillary agreements, including: (i) an Employee Matters Agreement that sets forth agreements between the Company and Williams as to certain employment, compensation and benefits matters, (ii) a Tax Sharing Agreement that governs rights and obligations after the Spin-Off with respect to matters regarding U.S. Federal, state, local and foreign income taxes and other taxes, including tax liabilities and benefits, attributes, returns and contests, and (iii) a Transition Services Agreement under which Williams or certain of its subsidiaries will provide the Company with certain services for a limited time to help ensure an orderly transition following the Distribution Date.

The foregoing descriptions of the Separation Agreement, Employee Matters Agreement, Tax Sharing Agreement and Transition Services Agreements (the “Agreements”) are qualified in their entirety by reference to the full text of the Agreements, which are filed as Exhibits 10.1, 10.2, 10.3 and 10.4 to this Current Report on Form 8-K.

ITEM 2.01 Completion of Acquisition or Disposition of Assets.

The information included in Item 1.01 is incorporated herein by reference.

ITEM 5.01 Changes in Control of Registrant

The information included in Items 1.01 and 8.01 is incorporated herein by reference.

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

Departure of Directors; Election of Directors

On December 30, 2011, the Board of Directors of the Company (the “Board”) elected Kimberly S. Bowers, John A. Carrig, William R. Granberry, Don J. Gunther, Robert K. Herdman, Ralph A. Hill, Henry E. Lentz, George A. Lorch and David F. Work as members of the Board, effective as of 11:58 p.m. on December 31, 2011. Mr. Lorch was appointed to serve as chair, and Mr. Gunther and Ms. Bowers were appointed to serve as members, of the Nominating and Governance Committee of the Board (the “Nominating and Governance Committee”). Mr. Granberry was appointed to serve as chair, and Mr. Lentz and Mr. Work were appointed to serve as members of the Compensation Committee of the Board (the “Compensation Committee”). Mr. Herdman was appointed to serve as chair, and Mr. Carrig was appointed to serve as a member of the Audit Committee of the Board (the “Audit Committee”) along with William G. Lowrie who was previously appointed to serve as a member of the Audit Committee. Information regarding each of these directors is included under the heading “Management” in the Company’s Information Statement, dated December 1, 2011, and attached as Exhibit 99.1 to the Company’s Form 10-12B/A filed with the SEC on December 2, 2011 and incorporated herein by reference. Except for David F. Work, such information has not changed and is incorporated herein by reference.

The information regarding David F. Work is updated as follows:

Mr. Work has served as a director since December 31, 2011. In 2000, Mr. Work retired as Regional President from BP Amoco Corporation (a global energy company) where he served in various capacities since 1987. As Regional Vice President, Mr. Work was the senior BP Amoco representative in the Gulf Coast, Southwest and Rocky Mountain states, and his responsibilities included coordinating the vice presidents of BP Amoco’s seven exploration and production business units, as well as the leaders of the gas, power, oil and chemical businesses located in the area. Prior to serving as Regional President, Mr. Work served as a Group Vice President in BP Amoco’s Exploration and Production stream and was a member of its Executive Committee. Prior to the merger between BP and Amoco, Mr. Work had positions of increasing responsibility at Amoco Corporation, including Senior Vice President of Shared Services and Group Vice President of worldwide exploration for the exploration and production sector. Since 2004, Mr. Work has served on the board of directors of CGGVeritas Services Holdings Inc. (formerly Veritas DGC Inc), and since 2009, he has served on the board of directors of Cody Resources Management LLC. Mr. Work also volunteers as a member of the board of Valley Advocates for Responsible Development and the land Trust Alliance Advisory Council and is a member of the board of trustees of the Wyoming chapter of The Nature Conservancy. Mr. Work is actively involved in several professional organizations, including the American Geologic Institute and the American Association of Petroleum Geologists.

In addition, on December 31, 2011, each of Alan S. Armstrong and Donald R. Chappel tendered his resignation from the Board, effective as of 11:58 p.m. on December 31, 2011.

Adoption of 2011 Incentive Plan and 2011 Employee Stock Purchase Plan

On December 2, 2011, the Board adopted an incentive compensation plan known as the WPX Energy, Inc. 2011 Incentive Plan (the “2011 Incentive Plan”), which was approved by Williams as the Company’s sole stockholder on December 30, 2011. The 2011 Incentive Plan authorizes the grant of nonqualified stock options, incentive stock options, stock appreciation rights (“SARs”), restricted stock, restricted stock units (“RSUs”), performance shares, performance units and other stock-based awards valued in whole or in part by reference to or otherwise based on the common stock or other securities, and non-equity incentive awards that are not valued by reference to or payable in shares, to our employees, officers and non-employee directors for the purpose of strengthening their commitment to the success of the Company and stimulating their efforts on behalf of the Company, as well as attracting and retaining employees, officers and non-employee directors. The foregoing description of the 2011 Incentive Plan is not complete and is qualified in its entirety by reference to the full text of the 2011 Incentive Plan, which is filed as Exhibit 10.5 to this Current Report on Form 8-K and is incorporated into this Item 5.02 by reference.

On December 2, 2011, the Board also adopted an employee stock purchase plan known as the WPX Energy, Inc. 2011 Employee Stock Purchase Plan (the “2011 ESPP”), which was approved by Williams as the Company’s sole stockholder on December 30, 2011. The purpose of the 2011 ESPP is to provide employees of the Company and those of any Company subsidiary designated by the Board or the Compensation Committee of

the Board with an opportunity to purchase common stock of the Company. The foregoing description of the 2011 ESPP is not complete and is qualified in its entirety by reference to the full text of the 2011 ESPP, which is filed as Exhibit 10.6 to this Current Report on Form 8-K and is incorporated into this Item 5.02 by reference.

Compensatory Arrangements of Non-Employee Directors

The members of the Board who are not employed by the Company or one of its subsidiaries (“non-employee directors”) will be compensated by the Company as follows:

Cash Compensation . The Company will pay each non-employee director an annual cash retainer of \$75,000 (to be paid on a quarterly basis). The Company will also pay a non-employee director who serves as non-executive chairman and/or a Board committee chair an additional annual cash retainer (to be paid on a quarterly basis) as follows:

| | |
|---|-----------|
| Non-Executive Chairman Retainer | \$100,000 |
| Committee Chair Retainers | |
| Audit Committee Chair | \$ 15,000 |
| Compensation Committee Chair | \$ 15,000 |
| Nominating and Governance Committee Chair | \$ 15,000 |

Equity Compensation . Each non-employee director will receive an annual equity retainer of \$185,000 to be paid in the form of restricted stock, which will vest after one year and will be subject to a requirement that 50% of the vested stock, net of taxes, be retained by the non-employee director until he or she has achieved the minimum ownership guidelines applicable to the Company’s directors. The non-executive chairman will also receive an annual equity retainer of \$240,000 to be paid in the form of restricted stock, which will vest after one year and will be subject to a requirement that 50% of the vested stock, net of taxes, be retained by the non-executive chairman until he or she has achieved the minimum ownership guidelines applicable to the Company’s directors.

Other Compensation . Non-employee directors will be reimbursed for expenses (including costs of travel, food, and lodging) incurred in attending Board, committee, and stockholder meetings. Directors will also be reimbursed for reasonable expenses associated with other business activities, including participation in director education programs.

Non-employee directors will be eligible to participate in a matching gift program for eligible charitable organizations. The maximum gift total for a participant in the matching gift program will be \$10,000 in any calendar year.

Appointment of Certain Officers

On August 26, 2011, prior to the date on which the Company became subject to the requirements of Section 13(a) of the Exchange Act, the Board appointed the following individuals to serve as executive officers in their respective positions listed below, effective as of January 1, 2012:

| | |
|-------------------|---|
| Bryan K. Guderian | Senior Vice President of Operations |
| Rodney J. Sailor | Chief Financial Officer, Senior Vice President, and Treasurer |
| J. Kevin Vann | Chief Accounting Officer and Controller |

Information regarding each of these officers is included under the heading “Management” in the Company’s Information Statement, dated December 1, 2011, and attached as Exhibit 99.1 to the Company’s Form 10-12B/A filed with the SEC on December 2, 2011 and incorporated herein by reference.

In connection with his appointment, Mr. Guderian will receive a base salary of \$355,000 annually. Additionally, Mr. Guderian will receive an annual cash incentive award, the amount of which will be determined by the Compensation Committee after the conclusion of the 2012 performance year. Mr. Guderian's actual annual cash incentive compensation payment for the year will be based on the performance of the Company against certain metrics that will be established by the Compensation Committee and the Compensation Committee's assessment of Mr. Guderian's performance. The target bonus percentage (as a percentage of Mr. Guderian's base salary for the year) for the annual cash incentive award to Mr. Guderian is 65%.

In connection with his appointment, Mr. Sailor will receive a base salary of \$370,000 annually. Additional compensation arrangements for Mr. Sailor are described below under "*—Compensation of Named Executive Officers .*"

In connection with his appointment, Mr. Vann will receive a base salary of \$215,000 annually. Additionally, Mr. Vann will receive an annual cash incentive award, the amount of which will be determined by the Compensation Committee after the conclusion of the 2012 performance year. Mr. Vann's actual annual cash incentive compensation payment for the year will be based on the performance of the Company against certain metrics that will be established by the Compensation Committee and the Compensation Committee's assessment of Mr. Vann's performance. The target bonus percentage (as a percentage of Mr. Vann's base salary for the year) for the annual cash incentive award to Mr. Vann is 45%.

Compensation of Named Executive Officers

On December 30, 2011, the Board approved the compensation discussed below for the named executive officers of the Company (the "NEOs"). All compensation decisions approved by the Board are expected to be ratified by the Compensation Committee.

Base Salaries. The Company's NEOs will receive base salaries as established by the Company from time to time. On December 30, 2011, the Board approved the following initial annualized base salary rates for the NEOs:

| <u>Name</u> | <u>Position(s)</u> | <u>Base Salary</u> |
|------------------|--|--------------------|
| Ralph A. Hill | Chief Executive Officer | \$750,000 |
| Rodney J. Sailor | Senior Vice President, Chief Financial Officer and Treasurer | \$370,000 |
| James J. Bender | Senior Vice President and General Counsel | \$488,000 |

Annual Cash Incentive Compensation Opportunities. Also on December 30, 2011, the Board approved grants to the NEOs of annual cash incentive compensation. After the conclusion of the 2012 performance year, the Compensation Committee will base its determinations of the actual annual cash incentive amounts payable based on the performance of the Company against certain metrics that will be established by the Compensation Committee.

The target bonus percentages (each as a percentage of the NEO's base salary for the year) for the annual cash incentive awards to the NEOs are as follows:

| <u>Name</u> | <u>Target Bonus Percentage</u> |
|------------------|--------------------------------|
| Ralph A. Hill | 100% |
| Rodney J. Sailor | 70% |
| James J. Bender | 65% |

A NEO's actual annual cash incentive compensation payment for a year will be determined by the Compensation Committee and will be based on each NEO's target bonus percentage, based on performance against the applicable performance criteria and the Compensation Committee's assessment of the individual's performance.

Change in Control Agreements . On December 30, 2011, the Board approved change in control agreements with each of the NEOs of the Company (the “Change in Control Agreements”), providing for severance payments and other benefits to the NEOs if they are terminated upon or within a certain period after a “change in control.” The terms of the Change in Control Agreements for all of the NEOs are identical except as specifically noted below.

A change in control occurs if any one or more of the following happen during the term of the Change in Control Agreements:

- any person (as such term is used in Rule 13d-5 of the Exchange Act) or group (as such term is defined in Sections 3(a)(9) and 13(d)(3) of the Exchange Act), other than an affiliate of the Company or an employee benefit plan (or any related trust) sponsored or maintained by the Company or its affiliates (a “Related Party”) becomes a beneficial owner, as such term is defined under the Exchange Act, of 20% or more of the Company’s common stock or 20% or more of the combined voting power of all securities entitled to vote generally in the election of directors (“Voting Securities”), unless such person owned both more than 75% of common stock and Voting Securities, directly or indirectly, in substantially the same proportion immediately before such acquisition; or
- the directors of the Company as of the date of the Change in Control Agreements (“Existing Directors”) and directors approved after that date by at least two-thirds of the Existing Directors cease to constitute a majority of the directors of the Company then serving; or
- the consummation of a merger, reorganization, recapitalization consolidation, or similar transaction (any of the foregoing, a “Reorganization Transaction”), other than a Reorganization Transaction that results in the persons who were the direct or indirect owners of the outstanding common stock and Voting Securities of the Company immediately prior to such Reorganization Transaction becoming, immediately after the consummation of such Reorganization Transaction, the direct or indirect owners, of both at least 65% of the then outstanding common stock of the surviving corporation and Voting Securities representing at least 65% of the combined voting power of the then outstanding Voting Securities of the surviving corporation, in substantially the same respective proportion as such persons’ ownership immediately before such Reorganization Transaction; or
- approval by the stockholders of the Company of a plan or agreement for the sale or other disposition of all or substantially all of the consolidated assets of the Company or a plan of complete liquidation of the Company other than a transaction that would result in (i) a Related Party owning more than 50% of the assets that were owned by the Company immediately prior to the transaction or (ii) the persons who were the direct or indirect owners of outstanding common stock and Voting Securities immediately prior to the transaction becoming, immediately after the consummation of such transaction, the direct or indirect owners of more than 50% of the assets owned by the Company immediately prior to the transaction.

A change in control will not occur if (a) the NEO agrees in writing prior to an event that such an event will not be a change in control or (b) the Board determines that a liquidation, sale or other disposition approved by the stockholders, as described in the fourth bullet above, will not occur, except to the extent a termination requiring payment occurred prior to such determination.

If a change in control occurs and (i) the NEO’s employment is terminated other than for cause (as defined in the Change in Control Agreements), disability (as defined in the Change in Control Agreements), death, or a disqualifying disaggregation (as defined in the Change in Control Agreements) or (ii) the NEO resigns for good reason (as defined in the Change in Control Agreements) within two years following the change in control, then, in addition to any accrued but unpaid salary, earned bonus, paid time off or other accrued benefits, the NEO is entitled to a lump-sum cash amount equal to the sum of (1) the NEO’s target annual bonus for the year in which the termination occurs prorated through the termination date plus (2) a severance amount equal to:

-
- in the case of Mr. Hill's Change in Control Agreement, three times the sum of:
 - Mr. Hill's base salary as of the termination date plus
 - Mr. Hill's target annual bonus for the year in which the termination occurs payable as if performance goals were achieved at 100%; and
 - in the case of the Change of Control Agreements for Mr. Sailor and Mr. Bender, two times the sum of:
 - the NEO's base salary as of the termination date plus
 - the NEO's target annual bonus for the year in which the termination occurs payable as if performance goals were achieved at 100%.

In addition, to the extent provided in the applicable award agreements and plan, all of the NEO's outstanding stock options will become fully vested and immediately exercisable until the 18-month anniversary of the termination (or such later date as may be set forth in the applicable award agreement including, but not limited to, a later exercise date under an award agreement if the NEO has met the age and service requirements for retirement) or, if earlier, the option expiration date for any such stock option. All restricted stock will vest and will be paid out only in accordance with the terms of the applicable award agreements. The NEO will also receive continued participation in the Company's welfare benefit plans for so long as he elects coverage or 18 months from the termination, whichever is less, in the same manner and at the same cost as similarly situated active employees; continued participation in the Company's directors' and officers' liability insurance for six years or any known longer applicable statute of limitations period; continued indemnification on the same terms as other peer executives to the greatest extent permitted by law and the Company's bylaws; and reimbursement for outplacement services for six months at a cost not exceeding \$25,000.

The Change in Control Agreements contain a "best-net" provision which provides that, if IRS Code Section 280G applies to payments made under the agreement and such payments trigger an excise tax, then these payments may be reduced to an amount that will not trigger the excise tax, if such reduction would result in a greater net amount paid to the NEO.

If the NEO's employment is terminated for cause within two years following a change of control, the NEO is entitled to a lump sum payment consisting of accrued but unpaid base salary, accrued earned but unpaid annual bonus, accrued but unpaid paid time off, and any other amounts or benefits due but not paid.

The severance benefits described above are subject to the NEOs execution of a release and waiver of claims against the Company and its affiliates and continued compliance with certain restrictive covenants such as confidentiality, non-competition and non-solicitation following the NEO's termination. The Change in Control Agreements supersede all prior change of control agreements relating to severance or benefits between or among the NEOs, Williams, the Company and/or any subsidiaries of Williams or the Company.

The foregoing description of the Change in Control Agreements is not complete and is qualified in its entirety by reference to the full text of the Change in Control Agreement for Mr. Hill, which is filed as Exhibit 10.7 to this Current Report on Form 8-K and is incorporated into this Item 5.02 by reference, and the Change in Control Agreement for Mr. Sailor and Mr. Bender, which is filed as Exhibit 10.8 to this Current Report on Form 8-K and incorporated into this Item 5.02 by reference.

ITEM 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On December 2, 2011, prior to the date on which the Company became subject to the requirements of Section 13(a) of the Exchange Act, the Board approved the Restated Certificate of Incorporation of the Company (the "Restated Certificate"). The Company's sole stockholder, Williams, also approved the Restated Certificate on December 30, 2011. The Restated Certificate, which became effective at 11:58 p.m. on December 31, 2011, is filed as Exhibit 3.1 hereto.

On December 2, 2011, the Board also approved the amendment and restatement of the bylaws of the Company (the “Bylaws”). The Bylaws, which became effective at 11:58 p.m. on December 31, 2011, are filed as Exhibit 3.2 hereto.

A description of the material provisions of the Restated Certificate and Bylaws can be found in the section entitled “Description of Capital Stock” in the Company’s Information Statement, dated December 1, 2011, and attached as Exhibit 99.1 to the Company’s Form 10-12B/A filed with the SEC on December 2, 2011 and incorporated herein by reference.

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

- (a) On December 30, 2011, in connection with the annual stockholder meeting of the Company, the company’s sole stockholder, Williams, consented to, adopted and voted in favor of the matters set forth below. No proxies were solicited in connection with this meeting. As sole stockholder, Williams approved:
- (b) 1. The election of all candidates for the Board, as set forth in Item 5.02 hereof. The information pertaining to the election of candidates for the Board included in Item 5.02 is incorporated herein by reference.
2. The Restated Certificate and Bylaws of the company, each effective at 11:58 p.m. on December 31, 2011. The information included in Item 5.03 is incorporated herein by reference.
3. The 2011 Incentive Plan and the 2011 ESPP. The information pertaining to the 2011 Incentive Plan and the 2011 ESPP included in Item 5.02 is incorporated herein by reference.
4. The adjustment of the par value of every outstanding share of Common Stock, par value \$1.00 per share, to a par value of \$.01 per share.
5. A stock split pursuant to the Restated Charter, such that each share of Common Stock would be split into a number of validly issued, fully paid and non-assessable shares of the Common Stock equal to one-three thousandth (1/3000) of the number of shares of Williams’s common stock outstanding as of December 14, 2011 (the “Split”).
6. The designation as capital, in accordance with Sections 154 and 173 of the Delaware General Corporation Law, of an amount equal to the aggregate par value of the total number of shares of Common Stock to be outstanding after the Split.

ITEM 8.01 Other Events .

On January 3, 2012, Williams announced that it had completed the previously announced Spin-Off of the Company. Effective as of 11:59 p.m. Eastern time on the Distribution Date, the common stock of the Company was distributed, on a pro rata basis, to Williams’ stockholders of record as of the close of business of the New York Stock Exchange on December 14, 2011 (the “Record Date”). On the Distribution Date, each of Williams’ stockholders received one share of common stock of the Company for every three shares of common stock of Williams that such stockholder held on the Record Date and will receive cash in lieu of any fractional shares of common stock of the Company. The Spin-Off was completed pursuant to the Separation Agreement.

ITEM 9.01 Financial Statements and Exhibits .

On December 9, 2011, we filed a Registration Statement on Form S-8 (the “Form S-8”) with respect to our offering of up to 18,500,000 shares of our common stock that will be issuable pursuant to the WPX Energy, Inc. 2011 Incentive Plan and the WPX Energy, Inc. 2011 Employee Stock Purchase Plan. The unqualified legal opinion as to the validity of such shares is filed as Exhibit 5.1 to this Current Report on Form 8-K and is incorporated by reference into the Form S-8.

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|--|
| 3.1 | Restated Certificate of Incorporation of WPX Energy, Inc. |
| 3.2 | Bylaws of WPX Energy, Inc. |
| 5.1 | Opinion of Gibson, Dunn & Crutcher LLP |
| 10.1 | Separation and Distribution Agreement, dated as of December 30, 2011, between The Williams Companies, Inc. and WPX Energy, Inc. |
| 10.2 | Employee Matters Agreement, dated as of December 30, 2011, between The Williams Companies, Inc. and WPX Energy, Inc. |
| 10.3 | Tax Sharing Agreement, dated as of December 30, 2011, between The Williams Companies, Inc. and WPX Energy, Inc. |
| 10.4 | Transition Services Agreement, dated as of December 30, 2011, between The Williams Companies, Inc. and WPX Energy, Inc. |
| 10.5 | WPX Energy, Inc. 2011 Incentive Plan (incorporated herein by reference to Exhibit 4.3 to WPX Energy, Inc.’s Registration Statement on Form S-8 (File No. 333-178388) filed with the SEC on December 9, 2011) |
| 10.6 | WPX Energy, Inc. 2011 Employee Stock Purchase Plan (incorporated herein by reference to Exhibit 4.4 to WPX Energy, Inc.’s Registration Statement on Form S-8 (File No. 333-178388) filed with the SEC on December 9, 2011) |
| 10.7 | Form of Change in Control Agreement between WPX Energy, Inc. and CEO. |

SIGNATURES

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

WPX Energy, Inc.

January 6, 2012

By: /s/ Stephen E. Brilz
Stephen E. Brilz
Vice President and Corporate Secretary

EXHIBIT INDEX

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| 10.8 | Form of Change in Control Agreement between WPX Energy, Inc. and Tier One Executives. |

**AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION**

OF

**WPX Energy, Inc.
(a Delaware corporation)**

WPX ENERGY, INC., a corporation organized and existing under the laws of the State of Delaware, DOES HEREBY CERTIFY AS FOLLOWS:

1. The name of the Corporation is “WPX ENERGY, INC.” The original certificate of incorporation was filed with the Secretary of State of the State of Delaware on April 19, 2011.
2. This Amended and Restated Certificate of Incorporation (this “Certificate of Incorporation”) was duly adopted by the Board of Directors (the “Board of Directors”) and the sole stockholder of the Corporation in accordance with Sections 242, 245 and 228 of the General Corporation Law of the State of Delaware (the “DGCL”).
3. This Certificate of Incorporation restates, integrates and further amends the provisions of the certificate of incorporation of the Corporation.
4. This Certificate of Incorporation shall become effective at 11:58 p.m. (local time Wilmington, Delaware) on December 31, 2011.
5. The text of the certificate of incorporation is hereby restated and amended to read in its entirety as follows:

**ARTICLE I
NAME**

The name of the corporation is WPX Energy, Inc. (the “Corporation”).

**ARTICLE II
AGENT**

The address of the Corporation’s registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801. The name of its registered agent at such address is The Corporation Trust Company.

**ARTICLE III
PURPOSE**

The purposes for which the Corporation is formed are to engage in any lawful act or activity for which corporations may be organized under the DGCL.

**ARTICLE IV
STOCK**

Section 4.1 Authorized Stock .

(a) The aggregate number of shares which the Corporation shall have authority to issue is 2,100,000,000, of which (i) 2,000,000,000 shares shall be designated as shares of Common Stock, par value \$.01 per share (“Common Stock”) and (ii) 100,000,000 shares shall be designated as Preferred Stock, par value \$.01 per share (the “Preferred Stock”). Upon the effective time of the filing of this Certificate of Incorporation, each share of Common Stock of the Corporation, par value \$1.00 per share, outstanding immediately prior to such effective time shall be adjusted and split into 197,123.778 validly issued, fully paid and non-assessable shares of Common Stock of the Corporation, par value \$.01 per share.

(b) No Class Vote on Changes in Authorized Number of Shares of Stock . Subject to the rights, if any, of the holders of any outstanding series of Preferred Stock, the number of authorized shares of any class or classes of stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the stock of the Corporation entitled to vote generally in the election of directors irrespective of the provisions of Section 242(b)(2) of the DGCL and no vote of any class of stock voting separately as a class shall be required therefor.

Section 4.2 Common Stock .

(a) Voting . Except as otherwise provided by law or by the resolution or resolutions providing for the issue of any series of Preferred Stock, each holder of Common Stock, as such, shall be entitled to one vote in person or by proxy for each share of Common Stock held in his or her name on the transfer books of the Corporation in connection with the election of directors and all other matters submitted to a vote of stockholders; provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Certificate of Incorporation (including any Certificate of Designations relating to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more such series, to vote thereon pursuant to this Certificate of Incorporation (including any Certificate of Designations relating to any series of Preferred Stock) or pursuant to the DGCL. Except as otherwise provided by law, the holders of a majority of the total voting power of all outstanding shares of capital stock of all classes and series of the Corporation entitled to vote generally in the election of directors of the Corporation (the “Voting Stock”), present in person or represented by

proxy, shall constitute a quorum for the transaction of business at any meeting of the stockholders; provided, however, that where a separate vote by class or series is required, the holders of a majority of the total voting power of all issued and outstanding stock of such class or series entitled to vote on such matter, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to such matter.

(b) Dividends. Subject to the rights, if any, of the holders of any outstanding series of Preferred Stock, and subject to any other provisions of this Certificate of Incorporation, holders of Common Stock shall be entitled to receive such dividends and other distributions in cash, stock of any corporation or property of the Corporation when and as may be declared thereon by the Board of Directors from time to time out of assets or funds of the Corporation legally available therefor.

(c) Liquidation. Upon the dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, subject to the rights, if any, of the holders of any outstanding series of Preferred Stock, the holders of shares of Common Stock shall be entitled to receive the assets of the Corporation available for distribution to its stockholders ratably in proportion to the number of shares held by them. For purposes of this Section 4.2(c), the voluntary sale, conveyance, lease, exchange or transfer (for cash, shares of stock, securities or other consideration) of all or substantially all of the assets of the Corporation or a consolidation or merger of the Corporation with one or more other entities (whether or not the Corporation is the entity surviving such consolidation or merger) shall not be deemed to be a liquidation, dissolution or winding up, voluntary or involuntary.

Section 4.3 Preferred Stock. Subject to limitations prescribed by law and the provisions of this Article IV, the Board of Directors is hereby authorized to provide by resolution for the issuance of the shares of Preferred Stock in one or more series, and to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, privileges, preferences, and relative participating, optional or other rights, if any, of the shares of each such series and the qualifications, limitations or restrictions thereof.

The authority of the Board of Directors with respect to each series shall include, but not be limited to, determination of the following:

- (i) the number of shares constituting such series, including any increase or decrease in the number of shares of any such series (but not below the number of shares in any such series then outstanding), and the distinctive designation of such series;
- (ii) the dividend rate on the shares of such series, if any, whether dividends shall be cumulative, and, if so, from which date or dates, the relative rights of priority, if any, of payment of dividends on shares of such series and the dates on which dividends, if any, shall be payable;

(iii) whether the shares of such series shall have voting rights (including multiple or fractional votes per share) in addition to the voting rights provided by law, and, if so, the terms of such voting rights;

(iv) whether the shares of such series shall have conversion privileges, and, if so, the terms and conditions of such privileges, including provision for adjustment of the conversion rate in such events as the Board of Directors shall determine;

(v) whether or not the shares of such series shall be redeemable, and if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable, and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption rates;

(vi) whether a sinking fund shall be provided for the redemption or purchase of shares of such series, and, if so, the terms and the amount of such sinking fund;

(vii) the rights of the shares of such series in the event of voluntary or involuntary liquidation, dissolution or winding up of the Corporation, and the relative rights of priority, if any, of payment of shares of such series;

(viii) restrictions on the issuance of shares of the same series or of any other class or series, if any; and

(ix) any other relative rights, preferences and limitations of such series.

ARTICLE V BOARD OF DIRECTORS

Section 5.1 Number. Except as otherwise provided for or fixed pursuant to the provisions of Article IV of this Certificate of Incorporation relating to the rights of holders of any series of Preferred Stock to elect additional directors in certain circumstances, the Board of Directors shall consist of such number of directors as shall be determined from time to time by resolution adopted by affirmative vote of a majority of such directors then in office.

Section 5.2 Classification.

(a) The Board of Directors (other than those directors elected by the holders of any series of Preferred Stock provided for or fixed pursuant to the provisions of Article IV hereof (the “Preferred Stock Directors”)) shall be divided into three classes, as nearly equal in number as possible, designated Class I, Class II and Class III. Class I directors shall initially serve until the first annual meeting of stockholders following the effectiveness of this Section 5.2; Class II directors shall initially serve until the second annual meeting of stockholders following the effectiveness of this Section 5.2; and Class III directors shall initially serve until the third annual meeting of stockholders

following the effectiveness of this Section 5.2. Commencing with the first annual meeting of stockholders following the effectiveness of this Section 5.2, directors of each class the term of which shall then expire shall be elected to hold office for a three-year term and until the election and qualification of their respective successors in office. In case of any increase or decrease, from time to time, in the number of directors (other than Preferred Stock Directors), the number of directors in each class shall be apportioned as nearly equally as possible. The Board of Directors is authorized to assign members of the Board of Directors already in office to Class I, Class II or Class III.

(b) Subject to the rights of the holders of any one or more series of Preferred Stock then outstanding, newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause shall, unless otherwise provided by law, be filled solely by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors. Any director so chosen shall hold office until the next election of the class for which such director shall have been chosen and until his successor shall be elected and qualified. No decrease in the authorized number of directors shall shorten the term of any incumbent director.

(c) Except for such additional directors, if any, as are elected by the holders of any series of Preferred Stock as provided for or fixed pursuant to the provisions of Article IV hereof, any director, or the entire Board of Directors, may be removed from office at any time with cause, but only by the affirmative vote of at least 75% of the total voting power of the Voting Stock.

(d) Notwithstanding the foregoing, during any period when the holders of any series of Preferred Stock have the right to elect additional directors as provided for or fixed pursuant to the provisions of Article IV hereof, then upon commencement and for the duration of the period during which such right continues: (i) the then otherwise total authorized number of directors of the Corporation shall automatically be increased by such specified number of directors, and the holders of such Preferred Stock shall be entitled to elect the additional directors so provided for or fixed pursuant to said provisions and (ii) each such additional director shall serve until such director's successor shall have been duly elected and qualified, or until such director's right to hold such office terminates pursuant to said provisions, whichever occurs earlier, subject to his earlier death, disqualification, resignation or removal. Except as otherwise provided by the Board of Directors in the resolution or resolutions establishing such series, whenever the holders of any series of Preferred Stock having such right to elect additional directors are divested of such right pursuant to the provisions of such stock, the terms of office of all such additional directors elected by the holders of such stock, or elected to fill any vacancies resulting from the death, resignation, disqualification or removal of such additional directors, shall forthwith terminate and the total authorized number of directors of the Corporation shall be reduced accordingly.

Section 5.3 Powers. Except as otherwise expressly provided by the DGCL or this Certificate of Incorporation, the management of the business and the conduct of the affairs of the Corporation shall be vested in its Board of Directors.

Section 5.4 Election.

(a) Ballot Not Required. The directors of the Corporation need not be elected by written ballot unless the Bylaws of the Corporation so provide.

(b) Notice. Advance notice of stockholder nominations for the election of directors shall be given in the manner and to the extent provided in the Bylaws of the Corporation.

ARTICLE VI STOCKHOLDER ACTION

Except as otherwise provided for or fixed pursuant to the provisions of Article IV of this Certificate of Incorporation relating to the rights of holders of any series of Preferred Stock, any action required or permitted to be taken by stockholders may be effected only at a duly called annual or special meeting of stockholders and may not be effected by a written consent or consents by stockholders in lieu of such meeting.

ARTICLE VII SPECIAL MEETINGS OF STOCKHOLDERS

Except as otherwise provided for or fixed pursuant to the provisions of Article IV of this Certificate of Incorporation relating to the rights of holders of any series of Preferred Stock, a special meeting of the stockholders of the Corporation may be called at any time only by (i) the Board of Directors or (ii) the Chairman of the Board of Directors or the Chief Executive Officer, in each case with the concurrence of a majority of the Board of Directors. Any other power of stockholders to call a special meeting specifically is denied. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting.

ARTICLE VIII EXISTENCE

The Corporation shall have perpetual existence.

ARTICLE IX AMENDMENT

Section 9.1 Amendment of Certificate of Incorporation. The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by the laws of the State of Delaware, and all rights conferred herein are granted subject to this reservation; provided, however, that in addition to any requirements of law and any other provision of

this Certificate of Incorporation, and notwithstanding any other provision of this Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, the affirmative vote of the holders of at least 75% in voting power of the Voting Stock shall be required to amend or repeal, or adopt any provision inconsistent with, any provision of Article V, Article VI, Article VII and Article IX of this Certificate of Incorporation (including the defined terms used therein).

Section 9.2 Amendment of Bylaws. In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware, the Board of Directors is expressly authorized to adopt, amend or repeal the Bylaws of the Corporation. The Bylaws of the Corporation may also be adopted, amended or repealed by the affirmative vote of the holders of at least a majority of the total voting power of the Voting Stock; provided however, that, in addition to any requirements of law and any other provision of this Certificate of Incorporation or the Bylaws of the Corporation and notwithstanding any other provision of this Certificate of Incorporation, the Bylaws of the Corporation or any provision of law which might otherwise permit a lesser vote or no vote, the affirmative vote of the holders of at least 75% in voting power of the Voting Stock shall be required for the stockholders to amend or repeal any provision of the Bylaws of the Corporation which is to the same effect as Article V, Article VI, Article VII and Article IX of this Certificate of Incorporation or to adopt any provision inconsistent therewith.

ARTICLE X LIABILITY OF DIRECTORS

Section 10.1 No Personal Liability. To the fullest extent permitted by the DGCL as the same exists or as may hereafter be amended, no director of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director.

Section 10.2 Amendment or Repeal. Any amendment, alteration or repeal of this Article X that adversely affects any right of a director shall be prospective only and shall not limit or eliminate any such right with respect to any proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment or repeal.

ARTICLE XI FORUM FOR ADJUDICATION OF DISPUTES

The Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, this Certificate of Incorporation or the Bylaws of the Corporation, or (iv) any other action asserting a claim governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation

shall be deemed to have notice of and consented to the provisions of this Article XI. References to “person” shall mean a natural person (including in his or her representative capacity a guardian, committee, executor, administrator or other legal representative of such natural person), corporation, partnership, joint venture, association, or legal entity of any kind.

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IN WITNESS WHEREOF, the undersigned Secretary of WPX Energy, Inc., a Delaware corporation, hereby acknowledges that the foregoing is a full, true, and correct copy of the Amended and Restated Certificate of Incorporation of said Corporation in effect on the date of this certificate.

Dated: December 30, 2011

By: /s/ Stephen E. Brilz

Name: Stephen E. Brilz

Title: Secretary

FORM OF AMENDED AND RESTATED BYLAWS

OF

WPX ENERGY, INC.
(a Delaware corporation)

ARTICLE I
CORPORATE OFFICES

Section 1.1 Registered Office . The registered office of the Corporation shall be fixed in the Certificate of Incorporation (defined below) of the Corporation.

Section 1.2 Other Offices . The Corporation may also have an office or offices, and keep the books and records of the Corporation, except as may otherwise be required by law, at such other place or places, either within or without the State of Delaware, as the Board of Directors of the Corporation (the “Board of Directors”) may from time to time determine or the business of the Corporation may require.

Section 1.3 Defined Terms . Capitalized terms not defined herein have the meanings ascribed to them in the Certificate of Incorporation.

ARTICLE II
MEETINGS OF STOCKHOLDERS

Section 2.1 Annual Meeting . The annual meeting of stockholders, for the election of directors to succeed those whose terms expire and for the transaction of such other business as may properly come before the meeting, shall be held at such place, if any, on such date, and at such time as may be determined by the Board of Directors.

Section 2.2 Special Meeting . Subject to the rights of the holders of any series of Preferred Stock (the “Preferred Stock”), and except as set forth in the Corporation’s Certificate of Incorporation, as amended or restated (the “Certificate of Incorporation”), special meeting of the stockholders may be called at any time only by (i) the Board of Directors or (ii) the Chairman of the Board of Directors or the Chief Executive Officer, in each case with the concurrence of a majority of the Board of Directors.

Section 2.3 Notice of Stockholders’ Meetings .

(a) Notice of the place, if any, date, and time of all meetings of the stockholders, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for determining the stockholders entitled to notice of the meeting) and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, shall be given, not less than 10 days nor more than 60 days before the date on which the meeting is to be held, to each stockholder entitled to vote at such meeting as of the record date for determining the stockholders entitled to notice of the meeting, except

as otherwise provided herein or required by law. In the case of a special meeting, the purpose or purposes for which the meeting is called also shall be set forth in the notice. Notice may be given personally, by mail or by electronic transmission in accordance with Section 232 of the General Corporation Law of the State of Delaware (the “DGCL”). If mailed, such notice shall be deemed given when deposited in the United States mail, postage prepaid, directed to each stockholder at such stockholder’s address appearing on the books of the Corporation or given by the stockholder for such purpose. Notice by electronic transmission shall be deemed given as provided in Section 232 of the DGCL. An affidavit of the mailing or other means of giving any notice of any stockholders’ meeting, executed by the Secretary, Assistant Secretary or any transfer agent of the Corporation giving the notice, shall be prima facie evidence of the giving of such notice or report. Notice shall be deemed to have been given to all stockholders of record who share an address if notice is given in accordance with the “householding” rules set forth in Rule 14a-3(e) under the Securities Exchange Act of 1934, as amended (such act, and the rules and regulations promulgated thereunder, the “Exchange Act”) and Section 233 of the DGCL.

(b) When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the place, if any, date and time thereof, and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken; provided, however, that if the date of any adjourned meeting is more than 30 days after the date for which the meeting was originally called, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall fix a new record date for notice of such adjourned meeting in accordance with Section 7.7(a) of these Bylaws, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the record date for notice of such adjourned meeting.

(c) Notice of any meeting of stockholders may be waived in writing, either before or after the meeting, and to the extent permitted by law, will be waived by any stockholder by attendance thereat, in person or by proxy, except when the person objects at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

Section 2.4 Organization.

(a) Meetings of stockholders shall be presided over by the Chairman of the Board of Directors, if any, or in his or her absence by a person designated by the Board of Directors, or in the absence of a person so designated by the Board of Directors, by a Chairman chosen at the meeting by the holders of a majority in voting power of the stock entitled to vote thereat, present in person or represented by proxy. The Secretary, or in his or her absence, an Assistant Secretary, or in the absence of the Secretary and all Assistant Secretaries, a person whom the Chairman of the meeting shall appoint, shall act as Secretary of the meeting and keep a record of the proceedings thereof.

(b) The Board of Directors shall be entitled to make such rules or regulations for the conduct of meetings of stockholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the Chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such Chairman, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing an agenda or order of business for the meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies and such other persons as the Chairman shall permit, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted to questions or comments by participants and regulation of the opening and closing of the polls for balloting and matters which are to be voted on by ballot.

Section 2.5 List of Stockholders. The officer who has charge of the stock ledger shall prepare and make, at least 10 days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, provided, however, that if the record date for determining the stockholders entitled to vote is less than 10 days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the 10th day before the meeting date. Such list shall be arranged in alphabetical order and shall show the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting at least 10 days prior to the meeting (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of meeting or (b) during ordinary business hours at the principal place of business of the Corporation. If the meeting is to be held at a place, then a list of stockholders entitled to vote at the meeting shall be produced and kept at the time and place of the meeting during the whole time thereof and may be examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 2.5 or to vote in person or by proxy at any meeting of stockholders.

Section 2.6 Quorum. At any meeting of stockholders, the holders of a majority of the total voting power of the of all outstanding shares of capital stock of all classes and series of the Corporation entitled to vote generally in the election of directors of the Corporation, in each case voting together as a single class (the "Voting Stock"), present in person or represented by proxy, shall constitute a quorum for the transaction of business; provided that where a separate vote by a class or series is required, the holders of a majority of the total voting power of all issued and outstanding stock of such class or series entitled to vote on such matter, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to such matter. If a quorum is not present or represented at any meeting of stockholders, then the Chairman of the meeting or the

holders of a majority of the total voting power of the stock entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time in accordance with Section 2.7, without notice other than announcement at the meeting and except as provided in Section 2.3(b), until a quorum is present or represented. If a quorum initially is present at any meeting of stockholders, the stockholders may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum, but if a quorum is not present at least initially, no business other than adjournment may be transacted.

Section 2.7 Adjourned Meeting. Any annual or special meeting of stockholders, whether or not a quorum is present, may be adjourned for any reason from time to time by either the Chairman of the meeting or the holders of a majority of the total voting power of the stock entitled to vote thereat, present in person or represented by proxy. At any such adjourned meeting at which a quorum may be present, any business may be transacted that might have been transacted at the meeting as originally called.

Section 2.8 Voting.

(a) Except as otherwise provided by law or the Certificate of Incorporation, each holder of stock of the Corporation entitled to vote at any meeting of stockholders shall be entitled to such number of votes for each share of such stock as may be fixed in the Certificate of Incorporation for each share of such stock held of record by such holder on all matters submitted to a vote of stockholders of the Corporation.

(b) Except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, at each meeting of stockholders at which a quorum is present, all corporate actions to be taken by vote of the stockholders shall be authorized by the affirmative vote of the holders of a majority of the total voting power of the stock entitled to vote thereat, present in person or represented by proxy, and where a separate vote by class or series is required, if a quorum of such class or series is present, such act shall be authorized by the affirmative vote of the holders of a majority of the total voting power of the stock of such class or series entitled to vote thereat, present in person or represented by proxy.

Section 2.9 Proxies. Every person entitled to vote for directors, or on any other matter, shall have the right to do so either in person or by one or more agents authorized by a written proxy, which may be in the form of a telegram, cablegram or other means of electronic transmission, signed by the person and filed with the Secretary of the Corporation, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be deemed signed if the stockholder's name is placed on the proxy by the stockholder or the stockholder's attorney-in-fact. A duly executed proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by filing an instrument in writing revoking the proxy or by filing another duly executed proxy bearing a later date with the Secretary of the Corporation. A proxy is not revoked by the death or incapacity of the maker unless, before the vote is counted, written notice of such death or incapacity is received by the Corporation.

Section 2.10 Notice of Stockholder Business and Nominations .

(a) Annual Meeting .

(i) Nominations of persons for election to the Board of Directors and the proposal of business other than nominations to be considered by the stockholders may be made at an annual meeting of stockholders only (A) pursuant to the Corporation's notice of meeting (or any supplement thereto), (B) by or at the direction of the Board of Directors (or any committee thereof) or (C) by any stockholder of the Corporation who is a stockholder of record at the time the notice provided for in this Section 2.10(a) is delivered to the Secretary of the Corporation, who is entitled to vote at the meeting and who complies with the notice procedures set forth in this Section 2.10(a). For the avoidance of doubt, the foregoing clause (C) shall be the exclusive means for a stockholder to bring nominations of business (other than business included in the Corporation's proxy materials pursuant to Rule 14a-8 under the Exchange Act.

(ii) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (C) of the foregoing paragraph, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation and such business must be a proper subject for stockholder action. To be timely, a stockholder's notice must be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than 30 days before or more than 70 days after such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the date on which public announcement (as defined below) of the date of such meeting is first made by the Corporation. In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. Such stockholder's notice shall set forth:

(A) as to each person whom the stockholder proposes to nominate for election or re-election as a director (1) all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to and in accordance with Regulation 14A under the Exchange Act, and (2) such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected;

(B) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the Bylaws of the Corporation, the language of the proposed amendment), the reasons for conducting such business at the meeting and any substantial interest (within the meaning of Item 5 of Schedule 14A under the Exchange Act) in such business of such stockholder and the beneficial owner (within the meaning of Section 13(d) of the Exchange Act), if any, on whose behalf the proposal is made;

(C) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination is made or the business is proposed:

(1) the name and address of such stockholder, as they appear on the Corporation's books, and the name and address of such beneficial owner,

(2) the class and number of shares of capital stock of the Corporation which are owned of record by such stockholder and such beneficial owner as of the date of the notice, and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of the class and number of shares of capital stock of the Corporation owned of record by the stockholder and such beneficial owner as of the record date for the meeting (except as otherwise provided in Section 2.10(a)(iii) below), and

(3) a representation that the stockholder intends to appear in person or by proxy at the meeting to propose such nomination or business;

(D) as to the stockholder giving the notice or, if the notice is given on behalf of a beneficial owner on whose behalf the nomination is made or the business is proposed, as to such beneficial owner:

(1) the class and number of shares of capital stock of the Corporation which are beneficially owned (as defined below) by such stockholder or beneficial owner as of the date of the notice, and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of the class and number of shares of capital stock of the Corporation beneficially owned by such stockholder or beneficial owner as of the record date for the meeting (except as otherwise provided in Section 2.10(a)(iii) below),

(2) a description of any agreement, arrangement or understanding with respect to the nomination or other business between or among such stockholder or beneficial owner and any other person, including without limitation any agreements that would be required to be disclosed pursuant to Item 5 or Item 6 of Exchange Act Schedule 13D (regardless of whether the requirement to file a Schedule 13D is applicable to the stockholder or beneficial owner) and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of any such agreement, arrangement or understanding in effect as of the record date for the meeting (except as otherwise provided in Section 2.10(a)(iii) below),

(3) a description of any agreement, arrangement or understanding (including any derivative or short positions, profit interests, options, hedging transactions, and borrowed or loaned shares) that has been entered into as of the date of the stockholder's notice by, or on behalf of, such stockholder or beneficial owner, the effect or intent of which is to mitigate loss, manage risk or benefit from changes in the share price of any class of the Corporation's capital stock, or maintain, increase or decrease the voting power of the stockholder or beneficial owner with respect to shares of stock of the Corporation, and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of any such agreement, arrangement or understanding in effect as of the record date for the meeting (except as otherwise provided in Section 2.10(a)(iii) below),

(4) a representation whether the stockholder or the beneficial owner, if any, will engage in a solicitation with respect to the nomination or business and, if so, the name of each participant (as defined in Item 4 of Schedule 14A under the Exchange Act) in such solicitation and whether such person intends or is part of a group which intends to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the business to be proposed (in person or by proxy) by the stockholder.

(iii) The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as a director of the Corporation, including information relevant to a determination whether such proposed nominee can be considered an independent director. Notwithstanding anything in Section 2.10(a)(ii) above to the contrary, if the record date for determining the stockholders entitled to vote at any meeting of stockholders is different from the record date for determining the stockholders entitled to notice of

the meeting, a stockholder's notice required by this Section 2.10(a) shall set forth a representation that the stockholder will notify the Corporation in writing within five business days after the record date for determining the stockholders entitled to vote at the meeting, or by the opening of business on the date of the meeting (whichever is earlier), of the information required under clauses (a)(ii)(C)(2) and (a)(ii)(D)(1)-(3) of this Section 2.10, and such information when provided to the Corporation shall be current as of the record date for determining the stockholders entitled to vote at the meeting.

(iv) This Section 2.10(a) shall not apply to a proposal proposed to be made by a stockholder if the stockholder has notified the Corporation of his or her intention to present the proposal at an annual or special meeting only pursuant to and in compliance with Rule 14a-8 under the Exchange Act and such proposal has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such meeting.

(b) Special Meeting. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (i) by or at the direction of the Board of Directors (or any committee thereof) or (ii) provided that the Board of Directors has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who is a stockholder of record at the time the notice provided for in this Section 2.10(b) is delivered to the Secretary of the Corporation, who is entitled to vote at the meeting and upon such election and who complies with the notice procedures set forth in this Section 2.10. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder entitled to vote in such election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting, if the notice required by paragraph (a)(ii) of this Section 2.10 shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the close of business on the 120th day prior to such special meeting and not later than the close of business on the later of the 90th day prior to such special meeting or the 10th day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the public announcement of an adjournment or postponement of a special meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(c) General.

(i) Except as otherwise provided by law, only such persons who are nominated in accordance with the procedures set forth in this Section 2.10 shall be eligible to be elected at any meeting of stockholders of the Corporation to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures

set forth in this Section 2.10. The Chairman of the meeting, as determined in accordance with Section 2.4 hereof, shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this Section 2.10 (including whether the stockholder or beneficial owner, if any, on whose behalf the nomination or proposal is made solicited (or is part of a group which solicited) or did not so solicit, as the case may be, proxies in compliance with such stockholder's representation as required by clause (a)(ii)(D)(4) of this Section 2.10). If any proposed nomination or business was not made or proposed in compliance with this Section 2.10, then except as otherwise provided by law, the Chairman of the meeting shall have the power and duty to declare that such nomination shall be disregarded or that such proposed business shall not be transacted. Notwithstanding the foregoing provisions of this Section 2.10, unless otherwise required by law, if the stockholder does not provide the information required under clauses (a)(ii)(C) (2) and (a)(ii)(D)(1)-(3) of this Section 2.10 to the Corporation within the times frames specified herein, or if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination or proposed business, such nomination shall be disregarded and such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 2.10, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or authorized by a writing executed by such stockholder (or a reliable reproduction or electronic transmission of the writing) delivered to the Corporation prior to the making of such nomination or proposal at such meeting by such stockholder stating that such person is authorized to act for such stockholder as proxy at the meeting of stockholders.

(ii) For purposes of this Section 2.10, a “ public announcement ” shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or a comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act. For purposes of clause (a)(ii)(D)(1) of this Section 2.10, shares shall be treated as “ beneficially owned ” by a person if the person beneficially owns such shares, directly or indirectly, for purposes of Section 13(d) of the Exchange Act and Regulations 13D and 13G thereunder or has or shares pursuant to any agreement, arrangement or understanding (whether or not in writing): (A) the right to acquire such shares (whether such right is exercisable immediately or only after the passage of time or the fulfillment of a condition or both), (B) the right to vote such shares, alone or in concert with others and/or (C) investment power with respect to such shares, including the power to dispose of, or to direct the disposition of, such shares.

(iii) Nothing in this Section 2.10 shall be deemed to affect any rights of the holders of any series of Preferred Stock to elect directors pursuant to any applicable provisions of the Certificate of Incorporation.

Section 2.11 Action by Written Consent .

(a) Stockholders may act by written consent solely to the extent provided in the Certificate of Incorporation. To be effective, a written consent must be delivered to the Corporation by delivery to its registered office, its principal place of business or an officer or agent of the Corporation having custody of the books in which proceedings of meetings of stockholders are recorded. Delivery made to the Corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. Every written consent shall bear the date of signature of each stockholder who signs the consent and no written consent shall be effective to take the corporate action referred to therein unless, within 60 days of the earliest dated consent delivered in the manner required by this Section 2.11 to the Corporation, written consents signed by a sufficient number of holders to take action are delivered to the Corporation in accordance with this Section 2.11.

(b) Any electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxyholder, or by a person or persons authorized to act for a stockholder or proxyholder, shall be deemed to be written, signed and dated for purposes of this Section 2.11, provided that any such electronic transmission sets forth or is delivered with information from which the Corporation can determine (i) that the electronic transmission was transmitted by the stockholder or proxyholder or by a person or persons authorized to act for the stockholder or proxyholder and (ii) the date on which such stockholder or proxyholder or authorized person or persons transmitted such electronic transmission. The date on which such electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. Except to the extent and in the manner authorized by the Board of Directors, no consent given by electronic transmission shall be deemed to have been delivered until such consent is reproduced in paper form and until such paper form shall be delivered to the Corporation by delivery to its registered office, its principal place of business or an officer or agent of the Corporation having custody of the books in which proceedings of meetings of stockholders are recorded. Delivery made to the Corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested.

(c) Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire writing.

(d) Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for notice of such meeting had been the date that written consents signed by a sufficient number of stockholders to take the action were delivered to the Corporation in the manner required by this Section 2.11.

Section 2.12 Inspectors of Election . Before any meeting of stockholders, the Board of Directors shall appoint one or more inspectors of election to act at the meeting or its adjournment. If any person appointed as inspector fails to appear or fails or refuses to act, then the Chairman of the meeting may, and upon the request of any stockholder or a stockholder's proxy shall, appoint a person to fill that vacancy. Inspectors need not be stockholders. No director or nominee for the office of director shall be appointed such an inspector.

Such inspectors shall:

- (a) determine the number of shares outstanding and the voting power of each, the number of shares represented at the meeting, the existence of a quorum, and the authenticity, validity, and effect of proxies;
- (b) receive votes, ballots or consents;
- (c) hear and determine all challenges and questions in any way arising in connection with the right to vote;
- (d) count and tabulate all votes or consents;
- (e) determine when the polls shall close;
- (f) determine the result; and
- (g) do any other acts that may be proper to conduct the election or vote with fairness to all stockholders.

The inspectors of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. Any report or certificate made by the inspectors of election shall be prima facie evidence of the facts stated therein.

Section 2.13 Meetings by Remote Communications . The Board of Directors may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication in accordance with Section 211 (a)(2) of the DGCL. If authorized by the Board of Directors in its sole discretion, and subject to such guidelines and procedures as the Board of Directors may adopt, stockholders and proxyholders not physically present at a meeting of stockholders may, by means of remote communication (a) participate in a meeting of stockholders and (b) be deemed present in person and vote at a meeting of stockholders whether such meeting is to be held at a designated place or solely by means of remote communication, provided that (i) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxyholder; (ii) the Corporation shall implement reasonable measures to provide such stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings; and (iii) if any stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the Corporation.

ARTICLE III DIRECTORS

Section 3.1 Powers. Subject to the provisions of the DGCL and to any limitations in the Certificate of Incorporation or these Bylaws relating to action required to be approved by the stockholders, the business and affairs of the Corporation shall be managed and shall be exercised by or under the direction of the Board of Directors. In addition to the powers and authorities these Bylaws expressly confer upon them, the Board of Directors may exercise all such powers of the Corporation and do all such lawful acts and things as are not by law, the Certificate of Incorporation or these Bylaws required to be exercised or done by the stockholders.

Section 3.2 Number, Term of Office and Election. Subject to the rights of the holders of any series of Preferred Stock to elect directors under specified circumstances, the Board of Directors shall consist of such of number of directors as shall be determined from time to time by resolution of the Board of Directors. With the exception of the first Board of Directors, which was designated in the original Certificate of Incorporation of the Corporation, and except as provided in Section 3.3, a nominee for director shall be elected to the Board of Directors if the votes cast for such nominee's election exceed the votes cast against such nominee's election, provided, however, that directors shall be elected by a plurality of the votes cast at any meeting of stockholders for which (i) the Secretary of the Corporation receives notices that a stockholder has nominated a person for election to the Board of Directors in compliance with the advance notice requirements for stockholder nominees set forth in Section 2.10(a)(ii) of these Bylaws and (ii) such nomination has not been withdrawn by such stockholder on or prior to the day next preceding the date the Corporation first mails its notice of meeting for such meeting to the stockholders. If directors are to be elected by a plurality of the votes cast, stockholders shall not be permitted to vote against a nominee by a majority of the total voting power of the stock present in person or represented by proxy at the stockholders' annual meeting in each year. Directors need not be stockholders unless so required by the Certificate of Incorporation or these Bylaws, wherein other qualifications for directors may be prescribed.

Section 3.3 Vacancies. Subject to the rights of the holders of any one or more series of Preferred Stock then outstanding, newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause shall, unless otherwise provided by law or by resolution of the Board of Directors, be filled solely by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum. Any director so chosen shall hold office until the next election of the class for which such director shall have been chosen and until his or her successor shall be elected and qualified. No decrease in the authorized number of directors shall shorten the term of any incumbent director.

Section 3.4 Resignations and Removal .

(a) Any director may resign at any time upon notice given in writing or by electronic transmission to the Board of Directors, the Chairman of the Board of Directors or the Secretary. Such resignation shall take effect at the time specified in such notice or, if the time be not specified, upon receipt thereof by the Board of Directors, the Chairman of the Board of Directors or the Secretary, as the case may be. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

(b) Except for such additional directors, if any, as are elected by the holders of any series of Preferred Stock as provided for or fixed pursuant to the provisions of Article IV of the Certificate of Incorporation, any director, or the entire Board of Directors, may be removed from office at any time with cause, but only by the affirmative vote of the holders of at least 75% of the total voting power of the Voting Stock.

Section 3.5 Regular Meetings . Regular meetings of the Board of Directors shall be held at such place or places, on such date or dates and at such time or times, as shall have been established by the Board of Directors and publicized among all directors; provided that no fewer than one regular meeting per year shall be held. A notice of each regular meeting shall not be required.

Section 3.6 Special Meetings . Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the Chairman of the Board of Directors, the Chief Executive Officer or a majority of the Board of Directors then in office. The person or persons authorized to call special meetings of the Board of Directors may fix the place and time of such meetings. Notice of each such meeting shall be given to each director, if by mail, addressed to such director at his or her residence or usual place of business, at least 48 hours before the day on which such meeting is to be held, or shall be sent to such director at such place by telecopy, telegraph, electronic transmission or other form of recorded communication, or be delivered personally or by telephone, in each case at least 24 hours prior to the time set for such meeting, or on such shorter notice as the person or persons calling such meeting may deem necessary or appropriate in the circumstances. Notice of any meeting need not be given to director who shall, either before or after the meeting, submit a waiver of such notice or who shall attend such meeting without protesting, prior to or at its commencement, the lack of notice to such director. A notice of special meeting need not state the purpose of such meeting, and, unless indicated in the notice thereof, any and all business may be transacted at a special meeting.

Section 3.7 Participation in Meetings by Conference Telephone . Members of the Board of Directors, or of any committee thereof, may participate in a meeting of such Board of Directors or committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting.

Section 3.8 Quorum . Except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, a majority of entire Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, and the vote of a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors. The Chairman of the

meeting or a majority of the directors present may adjourn the meeting to another time and place whether or not a quorum is present. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. If a quorum initially is present at any meeting of directors, the directors may continue to transact business, notwithstanding the withdrawal of enough directors to leave less than a quorum, upon resolution of at least a majority of the required quorum for that meeting prior to the loss of such quorum.

Section 3.9 Board of Directors Action by Written Consent Without a Meeting . Any action required or permitted to be taken by the Board of Directors, or any committee thereof, may be taken without a meeting, provided that all members of the Board of Directors or committee, as the case may be, consent in writing or by electronic transmission to such action, and the writing or writings or electronic transmission or transmissions are filed with the minutes or proceedings of the Board of Directors or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors or committee.

Section 3.10 Chairman of the Board . The Chairman of the Board of Directors shall preside at meetings of stockholders and directors and shall perform such other duties as the Board of Directors may from time to time determine. If the Chairman of the Board of Directors is not present at a meeting of the Board of Directors, another director chosen by the Board of Directors shall preside.

Section 3.11 Rules and Regulations . The Board of Directors shall adopt such rules and regulations not inconsistent with the provisions of law, the Certificate of Incorporation or these Bylaws for the conduct of its meetings and management of the affairs of the Corporation as the Board of Directors shall deem proper.

Section 3.12 Fees and Compensation of Directors . Directors and members of committees may receive such compensation, if any, for their services and such reimbursement of expenses as may be fixed or determined by resolution of the Board of Directors.

Section 3.13 Emergency Bylaws . In the event of any emergency, disaster or catastrophe, as referred to in Section 110 of the DGCL, or other similar emergency condition, as a result of which a quorum of the Board of Directors or a standing committee of the Board of Directors cannot readily be convened for action, then the director or directors in attendance at the meeting shall constitute a quorum. Such director or directors in attendance may further take action to appoint one or more of themselves or other directors to membership on any standing or temporary committees of the Board of Directors as they shall deem necessary and appropriate.

ARTICLE IV COMMITTEES

Section 4.1 Committees of the Board of Directors. The Board of Directors may, by resolution, designate one or more committees, each such committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee to replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors establishing such committee, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following matters: (a) approving or adopting, or recommending to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval or (b) adopting, amending or repealing any bylaw of the Corporation. All committees of the Board of Directors shall keep minutes of their meetings and shall report their proceedings to the Board of Directors when requested or required by the Board of Directors.

Section 4.2 Meetings and Action of Committees. Any committee of the Board of Directors may adopt such rules and regulations not inconsistent with the provisions of law, the Certificate of Incorporation or these Bylaws for the conduct of its meetings as such committee may deem proper.

ARTICLE V OFFICERS

Section 5.1 Officers. The officers of the Corporation shall consist of a Chief Executive Officer, a Chief Financial Officer, one or more Vice Presidents, a Secretary and a Treasurer and, at the discretion of the Board of Directors, may include a President, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as the Board of Directors may from time to time determine, each of whom shall be elected by the Board of Directors, each to have such authority, functions or duties as set forth in these Bylaws or as determined by the Board of Directors. Each officer shall be chosen by the Board of Directors and shall hold office for such term as may be prescribed by the Board of Directors and until such person's successor shall have been duly chosen and qualified, or until such person's earlier death, disqualification, resignation or removal. Any two of such offices may be held by the same person; provided, however, that no officer shall execute, acknowledge or verify any instrument in more than one capacity if such instrument is required by law, the Certificate of Incorporation or these Bylaws to be executed, acknowledged or verified by two or more officers.

Section 5.2 Removal, Resignation and Vacancies . Any officer of the Corporation may be removed, with or without cause, by the Board of Directors, without prejudice to the rights, if any, of such officer under any contract to which it is a party. Any officer may resign at any time upon written notice to the Corporation, without prejudice to the rights, if any, of the Corporation under any contract to which such officer is a party. If any vacancy occurs in any office of the Corporation, the Board of Directors may elect a successor to fill such vacancy for the remainder of the unexpired term and until a successor shall have been duly chosen and qualified.

Section 5.3 Chief Executive Officer . The Chief Executive Officer shall have general supervision and direction of the business and affairs of the Corporation, shall be responsible for corporate policy and strategy, and shall report directly to the Board of Directors. Unless otherwise provided in these Bylaws, all other officers of the Corporation shall report directly to the Chief Executive Officer or as otherwise determined by the Chief Executive Officer.

Section 5.4 Chief Financial Officer . The Chief Financial Officer shall exercise all the powers and perform the duties of the office of the chief financial officer and in general have overall supervision of the financial operations of the Corporation. The Chief Financial Officer shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as the Chief Executive Officer or the Board of Directors may from time to time determine.

Section 5.5 President . The President, if any, shall be the chief operating officer of the Corporation, with general responsibility for the management and control of the operations of the Corporation. The President shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as the Chief Executive Officer or the Board of Directors may from time to time determine.

Section 5.6 Vice Presidents . Each Vice President shall have such powers and duties as shall be prescribed by his or her superior officer or the Chief Executive Officer. A Vice President shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as the Chief Executive Officer or the Board of Directors may from time to time determine.

Section 5.7 Treasurer . The Treasurer shall supervise and be responsible for all the funds and securities of the Corporation, the deposit of all moneys and other valuables to the credit of the Corporation in depositories of the Corporation, borrowings and compliance with the provisions of all indentures, agreements and instruments governing such borrowings to which the Corporation is a party, the disbursement of funds of the Corporation and the investment of its funds, and in general shall perform all of the duties incident to the office of the Treasurer. The Treasurer shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as the Chief Executive Officer or the Board of Directors may from time to time determine.

Section 5.8 Secretary . The powers and duties of the Secretary are: (i) to act as Secretary at all meetings of the Board of Directors, of the committees of the Board of Directors and of the stockholders and to record the proceedings of such meetings in a book or books to be kept for that purpose; (ii) to see that all notices required to be given by the Corporation are duly given and served; (iii) to act as custodian of the seal of the Corporation and affix the seal or cause it to be affixed to all certificates of stock of the Corporation and to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these Bylaws; (iv) to have charge of the books, records and papers of the Corporation and see that the reports, statements and other documents required by law to be kept and filed are properly kept and filed; and (v) to perform all of the duties incident to the office of Secretary. The Secretary shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as the Chief Executive Officer or the Board of Directors may from time to time determine.

Section 5.9 Assistant Treasurers . Assistant Treasurers, if there be any, shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors, the Chief Executive Officer, any Vice President or the Treasurer, and in the absence of the Treasurer or in the event of the disability or refusal to act of the Treasurer, shall perform the duties of the Treasurer, and when so acting, shall have all the powers of and be subject to the restrictions on the Treasurer.

Section 5.10 Assistant Secretaries . Except as may be otherwise provided in these Bylaws, Assistant Secretaries, if there be any, shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors, the Chief Executive Officer, any Vice President or the Secretary, and in the absence of the Secretary or in the event of the disability or refusal to act of the Secretary, shall perform the duties of the Secretary, and when so acting, shall have all the powers of and be subject to the restrictions on the Secretary.

Section 5.11 Other Officers . Such other officers as the Board of Directors may choose shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors.

Section 5.12 Action with Respect to Securities of Other Corporations . The Chief Executive Officer, Chief Financial Officer, President, any Vice President or the Secretary, or any other officer of the Corporation authorized by the Board of Directors or the Chief Executive Officer, is authorized to vote, represent, and exercise on behalf of the Corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the Corporation. The authority herein granted may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by the person having such authority.

ARTICLE VI
INDEMNIFICATION AND ADVANCEMENT OF EXPENSES

Section 6.1 Right to Indemnification.

(a) Each person (hereinafter referred to as an “indemnitee”) who was or is made a party or is threatened to be made a party to, or is otherwise involved in, any action, suit, arbitration, alternative dispute mechanism, inquiry, administrative or legislative hearing, investigation or any other actual, threatened or completed proceeding, including any and all appeals, whether civil, criminal, administrative or investigative (hereinafter a “proceeding”), by reason of the fact that he or she (a) is or was an employee providing service to an employee benefit plan in which the Corporation or any of its subsidiaries or affiliates participates or is a participating company or (b) is or was a director or an officer of the Corporation or is or was serving at the request of the Corporation as a director or officer (including elected or appointed positions that are equivalent to director or officer) of another corporation, partnership, joint venture, trust or other enterprise, whether the basis of such proceeding is alleged action in an official capacity as a director or officer (or equivalent) or in any other capacity while serving as a director or officer (or equivalent), shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended, against all expense, liability and loss (including attorneys’ fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such indemnitee in connection therewith; provided, however, that, except as provided in Section 6.3 with respect to proceedings to enforce rights to indemnification, the Corporation shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized or ratified by the Board of Directors.

(b) To receive indemnification under this Section 6.1, an indemnitee shall submit a written request to the Secretary of the Corporation. Such request shall include documentation or information that is necessary to determine the entitlement of the indemnitee to indemnification and that is reasonably available to the indemnitee. Upon receipt by the Secretary of the Corporation of such a written request, the entitlement of the indemnitee to indemnification shall be determined by the following person or persons who shall be empowered to make such determination: (i) the Board of Directors by a majority vote of the directors who are not parties to such proceeding, whether or not such majority constitutes a quorum, (ii) a committee of such directors designated by a majority vote of such directors, whether or not such majority constitutes a quorum, (iii) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion to the Board of Directors, a copy of which shall be delivered to the indemnitee, (iv) the stockholders of the Corporation or (v) in the event that a change of control (as defined below) has occurred, by independent legal counsel in a written opinion to the Board of Directors, a copy of which shall be delivered to the indemnitee. The determination of entitlement to indemnification shall be made and, unless a contrary determination is made, such indemnification shall be paid in full by the Corporation not later than 60 days after receipt by the Secretary of the Corporation of a written request for indemnification. For purposes of this Section 6.1(b), a “change of control” will be deemed to have occurred if

the individuals who, as of the effective date of these Bylaws, constitute the Board of Directors (the “incumbent board”) cease for any reason to constitute at least a majority of the Board of Directors; provided, however, that any individual becoming a director subsequent to such effective date whose election, or nomination for election by the stockholders of the Corporation, was approved by a vote of at least a majority of the directors then comprising the incumbent board shall be considered as though such individual were a member of the incumbent board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board of Directors.

Section 6.2 Advancement of Expenses .

(a) In addition to the right to indemnification conferred in Section 6.1, each director and each Section 16 officer, as determined by the Chief Executive Officer of the Corporation in accordance with Section 16a1-f of the Exchange Act (hereinafter referred to as a “Section 16 officer”) shall, to the fullest extent not prohibited by law, also have the right to be paid by the Corporation the expenses (including attorneys’ fees) incurred in defending any such proceeding in advance of its final disposition (hereinafter an “advancement of expenses”); provided, however, that if the DGCL requires, an advancement of expenses incurred by an indemnitee in his or her capacity as a director or any such officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Corporation of an undertaking (hereinafter an “undertaking”), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a “final adjudication”) that such indemnitee is not entitled to be indemnified for such expenses under this Section 6.2(a) or otherwise.

(b) In addition to the right to indemnification conferred in Section 6.1 and except for the Section 16 officers covered under Section 6.2(a) above, any other officer entitled to indemnification in Section 6.1 shall, to the fullest extent not prohibited by law, also have the right to be paid by the Corporation an advancement of expenses, provided, however, that (i) if the DGCL requires, an advancement of expenses incurred by an indemnitee in his or her capacity as an officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery of an undertaking, by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final adjudication that such indemnitee is not entitled to be indemnified for such expenses under this Section 6.2(b) or otherwise, and (ii) unless otherwise available pursuant to Section 6.4, the Corporation shall not advance or continue to advance expenses to any officer covered under this Section 6.2(b) in any proceeding if a determination is reasonably and promptly made (x) by the Board of Directors by a majority vote of directors who are not party to the proceeding with respect to which an advancement of expenses is sought, even though less than a quorum, (y) by a majority vote of a committee of such directors designated by a majority vote of such directors, or (z) if there are no such

directors or such directors so direct, or in the event of a change of control (as defined in Section 6.1(b)), by independent legal counsel in a written opinion, that the facts known to the decision-making party at the time such determination is made demonstrate clearly and convincingly that such officer acted in bad faith or in a manner that such officer did not believe to be in or not opposed to the best interests of the Corporation. In no event shall any advance be made in instances where the Board of Directors, a committee or independent legal counsel reasonably determines that such officer deliberately breached such officer's duty to the Corporation or its stockholders.

(c) To receive an advancement of expenses under this Section 6.2, an indemnitee shall submit a written request to the Secretary of the Corporation. Such request shall reasonably evidence the expenses incurred by the indemnitee and shall include or be accompanied by the undertaking required by Section 6.2(a). Each such advancement of expenses shall be made within 20 days after the receipt by the Secretary of the Corporation of a written request for advancement of expenses, subject to the satisfaction of the conditions set forth in Section 6.2(a) or Section 6.2(b), as applicable.

Section 6.3 Right of Indemnitee to Bring Suit. In the event that a determination is made that the indemnitee is not entitled to indemnification or if payment is not timely made following a determination of entitlement to indemnification pursuant to Section 6.1(b) or if an advancement of expenses is not timely made under Section 6.2(c), the indemnitee may at any time thereafter bring suit against the Corporation in a court of competent jurisdiction in the State of Delaware to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit. In any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a right to an advancement of expenses) it shall be a defense that the indemnitee has not met any applicable standard of conduct for indemnification set forth in the DGCL. Further, in any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the indemnitee has not met any applicable standard for indemnification set forth in the DGCL. Neither the failure of the Corporation (including its directors who are not parties to such proceeding, a committee of such directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such proceeding that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including its directors who are not parties to such proceeding, a committee of such directors, independent legal counsel, or its stockholders) that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Article VI or otherwise shall be on the Corporation.

Section 6.4 Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses conferred in this Article VI shall not be exclusive of any other right which any person may have or hereafter acquire under any law, agreement, vote of stockholders or directors, provisions of the Certificate of Incorporation or these Bylaws or otherwise.

Section 6.5 Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the DGCL.

Section 6.6 Indemnification of Employees and Agents of the Corporation. Except for those indemnitees entitled to indemnification under Section 6.1, the Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Corporation to the fullest extent of the provisions of this Article VI with respect to the indemnification and advancement of expenses of directors and officers of the Corporation.

Section 6.7 Nature of Rights. The rights conferred upon indemnitees in this Article VI shall be contract rights. Such rights shall vest at the time an indemnitee becomes a director or officer of the Corporation and shall continue as to an indemnitee who has ceased to be a director or officer and shall inure to the benefit of the indemnitee's heirs, executors and administrators. Any amendment, alteration or repeal of this Article VI that adversely affects any right of an indemnitee or its successors shall be prospective only and shall not limit or eliminate any such right with respect to any proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment or repeal.

Section 6.8 Settlement of Claims. The Corporation shall not be liable to indemnify any indemnitee under this Article VI for any amounts paid in settlement of any action or claim effected without the Corporation's written consent, which consent shall not be unreasonably withheld, or for any judicial award if the Corporation was not given a reasonable and timely opportunity, at its expense, to participate in the defense of such action.

Section 6.9 Subrogation. In the event of payment under this Article VI, the Corporation shall be subrogated to the extent of such payment to all of the rights of recovery of the indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Corporation effectively to bring suit to enforce such rights.

Section 6.10 Severability . If any provision or provisions of this Article VI shall be held to be invalid, illegal or unenforceable for any reason whatsoever, (a) the validity, legality and enforceability of the remaining provisions of this Article VI (including, without limitation, all portions of any paragraph of this Article VI containing any such provision held to be invalid, illegal or unenforceable, that are not by themselves invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby, and (b) to the fullest extent possible, the provisions of this Article VI (including, without limitation, all portions of any paragraph of this Article VI containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall be construed so as to give effect to the intent of the parties that the Corporation provide protection to the indemnitee to the fullest enforceable extent.

ARTICLE VII CAPITAL STOCK

Section 7.1 Certificates of Stock . The shares of the Corporation may be represented by certificates or may be issued in uncertificated form in accordance with Delaware law. The issuance of shares in uncertificated form shall not affect shares already represented by a certificate unless and until the certificate is surrendered to the Corporation. Every holder of stock represented by certificates shall be entitled to have a certificate signed by or in the name of the Corporation by the Chairman of the Board of Directors, if any, or the Chief Executive Officer, President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, of the Corporation certifying the number of shares owned by such holder in the Corporation. Any or all such signatures may be facsimiles. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue.

Section 7.2 Special Designation on Certificates . If the Corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock; provided, however , that, except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements there may be set forth on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Within a reasonable time after the issuance or transfer of uncertificated stock, the Corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to this Section 7.2 or Section 156, 202(a) or 218(a) of the DGCL or with respect to this Section 7.2 a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences, and the relative, participating, optional or other special rights

of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Except as otherwise expressly provided by law, the rights and obligations of the holders of uncertificated stock and the rights and obligations of the holders of certificates representing stock of the same class and series shall be identical.

Section 7.3 Transfers of Stock. Transfers of shares of stock of the Corporation shall be made only on the books of the Corporation upon authorization by the registered holder thereof or by such holder's attorney thereunto authorized by a power of attorney duly executed and filed with the Secretary or a transfer agent for such stock, and if such shares are represented by a certificate, upon surrender of the certificate or certificates for such shares properly endorsed or accompanied by a duly executed stock transfer power and the payment of any taxes thereon; provided, however, that the Corporation shall be entitled to recognize and enforce any lawful restriction on transfer.

Section 7.4 Lost Certificates. The Corporation may issue a new share certificate or new certificate for any other security in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate or the owner's legal representative to give the Corporation a bond (or other adequate security) sufficient to indemnify it against any claim that may be made against it (including any expense or liability) on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate. The Board of Directors may adopt such other provisions and restrictions with reference to lost certificates, not inconsistent with applicable law, as it shall in its discretion deem appropriate.

Section 7.5 Addresses of Stockholders. Whenever written notice to stockholders is required by law, the Certificate of Incorporation or these Bylaws, such notices may be served upon each stockholder by mail directed to the mailing address, if any, as the same appears in the records of the Corporation or at the last known mailing address of such stockholder.

Section 7.6 Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by law.

Section 7.7 Record Date for Determining Stockholders.

(a) In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, unless otherwise required by law, not be less than 10 days nor more than 60 days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such

meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of and to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which shall not be more than 60 days prior to such other action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

(c) In order that the Corporation may determine the stockholders entitled to express consent to corporate action in writing without a meeting, if applicable, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than 10 days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date for determining stockholders entitled to express consent to corporate action in writing without a meeting is fixed by the Board of Directors, (i) when no prior action of the Board of Directors is required by law, the record date for such purpose shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation in accordance with applicable law, and (ii) if prior action by the Board of Directors is required by law, the record date for such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

Section 7.8 Regulations. The Board of Directors may make such additional rules and regulations as it may deem expedient concerning the issue, transfer and registration of shares of stock of the Corporation.

Section 7.9 Transfer Agents and Registrars. The Corporation may have one or more transfer agents and one or more registrars of its stock whose respective duties the Board of Directors or the Secretary may, from time to time, define. No certificate of stock shall be valid until countersigned by a transfer agent, if the Corporation has a transfer agent, or until registered by a registrar, if the Corporation has a registrar. The duties of the transfer agent and the registrar may be combined.

**ARTICLE VIII
GENERAL MATTERS**

Section 8.1 Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January of each year and end on the last day of December of the same year, or such other 12 consecutive months as the Board of Directors may designate.

Section 8.2 Corporate Seal. The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the words "Corporate Seal, Delaware." The seal may be used by causing it or a facsimile thereof to be impressed, affixed, reproduced or otherwise.

Section 8.3 Maintenance and Inspection of Records. The Corporation shall, either at its principal executive office or at such place or places as designated by the Board of Directors, keep a record of its stockholders listing their names and addresses and the number and class of shares held by each stockholder, a copy of these Bylaws as amended to date, accounting books and other records.

Section 8.4 Reliance Upon Books, Reports and Records. Each director and each member of any committee designated by the Board of Directors shall, in the performance of his or her duties, be fully protected in relying in good faith upon the books of account or other records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of its officers or employees, or committees of the Board of Directors so designated, or by any other person as to matters which such director or committee member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

Section 8.5 Subject to Law and Certificate of Incorporation. All powers, duties and responsibilities provided for in these Bylaws, whether or not explicitly so qualified, are qualified by the Certificate of Incorporation and applicable law.

**ARTICLE IX
AMENDMENTS**

Section 9.1 Amendments. In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware, the Board of Directors is expressly authorized to adopt, amend or repeal these Bylaws. These Bylaws may also be adopted amended or repealed by the affirmative vote of the holders of at least a majority of the total voting power of the Voting Stock; provided, however, that in addition to any requirements of law and any other provision of these Bylaws or the Certificate of Incorporation, and notwithstanding any other provision of these Bylaws, the Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, the affirmative vote of the holders of at least 75% in voting power of the Voting Stock shall be required for the stockholders to amend or repeal any provision of Sections 2.2, 2.3, 2.10, 2.11, 3.2, 3.3, 3.4 and 9.1 of these Bylaws or to adopt any provision inconsistent therewith.

The foregoing Bylaws were adopted by the Board of Directors on December 30, 2011.

GIBSON DUNN

Gibson, Dunn & Crutcher LLP

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January 1, 2012

WPX Energy, Inc.
One Williams Center
Tulsa, Oklahoma 74172-0172

Re: *WPX Energy, Inc.*
Registration Statement on Form S-8
WPX Energy, Inc. 2011 Incentive Plan
WPX Energy, Inc. 2011 Employee Stock Purchase Plan

Ladies and Gentlemen:

We have examined the Registration Statement on Form S-8 (the "Registration Statement") of WPX Energy, Inc., a Delaware corporation (the "Company"), filed on December 8, 2011 with the Securities and Exchange Commission (the "Commission") pursuant to the Securities Act of 1933, as amended (the "Securities Act"), in connection with the offering by the Company of: (i) up to 17,500,000 shares (the "Incentive Plan Shares") of the Company's common stock, par value \$0.01 per share (the "Common Stock"), that will be issuable pursuant to the WPX Energy, Inc. 2011 Incentive Plan (the "Incentive Plan") and (ii) up to 1,000,000 shares (the "ESPP Shares" and collectively with the Incentive Plan Shares, the "Shares") of Common Stock that will be issuable pursuant to the WPX Energy, Inc. 2011 Employee Stock Purchase Plan (the "ESPP" and collectively with the Incentive Plan, the "Plans"). The Incentive Plan Shares will be issuable pursuant to the Incentive Plan to eligible employees and non-employee directors of the Company and pursuant to the Incentive Plan awards granted in accordance with that certain Employee Matters Agreement between the Company and The Williams Companies, Inc. to employees and non-employee directors of The Williams Companies, Inc. and its subsidiaries in substitution for awards under The Williams Companies, Inc. equity incentive plans immediately prior to the pro rata distribution of the Common Stock to complete the spin-off of the Company from The Williams Companies, Inc. The ESPP Shares will be issuable pursuant to the ESPP to eligible employees of the Company.

In addition to examining the Registration Statement, the Incentive Plan, the ESPP, the Company's Restated Certificate of Incorporation and the Company's Restated Bylaws, we have examined the originals, or photostatic or certified copies, of such records of the Company and certificates of officers of the Company and of public officials and such other documents as we have deemed relevant and necessary as the basis for the opinions set forth below. In our examination, we have assumed the genuineness of all signatures, the legal capacity and competency of all natural persons, the authenticity of all documents submitted to us as originals and the conformity to original documents of all documents submitted to us

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WPX Energy, Inc.
January 1, 2012
Page 2

as copies. We have also assumed that there are no agreements or understandings between or among the Company and any participants in the Incentive Plan or ESPP that would expand, modify or otherwise affect the terms of the Incentive Plan or the ESPP or the respective rights or obligations of the participants under each. Finally, we have assumed the accuracy of all other information provided to us by the Company during the course of our investigations, on which we have relied in issuing the opinion expressed below.

Based upon the foregoing examination and in reliance thereon, and subject to the assumptions stated and in reliance on statements of fact contained in the documents that we have examined, we are of the opinion that when the Shares have been issued and sold in accordance with the terms set forth in the Plans for the consideration provided for therein, the Shares will be validly issued, fully paid and non-assessable.

The opinions contained herein relate solely to the Delaware General Corporation Law, and we express no opinion concerning the laws of any other jurisdiction. We express no opinion regarding the effectiveness of any waiver (whether or not stated as such) contained in the Plans of the rights of any party, or duties owing to it, that is broadly or vaguely stated or does not describe the right or duty purportedly waived with reasonable specificity or any provision in the Plans relating to indemnification, exculpation or contribution. This opinion supersedes our opinion dated December 8, 2011.

We consent to the filing of this opinion as an exhibit to the Registration Statement, and we further consent to the use of our name in the Registration Statement and the prospectus that forms a part thereof. In giving these consents, we do not thereby admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act or the Rules and Regulations of the Commission.

Very truly yours,

/s/ Gibson Dunn & Crutcher

SEPARATION AND DISTRIBUTION AGREEMENT

by and between

THE WILLIAMS COMPANIES, INC.,

and

WPX ENERGY, INC.

Dated as of December 30, 2011

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SEPARATION AND DISTRIBUTION AGREEMENT

SEPARATION AND DISTRIBUTION AGREEMENT, dated as of December 30, 2011 (this “Agreement”), by and between The Williams Companies, Inc., a Delaware corporation (“WMB”), and WPX Energy, Inc., a Delaware corporation (“WPX”).

RECITALS

A. The WMB Board has determined that it would be appropriate, desirable and in the best interests of WMB and WMB’s stockholders to separate WMB into two publicly traded companies: (i) WMB, which will continue to own and conduct, directly and indirectly, the WMB Business, and (ii) WPX, which will own and conduct, directly and indirectly, the WPX Business.

B. In connection with the separation of the WPX Business from WMB, WMB desires to contribute or otherwise transfer, and to cause certain of its Subsidiaries to contribute or otherwise transfer, certain Assets and Liabilities associated with the WPX Business, including the stock or other equity interests of certain of WMB’s Subsidiaries dedicated to the WPX Business, to WPX and certain of WPX’s Subsidiaries (collectively, the “Contribution”).

C. On the Distribution Date, and subject to the terms and conditions of this Agreement, WMB will distribute to holders of shares of WMB Common Stock, on a *pro rata* basis, all the outstanding shares of common stock, par value \$1.00 per share, of WPX (“WPX Common Stock”) owned by WMB on the Distribution Date (the “Distribution”).

D. WMB and WPX intend that the Contribution and Distribution, taken together, will qualify as a reorganization for U.S. federal income tax purposes pursuant to which no gain or loss will be recognized by WMB or its stockholders under Section 355, 361(b)(3), 368(a)(1)(D) and related provisions of the Code, and that this Agreement is intended to be, and is hereby adopted as, a plan of reorganization under Section 368 of the Code.

E. The parties intend this Agreement and the Ancillary Agreements to set forth the principal arrangements between them regarding the Contribution and Distribution.

AGREEMENT

In consideration of the foregoing and the mutual covenants and agreements herein contained, and intending to be legally bound hereby, the parties agree as follows:

**ARTICLE I
DEFINITIONS**

Section 1.1 Table of Definitions . The following terms have the meanings set forth on the pages referenced below:

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Section 1.2 Certain Defined Terms. For the purposes of this Agreement:

“Action” means any claim, demand, action, suit, countersuit, audit, arbitration, inquiry, proceeding or investigation by or before any Governmental Authority or any United States or non-United States federal, state, local or international arbitration or mediation tribunal.

“Affiliate” of any Person means a Person that controls, is controlled by, or is under common control with such Person; provided, however, that for purposes of this Agreement and the Ancillary Agreements, none of the WMB Entities shall be deemed to be an Affiliate of any WPX Entity and none of the WPX Entities shall be deemed to be an Affiliate of any WMB Entity. As used herein, “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through ownership of voting securities or other interests, by contract or otherwise.

“Agent” means the distribution agent to be appointed by the WMB Board to distribute to the Record Holders the shares of WPX Common Stock pursuant to the Distribution.

“Ancillary Agreements” means the Transition Services Agreement, Tax Sharing Agreement, Employee Matters Agreement and any other instruments, assignments, documents and agreements executed in connection with the implementation of the transactions contemplated by this Agreement.

“Assets” means assets, properties and rights (including goodwill and rights arising under Contracts), wherever located (including in the possession of vendors, other Persons or elsewhere), whether real, personal or mixed, tangible, intangible or contingent, in each case whether or not recorded or reflected or required to be recorded or reflected on the books and records or financial statements of any Person.

“Business Day” means a day other than a Saturday, Sunday or other day on which commercial banks in the State of Oklahoma are authorized or required by law to close.

“Code” means the Internal Revenue Code of 1986, as amended.

“Consents” means any consents, waivers or approvals from, or notification requirements to, any Person other than a member of either Group.

“Contract” means any contract, agreement, lease, license, sales order, purchase order, instrument or other commitment that is binding on any Person or any part of its property under applicable law.

“Distribution Date” means the date on which the Distribution occurs.

“Distribution Ratio” means the number of shares of WPX Common Stock to be distributed in respect of each share of WMB Common Stock in the Distribution, which ratio shall be determined by the WMB Board prior to the Record Date.

“Effective Time” means 12:01 a.m., Eastern time, on the Distribution Date.

“Employee Matters Agreement” means the Employee Matters Agreement, dated as of the date hereof, between WMB and WPX, as may be amended or modified from time to time.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, together with the rules and regulations promulgated thereunder.

“Form 10” means the registration statement on Form 10 filed by WPX with the SEC to effect the registration of WPX Common Stock pursuant to the Exchange Act in connection with the Distribution, as such registration statement may be amended or supplemented from time to time.

“GAAP” means U.S. generally accepted accounting principles.

“Governmental Approvals” means any notices, reports or other filings to be given to or made with, or any releases, Consents, substitutions, approvals, amendments, registrations, permits or authorizations to be obtained from, any Governmental Authority.

“Governmental Authority” means any United States or non-United States federal, state, local, territorial, tribal or international court, government, department, commission, board, bureau, agency, official or other legislative, judicial, regulatory, administrative or governmental authority.

“Group” means the WMB Group or the WPX Group, as the context requires.

“Information” means information, including books and records, whether or not patentable or copyrightable, in written, oral, electronic or other tangible or intangible forms, stored in any medium, including studies, reports, records, books, contracts, instruments, surveys, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, diagrams, models, prototypes, samples, flow charts, data, computer data, disks, diskettes, tapes, computer programs or other software, marketing plans, customer names, communications by or to attorneys (including attorney-client privileged communications), memos and other materials prepared by attorneys or under their direction (including attorney work product), and other technical, financial, employee or business information or data.

“Information Statement” means the Information Statement, attached as an exhibit to Form 10, to be sent to each holder of WMB Common Stock in connection with the Distribution, as such Information Statement may be amended or supplemented from time to time.

“Insurance Proceeds” means, with respect to any Liability to be reimbursed by an Indemnifying Party that may be covered, in whole or in part, by insurance policies written by third-party providers, the amount of insurance proceeds actually received in cash under such insurance policy with respect to such Liability, net of any costs in seeking such collection.

“IRS” means the U.S. Internal Revenue Service.

“Law” means any statute, law, regulation, ordinance, rule, judgment, rule of common law, order, decree, government approval, concession, grant, franchise, license, agreement, directive, guideline, policy, requirement or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or administration of any of the foregoing by, any Governmental Authority, whether now or hereinafter in effect and, in each case, as amended.

“Liabilities” means any and all losses, claims, charges, debts, demands, Actions, damages, obligations, payments, costs and expenses, sums of money, bonds, indemnities and similar obligations, penalties, covenants, Contracts, controversies, agreements, promises, omissions, guarantees, make whole agreements and similar obligations, and other liabilities, including all contractual obligations, whether absolute or contingent, inchoate or otherwise, matured or unmatured, liquidated or unliquidated, accrued or unaccrued, known or unknown, whenever arising, and including those arising under any Law, Action, threatened or contemplated Action (including the costs and expenses of demands, assessments, judgments, settlements and compromises relating thereto and attorneys’ fees and any and all costs and expenses (including allocated costs of in-house counsel and other personnel), whatsoever incurred in investigating, preparing or defending against any such Actions or threatened or contemplated Actions), order or consent decree of any Governmental Authority or any award of any arbitrator of any kind, and those arising under any contract, commitment or undertaking, including those arising under this Agreement or any Ancillary Agreement or incurred by a party hereto or thereto in connection with enforcing its rights to indemnification hereunder or thereunder, in each case, whether or not recorded or reflected or required to be recorded or reflected on the books and records or financial statements of any Person.

“Person” means an individual, corporation, partnership, limited liability company, limited liability partnership, syndicate, person, trust, association, organization or other entity, including any Governmental Authority, and including any successor, by merger or otherwise, of any of the foregoing.

“Record Date” means the close of business on the date to be determined by WMB’s Board of Directors as the record date for determining the stockholders of WMB entitled to receive shares of WPX Common Stock pursuant to the Distribution.

“Record Holders” means the holders of WMB Common Stock on the Record Date.

“SEC” means the U.S. Securities and Exchange Commission.

“Securities Act” means the Securities Act of 1933, as amended, together with the rules and regulations promulgated thereunder.

“Subsidiary” of any Person means any corporation or other organization, whether incorporated or unincorporated, of which at least a majority of the securities or interests having by the terms thereof ordinary voting power to elect at least a majority of the board of directors or others performing similar functions with respect to such corporation or other organization is directly or indirectly owned or controlled by such Person or by any one or more of its Subsidiaries, or by such Person and one or more of its Subsidiaries; provided, however, that no Person that is not directly or indirectly wholly owned by any other Person shall be a Subsidiary of such other Person unless such other Person controls, or has the right, power or ability to control, that Person.

“Tax” or “Taxes” shall have the same meaning as ascribed to such term in the Tax Sharing Agreement.

“Tax Sharing Agreement” means the Tax Sharing Agreement, dated as of the date hereof, between WMB and WPX, as may be amended or modified from time to time.

“Transition Services Agreement” means the Transition Services Agreement, dated as of the date hereof, between WMB and WPX, as may be amended or modified from time to time, which provides for WMB’s provision of certain services to WPX on and after the Distribution Date.

“WMB Board” means the Board of Directors of WMB or an authorized committee thereof.

“WMB Business” means the business and operations other than the WPX Business conducted by WMB and the WMB Entities (whether conducted independently or in association with one or more third parties through a partnership, joint venture or other mutual enterprise) at any time prior to, on or after the Effective Time.

“WMB Common Stock” means the common stock, par value \$1.00 per share, of WMB.

“WMB Entities” means the members of the WMB Group.

“WMB Group” means WMB and each direct or indirect Subsidiary of WMB, other than Persons in the WPX Group.

“WMB Liabilities” means (without duplication): (a) any and all Liabilities that are expressly contemplated by this Agreement or any Ancillary Agreement to be retained or assumed by WMB or any WMB Entity, and all agreements, obligations and Liabilities of any WMB Entity under this Agreement or any of the Ancillary Agreements; (b) all Liabilities to the extent relating to, arising out of or resulting from the operation of the WMB Business, as conducted at any time prior to, on or after the Effective Time; and (c) all other Liabilities of any member of the WMB Group that are not WPX Liabilities.

“WPX Assets” means all of WMB’s and its Subsidiaries’ right, title and interest in and to:

(a) any and all Assets of WMB and its Subsidiaries that are used exclusively or held for use exclusively in the WPX Business (other than WMB’s direct or indirect equity interests in Williams Production Services, LLC and Williams Gas Marketing Services, LLC), including without limitation (i) all of WMB’s direct or indirect stock or other equity interests in the entities set forth on Exhibit A which have been or are hereby contributed as part of the Contribution, and (ii) certain Assets of WMB that may have been previously contributed to WPX; and

(b) any and all Assets that are expressly listed, scheduled or otherwise clearly described in any Ancillary Agreement as Assets to be transferred to any WPX Entity.

“WPX Borrowing” means the indebtedness of WPX incurred pursuant to the issuance of the WPX Notes and the WPX Credit Facility.

“WPX Business” means the exploration and production business and any other business and operations conducted by WPX and the WPX Entities (whether conducted independently or in association with one or more third parties through a partnership, joint venture or other mutual enterprise) at any time prior to, on or after the Effective Time.

“WPX Credit Facility” means Credit Agreement, dated as of June 3, 2011, by and among WPX, the lenders named therein, and Citibank, N.A., as administrative agent and swingline lender.

“WPX Entities” means the members of the WPX Group.

“WPX Group” means WPX and each direct or indirect Subsidiary of WPX.

“WPX Liabilities” means (without duplication):

(a) any and all Liabilities to the extent arising out of or relating to the WPX Business or the WPX Assets, in each case whether such Liabilities arise or accrue prior to, on or after the Effective Time (other than Tax-related Liabilities, which are exclusively governed by the Tax Sharing Agreement);

(b) any and all Liabilities to the extent arising out of or relating to the operation of any business conducted by any WPX Entity at any time after the Effective Time;

(c) any and all Liabilities that are expressly listed, scheduled or otherwise clearly described in any Ancillary Agreement as Liabilities to be assumed by WPX or any WPX Entity; and

(d) all obligations of the WPX Group under or pursuant to this Agreement, any Ancillary Agreement or any other instrument entered into in connection herewith or therewith.

“WPX Notes” means up to \$1.5 billion aggregate principal amount of senior unsecured notes issued by WPX prior to the Distribution on such terms and conditions as agreed to by WMB, WPX and the underwriters for the WPX Notes.

ARTICLE II THE CONTRIBUTION

Section 2.1 Contribution of WPX Assets. Unless otherwise provided in this Agreement or in any Ancillary Agreement, on or before the Effective Time, WMB will (and WMB will cause its applicable Subsidiaries to) assign, transfer and convey to WPX and its applicable Subsidiaries, and WPX will receive and accept from WMB and its applicable Subsidiaries, all of WMB’s and its applicable Subsidiaries’ right, title and interest in and to the WPX Assets. Such assignments, transfers and conveyances will be effective at such times as provided in each respective Ancillary Agreement and will be subject to the terms and conditions of this Agreement and any applicable Ancillary Agreement.

Section 2.2 Assumption of Liabilities. Unless otherwise provided in this Agreement or in any Ancillary Agreement, on or before the Effective Time, WPX will (and WPX will cause its applicable Subsidiaries to) assume, and on a timely basis pay, perform, satisfy and discharge the WPX Liabilities in accordance with their respective terms. WPX and its applicable Subsidiaries will be responsible for all WPX Liabilities, regardless of (a) when or where such Liabilities arose or arise, (b) whether the facts on which they are based occurred on, prior to or subsequent to the Effective Time, (c) where or against whom such Liabilities are asserted or determined, (d) whether asserted or determined on, prior to or subsequent to the Effective Time, or (e) whether arising from or alleged to arise from negligence, recklessness, violation of law, fraud or misrepresentation (each, a “Bad Act”) by any member of the WMB Group, the WPX Group or any of their respective past or present representatives; provided, however, that this Section 2.2 will not limit WPX’s right to make a claim against a WMB Group member for Losses suffered by it to the extent that such Losses are a direct result of a Bad Act committed by a WMB Group member subsequent to the Effective Time. Such assumptions of WPX Liabilities will be effective at such times as provided in each respective Ancillary Agreement and will be subject to the terms and conditions of this Agreement and any applicable Ancillary Agreement.

Section 2.3 Effective Time; Deliveries. In furtherance of the assignment, transfer and conveyance of the WPX Assets and the assumption of the WPX Liabilities as set forth in this Agreement and the Ancillary Agreements, unless otherwise provided in this Agreement or in any Ancillary Agreement, on or before the Effective Time, the parties will execute and deliver, and they will cause their respective Subsidiaries and representatives, as applicable, to execute and deliver: (a) each of the Ancillary Agreements; (b) such bills of sale, stock powers, certificates of title, assignments of

Contracts, subleases and other instruments of transfer, conveyance and assignment as, and to the extent, necessary or convenient to evidence the transfer, conveyance and assignment to WPX (or, as applicable, its Subsidiaries) of all of WMB's (or, as applicable, its Subsidiaries') right, title and interest in and to the WPX Assets; and (c) such assumptions of Contracts and other instruments of assumption as, and to the extent, necessary or convenient to evidence the valid and effective assumption of the WPX Liabilities by WPX (or, as applicable, its Subsidiaries).

Section 2.4 Transfers Not Effected on or before the Effective Time.

(a) The parties acknowledge and agree that some of the transfers contemplated by this Article II may not be effected on or before the Effective Time due to the inability of the parties to obtain necessary Consents or approvals or the inability of the parties to take certain other actions necessary to effect such transfers on or before the Effective Time. To the extent any transfers contemplated by this Article II have not been fully effected on or before the Effective Time, WMB and WPX will cooperate and use commercially reasonable efforts (and will cause the applicable members of its respective Group to use such efforts) to obtain any necessary Consents or approvals or take any other actions necessary to effect such transfers as promptly as practicable following the Effective Time.

(b) Nothing in this Agreement will be deemed to require the transfer or assignment of any Contract or other Asset by any WMB Entity (an "Intended Transferor") to any WPX Entity (an "Intended Transferee") to the extent that such transfer or assignment would constitute a material breach of such Contract or cause forfeiture or loss of such Asset; provided, however, that even if such Contract or other Asset cannot be so transferred or assigned, such Contract or other Asset will be deemed a WPX Asset solely for purposes of determining whether any Liability is a WPX Liability.

(c) If an attempted assignment would be ineffective or would impair an Intended Transferee's rights under any such WPX Asset so that the Intended Transferee would not receive all such rights, then the parties will use commercially reasonable efforts to provide to, or cause to be provided to, the Intended Transferee, to the extent permitted by law, the rights of any such WPX Asset and take such other actions as may reasonably be requested by the other party in order to place the Intended Transferee, insofar as reasonably possible, in the same position as if such WPX Asset had been transferred as contemplated hereby. In connection therewith, (i) the Intended Transferor will promptly pass along to the Intended Transferee when received all benefits derived by the Intended Transferor with respect to any such WPX Asset, and (ii) the Intended Transferee will pay, perform and discharge on behalf of the Intended Transferor all of the Intended Transferor's obligations with respect to any such WPX Asset in a timely manner and in accordance with the terms thereof which it may do without breach. If and when such Consents or approvals are obtained or such other required actions have been taken, the transfer of the applicable WPX Asset will be effected in accordance with the terms of this Agreement and any applicable Ancillary Agreement.

Section 2.5 Termination of Agreements.

(a) Except as set forth in Section 2.5(b), the WMB Entities, on the one hand, and the WPX Entities, on the other hand, hereby terminate any and all agreements, arrangements, commitments or understandings (including intercompany work orders), whether or not in writing, between or among any WMB Entity, on the one hand, and any WPX Entity, on the other hand, effective as of the Effective Time. No such terminated agreement, arrangement, commitment or understanding (including any provision thereof that purports to survive termination) shall be of any further force or effect from and after the Effective Time. Each party shall, at the reasonable request of the other party, take, or cause to be taken, such other actions as may be necessary to effect the foregoing.

(b) The provisions of Section 2.5(a) shall not apply to any of the following agreements, arrangements, commitments or understandings (or to any of the provisions thereof):

(i) this Agreement and the Ancillary Agreements (and each other agreement or instrument expressly contemplated by this Agreement or any Ancillary Agreement to be entered into by any WMB Entity or WPX Entity);

(ii) any agreements, arrangements, commitments or understandings to which any non-wholly owned Subsidiary or non-wholly owned Affiliate of WMB or WPX, as the case may be, is a party;

(iii) any other agreements, arrangements, commitments or understandings that this Agreement or any Ancillary Agreement expressly contemplates will survive the Effective Time;

(iv) any confidentiality or non-disclosure agreements among any members of either Group or employees of any member of either Group, including any obligation not to disclose proprietary or privileged information; and

(v) any agreements, arrangements, commitments or understandings listed or described on Schedule 2.5(b)(v).

(c) Except as otherwise expressly and specifically provided in this Agreement or any Ancillary Agreement, all intercompany receivables, payables, loans and other accounts between any WMB Entity, on the one hand, and any WPX Entity, on the other hand, in existence as of immediately prior to the Effective Time shall be satisfied and/or settled by the relevant members of the WMB Group and the WPX Group no later than the Effective Time by (i) forgiveness by the relevant obligor or (ii) one or a related series of repayments, distributions of and/or contributions to capital, in each case as determined by WMB.

Section 2.6 Governmental Approvals and Consents. To the extent that any of the transactions contemplated by this Agreement or any Ancillary Agreement requires any Governmental Approval or Consent, the parties will use their reasonable best efforts to obtain such Governmental Approval or Consent.

Section 2.7 Disclaimer of Representations and Warranties. Each of WMB (on behalf of itself and each other WMB Entity) and WPX (on behalf of itself and each other WPX Entity) understands and agrees that, except as expressly set forth herein or in any Ancillary Agreement, no party (including its Affiliates) to this Agreement, any Ancillary Agreement or any other agreement or document contemplated by this Agreement, any Ancillary Agreement or otherwise, is making any representations or warranties relating in any way to the Contribution, Distribution or WPX Assets.

ARTICLE III ACTIONS PENDING THE DISTRIBUTION

Section 3.1 Actions Prior to the Distribution.

- (a) Subject to the conditions specified in Section 3.2 and subject to Section 4.3, each of the parties shall use its reasonable best efforts to consummate the Distribution. Such actions shall include those specified in this Section 3.1.
- (b) Prior to the Distribution, each of the parties will execute and deliver all Ancillary Agreements to which it is a party, and will cause the other WMB Entities and WPX Entities, as applicable, to execute and deliver any Ancillary Agreements to which such Persons are parties.
- (c) Prior to the Distribution, WPX shall mail the Information Statement to the Record Holders.
- (d) WPX shall prepare, file with the SEC and use its reasonable best efforts to cause to become effective any registration statements or amendments thereto required to effect the establishment of, or amendments to, any employee benefit and other plans necessary or appropriate in connection with the transactions contemplated by this Agreement or any of the Ancillary Agreements.
- (e) Each of the parties shall take all such actions as may be necessary or appropriate under the securities or blue sky Laws of the states or other political subdivisions of the United States or of other foreign jurisdictions in connection with the Distribution.
- (f) WPX shall prepare and file, and shall use reasonable best efforts to have approved prior to the Distribution, an application for the listing on the NYSE or another national securities exchange of the WPX Common Stock to be distributed in the Distribution, subject to official notice of listing.
- (g) Prior to the Distribution, the existing directors of WPX shall duly elect the individuals listed as members of the WPX board of directors in the Information Statement, and such individuals shall become the members of the WPX board of directors effective as of no later than immediately prior to the Distribution.

(h) Prior to the Distribution, WMB shall deliver or cause to be delivered to WPX the resignation from each applicable WPX Entity, effective as of no later than immediately prior to the Distribution, of each individual who will be an employee of any WMB Entity after the Distribution and who is an officer or director of any WPX Entity immediately prior to the Distribution.

(i) Immediately prior to the Distribution, the Restated Certificate of Incorporation and Restated Bylaws of WPX, each in substantially the form filed as an exhibit to the Form 10, shall be in effect.

(j) The parties shall, subject to Section 4.3, take all reasonable steps necessary and appropriate to cause the conditions set forth in Section 3.2 to be satisfied and to effect the Distribution on the Distribution Date.

Section 3.2 Conditions to the Distribution. The obligations of the parties to consummate the Distribution shall be conditioned on the satisfaction, or waiver by the WMB Board, in its sole and absolute discretion, of the following conditions:

(a) The WMB Board shall, in its sole and absolute discretion, have authorized and approved the Contribution and Distribution and not withdrawn such authorization and approval.

(b) The WMB Board shall have declared the dividend of WPX Common Stock to the Record Holders.

(c) Each Ancillary Agreement shall have been executed by each party thereto.

(d) The SEC shall have declared the Form 10 effective, no stop order suspending the effectiveness of the Form 10 shall be in effect, and no proceedings for such purpose shall be pending before or threatened by the SEC.

(e) The WPX Common Stock shall have been accepted for listing on the NYSE or another national securities exchange approved by the WMB Board, subject to official notice of issuance.

(f) WMB shall have received an opinion from WMB's legal advisors regarding the tax consequences of the Contribution and Distribution and such other matters, as it will determine to be necessary or advisable in its sole and absolute discretion, each of which shall remain in full force and effect, that the Contribution and Distribution will not result in recognition for U.S. Federal income tax purposes, of income, gain or loss to WMB, or of income, gain or loss to its stockholders, except to the extent of cash received in lieu of fractional shares of WPX Common Stock.

(g) WPX shall have received the net proceeds from the Notes and shall have made a cash distribution of approximately \$979 million to Williams;

(h) An independent firm acceptable to WMB, in its sole and absolute discretion, shall have delivered one or more opinions to the WMB Board confirming the solvency and financial viability of WMB and WPX, which opinions shall be in form and substance satisfactory to WMB, in its sole and absolute discretion, and shall not have been withdrawn or rescinded.

(i) No order, injunction or decree that would prevent the consummation of the Distribution shall be threatened, pending or issued (and still in effect) by any Governmental Authority of competent jurisdiction, no other legal restraint or prohibition preventing the consummation of the Distribution shall be in effect, and no other event outside the control of WMB shall have occurred or failed to occur that prevents the consummation of the Distribution.

(j) No other events or developments shall have occurred prior to the Distribution Date that, in the judgment of the WMB Board, would result in the Distribution having a significant adverse effect on WMB or its stockholders.

(k) The actions set forth in Sections 3.1(c), (g), (h) and (i) shall have been completed.

The foregoing conditions may only be waived by the WMB Board, in its sole and absolute discretion, are for the sole benefit of WMB and shall not give rise to or create any duty on the part of the WMB Board to waive or not waive such conditions or in any way limit the right of termination of this Agreement set forth in Article VIII or alter the consequences of any such termination from those specified in Article VIII. Any determination made by the WMB Board prior to the Distribution concerning the satisfaction or waiver of any or all of the conditions set forth in this Section 3.2 shall be conclusive.

ARTICLE IV THE DISTRIBUTION

Section 4.1 The Distribution .

(a) WPX shall cooperate with WMB to accomplish the Distribution and shall, at the direction of WMB, use its reasonable best efforts to promptly take any and all actions necessary or desirable to effect the Distribution. Each of the parties will provide, or cause the applicable member of its Group to provide, to the Agent all documents and information required to complete the Distribution.

(b) Subject to the terms and conditions set forth in this Agreement, (i) on or prior to the Distribution Date, for the benefit of and distribution to the Record Holders, WMB will deliver to the Agent all of the issued and outstanding shares of WPX Common Stock then owned by WMB or any other WMB Entity and book-entry authorizations for such shares and (ii) on the Distribution Date, WMB shall instruct the Agent to distribute, by means of a *pro rata* dividend, to each Record Holder (or such Record Holder's bank or brokerage firm on such Record Holder's behalf) electronically, by direct registration in book-entry form, the number of whole shares of WPX Common Stock to which such Record Holder is entitled based on the Distribution Ratio. The Distribution shall be effective at the Effective Time. On or as soon as practicable after the Distribution Date, the Agent will mail an account statement indicating the number of shares of WPX Common Stock that have been registered in book-entry form in the name of each Record Holder.

(c) With respect to the shares of WPX Common Stock remaining with the Agent 180 days after the Distribution Date, the Agent shall deliver any such shares as directed by WPX, with the consent of WMB (which consent shall not be unreasonably withheld or delayed).

Section 4.2 Fractional Shares. The Agent and WMB shall, as soon as practicable after the Distribution Date, (a) determine the number of whole shares and fractional shares of WPX Common Stock allocable to each Record Holder, (b) aggregate all such fractional shares into whole shares and sell the whole shares obtained thereby in open market transactions at then-prevailing trading prices on behalf of Record Holders that would otherwise be entitled to fractional share interests and (c) distribute to each such Record Holder, or for the benefit of each beneficial owner of fractional shares, such Record Holder's or beneficial owner's ratable share of the net proceeds of such sales, based upon the average gross selling price per share of WPX Common Stock after making appropriate deductions for any amount required to be withheld under applicable Tax Law and less any transfer Taxes. WPX will be responsible for payment of any brokerage fees associated with such sales. The Agent, in its sole discretion, will determine the timing and method of selling such shares, the selling price of such shares and the broker-dealer to which such shares will be sold; provided, however, that the designated broker-dealer is not an Affiliate of WMB or WPX. Neither WMB nor WPX will pay any interest on the proceeds from the sale of such shares.

Section 4.3 Sole Discretion of the WMB Board. The WMB Board shall, in its sole and absolute discretion, determine the Distribution Date and all terms of the Distribution, including the form, structure and terms of any transactions and/or offerings to effect the Distribution and the timing of and conditions to the consummation thereof. In addition, and notwithstanding anything to the contrary set forth below, the WMB Board, in its sole and absolute discretion, may at any time and from time to time until the Distribution decide to abandon the Distribution or modify or change the terms of the Distribution, including by accelerating or delaying the timing of the consummation of all or part of the Distribution.

ARTICLE V EXCHANGE OF INFORMATION; CONFIDENTIALITY

Section 5.1 Agreement for Exchange of Information.

(a) Except in the case of an adversarial Action or threatened adversarial Action related to a request hereunder by any member of either the WMB Group or the WPX Group against any member of the other Group (which shall be governed by such discovery rules as may be applicable thereto), and subject to Section 5.1(b), each of WMB and WPX, on behalf of the members of its respective Group, shall use reasonable best efforts to provide (except as otherwise provided in this Agreement or any Ancillary Agreement, at the sole cost and expense of the requesting party), or cause to be provided,

to the other Group, at any time before or after the Effective Time, as soon as reasonably practicable after written request therefor, any Information in the possession or under the control of the members of such respective Group that the requesting party reasonably requests (i) in connection with reporting, disclosure, filing or other requirements imposed on the requesting party (including under applicable securities, defense contracting or Tax Laws) by a Governmental Authority having jurisdiction over the requesting party, (ii) for use in any other judicial, regulatory, administrative, tax, insurance or other proceeding or in order to satisfy audit, accounting, claims, regulatory, investigation, litigation, tax or other similar requirements, or (iii) to comply with its obligations under this Agreement, any Ancillary Agreement or the WPX Borrowing. The receiving party shall use any Information received pursuant to this Section 5.1(a) solely to the extent reasonably necessary to satisfy the applicable obligations or requirements described in the immediately preceding sentence and shall otherwise take reasonable steps to protect such Information. Nothing in this Section 5.1 shall be construed as obligating a party to create Information not already in its possession or control.

(b) In the event that any party determines that the exchange of any Information pursuant to Section 5.1(a) is reasonably likely to violate any Law or binding agreement, or waive or jeopardize any attorney-client privilege, or attorney work product protection, such party shall not be required to provide access to or furnish such Information to the other party; provided, however, that the parties shall take all reasonable measures to permit compliance with Section 5.1(a) in a manner that avoids any such harm or consequence. WMB and WPX intend that any provision of access to or the furnishing of Information that would otherwise be within the ambit of any legal privilege shall not operate as a waiver of such privilege.

(c) After the Effective Time, each of WMB and WPX shall maintain in effect systems and controls reasonably intended to enable the members of the other Group to satisfy their respective known reporting, accounting, disclosure, audit and other obligations.

Section 5.2 Ownership of Information . Any Information owned by a member of one Group that is provided to a requesting party pursuant to Section 5.1 shall be deemed to remain the property of the providing party. Except as specifically set forth herein, nothing contained in this Agreement shall be construed as granting or conferring rights of license or otherwise in any such Information.

Section 5.3 Compensation for Providing Information . The party requesting Information pursuant to Section 5.1 agrees to reimburse the party providing such Information for the reasonable costs, if any, of creating, gathering and copying such Information, to the extent that such costs are incurred for the benefit of the requesting party. Except as may be otherwise specifically provided elsewhere in this Agreement or in any other agreement between the parties, such costs shall be computed in accordance with the providing party's standard methodology and procedures.

Section 5.4 Record Retention. To facilitate the possible exchange of Information pursuant to this Article V and other provisions of this Agreement from and after the Effective Time, each of the parties agrees to use reasonable best efforts to retain all Information in accordance with its record and retention policy as in effect immediately prior to the Effective Time or as modified in good faith thereafter.

Section 5.5 Limitation of Liability. No party shall have any liability to any other party in the event that any Information exchanged or provided pursuant to this Agreement that is an opinion, estimate or forecast, or that is based on an opinion, estimate or forecast, is found to be inaccurate, in the absence of willful misconduct by the party providing such Information. No party shall have any liability to any other party if any Information is destroyed after reasonable best efforts by such party to comply with the provisions of Section 5.4.

Section 5.6 Other Agreements Providing for Exchange of Information. The rights and obligations granted under this Article V shall be subject to any specific limitations, qualifications or additional provisions on the sharing, exchange or confidential treatment of Information set forth in any Ancillary Agreement.

Section 5.7 Cooperation.

(a) From and after the Effective Time, except in the case of an adversarial Action or threatened adversarial Action by any member of either the WMB Group or the WPX Group against any member of the other Group (which shall be governed by such discovery rules as may be applicable thereto), each party, upon reasonable written request of the other party, shall use reasonable efforts to cooperate and consult in good faith with the other party to the extent such cooperation and consultation is reasonably necessary with respect to (i) any Action, (ii) this Agreement or any of the Ancillary Agreements or any of the transactions contemplated hereby or thereby or (iii) any audit, investigation or any other legal requirement, and, upon reasonable written request of the other party, shall use reasonable efforts to make available to such other party the former, current and future directors, officers, employees, other personnel and agents of the members of its respective Group (whether as witnesses or otherwise). The requesting party shall bear all costs and expenses in connection therewith.

(b) Notwithstanding the foregoing, Section 5.7(a) shall not require a party to take any step that would significantly interfere, or that such party reasonably determines could significantly interfere, with its business.

Section 5.8 Confidentiality.

(a) Subject to Section 5.9, each of WMB and WPX, on behalf of itself and each member of its Group, shall hold, and shall cause its respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives to hold, in strict confidence and not release or disclose, with at least the same degree of care, but no less than a reasonable degree of care, that it applies to its own business sensitive and proprietary information, all Information concerning the other Group or its business that is either in its possession (including Information in its possession prior to the Distribution) or furnished by any member of such other Group or its respective directors, officers,

employees, agents, accountants, counsel and other advisors and representatives at any time pursuant to this Agreement, any Ancillary Agreement or otherwise, and shall not use any such Information other than for such purposes as shall be expressly permitted hereunder or thereunder, except, in each case, to the extent that such Information is (i) in the public domain through no fault of such party or any member of such Group or any of their respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives, (ii) later lawfully acquired from other sources by such party (or any member of such party's Group), which sources are not themselves bound by a confidentiality obligation, or (iii) independently generated without reference to any proprietary or confidential Information of the disclosing party or its Group.

(b) No receiving party shall release or disclose, or permit to be released or disclosed, any such Information concerning the other Group to any other Person, except its directors, officers, employees, agents, accountants, counsel and other advisors and representatives who need to know such Information (who shall be advised of their obligations hereunder with respect to such Information), except in compliance with Section 5.9. Without limiting the foregoing, when any Information concerning the other Group or its business is no longer needed for the purposes contemplated by this Agreement or any Ancillary Agreement, each disclosing party will, promptly after the request of the receiving party, either return to the disclosing party all Information in a tangible form (including all copies thereof and all notes, extracts or summaries based thereon) or certify to the disclosing party that it has destroyed such Information (and such copies thereof and such notes, extracts or summaries based thereon).

Section 5.9 Protective Arrangements. In the event that any party or any member of its Group either determines on the advice of its counsel that it should disclose any Information pursuant to applicable Law or receives any demand under lawful process or from any Governmental Authority or properly constituted arbitral authority to disclose or provide Information of any other party (or any member of any other party's Group) that is subject to the confidentiality provisions hereof, the Person required to disclose the Information shall give the applicable Person prompt, and to the extent reasonably practicable, prior written notice of such disclosure and an opportunity to contest such disclosure, and shall use reasonable best efforts to cooperate, at the expense of the requesting Person, in seeking any reasonable protective arrangements requested by such Person. In the event that such appropriate protective arrangement or order or other remedy is not obtained, the Person that is required to disclose such Information shall furnish, or cause to be furnished, only that portion of such Information that is legally required to be disclosed and shall use reasonable best efforts to ensure that confidential treatment is accorded such Information. This Section 5.9 shall not apply to the disclosure of any Information to any Governmental Authority that is reasonably necessary to respond to any inquiry by any Governmental Authority.

ARTICLE VI
ADDITIONAL COVENANTS AND OTHER MATTERS

Section 6.1 Further Assurances.

(a) In addition to the actions specifically provided for elsewhere in this Agreement, each of the parties shall use its reasonable best efforts, prior to, on and after the Effective Time, to take, or cause to be taken, all actions, and to do, or cause to be done, all things, reasonably necessary, proper or advisable under applicable Law, regulations and agreements to consummate and make effective the transactions contemplated by this Agreement and the Ancillary Agreements.

(b) On or prior to the Effective Time, WMB and WPX in their respective capacities as direct and indirect stockholders of their respective Subsidiaries, shall each ratify any actions that are reasonably necessary or desirable to be taken by WMB and WPX or any other Subsidiary of WMB or WPX, as the case may be, to effectuate the transactions contemplated by this Agreement.

Section 6.2 Use of Names, Logos and Information.

(a) No later than the Distribution Date, WPX shall cause to be filed with the Secretary of State (or other appropriate Governmental Authority) of the states in which its Subsidiaries are located or are doing business, an amendment to their certificates of incorporation or similar governing documents or qualification to do business to change the name of any Subsidiary with “Williams” in its name to a new name not confusingly similar to WMB’s name.

(b) No later than the Distribution Date (or, with respect to any WPX Entity’s wells, tanks, pipelines, and other field facilities, no later than the date that is six months after the Distribution Date), WPX shall use reasonable best efforts to remove, and WPX shall cause each member of the WPX Group to remove, from their websites, and any other publicly distributed material (other than material required to be submitted for the purpose of regulatory filings and other similar documentation), any reference to WMB, and its business lines and plans and any names, logos, or trademarks associated therewith. WPX and each other member of the WPX Group shall cease all use of the WMB name (and any name confusingly similar thereto) and all trademarks and service marks associated therewith no later than the Distribution Date (or, with respect to any WPX Entity’s wells, tanks, pipelines, and other field facilities, no later than the date that is six months after the Distribution Date); provided that, if any member of the WPX Group is unable to comply with the foregoing requirements of this Section 6.2(b) for reasons outside of its reasonable control, WPX may request WMB to grant an extension of time beyond the Distribution Date, and WMB agrees not to unreasonably withhold or delay the granting of any such requested extension. Nothing in this Section 6.2(b) shall preclude WPX or its Subsidiaries from using the WMB name to indicate that WPX and members of the WPX Group were formerly associated with WMB, or from referring to WMB by its name for non-trademark and non-branding purposes as is permitted by applicable Law.

(c) WPX shall not, and shall cause each member of the WPX Group not to, take any action, purport to take any action or otherwise hold itself out as having any authority to act on behalf of or represent in any way any member of the WMB Group. WPX shall indemnify, defend and hold harmless each of the WMB Indemnitees from and against any and all Liabilities of the WMB Indemnitees relating to, arising out of or resulting from a breach of this Section 6.2(c).

Section 6.3 Non-Solicitation.

(a) Without the prior consent of WMB, during the term of the Transition Services Agreement and for a period of one year thereafter, WPX will not (and will cause each other WPX Entity not to) solicit for employment, directly or indirectly, any employee or contractor (including any contractor employed by a third party) of the WMB Entities that (i) is providing services to any WMB Entity or WPX Entity in connection with this Agreement or any Ancillary Agreement, or (ii) with whom any WPX Entity has, or will have, more than incidental contact pursuant to this Agreement or any Ancillary Agreement.

(b) Without the prior consent of WPX, during the term of the Transition Services Agreement and for a period of one year thereafter, WMB will not (and will cause each other WMB Entity not to) solicit for employment, directly or indirectly, any employee of WPX involved in the performance of WPX obligations under this Agreement or any Ancillary Agreement.

(c) With respect to each of Sections 6.3(a) and 6.3(b) above, the prohibition on solicitation shall extend 90 days after the termination of any employee's employment or, in the case of WMB employees, 90 days after the cessation of such employee's involvement in the performance of all "Services" (as defined under the Transition Services Agreement). This provision shall not operate or be construed to prevent or limit any employee's right to practice his or her profession or to utilize his or her skills for another employer or to restrict any employee's freedom of movement or association.

(d) Neither the publication of classified advertisements in newspapers, periodicals, Internet bulletin boards, or other publications of general availability or circulation, nor the consideration and hiring of persons responding to such advertisements, shall be deemed a breach of this Section 6.3, unless the advertisement and solicitation is undertaken as a means to circumvent or conceal a violation of this provision and/or the hiring party acts with knowledge of this hiring prohibition.

(e) Each of the parties (i) acknowledges and agrees that money damages would not be a sufficient remedy for any breach of this Section 6.3 by such party (or any other member of such party's Group), (ii) consents to a court of competent jurisdiction entering an order finding that the non-breaching party has been irreparably harmed as a result of any such breach and (iii) consents to the granting of injunctive relief without proof of actual damages as a remedy for any such breach. Such remedies shall not be deemed to be the exclusive remedies for a breach of this Section 6.3 but shall be in addition to all other remedies available at law or equity to the non-breaching party.

Section 6.4 Information Technology Transition Costs. Notwithstanding anything to the contrary in this Agreement, upon the completion of the Distribution WMB shall promptly contribute to WPX \$20.1 million for certain information technology transition costs expected to be incurred by the WPX Entities in connection with the Distribution, less any amounts funded by WMB for such costs prior to the completion of the Distribution.

ARTICLE VII MUTUAL RELEASES; INDEMNIFICATION

Section 7.1 Mutual Releases.

(a) Except (i) as provided in Section 7.1(c), (ii) as may be otherwise provided in this Agreement or any Ancillary Agreement and (iii) for any matter for which any WPX Indemnitee is entitled to indemnification pursuant to this Article VIII, effective as of the Effective Time, WPX does hereby, for itself and each other WPX Entity and their respective Affiliates, predecessors, successors and assigns, and, to the extent WPX legally may, all Persons that at any time prior or subsequent to the Effective Time have been stockholders, directors, officers, members, agents or employees of WPX or any other WPX Entity (in each case, in their respective capacities as such), remise, release and forever discharge each WMB Entity, their respective Affiliates, successors and assigns, and all Persons that at any time prior to the Effective Time have been stockholders, directors, officers, members, agents or employees of WMB or any other WMB Entity (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities whatsoever, whether at law or in equity, whether arising under any contract or agreement, by operation of law or otherwise, existing or arising from or relating to any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Effective Time, whether or not known as of the Effective Time.

(b) Except (i) as provided in Section 7.1(c), (ii) as may be otherwise provided in this Agreement or any Ancillary Agreement and (iii) for any matter for which any WMB Indemnitee is entitled to indemnification pursuant to this Article VIII, WMB does hereby, for itself and each other WMB Entity and their respective Affiliates, successors and assigns, and, to the extent WMB legally may, all Persons that at any time prior to the Effective Time have been stockholders, directors, officers, members, agents or employees of WMB or any other WMB Entity (in each case, in their respective capacities as such), remise, release and forever discharge each WPX Entity, their respective Affiliates, successors and assigns, and all Persons that at any time prior to the Effective Time have been stockholders, directors, officers, members, agents or employees of WPX or any other WPX Entity (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities whatsoever, whether at law or in equity, whether arising under any contract or

agreement, by operation of law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Effective Time, whether or not known as of the Effective Time.

(c) Nothing contained in Section 7.1(a) or 7.1(b) shall impair any right of any Person to enforce this Agreement, any Ancillary Agreement, including the applicable Schedules hereto and thereto, or any arrangement that is not to terminate as of the Effective Time, as specified in Section 2.5(b). Nothing contained in Section 7.1(a) or 7.1(b) shall release any Person from:

(i) any Liability provided in or resulting from any agreement among any WMB Entities and any WPX Entities that is not to terminate as of the Effective Time, as specified in Section 2.5(b), or any other Liability that is not to terminate as of the Effective Time, as specified in Section 2.5(b);

(ii) any Liability, contingent or otherwise, assumed, transferred, assigned or allocated to the Group of which such Person is a member in accordance with, or any other Liability of any member of any Group under, this Agreement or any Ancillary Agreement; or

(iii) any Liability the release of which would result in the release of any Person other than a Person released pursuant to this Section 7.1; provided that the parties agree not to bring suit or permit any of their Subsidiaries to bring suit against any Person with respect to any Liability to the extent that such Person would be released with respect to such Liability by this Section 7.1 but for the provisions of this clause (iii).

(d) WPX shall not make, and shall not permit any other WPX Entity to make, any claim or demand, or commence any Action asserting any claim or demand, including any claim for indemnification, against any WMB Entity, or any other Person released pursuant to Section 7.1(a), with respect to any Liabilities released pursuant to Section 7.1(a). WMB shall not, and shall not permit any other WMB Entity, to make any claim or demand, or commence any Action asserting any claim or demand, including any claim for indemnification, against any WPX Entity, or any other Person released pursuant to Section 7.1(b), with respect to any Liabilities released pursuant to Section 7.1(b).

(e) At any time, at the request of any other party, each party shall cause each member of its respective Group to execute and deliver releases in form reasonably satisfactory to the other party reflecting the provisions of this Section 7.1.

Section 7.2 Indemnification by WPX. Subject to Section 7.4, WPX shall, and shall cause each of its Subsidiaries that is in the WPX Group as of the Effective Time to, jointly and severally indemnify, defend and hold harmless WMB, each WMB Entity and each of their respective current, former and future directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the “WMB Indemnitees”), from and against any and all Liabilities of the WMB Indemnitees relating to, arising out of or resulting from any of the following items (without duplication):

(a) any WPX Liability, including the failure of WPX or any other member of the WPX Group or any other Person to pay, perform or otherwise promptly discharge any WPX Liabilities in accordance with their respective terms, whether prior to, on or after the Effective Time;

(b) the WPX Business;

(c) any breach by any WPX Entity of this Agreement or any of the Ancillary Agreements; and

(d) any untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, with respect to all information contained in the Form 10 or the Information Statement; provided, however, that the indemnity provided in this Section 7.2(d) shall not apply to any WMB Indemnitee with respect to any Liability to the extent arising out of any untrue statement or omission or alleged untrue statement or omission contained in any information furnished in writing to WPX by WMB expressly for use in such filing.

Notwithstanding the foregoing, no WMB Indemnitee shall be entitled to indemnification under this Section 7.2 for any Liability for which any WPX Indemnitee is entitled to be indemnified pursuant to Sections 7.3(d) and 7.3(e) below.

Section 7.3 Indemnification by WMB. Subject to Section 7.4, WMB shall, and shall cause each of its Subsidiaries that is in the WMB Group as of the Effective Time to, jointly and severally indemnify, defend and hold harmless WPX, each WPX Entity and each of their respective current, former and future directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the “WPX Indemnitees”), from and against any and all Liabilities of the WPX Indemnitees relating to, arising out of or resulting from any of the following items (without duplication):

(a) any WMB Liability, including the failure of WMB or any other member of the WMB Group or any other Person to pay, perform or otherwise promptly discharge any WMB Liabilities in accordance with their respective terms, whether prior to, on or after the Effective Time;

(b) the WMB Business;

(c) any breach by any WMB Entity of this Agreement or any of the Ancillary Agreements; and

(d) any cash payment determined to be owed by any WPX Entity in any of the pending proceedings set forth on Schedule 7.3(d) related to power marketing in California; provided, that WPX shall pay, or cause to be paid, to WMB any cash that a WPX Entity receives, or is entitled to receive, in connection with such proceedings, regardless of whether such amount exceeds any amount due from WMB to WPX pursuant to this clause; and

(e) the pending proceedings set forth on Schedule 7.3(e) related to published gas price indices, including, solely for purposes of this Section 7.3(e), any Liability for indirect, punitive or consequential damages relating to such proceeding; provided, that if all or any portion of the indemnification obligation set forth in this Section 7.3(e) is held to be invalid, illegal or unenforceable in any respect under any applicable Law or rule in any jurisdiction, then the parties will, to the extent permitted by law, take such actions as may reasonably be necessary in order to place the WPX Entities in the same position as if such obligation were fully valid, legal and enforceable.

Notwithstanding the foregoing, no WPX Indemnitee shall be entitled to indemnification under this Section 7.3 for any Liability to the extent arising out of any of the Contracts set forth on Schedule 7.3.

Section 7.4 Indemnification Obligations Net of Insurance Proceeds and Other Amounts.

(a) The parties intend that any Liability subject to indemnification or reimbursement pursuant to this Agreement will be net of Insurance Proceeds and other amounts received that actually reduce the amount of the Liability for which indemnification is sought. Accordingly, the amount which any party (an “Indemnifying Party”) is required to pay to any Person entitled to indemnification or reimbursement under this Agreement (an “Indemnitee”) will be reduced by any Insurance Proceeds and other amounts theretofore actually recovered by or on behalf of the Indemnitee in reduction of the related Liability. If an Indemnitee receives a payment (an “Indemnity Payment”) required by this Agreement from an Indemnifying Party in respect of any Liability and subsequently receives Insurance Proceeds or other amounts therefor, then the Indemnitee will promptly pay to the Indemnifying Party an amount equal to the excess of the Indemnity Payment received over the amount of the Indemnity Payment that would have been due if the Insurance Proceeds or other amounts had been received, realized or recovered before the Indemnity Payment was made.

(b) An insurer that would otherwise be obligated to defend or make payment in response to any claim shall not be relieved of the responsibility with respect thereto or, solely by virtue of the indemnification provisions hereof, have any subrogation rights with respect thereto, it being expressly understood and agreed that no insurer or any other third party shall be entitled to a “windfall” (i.e., a benefit it would not be entitled to receive in the absence of the indemnification provisions of this Agreement) by virtue of the indemnification provisions hereof. For the avoidance of doubt, in no event shall any party be obligated to seek recovery from any insurer as a condition to obtaining the benefit of the indemnification provisions of this Agreement or any Ancillary Agreement.

(c) If an indemnification claim is covered by the indemnification provisions of an Ancillary Agreement, the claim shall be made under the Ancillary Agreement to the extent applicable and the provisions thereof shall govern such claim. In no event shall any party be entitled to double recovery from the indemnification provisions of this Agreement and any Ancillary Agreement.

(d) Payments and reimbursements with respect to Tax-related Liabilities and Tax-related indemnities are governed exclusively by the Tax Sharing Agreement. To the extent of any inconsistency or conflict between this Agreement and the Tax Sharing Agreement with respect to any matter relating to WMB's and WPX's respective rights, responsibilities and obligations after the Distribution with respect to Taxes, the provisions of the Tax Sharing Agreement shall apply.

Section 7.5 Third-Party Claims.

(a) If an Indemnitee shall receive notice or otherwise learn of the assertion by a Person (including any Governmental Authority) that is not a WMB Entity or a WPX Entity of any claim (including environmental claims and demands or requests for investigation or remediation of contamination) or of the commencement by any such Person of any Action with respect to which an Indemnifying Party may be obligated to provide indemnification to such Indemnitee pursuant to this Agreement or any Ancillary Agreement (collectively, a "Third-Party Claim"), such Indemnitee shall give such Indemnifying Party written notice thereof as soon as promptly practicable, but no later than 30 days after becoming aware of such Third-Party Claim. Any such notice shall describe the Third-Party Claim in reasonable detail and contain written correspondence received from the third party that relates to the Third-Party Claim. Notwithstanding the foregoing, the failure of any Indemnitee to give notice as provided in this Section 7.5(a) shall not relieve the related Indemnifying Party of its obligations under this Article VII, except to the extent that such Indemnifying Party is prejudiced by such failure to give notice.

(b) With respect to any Third-Party Claim:

(i) Unless the parties otherwise agree, within 30 days after the receipt of notice from an Indemnitee in accordance with Section 7.5(a), an Indemnifying Party shall defend (and, unless the Indemnifying Party has specified any reservations or exceptions, seek to settle or compromise), at such Indemnifying Party's own cost and expense and by such Indemnifying Party's own counsel, any Third-Party Claim. The applicable Indemnitee shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, but the fees and expenses of such counsel shall be the expense of such Indemnitee. Notwithstanding the foregoing, the Indemnifying Party shall be liable for the fees and expenses of counsel employed by the Indemnitee (A) for any period during which the Indemnifying Party has not assumed the defense of such Third-Party Claim (other than during any period in which the Indemnitee shall have failed to give notice of the Third-Party Claim in accordance with Section 7.5(a)) or (B) to the extent that such engagement of counsel is as a result of a conflict of interest, as reasonably determined by the Indemnitee acting in good faith.

(ii) No Indemnifying Party shall consent to entry of any judgment or enter into any settlement of any Third-Party Claim without the consent of the applicable Indemnitee; provided, however, that such Indemnitee shall be required to consent to such entry of judgment or to such settlement that the Indemnifying Party may recommend if the judgment or settlement (A) contains no finding or admission of any violation of Law or any violation of the rights of any Person, (B) involves only monetary relief which the Indemnifying Party has agreed to pay and could not reasonably be expected to have a significant adverse impact (financial or non-financial) on the Indemnitee, including a significant adverse impact on the rights, obligations, operations, standing or reputation of the Indemnitee (or any of its Subsidiaries or Affiliates), and (C) includes a full and unconditional release of the Indemnitee. Notwithstanding the foregoing, in no event shall an Indemnitee be required to consent to any entry of judgment or settlement if the effect thereof is to permit any injunction, declaratory judgment, other order or other nonmonetary relief to be entered, directly or indirectly, against any Indemnitee.

(c) Whether or not the Indemnifying Party assumes the defense of a Third-Party Claim, no Indemnitee shall admit any liability with respect to, or settle, compromise or discharge, such Third-Party Claim without the Indemnifying Party's prior written consent, which consent shall not be unreasonably withheld or delayed.

Section 7.6 Additional Matters.

(a) Any claim on account of a Liability that does not result from a Third-Party Claim shall be timely asserted by written notice given by the Indemnitee to the related Indemnifying Party. Such Indemnifying Party shall have a period of 30 days after the receipt of such notice within which to respond thereto. If such Indemnifying Party does not respond within such 30-day period, such Indemnifying Party shall be deemed to have refused to accept responsibility to make payment. If such Indemnifying Party does not respond within such 30-day period or rejects such claim in whole or in part, such Indemnitee shall be free to pursue remedies as specified by this Agreement and the Ancillary Agreements.

(b) In the event of payment by or on behalf of any Indemnifying Party to any Indemnitee in connection with any Third-Party Claim, such Indemnifying Party shall be subrogated to and shall stand in the place of such Indemnitee as to any events or circumstances in respect of which such Indemnitee may have any right, defense or claim relating to such Third-Party Claim against any claimant or plaintiff asserting such Third-Party Claim or against any other Person. Such Indemnitee shall cooperate with such Indemnifying Party in a reasonable manner, and at the cost and expense of such Indemnifying Party, in prosecuting any subrogated right, defense or claim.

(c) In the event of an Action in which the Indemnifying Party is not a named defendant, if either the Indemnitee or the Indemnifying Party shall so request, the parties shall endeavor to substitute the Indemnifying Party for the named defendant, if reasonably practicable. If such substitution or addition cannot be achieved or is not requested, the named defendant shall allow the Indemnifying Party to manage the Action as set forth in this Agreement and the Indemnifying Party shall fully indemnify the named defendant against all costs of defending the Action (including court costs, sanctions

imposed by a court, attorneys' fees, experts' fees and all other external expenses, and the allocated costs of in-house counsel and other personnel), the costs of any judgment or settlement, and the cost of any interest or penalties relating to any judgment or settlement.

Section 7.7 Remedies Cumulative. The remedies provided in this Article VII shall be cumulative and shall not preclude assertion by any Indemnitee of any other rights or the seeking of any and all other remedies against any Indemnifying Party.

Section 7.8 Survival of Indemnities. The rights and obligations of each of WMB and WPX and their respective Indemnitees under this Article VII shall survive the sale or other transfer by any party of any assets or businesses or the assignment by it of any Liabilities.

Section 7.9 Limitation on Liability. Except as may expressly be set forth in this Agreement, none of WMB, WPX, or any other member of either Group shall in any event have any Liability to the other or to any other member of the other's Group, or to any other WMB Indemnitee or WPX Indemnitee, as applicable, under this Agreement (a) to the extent that any such Liability resulted from any willful violation of Law or fraud by the party seeking indemnification or (b) subject to Section 7.3(e), for any indirect, punitive or consequential damages. Notwithstanding the foregoing, the provisions of this Section 7.9 shall not limit an Indemnifying Party's indemnification obligations with respect to any Liability that any Indemnitee may have to any third party not affiliated with any member of the WMB Group or the WPX Group.

ARTICLE VIII TERMINATION

Section 8.1 Termination. This Agreement and any Ancillary Agreement may be terminated at any time prior to the Distribution in the sole discretion of WMB without the approval of WPX. The obligations of the parties under Article III (including the obligation to pursue or effect the Distribution) may be terminated by WMB if any time after the Distribution it determines, in its sole and absolute discretion, that the Distribution would not be in the best interests of WMB or its stockholders.

Section 8.2 Effect of Termination. In the event of any termination of this Agreement prior to the Distribution, no party (or any of its directors or officers) shall have any Liability or further obligation to any other party with respect to this Agreement.

ARTICLE IX DISPUTE RESOLUTION

Section 9.1 Disputes. Except as otherwise specifically provided in any Ancillary Agreement, the procedures for discussion, negotiation and mediation set forth in this Article IX shall apply to all disputes, controversies or claims (whether arising in contract, tort or otherwise) that may arise out of or relate to, or arise under or in connection with this Agreement or any Ancillary Agreement, or the transactions contemplated hereby or thereby (including all actions taken in furtherance of the transactions contemplated hereby or thereby on or prior to the Effective Time), or the commercial or economic relationship of the parties relating hereto or thereto, between or among any Person in the WMB Group and the WPX Group.

Section 9.2 Escalation; Mediation.

(a) It is the intent of the parties to use their respective commercially reasonable efforts to resolve expeditiously any dispute, controversy or claim between or among them with respect to the matters covered hereby that may arise from time to time on a mutually acceptable negotiated basis. In furtherance of the foregoing, upon the written notice of either party, each party shall appoint a representative at an authority level above the level of the individuals who have been unable to resolve the dispute (the “Next Step Up Representatives”). The Next Step Up Representatives shall be appointed as determined in the discretion of each party considering the importance of the relationship, the complexity of the issues, and the size of the amounts in dispute. The parties shall allow for a period of 15 Business Days after the last representative is appointed and contact information provided to the other party for the Next Step Up Representatives to negotiate a resolution of the dispute before the parties are required to move to the mediation stage. This 15 Business Day period may be waived jointly in writing.

(b) If the parties are not able to resolve the dispute, controversy or claim (except those relating to Environmental Liabilities, which are addressed in Section 9.2(c) below) through the escalation process referred to above, then either party may submit the dispute to mediation by written notice to the other party. The parties shall jointly retain a mediator to aid the parties in their discussions and negotiations by informally providing advice to the parties. The mediator shall be selected by the parties. If the parties cannot agree on a mediator within 30 days after the notice to mediate, the International Institute for Conflict Prevention and Resolution (“CPR”) shall designate a mediator at the request of either party. Any mediator proposed by CPR must be reasonably acceptable to both parties. Any opinion expressed by the mediator shall be strictly advisory and shall not be binding on the parties, nor shall any opinion expressed by the mediator be admissible in any other proceeding. Costs of the mediation shall be borne equally by the parties involved in the matter, except that each party shall be responsible for its own expenses. Mediation shall be a prerequisite to the commencement of any Proceeding (except those relating to Environmental Liabilities, which are addressed in Section 9.2(c) below) by either party.

(c) If the parties are not able to resolve any technical or factual dispute, controversy or claim relating to Environmental Liabilities through the escalation process referred to above, then either party may submit the dispute to mediation by written notice to the other party. The parties shall jointly retain a technical mediator, such as a third-party environmental consultant or other person with specific technical expertise in the matter involved in the dispute, controversy or claim to aid the parties in their discussions and negotiations. The technical mediator shall be selected by the parties. If the parties cannot agree on a technical mediator within 30 days after the notice to mediate, CPR shall designate a technical mediator at the request of either party. Any technical mediator proposed by CPR must be reasonably acceptable to both parties. The technical mediator shall provide informal advice to the parties and, if requested by both parties, shall also

provide a written opinion letter or report summarizing the matter in dispute, identifying any significant assumptions or informational gaps underlying that summary, and setting forth the conclusions and recommendations of the technical mediator. Unless mutually agreed by the parties in writing, any opinion expressed by the technical mediator shall be strictly advisory and shall not be binding on the parties, nor shall any opinion expressed or delivered by the technical mediator be admissible in any other proceeding. Costs related to the technical mediator's work, including any investigation, data-gathering or sampling recommended by the technical mediator, shall be borne equally by the parties involved in the matter, except that each party shall be responsible for its own expenses. Technical mediation shall be a prerequisite to the commencement of any Proceeding relating to Environmental Liabilities by either party.

(d) For purposes of this Section 9.2:

(i) “Environmental Laws” means all federal, state, local and foreign Laws, including all judicial and administrative orders, determinations, and consent agreements or decrees, that relate, in whole or in part, to Hazardous Substances, pollution, contaminants, harmful substances, protection of the environment or human health, including those that regulate the use, manufacture, generation, handling, labeling, testing, transport, treatment, storage, processing, discharge, disposal, release, threatened release, control, or cleanup of harmful substances, pollutants, contaminants, Hazardous Substances or materials containing such substances, regardless of when enacted or effective;

(ii) “Environmental Liabilities” means any Liabilities arising out of or relating to the environment, human health, any Environmental Law, Hazardous Substances or exposure to Hazardous Substances, pollutants, contaminants or other harmful substances, including (A) fines, penalties, judgments, awards, settlements, losses, damages (including consequential damages), costs, fees (including attorneys' and consultants' fees), expenses and disbursements, (B) costs of defense and other responses to any administrative or judicial action (including notices, claims, complaints, suits and other assertions of liability), (C) responsibility for any investigation, remediation, monitoring or cleanup costs, injunctive relief, tort claims, natural resource damages, and any other environmental compliance or remedial measures, in each case known or unknown, foreseen or unforeseen, and (D) any claims, suits or actions (whether third-party or otherwise) for any Liability, including personal injury or property damage; and

(iii) “Hazardous Substances” means all materials, wastes or substances defined by, or regulated under, any Environmental Laws now or in the future and any substance that can give rise to any claim, suit or action (whether third-party or otherwise) for any Liabilities, including personal injury or property damage.

Section 9.3 Court Actions.

(a) In the event that any party, after complying with the provisions set forth in Section 9.2 above, desires to commence an Action, such party, subject to Section 10.11, may submit the dispute, controversy or claim (or such series of related disputes, controversies or claims) to any court of competent jurisdiction.

(b) Unless otherwise agreed in writing, the parties will continue to provide service and honor all other commitments under this Agreement and the Ancillary Agreements during the course of dispute resolution pursuant to the provisions of this Article IX, except to the extent such commitments are the subject of such dispute, controversy or claim.

ARTICLE X MISCELLANEOUS

Section 10.1 Corporate Power. WMB represents on behalf of itself and each other WMB Entity, and WPX represents on behalf of itself and each other WPX Entity, that:

(a) each such Person is a corporation or other entity duly incorporated or formed, validly existing and in good standing under the Laws of the state or other jurisdiction of its incorporation or formation, and has all material corporate or other similar powers required to carry on its business as currently conducted;

(b) each such Person has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver and perform this Agreement and each other Ancillary Agreement to which it is a party and to consummate the transactions contemplated hereby and thereby; and

(c) this Agreement and each Ancillary Agreement to which it is a party has been duly executed and delivered by it and constitutes a valid and binding agreement of such Person enforceable in accordance with the terms hereof and thereof.

Section 10.2 Coordination with Certain Ancillary Agreements; Conflicts. In the event of any conflict or inconsistency between any provision of any of the Ancillary Agreements and any provision of this Agreement, the applicable Ancillary Agreement shall control over the inconsistent provisions of this Agreement as to the matters specifically addressed in such Ancillary Agreement.

Section 10.3 Expenses. Except as expressly set forth in this Agreement or in any Ancillary Agreement, all fees, costs and expenses paid or incurred in connection with the Separation and the performance of this Agreement and any Ancillary Agreement, whether performed by a third-party or internally, will be paid by the party incurring such fees or expenses, whether or not the Separation is consummated, or as otherwise agreed by the parties.

Section 10.4 Amendment and Modification. This Agreement and the Ancillary Agreements may not be amended, modified or supplemented in any manner, whether by course of conduct or otherwise, except by an instrument in writing specifically designated as an amendment hereto, signed on behalf of each party.

Section 10.5 Waiver. No failure or delay of any party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such right or power, or any course of conduct, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the parties hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have hereunder. Any agreement on the part of any party to any such waiver shall be valid only if set forth in a written instrument executed and delivered by a duly authorized officer on behalf of such party.

Section 10.6 Notices. All notices and other communications hereunder shall be in writing and shall be deemed duly given (a) on the date of delivery if delivered personally, or if by facsimile, upon written confirmation of receipt by facsimile, e-mail or otherwise, (b) on the first Business Day following the date of dispatch if delivered utilizing a next-day service by a recognized next-day courier or (c) on the earlier of confirmed receipt or the fifth Business Day following the date of mailing if delivered by registered or certified mail, return receipt requested, postage prepaid. All notices hereunder shall be delivered to the addresses set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice:

- (i) if to WMB or any other WMB Entity, to:

The Williams Companies, Inc.
One Williams Center
Tulsa, Oklahoma 74172-0172
Attention: General Counsel
Facsimile: 918-573-1807
E-mail: craig.rainey@williams.com

- (ii) if to WPX or any other WPX Entity, to:

WPX Energy, Inc.
One Williams Center
Tulsa, Oklahoma 74172-0172
Attention: General Counsel
Facsimile: 918-573-5942
E-mail: james.bender@williams.com

Section 10.7 Interpretation. When a reference is made in this Agreement to a Section, Article, or Exhibit such reference shall be to a Section, Article, or Exhibit of this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement or in any Exhibit are for convenience of reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. All words used in this Agreement will be construed to be of such gender or number as the circumstances require. Any capitalized terms used in any Schedule or Exhibit but not otherwise defined therein shall have the meaning as defined in this Agreement. All Schedules and Exhibits annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth herein. The word "including" and words of similar import when used in this Agreement shall mean "including, without limitation," unless otherwise specified. The word "day" when used in this Agreement shall mean "calendar day," unless otherwise specified.

Section 10.8 Entire Agreement. This Agreement and the Ancillary Agreements and the Exhibits, Schedules and Appendices hereto and thereto constitute the entire agreement, and supersede all prior written agreements, arrangements, communications and understandings and all prior and contemporaneous oral agreements, arrangements, communications and understandings among the parties with respect to the subject matter hereof. None of this Agreement or any of the Ancillary Agreements shall be deemed to contain or imply any restriction, covenant, representation, warranty, agreement or undertaking of any party with respect to the transactions contemplated hereby and thereby other than those expressly set forth herein or therein or in any document required to be delivered hereunder or thereunder. Notwithstanding any oral agreement or course of action of the parties or their representatives to the contrary, no party to this Agreement shall be under any legal obligation to enter into or complete the transactions contemplated hereby unless and until this Agreement shall have been executed and delivered by each of the parties.

Section 10.9 No Third Party Beneficiaries. Except for the indemnification rights under this Agreement of any WMB Indemnitee or WPX Indemnitee in their respective capacities as such, nothing in this Agreement or the Ancillary Agreements, express or implied, is intended to or shall confer upon any Person other than the parties and their respective successors and permitted assigns any legal or equitable right, benefit or remedy of any nature under or by reason of this Agreement or the Ancillary Agreements.

Section 10.10 Governing Law. This Agreement and all disputes or controversies arising out of or relating to this Agreement or the transactions contemplated hereby shall be governed by, and construed in accordance with, the internal Laws of the State of Oklahoma, without regard to the Laws of any other jurisdiction that might be applied because of the conflicts of laws principles of the State of Oklahoma.

Section 10.11 Submission to Jurisdiction. Except as otherwise specifically provided in any Ancillary Agreement, with respect to any suit, action or proceeding relating to this Agreement or any Ancillary Agreement (a "Proceeding"), each party to this Agreement irrevocably (a) consents and submits to the exclusive jurisdiction of the state and federal courts located in Tulsa County, Oklahoma; (b) waives any objection which such party may have at any time to the laying of venue of any Proceeding brought in any such court, waives any claim that such Proceeding has been brought in an inconvenient forum and further waives the right to object, with respect to such Proceeding, that such court does not have jurisdiction over such party; and (c) consents to the service of process at the address set forth for notices in Section 10.6; provided, however, that such manner of service of process shall not preclude the service of process in any other manner permitted under applicable law.

Section 10.12 Assignment. Except as specifically provided in any Ancillary Agreement, none of this Agreement, any of the Ancillary Agreements, or any of the rights, interests or obligations hereunder or thereunder may be assigned or delegated, in whole or in part, by operation of law or otherwise, by any party without the prior written consent of the other parties, and any such assignment without such prior written consent shall be null and void. If any party (or any of its successors or permitted assigns) (a) shall consolidate with or merge into any other Person and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (b) shall transfer all or substantially all of its properties and/or assets to any Person, then, and in each such case, the party (or its successors or permitted assigns, as applicable) shall ensure that such Person assumes all of the obligations of such party (or its successors or permitted assigns, as applicable) under this Agreement and all applicable Ancillary Agreements.

Section 10.13 Severability. Whenever possible, each provision or portion of any provision of this Agreement and the Ancillary Agreements shall be interpreted in such manner as to be effective and valid under applicable Law, but if any provision or portion of any provision of this Agreement or the Ancillary Agreements is held to be invalid, illegal or unenforceable in any respect under any applicable Law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or portion of any provision in such jurisdiction, and this Agreement or the Ancillary Agreements shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

Section 10.14 Waiver of Jury Trial. EACH OF THE PARTIES TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OF THE ANCILLARY AGREEMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

Section 10.15 Counterparts. This Agreement and each Ancillary Agreement may be executed in one or more counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties.

Section 10.16 Facsimile Signature. This Agreement may be executed by facsimile signature and a facsimile signature shall constitute an original for all purposes.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first set forth above.

THE WILLIAMS COMPANIES, INC.

By: /s/ Alan S. Armstrong
Name: Alan S. Armstrong
Title: Chief Executive Officer

WPX ENERGY, INC.

By: /s/ Ralph A. Hill
Name: Ralph A. Hill
Title: Chief Executive Officer

[Signature Page to Separation and Distribution Agreement]

Exhibit A

Contributed Entities

(such entities are held 100% by WPX Energy, Inc.
or its subsidiaries unless otherwise noted)

WPX Energy, Inc.
Williams Production Holdings LLC
Williams Production Ryan Gulch LLC
Williams Production RMT Company LLC
Fort Union Gas Gathering, L.L.C. (11.11%)
Bison Royalty LLC
Barrett Resources International Corporation
Dakota-3 E&P Company, LLC
D-3 Van Hook Gathering Services, LLC
Williams Production Company, LLC
Williams Production Rocky Mountain Company
Williams Production Mid-Continent Company
Williams Arkoma Gathering Company, LLC
Williams Production Keystone LLC
WPX Gas Resources Company
Williams Production Appalachia LLC
Williams Marcellus Gathering LLC
Diamond Elk, LLC
RW Gathering, LLC (50%)
Mockingbird Pipeline, L.P.
Williams Production — Gulf Coast Company, L.P.
WPX Enterprises, Inc.
WPX Energy Marketing, LLC
Northwest Argentina Corporation
Williams International Oil & Gas (Venezuela) Limited

[Exhibit A to Separation and Distribution Agreement]

EMPLOYEE MATTERS AGREEMENT

by and between

THE WILLIAMS COMPANIES, INC.

and

WPX ENERGY, INC.

Dated as of December 30, 2011

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EMPLOYEE MATTERS AGREEMENT

EMPLOYEE MATTERS AGREEMENT, dated as of December 30, 2011 (the “Employee Matters Agreement”), by and between The Williams Companies, Inc., a Delaware corporation (“WMB”), and WPX Energy, Inc., a Delaware corporation (“WPX”), which Employee Matters Agreement shall become effective at the same time as the Separation Agreement (as defined below).

RECITALS

A. The parties to this Employee Matters Agreement have entered into the Separation and Distribution Agreement (the “Separation Agreement”), dated as of the date hereof, pursuant to which WMB intends to separate into two publicly traded companies: (i) WMB, which will continue to own and conduct, directly and indirectly, the WMB Business, and (ii) WPX, which will own and conduct, directly and indirectly, the WPX Business.

B. The parties wish to set forth their agreements as to certain matters regarding employment, compensation and employee benefits.

AGREEMENT

In consideration of the foregoing and the mutual covenants and agreements herein contained, and intending to be legally bound hereby, the parties agree as follows:

ARTICLE I DEFINITIONS

Section 1.1 Table of Definitions. The following terms have the meanings set forth on the pages referenced below:

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Section 1.2 Certain Defined Terms . For the purposes of this Employee Matters Agreement:

“ Benefit Plan ” means, with respect to an entity, each plan, program, policy, agreement, arrangement or understanding that is a deferred compensation, executive compensation, incentive bonus or other bonus, pension, profit sharing, savings, retirement, severance pay, salary continuation, life, death benefit, health, hospitalization, paid time off, disability or accident insurance or other employee benefit plan, program, agreement or arrangement, including any “employee benefit plan” (as defined in Section 3(3) of ERISA) sponsored, maintained or contributed to by such entity or to which such entity is a party or under which such entity has any obligation; provided that no WMB Equity Compensation Award, nor any plan under which any such WMB Equity Compensation Award is granted, shall constitute a “Benefit Plan” under this Employee Matters Agreement. In addition, no Employment Agreement shall constitute a Benefit Plan for purposes hereof.

“ Benefits Commencement Date ” means January 1, 2012, or such later date prior to the Distribution Date as the parties may agree on which WPX Employees shall commence participation in the WPX Benefit Plans.

“ Employment Agreement ” means any individual employment, retention, relocation, change in control, incentive bonus, signing bonus or other individual compensatory agreement between any current or former employee of WMB or a member of the WMB Group or the WPX Group, but excluding any Equity Compensation Award.

“ Equity Compensation Awards ” means, collectively, the WMB Equity Compensation Award and the Converted WPX Equity Compensation Awards.

“ ERISA ” means the Employee Retirement Income Security Act of 1974, as amended.

“ Former Employee ” means each former employee of WMB, any of its Affiliates and the WMB Group, but does not include any WMB Employees or WPX Employees.

“ Plan Payee ” means, as to an individual who participates in a Benefit Plan, such individual’s dependents, beneficiaries, alternate payees and alternate recipients, as applicable under such Benefit Plan.

“ Welfare Plan ” means each Benefit Plan that provides life insurance, health care, dental care, vision care, employee assistance programs (EAP), accidental death and dismemberment insurance, disability, severance, or other group welfare or fringe benefits and is an “employee welfare benefit plan” as described in Section 3(1) of ERISA, whether or not subject to ERISA.

“WMB Benefit Plan” means any Benefit Plan sponsored or maintained by any member of the WMB Group or WMB. For the avoidance of doubt, no member of the WMB Group shall be deemed to sponsor or maintain any Benefit Plan if its relationship to such Benefit Plan is solely to administer such Benefit Plan or provide to WPX any reimbursement in respect of such Benefit Plan. The WMB Benefit Plans shall be those Benefit Plans sponsored solely by one or more members of the WMB Group following the Benefits Commencement Date.

“WMB DB Plans” means Williams Pension Plan, Williams Inactive Employees Pension Plan, and The Williams Retirement Restoration Plan. The WMB DB Plans shall be the responsibility of one or more members of the WMB Group following the Benefits Commencement Date.

“WMB DC Plan” means The Williams Investment Plus Plan. The WMB DC Plan shall be the responsibility of one or more members of the WMB Group following the Benefits Commencement Date.

“WMB Employee” means each individual who is employed by a member of the WMB Group (including, for the avoidance of doubt, any individual who is on a leave of absence, whether paid or unpaid, from which such employee is entitled to return to active employment with a member of the WMB Group (in accordance with WMB’s applicable personnel policies)), who is not a WPX Employee.

“WMB Employee Liabilities” means all potential or actual employment and employee benefits-related or other Liabilities, whether arising before, on or after the Benefits Commencement Date, with respect to: (a) WMB Employees, any other persons employed by the WMB Group and Former Employees (and their respective Plan Payees); (b) any other individuals asserting rights or obligations stemming from their services to or in connection with WMB’s business (excluding the WPX Business); (c) WMB Employment Agreements; and (d) the WMB Benefit Plans (including providing COBRA continuation coverage and long-term disability benefits). WMB Employee Liabilities shall also include any deferred vested benefits of or other Liabilities with respect to WPX Employees (and their Plan Payees) under the WMB DB Plans and the WMB DC Plan, and any obligations to issue WMB common stock under Equity Compensation Awards as provided in Article VII below, but shall exclude the WPX Employee Liabilities.

“WMB Employment Agreement” means any Employment Agreement to which any member of the WMB Group or WMB is a party. The WMB Employment Agreements shall be the responsibility of one or more members of the WMB Group following the Benefits Commencement Date.

“WMB Exchange Ratio” means a ratio equal to the volume weighted average price of a share of WMB on December 30, 2011 based on “regular way” trading divided by an amount equal to the volume weighted average price of a share of WMB on January 3, 2012 based on “regular way” trading.

“WMB Group” means WMB and each direct or indirect Subsidiary of WMB, other than Persons in the WPX Group.

“WMB Welfare Plan” means each WMB Benefit Plan that is a Welfare Plan.

“Workers’ Compensation Event” means the event, injury, illness or condition giving rise to a workers’ compensation claim.

“WPX Benefit Plans” means any Benefit Plan sponsored or maintained by any member of the WPX Group or WPX.

“WPX Employee” means each individual who, as of the earlier of the Distribution or the Benefits Commencement Date, is employed by a member of the WPX Group (including, for the avoidance of doubt, (i) any Delayed Transfer Employee, (ii) any individual who is on a leave of absence, whether paid or unpaid, from which such employee is entitled to return to active employment with a member of the WPX Group (in accordance with applicable personnel policies) and (iii) any individual who, at the time of the Distribution (or, if earlier, on the Benefits Commencement Date), is receiving short-term disability benefits under a WMB Benefit Plan and who, if actively-employed at the time of the Distribution (or, if earlier, on the Benefits Commencement Date), would have been or become a WPX Employee on that date).

“WPX Employee Liabilities” means all potential or actual employment and employee benefits-related or other Liabilities, whether arising before, on or after the Benefits Commencement Date, with respect to: (a) WPX Employees and any other persons employed by the WPX Group (and their respective Plan Payees); (b) any other individuals asserting rights or obligations stemming from their services to or in connection with the WPX Business; (c) WPX Employment Agreements; or (d) the WPX Benefit Plans, but excluding, in all cases, any such Liabilities (including, without limitation, for any deferred vested benefits) arising under any WMB Benefit Plan, including the WMB DB Plans or the WMB DC Plan. WPX Employee Liabilities shall also include any obligations to issue WPX common stock under Equity Compensation Awards as provided in Article VII below and any obligations specifically assumed by WPX in Article IV below, but shall exclude the WMB Employee Liabilities.

“WPX Employment Agreement” means any Employment Agreement to which any member of the WPX Group is a party and to which no member of the WMB Group is a party. WPX Employment Agreements shall also include cash retention agreements between any WPX Employee and any member of the WMB Group, but shall not include any change in control agreements to which any member of the WMB Group is a party or any other WMB Employment Agreements. The WPX Employment Agreements shall be the sole responsibility of one or more members of the WPX Group following the Benefits Commencement Date.

“WPX Exchange Ratio” means a ratio equal to the volume weighted average price of a share of WMB on December 30, 2011 based on “regular way” trading divided by the volume weighted average price of a share of WPX on January 3, 2012 based on “regular way” trading.

“WPX Group” means WPX and each direct or indirect Subsidiary of WPX. For the purposes of this Employee Matters Agreement, WMB shall not be deemed to be a member of the WPX Group.

“WPX Welfare Plan” means each WPX Benefit Plan that is a Welfare Plan.

Section 1.3 Other Capitalized Terms. Capitalized terms not defined in this Employee Matters Agreement shall have the meanings ascribed to them in the Separation Agreement.

ARTICLE II GENERAL PRINCIPLES; EMPLOYEE TRANSFERS

Section 2.1 Assumption of WPX Employee Liabilities. Effective as of the Benefits Commencement Date, except as otherwise specifically provided in this Employee Matters Agreement, (a) the WPX Group shall be solely responsible for all WPX Employee Liabilities and the WMB Group shall not retain any WPX Employee Liabilities and (b) the WMB Group shall be solely responsible for all WMB Employee Liabilities and the WPX Group shall not retain any WMB Employee Liabilities.

Section 2.2 Allocation of Liabilities With Respect to Benefit Plans, Employment Agreements and Equity Compensation Awards. Except as otherwise specifically provided in this Employee Matters Agreement, effective immediately prior to the Benefits Commencement Date, each WPX Employee (and each such individual’s Plan Payees) shall cease active participation in all WMB Benefit Plans, other than the WMB DB Plans, the WMB DC Plan and, as of such time, WPX shall or shall cause another member of the WPX Group to have in effect such WPX Benefit Plans as are necessary to comply with its obligations pursuant to this Employee Matters Agreement. Effective immediately prior to the Benefits Commencement Date, each WPX Employee who participates in any of the WMB DB Plans and/or the WMB DC Plan shall cease active participation in each such plan and, after the Distribution Date, shall be treated as a participant whose employment with the WMB Group has terminated (effective as of the Distribution) for all purposes thereunder to the extent consistent with applicable Law (including Code Section 409A).

(a) Effective as of the Benefits Commencement Date, except as otherwise specifically provided in this Employee Matters Agreement, WMB shall, or shall cause one or more members of the WMB Group to, retain, pay, perform, fulfill and discharge in due course all Liabilities arising out of or relating to all WMB Employment Agreements and all other WMB Employee Liabilities.

(b) Effective as of the Benefits Commencement Date, except as otherwise specifically provided in this Employee Matters Agreement, WPX shall, or shall cause one or more members of the WPX Group to, retain, pay, perform, fulfill and discharge in due course (i) all Liabilities arising out of or relating to all WPX Benefit Plans, (ii) all Liabilities arising out of or relating to all WPX Employment Agreements, (iii) all Liabilities (other than the WMB Employee Liabilities) with respect to the employment or termination of employment of all WPX Employees and their Plan Payees to the extent arising in connection with or as a result of employment with or the performance of services for any member of the WPX Group, and (iv) all other WPX Employee Liabilities.

(c) Effective as of the Distribution, except as otherwise specifically provided in this Employee Matters Agreement, WPX shall, or shall cause one or more members of the WPX Group to, retain, pay, perform, fulfill and discharge in due course all Liabilities arising out of or relating to the Converted WPX Equity Compensation Awards (including, without limitation, any and all Liabilities with respect to any equity award of WMB that, through assumption and conversion, becomes a Converted WPX Equity Compensation Award, as well as any and all Liabilities with respect to the assumption and conversion of such an award).

(d) All Liabilities arising out of any Equity Compensation Awards shall be allocated and handled in accordance with the provisions of Article VII below. For the avoidance of doubt, from and after the Distribution, in no event will WPX be required to issue, grant or award any compensation relating to WPX Common Stock to any employee who is a member of the WMB Group other than pursuant to any Pre-2006 Options as provided for in Section 7.1, and, subject to the treatment of the WMB Equity Compensation Awards that are outstanding as of the Distribution and held by any WPX Employee as provided in Section 7.1, in no event will WMB be required to issue, grant or award any compensation relating to WMB Common Stock to any employee who is a member of the WPX Group other than pursuant to any Pre-2006 Options as provided for in Section 7.1.

Section 2.3 WPX Benefit Plans and WPX Employment Agreements . Effective as of the Benefits Commencement Date, WPX or another member of the WPX Group shall, in a manner not inconsistent with this Employee Matters Agreement, assume, adopt, continue or, to the extent necessary, assume sponsorship of each WPX Benefit Plan and WPX Employment Agreement, and the WMB Group shall use reasonable efforts to transfer or cause to be transferred to WPX all plan documents, trust agreements, insurance policies, administrative agreements, and other agreements and instruments reasonably required for the maintenance and administration of the WPX Benefit Plans and the WPX Employment Agreements.

Effective on the Benefits Commencement Date, the WPX Group shall be exclusively responsible for administering each WPX Benefit Plan and each WPX Employment Agreement in accordance with its terms and for all obligations and liabilities with respect to the WPX Benefit Plans and WPX Employment Agreements and all benefits or rights owed to participants in the WPX Benefit Plans and individuals who are parties to the WPX Employment Agreements, whether arising before, on or after the Distribution Date. WPX shall not assume sponsorship, maintenance or administration of any Benefit

Plan or Employment Agreement that is not a WPX Benefit Plan or a WPX Employment Agreement or receive any assets or assume any liabilities in connection with any such Benefit Plan or Employment Agreement. For the avoidance of doubt, WPX shall not assume sponsorship, maintenance, administration of or any Liability under any WMB DB Plan or the WMB DC Plan.

Section 2.4 Plan-Related Litigation. Notwithstanding anything herein to the contrary, the management of the defense of all litigation related to the WMB Benefit Plans, the WMB Employment Agreements, the WPX Benefit Plans and the WPX Employment Agreements shall be governed by the Separation Agreement, and this Employee Matters Agreement shall govern the allocation of Liabilities related to any such litigation.

Section 2.5 Paid Time Off. WPX shall assume responsibility for accrued paid time off attributable to WPX Employees upon the earlier of the Distribution or the Benefits Commencement Date (or, with respect to Delayed Transfer Employees, upon the Applicable Transfer Date).

Section 2.6 FMLA. Effective as of the earlier of the Benefits Commencement Date (or, with respect to Delayed Transfer Employees, the Applicable Transfer Date), WPX shall assume responsibility for and make available to the WPX Employees the existing eligibility and rights to leave under the Family and Medical Leave Act of 1993 that such WPX Employees were entitled to from WMB immediately prior to the Benefits Commencement Date (or, with respect to Delayed Transfer Employees, the Applicable Transfer Date, but without giving effect to any leave taken between the Benefits Commencement Date and the Applicable Transfer Date).

Section 2.7 Employee Transfers.

(a) Upon mutual agreement of WPX and WMB any employee whose employment transfers after the earlier of the Distribution or the Benefits Commencement Date, but on or before the first anniversary of the Distribution, from the WMB Group to the WPX Group and who was continuously employed by a member of the WMB Group from the Benefits Commencement Date through the date such employee commences active employment with a member of the WPX Group (as applicable) shall be a “Delayed Transfer Employee.” Except as otherwise specifically provided in this Employee Matters Agreement, such Delayed Transfer Employees transferring from the WMB Group to the WPX Group shall be treated in the same manner as the individuals who were WPX Employees on the Benefits Commencement Date, to the extent practicable in compliance with applicable Law and the Benefit Plans and without duplicating benefits for the same period of service. For purposes of this Employee Matters Agreement, the date on which a Delayed Transfer Employee actually commences employment with the WPX Group (as applicable) is referred to as such individual’s “Applicable Transfer Date”. Notwithstanding anything herein to the contrary, the mutual agreement with respect to, and Applicable Transfer Date of, any Delayed Transfer Employee must occur on or before the first anniversary of the Distribution.

(b) In no event shall the transfer of employment from the WMB Group to the WPX Group or the occurrence of the Distribution be considered a change in control for purposes of the Benefit Plans, Employment Agreements or Equity Compensation Awards.

Section 2.8 Annual Bonuses. At the time that annual bonuses are paid generally to WMB Employees for the 2011 fiscal year, WMB shall inform WPX in writing of the bonus (if any) payable to each WPX Employee (other than Delayed Transfer Employees whose Applicable Transfer Date occurs after the date bonuses are paid for the 2011 fiscal year) under the applicable annual incentive plan or arrangement of a member of the WMB Group with respect to the 2011 fiscal year (collectively, the “Fiscal 2011 Employee Bonuses”), determined as if the WPX Employee had remained employed by the WMB Group through the bonus payment date. WPX shall, or shall cause its Affiliates to, pay each WPX Employee such bonus (if any) promptly following such notice and within the time period set forth in the applicable annual incentive plan or arrangement, and WMB shall promptly reimburse WPX for the gross amount of such bonus payments, plus the employer portion of any employment or social insurance taxes paid by WPX in connection with such bonus payments, but in no event later than March 15, 2012. WPX shall be solely responsible for payment of all annual bonuses earned by WPX Employees with respect to periods ending after the Benefits Commencement Date.

ARTICLE III SERVICE CREDIT

Section 3.1 Service Credit for Employee Transfers. The Benefit Plans shall provide the following service crediting rules effective as of the Benefits Commencement Date: if a Delayed Transfer Employee becomes employed by a member of the WMB Group or WPX Group after the Benefits Commencement Date and on or before the first anniversary of the Distribution then such Delayed Transfer Employee’s service with the WPX Group or the WMB Group (as applicable) following the Benefits Commencement Date shall be recognized for purposes of eligibility and vesting under the appropriate Benefit Plans, subject to the terms of those plans.

Section 3.2 WMB Benefit Plans. Service from and after the Benefits Commencement Date of WPX Employees with any member of the WPX Group or any other employer other than any member of the WMB Group shall not be taken into account for any purpose under the WMB Benefit Plans.

Section 3.3 WPX Benefit Plans. From and after the Benefits Commencement Date, WPX shall, and shall cause the other members of the WPX Group and their respective successors to, provide credit under the WPX Benefit Plans to WPX Employees for their service with WPX and its predecessors and affiliates (including but not limited to the WPX Group, WMB, the WMB Group and, to the extent applicable, any business previously acquired by the WMB Group or the WPX Group) to the same extent that such service was recognized prior to the Benefits Commencement Date under the relevant WMB Benefit Plans. For avoidance of doubt, service shall be credited for purposes of determining eligibility to participate and vesting; provided, however, that service shall not be recognized to the extent that such recognition would result in the duplication of benefits or duplication of credit for the same period of service.

ARTICLE IV
CERTAIN WELFARE BENEFIT PLAN MATTERS

Section 4.1 WPX Welfare Plans . Effective on the Benefits Commencement Date, WPX shall, or shall cause another member of the WPX Group to, have in effect the WPX Welfare Plans to provide welfare benefits to the WPX Employees participating in any WMB Welfare Plans immediately prior to the Benefits Commencement Date. Each WPX Welfare Plan shall have terms and features (including benefit coverage options and employer contribution provisions) as determined by WPX in its sole discretion. From and after the Benefits Commencement Date, WPX and the WPX Group shall be solely and exclusively responsible for all obligations and liabilities with respect to, or in any way related to, the WPX Welfare Plans.

Section 4.2 Continuation of Elections . As of the Benefits Commencement Date, WPX shall, to the extent applicable, cause the WPX Welfare Plans to recognize and maintain all elections and designations (including, without limitation, all coverage and contribution elections and beneficiary designations) in effect with respect to WPX Employees prior to the Benefits Commencement Date under the comparable WMB Welfare Plan and apply such elections and designations under the WPX Welfare Plans for the remainder of the period or periods for which such elections or designations are by their original terms effective, unless superseded by new elections made under the WPX Welfare Plans.

Section 4.3 Pre-Existing Conditions . As of the Applicable Transfer Date with respect to Delayed Transfer Employees, the WPX Welfare Plans will not impose any limitations on coverage for preexisting conditions other than such limitations as were applicable under the comparable WMB Welfare Plans prior to the Applicable Transfer Date.

Section 4.4 Long-Term Disability . Notwithstanding anything herein to the contrary, any individual receiving long-term disability benefits under a WMB Welfare Plan as of immediately prior to the Benefits Commencement Date shall continue to receive such benefits under such WMB Welfare Plan (in accordance with and subject to the terms and conditions thereof) regardless of whether such individual would become a WPX Employee if such individual returned to active employment after the Benefits Commencement Date. For the avoidance of doubt, any WPX Employee who first becomes eligible for long-term disability benefits on or after the Benefits Commencement Date shall receive such benefits pursuant to the terms and conditions of the applicable WPX Welfare Plan and shall not be eligible for such benefits under a WMB Welfare Plan.

Section 4.5 Short-Term Disability. Notwithstanding anything herein to the contrary, WPX shall have sole responsibility for providing short-term disability benefits to any individual who, on the Benefits Commencement Date, qualifies for short-term disability benefits under a WMB Benefit Plan and who, if actively-employed at the time of the Distribution (or, if earlier, on the Benefits Commencement Date), would have been or become a WPX Employee on that date. In addition, effective as of the Benefits Commencement Date (or, with respect to Delayed Transfer Employees, the Applicable Transfer Date), WPX shall assume responsibility for and make available to the WPX Employees the existing eligibility and rights to short-term disability benefits that such WPX Employees were entitled to from WMB immediately prior to the Benefits Commencement Date (or, with respect to Delayed Transfer Employees, the Applicable Transfer Date, but without giving effect to any short-term disability leave taken between the Benefits Commencement Date and the Applicable Transfer Date).

Section 4.6 Workers' Compensation. Notwithstanding anything herein to the contrary, WPX shall have sole liability with respect to, any workers' compensation claims of WPX Employees, regardless of when the event leading to such claims occurred; provided, however, that with respect to any such claims arising from injuries covered by the applicable insurance policies occurring prior to the Benefits Commencement Date, WMB shall have responsibility for processing and managing such claims and WPX shall reimburse WMB for any payments borne by WMB in respect of such claims.

Section 4.7 Other Welfare Benefits. Notwithstanding anything herein to the contrary, WPX shall, as of the Benefits Commencement Date, assume all liability for providing adoption benefits, educational reimbursement and reimbursement for relocation expenses to WPX Employees, regardless of when the events leading to the entitlement of such benefits and/or reimbursements occurred.

ARTICLE V DEFINED BENEFIT PLANS

Section 5.1 WMB DB Plans. Effective as of the Benefits Commencement Date (or, with respect to Delayed Transfer Employees, the Applicable Transfer Date), each WPX Employee and Delayed Transfer Employee who is a participant, as of the Benefits Commencement Date (or, if applicable the Applicable Transfer Date), in one or more of the WMB DB Plans shall cease active participation in such WMB DB Plans and service with any member of the WPX Group or any other employer other than any member of the WMB Group from and after the Benefits Commencement Date (or, with respect to Delayed Transfer Employees, the Applicable Transfer Date) shall not be taken into account for any purpose under such WMB DB Plans, except for purposes of determining the timing of the payment of compensation or the provision of benefits under any WMB DB Plan, to the extent that such payment or provision is triggered under such WMB DB Plan by a WPX Employee's separation from service from the WPX Group. Notwithstanding any provision of this Agreement to the contrary, from and after the Benefits Commencement Date, the WMB Group shall remain and be exclusively responsible for all obligations and Liabilities with respect to the WMB DB Plans, all assets of the WMB DB Plans, and all benefits owed to participants in the WMB DB Plans (including the WPX Employees, Former Employees and Delayed Transfer Employees), whether accrued before, on or after the Benefits Commencement Date. In no event shall WMB transfer or cause to be transferred to WPX or any member of the WPX Group sponsored any of the WMB DB Plans or any Assets or Liabilities maintained or accrued thereunder.

Section 5.2 Vesting of Benefits. Notwithstanding anything herein to the contrary, WMB shall take all steps necessary, including amending any WMB DB Plan, so that, as of the Benefits Commencement Date, each WPX Employee and Delayed Transfer Employee who is a participant in a WMB DB Plan shall be fully vested in his or her benefits under each WMB DB Plan in which such WPX Employee participated while an employee of a member of the WMB Group.

Section 5.3 Section 409A. WMB and WPX shall cooperate in good faith so that the Distribution and the transactions contemplated by this Employee Matters Agreement will not result in adverse tax consequences under Code Section 409A to any current or former employee of any member of the WMB Group or any member of the WPX Group, or their respective Plan Payees, in respect of his or her benefits under any WMB DB Plan that is subject to Code Section 409A.

ARTICLE VI TAX-QUALIFIED DEFINED CONTRIBUTION PLANS

Section 6.1 WMB DC Plan. Effective as of the Benefits Commencement Date (or, with respect to Delayed Transfer Employees, the Applicable Transfer Date), each WPX Employee or Delayed Transfer Employee who is a participant, as of the Benefits Commencement Date (or, if applicable the Applicable Transfer Date), in the WMB DC Plan shall cease active participation in the WMB DC Plan (and, for all purposes, be treated as a terminated participant) and service with any member of the WPX Group or any other employer other than any member of the WMB Group from and after the Benefits Commencement Date (or, with respect to Delayed Transfer Employees, the Applicable Transfer Date) shall not be taken into account for any purpose under the WMB DC Plan. Notwithstanding any provision of this Agreement to the contrary, from and after the Benefits Commencement Date, the WMB Group shall be exclusively responsible for all obligations and Liabilities with respect to the WMB DC Plan, all assets of the WMB DC Plan, and all benefits owed to participants in the WMB DC Plan (including the WPX Employees, Former Employees and Delayed Transfer Employees), whether accrued before, on or after the Benefits Commencement Date. In no event shall WMB transfer or cause to be transferred to WPX or any member of the WPX Group sponsorship of the WMB DC Plan or any Assets or Liabilities maintained or accrued thereunder (except pursuant to an eligible rollover distribution).

Section 6.2 Vesting of Benefits. Notwithstanding anything herein to the contrary, WMB shall take all steps necessary, including amending the WMB DC Plan, so that, as of the Benefits Commencement Date, each WPX Employee and Delayed Transfer Employee shall be fully vested in his or her benefits under the WMB DC Plan in which such WPX Employee participated while an employee of a member of the WMB Group.

Section 6.3 WPX DC Plan. Effective as of the Benefits Commencement Date, WPX or another member of the WPX Group shall establish a defined contribution plan that qualifies under Code Section 401(a), (such plan, the “WPX DC Plan”). The WPX DC Plan shall have terms and features (including employer contribution provisions) that are determined by WPX in its sole discretion. WPX or a member of the WPX Group shall be solely responsible for taking all necessary, reasonable, and appropriate actions (including the submission of the WPX DC Plan to the Internal Revenue Service for a determination of tax-qualified status) to establish, maintain and administer the WPX DC Plan so that it is qualified under Section 401(a) of the Code.

Section 6.4 Contributions Due. All contributions payable to the WMB DC Plan with respect to employee deferrals, matching contributions and employer contributions for WPX Employees up to the Benefits Commencement Date (and, with respect to the Delayed Transfer Employees, the Applicable Transfer Date), determined in accordance with the terms and provisions of the WMB DC Plan, ERISA and the Code, shall be paid by (and be the sole liability of) WMB or a member of the WMB Group to the WMB DC Plan.

ARTICLE VII EQUITY COMPENSATION

Section 7.1 General Treatment of Outstanding WMB Equity Compensation Awards

(a) Notwithstanding any other provision of this Employee Matters Agreement or the Separation Agreement to the contrary, from and after the Distribution, each outstanding option to purchase WMB Common Stock (“WMB Option”) or each outstanding restricted stock unit with respect to WMB Common Stock (whether or not subject to performance-based vesting criteria) (“WMB RSUs”), in each case that was granted under or pursuant to any equity compensation plan or arrangement of WMB (each such WMB Option or WMB RSU, a “WMB Equity Compensation Award”), that, as of the Distribution, is held by any WPX Employee (which, for purposes of this Article VII, shall not include any Delayed Transfer Employees whose Applicable Transfer Date occurs after the Distribution) or non-employee member of the WPX board of directors, other than the portion of each Pre-2006 Option allocated to WMB, shall be assumed by WPX (each such assumed WMB Equity Compensation Award, a “Converted WPX Equity Compensation Award”).

(b) In connection with the assumption by WPX, each Converted WPX Equity Compensation Award, other than the Pre-2006 Options, shall be adjusted into an option or restricted stock unit award, as applicable, with respect to shares of WPX Common Stock having the same intrinsic value as the applicable WMB Equity Compensation Award, with the number of shares of WPX Common Stock subject to each such award equal to the number of shares of WMB Common Stock subject to each such award as in effect immediately prior to the Distribution multiplied by the WPX Exchange Ratio, rounded down to the nearest whole share and effective upon the Distribution. The per share exercise price of any Converted WPX Equity Compensation Award, other than the Pre-2006 Options, that is a stock option shall also be adjusted effective upon the Distribution by dividing the applicable per share exercise price of the stock option as in effect immediately prior to the Distribution by the WPX Exchange Ratio, with the result rounded up to the nearest whole cent.

(c) The Converted WPX Equity Compensation Awards that relate to WMB Options granted prior to January 1, 2006, along with each other WMB Option granted prior to January 1, 2006 that, as of the Distribution, is held by any WMB Employee, Former Employee or non-employee member of the WMB board of directors (collectively, the “Pre-2006 Options”), shall be adjusted, in part, into an option to acquire WPX Common Stock (with the number of shares of WPX Common Stock subject to such portion of the option generally equal to the number of shares of WMB Common Stock subject to the original WMB Option as in effect immediately prior to the Distribution multiplied by the Distribution Ratio) and shall remain, in part, an option to acquire WMB Common Stock (with the number of shares of WMB Common Stock subject to such portion of the option generally equal to the number of shares of WMB Common Stock subject to the original WMB Option as in effect immediately prior to the Distribution), in each case, having an aggregate same intrinsic value as the original WMB Option, rounded down to the nearest whole share and effective upon the Distribution. The per share exercise price of the Pre-2006 Options shall also be adjusted effective upon the Distribution by (i) with respect to the portion of the Pre-2006 Option that is allocated to WPX, dividing the per share exercise price of the stock option as in effect immediately prior to the Distribution by the WPX Exchange Ratio and (ii) with respect to the portion of the Pre-2006 Option that is allocated to WMB, dividing the per share exercise price of the stock option as in effect immediately prior to the Distribution by the WMB Exchange Ratio, in each case, with the results rounded up to the nearest whole cent. For the avoidance of doubt, the portion of the Pre-2006 Options held by any WMB Employee, Former Employee or non-employee member of the WMB board of directors allocated to WPX shall be assumed by WPX upon the Distribution. Notwithstanding anything herein to the contrary, in all events the adjustments to the WMB Options provided for herein shall be implemented in a manner that complies with Section 424 of the Code.

(d) The performance criteria applicable to any Converted WPX Equity Compensation Awards issued in 2010 or 2011 that are performance-based restricted stock units shall also be modified so that “total stockholder return” for purposes of such performance-based restricted stock units shall be based on the sum of the 20-day average closing price of WMB Common Stock at the end of the performance period and the 20-day average closing price of WPX Common Stock, multiplied by the Distribution Ratio, at the end of the performance period.

(e) Prior to the Distribution, WPX shall establish equity compensation plans, so that upon the Distribution, WPX shall have in effect an equity compensation plan containing substantially the same terms as each original WMB equity compensation plan under which any Converted WPX Equity Compensation Award was granted. From and after the Distribution, each Converted WPX Equity Compensation Award shall be subject to the terms of the applicable WPX equity compensation plan and the award agreement governing such Converted WPX Equity Compensation Award. From and after the Distribution, WPX shall retain, pay, perform, fulfill and discharge all Liabilities arising out of or relating to the Converted WPX Equity Compensation Awards. Effective as of the Distribution, each WPX Employee and non-employee member of the WPX board of directors shall cease participation in all WMB equity compensation plans other than with respect to the Pre-2006 Options.

(f) In all events, the adjustments to the Converted WPX Equity Compensation Awards provided for in this Section 7.1 shall be made in a manner that, as determined by WMB and WPX, avoids adverse tax consequences under Code Section 409A.

Section 7.2 Tax Withholding and Reporting. Effective from and after the Distribution, WPX shall be solely responsible for all Tax withholding obligations with respect to the equity compensation awards applicable to WPX Employees, and WMB shall be solely responsible for all Tax withholding obligations with respect to equity compensation awards applicable to WMB Employees.

Section 7.3 Employee Stock Purchase Plan. All WPX Employees shall cease active participation in The Williams Companies Employee Stock Purchase Plan with respect to offering periods ending after the Benefits Commencement Date. For the avoidance of doubt, the WPX Employees who participated in The Williams Companies Employee Stock Purchase Plan prior to the Benefits Commencement Date shall continue to participate in the offering period under The Williams Companies Employee Stock Purchase Plan ending prior to the Benefits Commencement Date.

ARTICLE VIII BENEFIT PLAN REIMBURSEMENTS, BENEFIT PLAN THIRD-PARTY CLAIMS

Section 8.1 General Principles. From and after the Distribution, any services that a member of the WMB Group shall provide to the members of the WPX Group relating to any Benefit Plans shall be set forth in the Transition Services Agreement.

Section 8.2 Benefit Plan Third-Party Claims. In the event of any conflict or inconsistency between the following provision on the one hand, and the Separation Agreement or any of the other Ancillary Agreements on the other hand, the following provision shall control over the inconsistent provisions to the extent of the inconsistency:

If a Third-Party Claim (as defined in Section 7.5(a) of the Separation Agreement) relates solely to the Benefit Plan of the Indemnifying Party, WPX and WMB shall take all actions necessary to substitute the Indemnifying Party and/or the relevant Benefit Plan of the Indemnifying Party as the proper party for such Third-Party Claim. If the Third-Party Claim relates to both a WPX Benefit Plan and a WMB Benefit Plan, WPX and WMB shall take all actions necessary to separate or otherwise partition the Third-Party Claim so as to allow each party to solely defend the claim relating to its own Benefit Plan (unless the parties mutually agree that such a separation or partition is unnecessary or inadvisable). If the Third-Party Claim cannot be transferred to the Indemnifying Party or separated or partitioned so as to allow each party to solely defend the claim relating to its own Benefit Plan, then WMB shall defend the Third-Party Claim and WPX may elect to participate in (but not control) the defense, compromise, or settlement of any such Third-Party Claim at its own expense (including allocated costs of WPX in-house counsel and other WPX personnel).

**ARTICLE IX
COOPERATION**

Section 9.1 Cooperation. Following the date of this Employee Matters Agreement, WMB and WPX shall, and shall cause their respective Subsidiaries and Affiliates to, use reasonable best efforts to cooperate with respect to any employee compensation or benefits matters that the WMB Group or the WPX Group, as applicable, reasonably determines require the cooperation of both the WMB Group and the WPX Group in order to accomplish the objectives of this Employee Matters Agreement. Without limiting the generality of the preceding sentence, (a) the WMB Group and the WPX Group shall cooperate in coordinating each of their respective payroll systems in connection with the transfers of WPX Employees and Delayed Transfer Employees to the WPX Group, (b) the WMB Group shall, to the extent permitted by applicable Law, transfer all employment-related records relating to WPX Employees to the WPX Group, to the extent such records are in the WMB Group's possession or control, and (c) the WMB Group and the WPX Group shall, to the extent permitted by applicable Law, transfer records to each other as reasonably necessary for the proper administration of all Equity Compensation Awards (including the Pre-2006 Options), to the extent such records are in the other party's possession or control. The obligations of the WPX Group and the WMB Group to cooperate pursuant to this Section 9.1 shall remain in effect until all audits of all Benefit Plans (including, for this purpose, any equity compensation plan) with respect to which the other party may have information have been completed and the applicable statute of limitations with respect to such audits has expired.

**ARTICLE X
MISCELLANEOUS**

Section 10.1 Further Assurances. Prior to the Distribution Date, if either party identifies any commercial or other service that is needed to ensure a smooth and orderly transition of its business in connection with the consummation of the transactions contemplated hereby, and that is not otherwise governed by the provisions of this Employee Matters Agreement, the parties will cooperate in determining whether there is a mutually acceptable arm's-length basis on which the other party will provide such service under the Transition Services Agreement.

Section 10.2 Employment Tax Reporting Responsibility. WPX and WMB hereby agree to follow the standard procedure for United States employment tax withholding as provided in Section 4 of Rev. Proc. 2004-53, I.R.B. 2004-35.

Section 10.3 Data Privacy. The parties agree that any applicable data privacy Laws and any other obligations of the WPX Group and the WMB Group to maintain the confidentiality of any employee information or information held by any Benefit Plans in accordance with applicable Law shall govern the disclosure of employee information among the parties under this Employee Matters Agreement. WPX and WMB shall ensure that they each have in place appropriate technical and organizational security measures to protect the personal data of the WPX Employees and WMB Employees.

Section 10.4 Third Party Beneficiaries. Nothing contained in this Employee Matters Agreement shall be construed to create any third-party beneficiary rights in any individual, including without limitation any WPX Employee, WMB Employee or Former Employee (including any dependent or beneficiary thereof) nor shall this Employee Matters Agreement be deemed to amend any Benefit Plan or to prohibit WMB, WPX or their respective Affiliates from amending or terminating any Benefit Plan (including for this purpose, any equity compensation plan).

Section 10.5 Effect if Distribution Does Not Occur. If the Distribution does not occur, then all actions and events that are, under this Employee Matters Agreement, to be taken or occur effective as of the Distribution shall not be taken or occur except to the extent specifically agreed by the parties.

Section 10.6 Incorporation of Separation Agreement Provisions. The following provisions of the Separation Agreement are hereby incorporated herein by reference, and unless otherwise expressly specified herein, such provisions shall apply as if fully set forth herein (references in this Section 10.6 to an “Article” or “Section” shall mean Articles or Sections of the Separation Agreement, and references in the material incorporated herein by reference shall be references to the Separation Agreement): Article V (relating to Exchange of Information; Confidentiality); Article VI (relating to Additional Covenants and Other Matters); Article VII (relating to Mutual Releases; Indemnification); Article VIII (relating to Termination); Article IX (relating to Dispute Resolution); and Article X (relating to Miscellaneous).

Section 10.7 No Representation or Warranty. WMB makes no representation or warranty with respect to any matter in this Employee Matters Agreement, including, without limitation, any representation or warranty with respect to the legal or tax status or compliance of any Benefit Plan, compensation arrangement or Employment Agreement, and WMB disclaims any and all liability with respect thereto.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have caused this Employee Matters Agreement to be executed by their duly authorized representatives.

THE WILLIAMS COMPANIES, INC.

By: /s/ Alan S. Armstrong
Name: Alan S. Armstrong
Title: Chief Executive Officer

WPX ENERGY, INC.

By: /s/ Ralph A. Hill
Name: Ralph A. Hill
Title: Chief Executive Officer

[Signature Page to Employee Matters Agreement]

TAX SHARING AGREEMENT

This Tax Sharing Agreement (the "Agreement") is entered into as of December 30, 2011, by and between The Williams Companies, Inc., a Delaware corporation ("Williams"), and WPX Energy, Inc., a Delaware corporation ("WPX") (collectively, the "parties").

RECITALS

WPX is currently an includible corporation in the Williams Group under Section 1504 of the Internal Revenue Code of 1986, as amended (the "Code").

Williams currently owns 100% of the outstanding common stock of WPX. Pursuant to a plan of reorganization adopted by the Williams board of directors on April 26, 2011, and amended on October 19, 2011, Williams intends to effect the Spin (as defined below).

The parties are entering into this Tax Sharing Agreement to allocate, indemnify, pay and settle amongst them the Taxes of the parties.

AGREEMENT

Accordingly, the parties agree as follows:

ARTICLE I**CERTAIN DEFINITIONS**

The defined terms used in this Agreement shall, except as otherwise expressly provided or unless the context otherwise requires, have the meanings specified in this Article I. The singular shall include the plural and masculine gender shall include the feminine, the neuter and vice versa, as the context requires.

"AMT" means the federal alternative minimum tax, as described in Sections 55 through 59 of the Code.

"Combined Return" means any state, local or foreign income Tax Return of the Williams Group that is filed on a unitary, combined, consolidated or similar basis with one or more members of the WPX Group.

"Consolidated Return" means any consolidated federal income Tax Return of the Williams Group that includes one or more members of the WPX Group.

"Final Determination" means (i) an IRS Form 870 or 870AD (or any similar state, local, or foreign form) that reflects an adjustment to any Tax item shown on a Tax Return, (ii) a closing agreement or an accepted offer in compromise with any Tax Authority, (iii) any other adjustment to any Tax item (including, but not limited to, the filing of an amended return on which the taxpayer adjusts an item) as to which the period of limitations has expired, (iv) a claim for refund

that has been allowed, (v) a deficiency notice with respect to which the period for filing a petition with the Tax Court has expired, or (vi) a decision of any court of competent jurisdiction relating to a Tax item that is not subject to appeal or the time for appeal of which has expired.

“IRS” means the Internal Revenue Service.

“Payment Date” means the date on which a payment of Tax is due to the relevant Taxing Authority with respect to a Tax Return.

“Private Ruling” means the private letter ruling issued by the IRS dated September 30, 2011.

“Private Ruling Application” means the written materials submitted to the IRS by Williams in connection with the Private Ruling.

“Proceeding” means any examination, audit, administrative appeal, court action, court proceedings, protests, claims or suits for refund, petitions, briefs, arguments, settlement discussions, or any other dealings with a Tax Authority or judicial authority relating to Taxes.

“Regulations” means the United States Treasury Regulations promulgated under the Code.

“Required Payment” means any payment required under this Agreement.

“Required Payment Date” means the date a Required Payment is required to be paid under this Agreement.

“Section 355(e) Agreements” has the meaning set forth in Section 4.1(c) of this Agreement.

“Section 355(e) Plan” has the meaning set forth in Section 4.1(c) of this Agreement.

“Separation Agreement” means the Separation and Distribution Agreement by and between Williams and WPX, dated concurrently herewith.

“Spin” means the spin-off of Apco Oil & Gas International, Inc. (“Apco”) to Williams (the “Internal Spin”) and the spin-off of WPX to Williams’ shareholders (the “External Spin”) and any related restructuring transactions.

“Spin Date” means the date on which the External Spin occurs.

“Spin Taxes” mean the sum of (i) any increase in a Tax liability (or reduction in a Tax refund, credit, or other Tax Attribute) of any member of the Williams Group determined in a Final Determination as a result of any corporate-level gain or income recognized with respect to the failure of the Internal Spin or External Spin to qualify for tax-free treatment under Section 355 or Section 368(a)(1)(D) of the Code (or their state, local or foreign counterparts), (ii) interest on such amounts calculated pursuant to the Tax Law in any applicable jurisdiction at the highest

underpayment rate in such jurisdiction from the date such additional gain or income was recognized until full payment with respect thereto is made (or, in the case of a reduction in a refund, the amount of interest that would have been received from the applicable Tax Authority on the foregone portion of the refund but for such failure), and (iii) any penalties actually paid to any Taxing Authority that would not have been paid but for such failure.

“Stock” means common or preferred stock, securities, and any warrants, stock options, forward contracts, puts and calls, other equity instruments or derivative equity instruments or any instrument that might reasonably be treated as stock for federal income tax purposes.

“Tax Authority” means any governmental authority, agency or court of competent jurisdiction that is responsible for the administration, adjudication or collection of Taxes.

“Tax” means all taxes, assessments, charges, duties, fees, levies or other similar governmental charges, including, without limitation, all federal, state, local, foreign and other income, franchise, profits, capital gains, capital stock, transfer, sales, use, occupation, property, excise, severance, windfall profits, stamp, license, payroll, withholding and other taxes, assessments, charges, duties, fees, levies or other governmental charges of any kind whatsoever (whether payable directly or by withholding and whether or not requiring the filing of a return), all estimated taxes, deficiency assessments, additions to tax, penalties and interest and shall include any liability for such amounts as a result either of being a member of a combined, consolidated, unitary or affiliated group.

“Tax Information” means all books, records, accounting data and other information in the possession of the Williams Group or the WPX Group necessary for the preparation and filing of all Tax Returns relevant to this Agreement.

“Tax Attribute” means any net operating loss, net capital loss, investment tax credit, foreign tax credit, deduction or any loss, credit or tax attribute that could be carried forward or back to reduce taxes (including without limitation deductions and credits related to alternative minimum taxes).

“Tax Opinion” means the opinion of counsel obtained by Williams with respect to the qualification of the Spin under Section 355 and Section 368(a)(1)(D) of the Code dated October 25, 2011.

“Tax Law” means laws, cases, statutes, rules and regulations with respect to Taxes.

“Tax Return” means any return, report, declaration, claim for refund, election, disclosure, estimate, or statement required to be supplied to a Taxing Authority in connection with Taxes, including any schedule or attachment thereto or amendment thereof.

“Williams Group” means the affiliated group of which Williams is the common parent.

“WPX Group” means WPX and all its direct and indirect subsidiaries that are or have been members of the Williams Group at any time on or prior to the External Spin.

“WPX Pro Forma Combined Return” has the meaning set forth in Section 2.3(a) of this Agreement.

“WPX Pro Forma Consolidated Return” has the meaning set forth in Section 2.3(a) of this Agreement.

“WPX Pro Forma Return” means a WPX Pro Forma Combined Return or a WPX Pro Forma Consolidated Return.

ARTICLE II

TAX RETURNS AND TAXES

Section 2.1 Tax Returns and Payment

(a) Consolidated Returns and Combined Returns.

Williams shall prepare and file all Consolidated Returns and Combined Returns that are required to be filed by or with respect to any member of the WPX Group, and shall pay any Taxes payable with respect to such Tax Returns. Williams shall prepare all such Tax Returns in good faith and in accordance with the Tax Law. At the discretion of WPX, WPX may assist in the preparation of such Tax Returns as may be requested by Williams. Williams shall, in its discretion, make all determinations regarding the preparation of such Tax Returns, including without limitation, determinations regarding the entities to be included in any Tax Return, the making, modification or revocation of any election, the adoption or change of any Tax accounting methods, and any other position to be taken on or in respect of such Tax Returns, including the carryback of losses.

(b) Other Tax Returns.

WPX shall prepare and file all Tax Returns that are required to be filed by or with respect to WPX or any of its direct or indirect subsidiaries, other than those Tax Returns described in Section 2.1(a) above, and shall pay any Taxes payable with respect to such Tax Returns. At the discretion of Williams, Williams may assist in the preparation of such Tax Returns as may be requested by WPX, but shall have no obligation to pay any related Taxes.

Section 2.2 Consents, Elections, Information.

At the request of Williams, each member of the WPX Group shall (i) file any and all Tax consents, Tax elections or other documents, (ii) take all actions necessary to effect or allow the preparation and filing of all Tax Returns by Williams, and (iii) prepare and submit all information in such form that Williams reasonably requests to enable Williams to prepare any Tax Returns required by this Agreement. Each member of the WPX Group shall be bound by all of the determinations made by Williams in preparing any such Tax Returns and no member of the WPX Group shall take any position on a Tax Return with respect to an item of income, deduction, gain, loss, or credit that is inconsistent with the reporting of such item on the Tax Returns prepared by Williams.

Section 2.3 WPX Pro Forma Returns.

(a) For each Tax period with respect to which a Consolidated Return has not been filed and until the WPX Group ceases to be part of a Consolidated Return, Williams shall prepare a pro forma federal income Tax Return for the WPX Group (a “WPX Pro Forma Consolidated Return”), based on the assumption that WPX is the common parent of the WPX Group. For each Tax period for which a Combined Return has not been filed and until the WPX Group ceases to be a part of such Combined Return, Williams shall prepare a pro forma combined Tax Return for the WPX Group for the jurisdiction in which such Combined Return is filed (a “WPX Pro Forma Combined Return”) based on the assumption that WPX is not a subsidiary of Williams. At the discretion of WPX, WPX may assist in the preparation of the WPX Pro Forma Returns as may be requested by Williams. The methods and processes described in Sections 2.3(b), 2.3(c), and 2.3(d) below shall be followed in the preparation of the WPX Pro Forma Returns. In addition, Williams may from time to time establish any other special procedures that Williams may in its sole discretion deem necessary or appropriate to carry out the purposes of this Agreement.

(b) Each WPX Pro Forma Return shall take into account solely the current income, deduction, gain, loss, and credit items of the WPX Group, without regard to any carryovers or carrybacks from prior or subsequent periods, and without regard to the AMT. Notwithstanding the foregoing, the WPX Pro Forma Returns shall not reflect any deduction under Section 199 of the Code computed on a separate company basis, but shall reflect the amount that the WPX Group has contributed to the Williams Group consolidated deduction under Section 199 of the Code, as determined by Williams in its sole discretion.

(c) Each WPX Pro Forma Return shall reflect all elections and methods of accounting reflected on the related Consolidated Return or Combined Return.

(d) The relevant WPX Pro Forma Returns for a short Tax period shall be prepared based on an actual or hypothetical closing of the books method.

Section 2.4 Payments for WPX Pro Forma Returns.

(a) For each WPX Pro Forma Consolidated Return, WPX shall pay to Williams the amount of the Tax, if any, shown thereon. If the WPX Pro Forma Consolidated Return shows a credit or loss, Williams shall pay to WPX an amount equal to (i) any such credits plus (ii) any such losses multiplied by the highest marginal federal income tax rate applicable to corporations for the relevant Tax year.

(b) For each WPX Combined Pro Forma Return, WPX shall pay to Williams the amount of the Tax, if any, shown thereon. If the WPX Pro Forma Combined Return shows a credit or loss, Williams shall pay to WPX an amount equal to (i) any such credits plus (ii) any such losses multiplied by the highest marginal Tax rate applicable thereto.

(c) All payments made pursuant to this Section 2.4 shall take into account all prior related or estimated payments or credits made by one party to another in connection with the Taxes covered in this Section 2.4. All payments required under this Section 2.4 shall be due no later than thirty days before the Payment Date of the related Tax Return, and shall include any interest, penalties and additions to Tax that would be due if such payments were made directly to the applicable Tax Authorities.

Section 2.5 Carrybacks.

If any member of the WPX Group realizes any losses, credits or other Tax Attributes that may be carried back to a Consolidated Return or Combined Return, neither such member nor the WPX Group shall be entitled to any payment or reimbursement from Williams or any member of the Williams Group by reason of such carrybacks.

Section 2.6 Carryovers.

If Williams is required under the Code to allocate to the WPX Group or any of its members any carryovers of any losses, credits or other Tax Attributes to periods following the Spin Date, Williams shall not be entitled to reimbursement from WPX by reason of such carryover.

ARTICLE III

REDETERMINATIONS AND ADJUSTMENTS

Section 3.1 Redeterminations of Consolidated Returns.

In the event of any adjustments in a Final Determination for a Consolidated Return, Williams shall make corresponding adjustments to the related WPX Pro Forma Consolidated Return and WPX Pro Forma Combined Returns consistent with the procedures described in Article II of this Agreement. Within thirty days after such adjustment, Williams or WPX, as appropriate, shall make additional payments to the other party reflecting such adjustment.

Section 3.2 Redeterminations of Other Returns.

In the event of any adjustments in a Final Determination other than those described in Section 3.1 above, WPX Pro Forma Returns shall not be adjusted and no additional payments shall be required between Williams and WPX.

ARTICLE IV

SPIN

Section 4.1

Spin Representations and Warranties.

(a) Each of WPX and Williams represents and warrants that it has examined the Private Ruling, the Private Ruling Application and the Tax Opinion and that the facts presented and the representations made therein are true, correct and complete.

(b) Each of WPX and Williams represents and warrants that it has not taken and has no plan or intention of taking any action or failing to take any action nor knows of any circumstance that could reasonably be expected to cause any representation or factual statement made in this Agreement, the Separation Agreement, the Private Ruling, the Private Ruling Application or the Tax Opinion to be untrue.

(c) Each of Williams and WPX represents and warrants that, during the two-year period ending on the date hereof, there was no “agreement, understanding, arrangement, or substantial negotiations” (as such terms are defined in Regulation Section 1.355-7(h)(1), and hereinafter referred to as the “Section 355(e) Agreements”) that related to a plan pursuant to which one or more persons would acquire directly or indirectly stock representing a 50% or greater interest (within the meaning of Section 355(e) and the Regulations thereunder) in Williams, WPX or Apco (any such plan hereinafter referred to as a “Section 355(e) Plan”).

(d) Each of Williams and WPX represents and warrants that it has no current plan or intention to enter into any Section 355(e) Agreements that relate to a Section 355(e) Plan.

Section 4.2 Spin Covenants.

(a) Each of WPX and Williams covenants that it will not, and will not allow any officers or directors of any of its respective subsidiaries to, take any action or fail to take any action that (i) would create a risk that either the Internal Spin or the External Spin will fail to qualify as a tax-free distribution pursuant to Section 355 and/or Section 368(a)(1)(D) of the Code, (ii) would be inconsistent with any factual statement or any representation made hereunder or in the Separation Agreement or in connection with the Private Ruling, the Private Ruling Application, or the Tax Opinion, or any condition or restriction imposed thereby, or (iii) would create a risk for either the Internal Spin or the External Spin to trigger gain under Section 355(d) or Section 355(e) of the Code.

(b) Except as otherwise required by the Tax Law or as a result of a Final Determination, each of WPX and Williams covenants that it will not take, and will not allow any officers or directors of any of its respective subsidiaries to take, any position with respect to an item of income, deduction, gain, loss, or credit on a Tax Return that is inconsistent with the treatment of either the Internal Spin or the External Spin under Section 355 and/or Section 368(a)(1)(D) of the Code (or analogous status under state, local or foreign law).

(c) If during the period commencing on the date hereof and ending two (2) years after the Spin Date any officers and directors of Williams or WPX or any of their respective subsidiaries becomes aware of a matter or transaction that could affect the status of either the Internal Spin or the External Spin under Section 355 or Section 368(a)(1)(D) of the Code, Williams and WPX covenant to inform each other of such matter or transaction. The parties shall attempt in good faith to take reasonable action or reasonably refrain from taking action to ensure the continued qualification of the Internal Spin and the External Spin under the foregoing sections of the Code. If the parties are unable to agree on a course of action, WPX shall be required to take any course of action consistent with Tax Law that Williams reasonably determines, in good faith and taking into account the interests of WPX and Williams, in order to

implement the provisions of Section 4.2(a). This Section 4.2(c) shall not apply as to any matters or transactions with respect to which the IRS has issued (i) a private letter ruling to Williams or WPX or (ii) other guidance that can be relied upon conclusively to the effect that the transaction or event at issue does not adversely affect the Internal Spin or the External Spin under Section 355 or Section 368(a)(1)(D) of the Code.

(d) WPX covenants that its officers and directors will not discuss any acquisitions of the Stock of WPX or any WPX Group member during the two-year period beginning on the Spin Date without permission from Williams, such permission not to be unreasonably withheld.

ARTICLE V

INDEMNITIES

Section 5.1 Spin Indemnities.

(a) Williams shall be responsible for and shall indemnify and hold harmless each member of the WPX Group from and against all Spin Taxes, except for those Spin Taxes for which the WPX Group is responsible under Section 5.1(b) of this Agreement.

(b) WPX shall be responsible for and shall indemnify, defend and hold harmless Williams from and against all Spin Taxes that are incurred by any member of the Williams Group by reason of the breach by any member of the WPX Group of any of its representations or covenants hereunder or in the Separation Agreement, or made in connection with the Private Ruling, the Private Ruling Application or the Tax Opinion.

Section 5.2 Transfer Tax Indemnities.

Williams shall indemnify and hold harmless each member of the WPX Group for any transfer Taxes arising solely as a result of transferring any assets to any member of the WPX Group on or prior to the Spin Date.

Section 5.3 No Other Liability.

Except as specifically provided in this Agreement, WPX and Williams shall have no liability to each other with respect to Taxes.

Section 5.4 Tax Characterization of Payments.

For all Tax purposes, and notwithstanding any other provision of this Agreement, to the extent permitted by applicable law, the parties hereto shall treat any payment made pursuant to this Agreement (other than interest thereon) as a capital contribution or dividend distribution, as the case may be (except to the extent that the parties treat such payment as the settlement of an intercompany liability), made immediately before WPX ceased to be an includible corporation in the Williams Group under Section 1504 of the Code and, accordingly, as not includible in the taxable income of the recipient. If any payment under this Agreement is not permitted to be so treated (because, for example, the payment relates to an event occurring after such date) or as a

result of a Final Determination it is determined that the receipt or accrual of any payment made under this Agreement is taxable to the recipient of such payment, the party making the payment shall pay to the recipient an amount equal to any increase in the income Taxes of the recipient as a result of receiving the payment (grossed up to take into account such payment, if applicable).

ARTICLE VI

PROCEEDINGS, COOPERATION, AND RECORD RETENTION

Section 6.1 Control of Proceedings.

(a) Williams shall have sole and absolute authority to administer and control any Proceeding relating to (i) any Consolidated Returns, (ii) any Combined Returns, and (iii) any other Proceeding that may result in Tax liability to Williams. Each member of the WPX Group shall execute and deliver to Williams any power of attorney or other document requested by Williams in connection with any such Proceeding. With respect to Proceedings subject to the first sentence of this Section 6.1(a), no agent or employee of any member of the WPX Group shall provide any information (whether written or oral) to any Tax Authority except at the direction of Williams.

(b) In the event of any Proceeding as a result of which WPX could reasonably be expected to become liable for any Spin Taxes pursuant to Section 5.1(b) and which Williams has the right to administer and control pursuant to Section 6.1(a) above (i) Williams shall consult with WPX reasonably in advance of taking any significant action in connection with such Proceeding, (ii) Williams shall offer WPX a reasonable opportunity to comment before submitting any written materials prepared or furnished in connection with such Proceeding, (iii) WPX shall have the right to participate in such Proceeding, (iv) Williams shall defend such Proceeding diligently and in good faith as if it were the only party in interest in connection with such Proceeding, and (v) Williams shall provide WPX with copies of any written materials relating to such Proceeding received from the relevant Tax Authority. Notwithstanding anything in the preceding sentence to the contrary, the final determination of the positions taken (including with respect to settlement or other disposition) in any such Proceeding shall be made in the sole discretion of Williams, except that any settlement that will result in liability to WPX shall be subject to the consent of WPX, which consent shall not be unreasonably delayed, denied or withheld.

Section 6.2 Cooperation.

The WPX Group and the Williams Group shall cooperate with each other in the highest standard of good faith regarding all provisions of this Agreement. Such cooperation shall include (i) providing to each other information relevant to this Agreement as may be reasonably requested, (ii) executing documents necessary for each party to effect the provisions of this Agreement, (iii) making any officers, directors, employees and agents available to each other as each party may reasonably request to comply with the provisions of this Agreement, and (iv) securing the covenant of any acquirer of any member of WPX Group or Williams Group, or any newly-formed or acquired subsidiary of WPX Group or Williams Group, to comply with this Agreement.

Section 6.3 Books and Records.

The parties shall maintain Tax Information for 10 years after the filing date of the Tax Return to which the Tax Information relates. After such period, the members of the WPX Group or the Williams Group, as the case may be, shall not dispose of or destroy any Tax Information without first providing the other group the opportunity to obtain such Tax Information.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Method of Payment; Interest.

Any Required Payment shall be made by wire transfer of immediately available funds. There shall be added to any Required Payment interest at the underpayment rate set forth in Section 6621(a)(2) of the Code (compounded daily) for the period beginning on the Required Payment Date and ending on the date of receipt of the Required Payment; provided, however, that the interest rate to be used in this Section 7.1 shall be the large corporate underpayment rate set forth in Section 6621(c) of the Code (instead of the underpayment rate set forth in Section 6621(a)(2) of the Code) to the extent that the Required Payment relates to an adjustment for which the IRS has imposed interest at the large corporate underpayment rate set forth in Section 6621(c).

Section 7.2 Successors and Assigns.

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by either party without the prior written consent of the other party, such consent not to be unreasonably withheld, denied or delayed.

Section 7.3 Effect of Agreement.

This Agreement shall determine the rights and liabilities of the parties as to the matters provided for in this Agreement, whether or not such determination is effective for financial reporting or other purposes.

Section 7.4 Term of Agreement.

This Agreement shall become effective as of the date of its execution and remain in effect until the parties agree in writing to its termination.

Section 7.5 Entire Agreement.

This Agreement sets forth the entire agreement and understanding of the parties in respect of the subject matter contained in this Agreement and supersedes all prior or contemporaneous agreements, promises, covenants, arrangements, representations or warranties, whether oral or written, by any party or by any officer, employee or representative of any party.

Section 7.6 Amendments and Waivers.

This Agreement shall not be modified, supplemented or terminated except by a writing duly signed by each of the parties hereto, and no waiver of any provision of this Agreement shall be effective unless in a writing duly signed by the party sought to be bound.

Section 7.7 Notices.

Any payment, notice, communication or approval required or permitted to be given under this Agreement shall be deemed to have been duly given if delivered by hand or deposited in the United States mail, postage prepaid and sent by certified or registered mail, if addressed to Williams, at

The Williams Companies, Inc.
One Williams Center
Tulsa, Oklahoma 74172-0172
Attention: General Counsel
Facsimile: 918-573-1807
E-mail: craig.rainey@williams.com

if addressed to WPX, at

WPX Energy, Inc
One Williams Center
Tulsa, Oklahoma 74172-0172
Attention: General Counsel
Facsimile: 918-573-5942
E-mail: james.bender@williams.com

Section 7.8 Code References.

Any references to sections of the Code or the Regulations shall be deemed to refer to any corresponding provisions of succeeding law as in effect from time to time.

Section 7.9 Third Parties.

Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon or give to any person other than the parties hereto and each of their successors and assigns any rights or remedies under or by reason of this Agreement.

Section 7.10 Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Oklahoma without regard to principles of conflicts of law.

Section 7.11 Severability.

If any provision of this Agreement or the application of this Agreement in any circumstance is held invalid or unenforceable, the remainder of this Agreement and the application of this Agreement in any other circumstance shall not be affected thereby, the provisions of this Agreement being severable in any such instance.

Section 7.12 Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 7.13 Dispute Resolution.

The parties agree that any dispute arising under this Agreement shall be resolved in accordance with the Dispute Resolution procedures set forth in Article X of the Separation Agreement.

Section 7.14 Information and Expenses.

Williams will bear preparation and filing costs for all Tax Returns or WPX Pro Forma Returns that it is responsible for preparing and filing pursuant to this Agreement including any assistance provided to WPX pursuant to Section 2.1(b) above. WPX will bear preparation and filing costs for all Tax Returns that it is responsible for preparing and filing pursuant to this Agreement including any assistance provided to Williams pursuant to Sections 2.1(a) and 2.3(a) above. Each of Williams and WPX will bear its own costs incurred in furnishing records, documents, or information requested by the other party in connection with the preparation of any Tax Returns or WPX Pro Forma Returns or in connection with any Proceeding for any Tax Returns.

The parties hereto have caused this Agreement to be duly executed as of the date first written above.

THE WILLIAMS COMPANIES, INC.

By: /s/ Alan S. Armstrong

Name: Alan S. Armstrong

Title: Chief Executive Officer

WPX ENERGY, INC.

By: /s/ Ralph A. Hill

Name: Ralph A. Hill

Title: Chief Executive Officer

TRANSITION SERVICES AGREEMENT

between

THE WILLIAMS COMPANIES, INC.

and

WPX ENERGY, INC.

Dated as of December 30, 2011

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TRANSITION SERVICES AGREEMENT

TRANSITION SERVICES AGREEMENT, dated as of December 30, 2011 (this “Agreement”), by and between The Williams Companies, Inc., a Delaware corporation (“WMB”), and WPX Energy, Inc., a Delaware corporation (“WPX”).

RECITALS

A. Pursuant to the Separation and Distribution Agreement, dated as of the date hereof, by and between WMB and WPX (the “Separation Agreement”), the parties are agreeing to separate the exploration and production business and operations of WMB from the remainder of WMB.

B. The parties also desire that the WMB Entities provide the WPX Entities with certain services related to the WPX Business described in this Agreement on and after the Distribution Date, as more fully set forth herein.

AGREEMENT

In consideration of the foregoing and the mutual covenants and agreements herein contained, and intending to be legally bound hereby, the parties agree as follows:

ARTICLE I DEFINITIONS

Section 1.1 Table of Definitions. The following terms have the meanings set forth on the pages referenced below:

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Section 1.2 Certain Defined Terms . For the purposes of this Agreement:

“Equipment” means computer and telecommunications equipment (without regard to the entity owning or leasing such equipment) including: (a) servers, personal computers, and associated attachments, accessories, peripheral devices, printers, cabling and other equipment; and (b) private branch exchanges, multiplexors, modems, CSUs/DSUs, hubs, bridges, routers, switches and other telecommunications equipment.

“Force Majeure Event” means any riot, war, public disturbance, strike, lockout, labor dispute, fire explosion, storm, flood, acts of God, major breakdown or failure of transportation, manufacturing, distribution or storage facilities, or any other event which is not within the control of the party whose performance is interfered with and which by the exercise of reasonable diligence such party is unable to prevent.

“Functional Service Areas” means the following categories of services, each of which are set forth in more detail in the following statements of work: Payroll and Human Resources Administration (Schedule A-1), Information Technology (Schedule A-2), Finance and Accounting, Cash Management and Treasury (Schedule A-3), Tax Services (Schedule A-4), Enterprise Business Services (Schedule A-5), Internal Audit Services (Schedule A-6), Corporate Communications and Investor Relations (Schedule A-7), Legal, Regulatory, Government Affairs and Records Management (Schedule A-8), Real Estate and Facilities Management (Schedule A-9) and Insurance and Claims Administration (Schedule A-10).

“Intellectual Property” means (a) patents and pending patent applications; (b) trademarks, service marks, trade names and trade dress; (c) copyrights, including copyrights in computer Software; (d) confidential and proprietary information, including trade secrets; (e) data base rights; (f) design rights and rights in designs; (g) rights in domain names; (h) rights in know-how; (i) all other intellectual property rights subsisting now or in the future, anywhere in the world; and (j) registrations, right to register and pending applications for registration of the foregoing.

“Intellectual Property Rights” means any and all common law, statutory and other Intellectual Property rights honored and/or enforceable under any laws.

“Managed WPX Contracts” means, collectively, the WPX Entity contracts that are (a) identified on Schedule B as of the date hereof or (b) subsequently added thereto by agreement of the parties as additional contracts with respect to which WMB will have management responsibility.

“Pricing” means cost information provided by WMB for each Functional Service Area based on actual monthly cost allocations for the prior twelve months as set forth in Schedule A.

“Services” means the services provided in the Functional Service Areas pursuant to Schedule A.

“Software” means programs and programming (including the supporting documentation, media, on-line help facilities and tutorials).

“Subcontractors” means the WMB Entities’ contractors or other agents that perform a portion of the Services.

“Systems” means WPX Systems and the WMB Systems or either of them.

“Third Party Consents” means the consents required from third parties in connection with the WMB Entities’ provision, and WPX Entities’ receipt, of the Services and/or Managed WPX Contracts.

“Transition Service Managers” means the WPX Service Manager and the WMB Service Manager.

“WMB Equipment” means Equipment owned or leased by any WMB Entity or Subcontractor and used in connection with the Services, but excluding WPX Equipment.

“WMB Facilities” means the facilities maintained by the WMB Entities and the Subcontractors providing Services on behalf of the WMB Entities.

“WMB Personnel” means those employees, representatives, contractors, subcontractors and agents of the WMB Entities who perform any Services under this Agreement.

“WMB Service Manager” means the individual appointed by WMB to represent WMB and be primarily responsible for the management of the WMB/WPX relationship under this Agreement.

“WMB Software” means all Software programs and programming owned by, or provided under license to, WMB and used to provide the Services (and all modifications, replacements, upgrades, enhancements, documentation, materials and media relating to the foregoing), but excluding WPX Software.

“WMB Systems” means the WMB IT platform used to provide the Services, plus any other interconnected grouping of WMB Equipment and/or WMB Software used in connection with the Services, and all additions, modifications, substitutions, upgrades or enhancements thereto.

“WPX Data” means (a) any data or information of the WPX Entities, or their respective vendors or other business partners, that is provided to or obtained by the WMB Entities solely in the performance of their obligations under this Agreement, including data and information regarding the WPX Business (including without limitation WPX products, consumer markets, assets and finances) or the WPX Facilities, and (b) any data or information collected or processed in connection with the Services.

“WPX Equipment” means all Equipment owned or leased by any WPX Entity and used in connection with the Services, but excluding WMB Equipment.

“WPX Facilities” means the locations where the WPX Entities will receive Services as set forth on Schedule D.

“WPX Personnel” means the employees, representatives, contractors, subcontractors and agents of the WPX Entities.

“WPX Service Manager” means the individual appointed by WPX to represent WPX and be primarily responsible for the management of the WMB/WPX relationship under this Agreement.

“WPX Software” means all Software owned by, or provided under license to, the WPX Entities and used in connection with the Services (and all modifications, replacements, upgrades, enhancements, documentation, materials and media relating to the foregoing), but excluding WMB Software.

“WPX Systems” means an interconnected grouping of WPX Equipment and/or WPX Software used in connection with the Services, and all additions, modifications, substitutions, upgrades or enhancements thereto.

Section 1.3 Other Capitalized Terms. Capitalized terms not defined in this Agreement shall have the meanings ascribed to them in the Separation Agreement.

ARTICLE II TERM

Section 2.1 Term. The term of this Agreement will begin on, and include, the Distribution Date and continue in effect for one year, unless terminated earlier in accordance with the terms of this Agreement (the “Term”).

Section 2.2 No Extension of Term. There will be no extension of Services beyond the Term.

ARTICLE III SERVICES

Section 3.1 Performance of Services.

(a) Performance. During the Term of this Agreement, WMB shall provide (or shall cause one or more of the WMB Entities to provide) the Services to the WPX Entities. Any Service to be provided under this Agreement may be provided by WMB directly or through any of the WMB Entities. WMB shall not be relieved of any of its obligations under this Agreement as a result of the provision of Services by any other WMB Entity pursuant to this Section 3.1(a).

(b) Identification of Services Requested and Charges.

(i) The parties agree to make available appropriate subject matter experts to meet to identify the specific tasks that are an inherent, necessary, and customary part of the Services for each Functional Service Area. WPX will agree to pay the Pricing plus WMB’s actual expenses (including retention payments payable to WMB Personnel primarily engaged in providing Services or otherwise agreed by the Parties to be critical to the Parties’ obligations under this Agreement), plus an administrative reimbursement fee of 8.5% of costs and expenses (together, the “Charges”).

(ii) In the event that the parties fail to agree in writing upon Charges or a description of Services for a Functional Service Area prior to the Distribution Date, then the WMB Entities may, in the sole discretion of WMB, either (A) be excused from performing any or all of the Services during the Term or (B) provide any or all of the Services in substantially similar scope, quality and nature as those provided by the WMB Entities as of the date immediately prior to the Distribution Date for the Charges proposed by WMB.

(c) Subsequent Adjustments. The parties acknowledge that certain items of Equipment or Software or certain contracts existing as of the date hereof may have been inadvertently omitted from, included in or mischaracterized under, the applicable Schedules. Accordingly, the parties agree that to the extent any such omitted, included or mischaracterized item is discovered, the discovering party shall promptly notify the other party and the parties shall promptly amend the relevant Schedule. However, if such discovered information (i) could reasonably result in a material increase or material decrease in the cost of providing Services, (ii) would require any WMB Entity

to retain additional employees or resources, (iii) creates a conflict of interest or other adverse consequence for any WMB Entity, or (iv) becomes impracticable due to reasons outside the control of WMB, then the WMB Entities will have no obligation to perform such Services, and WMB will have no obligation to amend the relevant Schedule.

(d) WPX Input . To the extent a WMB Entity responsibility set forth in a statement of work on Schedule A relies upon input, instructions or policies from any WPX Entity in performing such Services, the WMB Entities will comply with WPX's reasonable input, instructions or policies, provided, that until the relevant WPX Entity provides such input, instructions or policies, the WMB Entities may, in the sole discretion of WMB, either (i) be excused from performing the relevant Services or (ii) provide the relevant Services in accordance with the WMB Entities' applicable practices as of the date the relevant Services are to be delivered.

Section 3.2 Independent Contractor Status .

(a) Each Person (including any employee or agent of the WMB Entities) that provides Services hereunder is an independent contractor, with all of the attendant rights and liabilities of an independent contractor, and not an agent or employee of any WPX Entity. Any provision in this Agreement, or any action by any WPX Entity, that may appear to give any WPX Entity the right to direct or control any WMB Entity in performing under this Agreement means that such WMB Entity shall follow the desires of such WPX Entity in results only. Nothing in this Agreement shall be construed to create the relationship of partnership, principal and agent, joint venture, or fiduciary and beneficiary between or among any WMB Entity, on the one hand, and any WPX Entity, on the other hand.

(b) Each WMB Entity shall withhold and pay any contribution measured by wages of its employees required by the Federal Insurance Corporation Act and all other contributions, taxes and other charges required to be withheld or paid pursuant to any state or federal statute and shall accept exclusive liability therefore.

Section 3.3 Service Standards . Unless otherwise specified in this Agreement (including the Schedules), the Services under this Agreement will initially be performed in substantially the same scope, quality and nature (including historical usage levels) that such Services were generally performed by the WMB Entities for the WPX Businesses as of the date immediately prior to the Distribution Date, and thereafter will continue to be performed in substantially the same scope, quality and nature (including usage levels) as WMB generally performs such services for the WMB Businesses, except to the extent such Services differ because of the need to follow legal corporate formalities and to keep WPX Data separate from WMB data. In no event will any WMB Entity be required to make any customization to the Services (or the WMB Systems or work processes) that are unique to the WPX Entities, beyond the customizations that WMB elects to make to support the WMB Systems and work processes. To the extent WPX requests Services that exceed the historical usage levels of the WPX Businesses, and WMB agrees in its sole discretion to provide such Services, the parties will determine pricing as described in Section 3.1(b) . The WPX Entities shall comply with the WMB Entities' applicable work processes, policies and procedures and any applicable terms and conditions of third party suppliers.

Section 3.4 Conflict of Interest . In the event that WMB determines there is a conflict of interest (other than a conflict of interest described in Section 12.2(b) , which shall be governed by that Section) between any WMB Entity and any WPX Entity related to the performance of the Services on an issue that could reasonably have an adverse impact on any WMB Entity with regard to such entity's code of business conduct or public relations, or with regard to a Governmental Authority, WMB shall notify WPX of such issue. The parties will then work together, through the Transition Service Managers, to resolve such issue. If the parties are unable to resolve such issue to their mutual satisfaction within 30 days, the WMB Entities will not be obligated to perform the Services giving rise to the conflict of interest, and the WPX Entities shall have the right to perform such Services for themselves solely to the extent necessary to avoid the conflict of interest.

Section 3.5 WPX's Obligations .

(a) The WPX Entities shall (i) use the Services in substantially the same manner and for the same purposes (and for no other purpose) as such Services were used by the WPX Entities as of the date immediately prior to the Distribution Date and (ii) endeavor in good faith to cease using such Services as soon as practicable following the Distribution Date but in any event no later than the termination date set forth for any particular Service in Schedule A . No WPX Entity shall, directly or indirectly, resell or permit the use of any of the Services to or by any third party.

(b) WMB's failure to perform its obligations under this Agreement shall be excused if and to the extent such non-performance is caused by (i) the actions or inactions of any WPX Entity or a third party contractor performing obligations on behalf of any WPX Entity under this Agreement, or (ii) the failure of any WPX Entity or such a third party contractor to perform the WPX Entities' obligations under this Agreement or otherwise comply with the WMB Entities' work processes, policies and procedures and any requirements under the WMB Entities' third party contracts. WPX shall be responsible for any additional costs incurred by any WMB Entity in connection with providing the Services as a result of (i) or (ii) above.

Section 3.6 Third Party Consents .

(a) Responsibility . Each party will be responsible for obtaining the Third Party Consents required under its, and its Affiliates', third party contracts pertaining to any Software, Equipment, Systems or other materials or associated services required in connection with the Services under this Agreement. Such responsibility shall include the administrative activities necessary to obtain the Third Party Consents and payment of the fees and/or expenses associated with obtaining the Third Party Consents. For the avoidance of doubt, WPX will be responsible for the cost of obtaining Third Party Consents necessary for any Managed WPX Contracts.

(b) Contingent Arrangements. If, despite using commercially reasonable efforts, either party is unable to obtain a Third Party Consent for which it is responsible, the parties will consider such third party contract to be a transfer not effected on or before the Effective Time as described in Section 2.4 of the Separation Agreement, or may agree that such third party contract will be a Managed WPX Contract. Nothing in this Section 3.6 obligates any WMB Entity to provide any Service to any WPX Entity after the Term.

Section 3.7 Services Provided by WPX. In the event that WMB determines that it will require services related to the WMB Business from WPX on or after the Distribution Date, then WMB shall provide WPX with a written notice requesting such services. WPX agrees that, upon delivery of any such notice, it will use commercially reasonable efforts to provide such services on the same terms and conditions as the Services provided hereunder.

ARTICLE IV COMPENSATION

Section 4.1 Charge for Services. WPX shall pay to WMB the Charges set forth in Section 3.1, and any other charges provided for elsewhere in this Agreement, for the Services in accordance with the terms set forth in this Agreement.

Section 4.2 Taxes. In addition to the other sums payable under this Agreement, WPX shall pay, and hold each WMB Entity harmless against, all sales, use or other taxes, or other fees or assessments imposed by law in connection with the provision of the Services, other than income, franchise or margin taxes measured by WMB's net income or margin and other than any gross receipts or other privilege taxes imposed on WMB. WMB and WPX shall cooperate with each other and use commercially reasonable efforts to assist the other in entering into such arrangements as the other may reasonably request in order to minimize, to the extent lawful and feasible, the payment or assessment of any taxes relating to the transactions contemplated by this Agreement; provided, however, that nothing in this Section 4.2 shall obligate WMB to cooperate with, or assist, WPX in any arrangement proposed by WPX that would, in WMB's sole discretion, have a detrimental effect on any WMB Entity.

Section 4.3 Invoicing and Payment. WMB will invoice WPX by the 8th Business Day of the month following the month in which Services were performed; or, for Services priced at an hourly rate, the month following the month in which hours of effort have been reported to WMB. WPX will pay undisputed invoiced amounts (including any undisputed amount of an invoice where only a portion is in dispute) by the 28th calendar day of the month in which such invoice is received, and any disputed portion of an invoiced amount shall be resolved in accordance with Section 6.1 below. If the 28th calendar day does not fall on a Business Day, WPX will pay invoiced amounts on the next Business Day. Payments for amounts past due shall bear interest calculated on a per annum basis from the due date to the date of actual payment at a fluctuating interest rate equal at all times to the prime rate of interest published from time to time in *The Wall Street Journal* plus 2%, but in no case higher than the maximum rate permitted by law. WPX shall make payments under this Agreement by electronic funds transfer in accordance with payment instructions provided by WMB from time to time.

ARTICLE V
WMB SUBCONTRACTORS AND PERSONNEL

Section 5.1 Subcontractors. WMB shall have the right to use Subcontractors to provide, or assist the WMB Entities in the provision of, the Services. WMB will be responsible for the Services performed by itself and the other WMB Entities, and responsible for the Services performed by Subcontractors to the extent that WMB has contractual remedies pursuant to the applicable subcontractor agreement. In the event any such Subcontractor fails to meet expected levels of quality or timeliness with respect to the Services, WMB will be WPX's sole point of contact regarding such Services.

Section 5.2 Compliance. WMB shall cause its and the other WMB Entities' employees, agents and Subcontractors, while at WPX Facilities, to (a) comply with reasonable personnel, operational, safety and security procedures, policies, rules and regulations applicable to WPX Personnel and the WPX Facilities provided in advance to WMB from time to time, and (b) comply with reasonable requests of WPX Personnel pertaining to personal and professional conduct. WPX shall have the right to require WMB to remove any employee, agent or Subcontractor of the WMB Entities from a WPX Facility in an emergency or potential emergency situation arising from any failure to comply with this provision. In any other situation in which any employee, agent or Subcontractor of the WMB fails to comply with this provision, WMB shall consult with WPX and take appropriate action to remedy such failure, including removal of such employee, agent or Subcontractor from the WPX Facilities. Notwithstanding the foregoing, WMB retains the sole right to hire and fire its employees, and to manage contractual relationships with its agents and Subcontractors.

ARTICLE VI
TRANSITION SERVICES MANAGEMENT

Section 6.1 Transition Services Management Process. Each party will appoint an individual who will serve as its Transition Services Manager, and the names of such appointed individuals shall be set forth in Schedule C. The parties, including their respective Transition Services Managers, shall conduct meetings and manage interactions in accordance with Schedule C. The Transition Services Managers shall meet as expeditiously as possible to resolve any dispute hereunder. Any dispute that is not resolved by the Transition Services Managers within 45 days shall be resolved in accordance with the dispute resolution procedures set forth in Article IX of the Separation Agreement.

Section 6.2 Books and Records; Audit. In addition to the rights and obligations of the parties in Article V of the Separation Agreement, WMB shall keep books of account and other records, in reasonable detail and in accordance with GAAP, consistently applied, for any charges for which WPX is required to reimburse WMB and for any charges which are priced on an consumption (e.g., hourly) basis pursuant to this Agreement. Such books of account and other records shall be open for WPX's inspection during normal business hours for 24 months following the end of the calendar year in which the expense was incurred or the applicable Services were rendered to enable WPX to verify that the charges comply with the terms of this Agreement; provided, however, that any such inspection or

audit may be performed only by an independent third party auditing firm of national standing that has been informed of the confidential nature of such information and that has entered into a written confidentiality agreement with WMB requiring it to treat such information confidentially. In no event will WPX or such independent auditing firm have access to any information regarding the WMB Entities' cost of performing the Services.

Section 6.3 Audit Rights for Intellectual Property. In addition to the rights and obligations of the parties in Article V of the Separation Agreement, where the WMB Entities have given any one or more of the WPX Entities access to Intellectual Property in connection with the Services, WPX will provide to WMB or, at WMB's request, to the third party licensors of such Intellectual Property or an independent auditor, access at reasonable hours to WPX Personnel, WPX Facilities, WPX records and other pertinent information, as WMB or such third party licensor or independent auditor may reasonably request, to verify that the use of the Intellectual Property meets applicable licensing requirements. If any such audit or inspection results in a discovery that the WPX Entities have failed to comply with any WMB or third party contract limitations or requirements of which WPX has been given notice, WPX shall be responsible for any costs associated with remedying such failure, including without limitation the purchase of additional licenses.

ARTICLE VII FACILITIES AND SYSTEMS

Section 7.1 WPX Facilities.

(a) General. Subject to Section 7.1(b) and Article XII, the WMB Entities will provide the Services to the WPX Entities only at the locations for which such Services are provided as of the date immediately prior to the Distribution Date or, with respect to any particular Services, such other locations as may be specifically identified in Schedule A. The WPX Entities will provide to the WMB Entities, at the WPX Facilities and at no charge, the space, office furnishings, janitorial service, telephone service, utilities (including air conditioning) and office-related equipment, supplies, and duplicating services that the WMB Entities may reasonably need to provide the Services. WMB Personnel will have reasonable access to the WPX Facilities 24 hours a day, 7 days a week; provided, however, that in times of emergency, turnaround or significant maintenance or construction activity, access may be restricted or denied if required in connection with such emergency, turnaround, maintenance or construction. In such an event, the WMB Entities shall be excused from performing the Services to the extent affected by such restricted access.

(b) Relocation. WPX shall promptly notify WMB of any contemplated or planned alteration or relocation of any WPX Facility that could reasonably be expected to impact the Services (including any impact on any WMB Entity's cost to perform, timing or ability to perform), and will promptly review such contemplated or planned alteration or relocation with WMB. WPX's notice to WMB must be sufficiently in advance of any such alteration or relocation to allow a reasonable amount of time for the parties, but in no event less than 90 days prior to such alteration or relocation, to (i) agree on any changes to the Services that may be required as a result of the alteration or relocation and the corresponding changes to the Charges, and (ii) prepare for and

implement the agreed upon changes to the Services. WMB's obligation to proceed with the planning for providing Services to a relocated WPX Facility will depend upon WMB's confirmation (in its sole discretion) that it can perform Services for the new location. For the avoidance of doubt, if the parties cannot agree on changes to the Services and Charges as described in this Section 7.1(b), then the WMB Entities shall not be obligated to provide any (y) new or additional Services, or (z) existing Services to new or additional WPX Facilities.

Section 7.2 WMB Facilities and WMB Systems.

(a) WMB Facilities. The WMB Entities may perform the Services in WMB Facilities as WMB reasonably deems appropriate. While at WMB Facilities, WPX Personnel shall comply with the WMB Entities' reasonable safety and security requirements and other relevant policies.

(b) Access to the WMB Systems. WPX will, and will require that all WPX Personnel who have access to any WMB Systems to, limit their access to those portions of such systems for which they are authorized in connection with their receipt and use of the Services. WPX will (i) limit such access to those WPX Personnel who are authorized to use the Services, (ii) upon WMB's request, provide to WMB a written list of the names of all of the WPX Personnel who have been granted such access, and (iii) adhere to the applicable WMB Entities' (or any applicable Subcontractors') security rules and procedures for use of WMB Systems and other computer or electronic data storage systems. All user identification numbers and passwords disclosed to any WPX Entity to permit WPX Personnel to access the WMB Systems will be deemed to be, and will be treated as, "Information" for purposes of Article V of the Separation Agreement (relating to Exchange of Information; Confidentiality). WPX will cooperate with WMB in the investigation of any apparent unauthorized access by WPX Personnel to the WMB Systems. If any WPX Personnel's access to the WMB Systems and other computer or electronic data storage systems could technically enable such personnel to obtain access to systems or data which they are not authorized to access, WMB may require such personnel to execute agreements or otherwise confirm their agreement to comply with the limits of their authorization as a condition of their right to obtain such access.

Section 7.3 Physical Security for Facilities. WMB (or any applicable Subcontractor) will be responsible for all security procedures at the WMB Facilities. WPX will be responsible for all security procedures at the WPX Facilities.

ARTICLE VIII TECHNOLOGY AND PROPRIETARY RIGHTS

Section 8.1 Related Agreements.

(a) Ownership of Intellectual Property. Except as expressly provided in Section 8.2, nothing in this Agreement shall grant or transfer any rights, title or interests in any Intellectual Property invented or created before or after the Distribution Date by or on behalf of any WMB Entity or otherwise controlled by or licensed to any WMB Entity.

(b) Development of Intellectual Property. Subject to Articles IX of this Agreement and Article V of the Separation Agreement (relating to Exchange of Information; Confidentiality), as between the parties, all Intellectual Property provided, developed or acquired by or for any WMB Entity in connection with providing the Services shall be owned by such WMB Entity.

Section 8.2 Limited License to Use WMB Work Processes and Software. WMB grants to WPX a limited, non-exclusive, non-assignable license to use the work processes and Software owned by the WMB Entities that are provided to the WPX Entities in connection with the Services solely to the extent necessary for the WPX Entities to receive Services and execute its responsibilities under this Agreement. THE WMB ENTITIES' WORK PROCESSES AND SOFTWARE ARE PROVIDED TO THE WPX ENTITIES ON AN AS-IS BASIS. EACH WMB ENTITY EXPRESSLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO SUCH WORK PROCESSES AND SOFTWARE.

Section 8.3 No Implied Licenses. Except as expressly specified in this Agreement, nothing in this Agreement will be deemed to grant to any WPX Entity, by implication, estoppel or otherwise, license rights, ownership rights or any other Intellectual Property Rights in any technology, work processes or Software owned by any WMB Entity. However, nothing in this Section 8.3 is intended to alter the terms of any grant of any rights, title or interests in any Intellectual Property from WMB to WPX pursuant to the Separation Agreement.

Section 8.4 Managed WPX Contracts. To the extent there are any Managed WPX Contracts, WMB will be responsible for: (a) notifying WPX of any performance obligations; (b) communicating directly with the third parties with respect to their performance obligations under such Managed WPX Contracts; and (c) providing WPX timely notice of any renewal, termination or cancellation dates and charges in respect of such Managed WPX Contracts.

ARTICLE IX DATA SECURITY

Section 9.1 Ownership. As between WPX and WMB, WPX owns and will continue to own all right, title and interest in and to all WPX Data. For the avoidance of doubt, WMB retains ownership of data pertaining to its performance of the Services, including data pertaining to the volume and quality of the Services.

Section 9.2 Data Security. WPX may establish backup security for data and keep backup data files in its possession if it so chooses, but WMB will have access to the backup data files as WMB reasonably needs to provide the Services.

**ARTICLE X
REPRESENTATIONS AND WARRANTIES**

Section 10.1 Service Warranty. WMB warrants to WPX that it will use, and will cause the other WMB Entities to use, the same level of care in providing the Services as WMB and the other WMB Entities use for themselves and in no event less than a reasonable level of care.

Section 10.2 Disclaimer. EXCEPT AS EXPRESSLY SET FORTH IN THIS ARTICLE X, NEITHER THE WMB ENTITIES NOR ANY OF THEIR RESPECTIVE REPRESENTATIVES MAKE OR HAVE MADE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AT LAW OR IN EQUITY, IN RESPECT OF THE SERVICES, INCLUDING WITH RESPECT TO (A) MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE OR PURPOSE, (B) THE USE OF THE SERVICE BY ANY WPX ENTITY AFTER THE RECEIPT THEREOF, OR (C) THE PROBABLE SUCCESS OR PROFITABILITY OF ANY WPX BUSINESS AFTER THE RECEIPT OF THE SERVICES.

**ARTICLE XI
INSURANCE**

Section 11.1 Coverage. At all times during the Term and in addition to the rights and obligations of the parties in Article VII of the Separation Agreement, both parties shall (or shall cause their respective Affiliates to) procure and maintain, at their own expense and for their own benefit:

(a) Commercial General Liability insurance with a combined single limit of \$1,000,000 each occurrence for bodily injury and property damage;

(b) Comprehensive Automobile Liability insurance covering owned, hired and non-owned vehicles with minimum limit of \$1,000,000 per occurrence for bodily injury and property damage combined; and

(c) Workers' Compensation insurance complying with the laws of the states or states having jurisdiction over each employee and Employer's Liability insurance with minimum limit of \$1,000,000 per occurrence.

For the policies described in (a) and (b) above, and to the extent of the indemnifications herein, each party shall name the other party as an additional insured. The insurance provided to the additional insured party shall be primary.

Section 11.2 Subrogation. For all policies listed in Section 11.1, and to the extent of the indemnifications herein, each party will agree to waive all rights of subrogation they may have against the other party.

Section 11.3 Certificates of Insurance. Upon request, each party shall furnish the other with a certificate(s) of insurance evidencing the above coverages. Such insurance may be cancelled or materially altered only after 30 days advance written notice is given to the other party.

Section 11.4 Risk of Loss. Each party shall be responsible for the risk of loss of, or damage to, such party's own property when situated on the other party's site, regardless of cause. The risk of loss of, or damage to, property in transit will remain with the party arranging the shipment.

ARTICLE XII TERMINATION

Section 12.2 Early Termination of the Services. Except as specifically provided in a Statement of Work for Services related to PeopleSoft application development and maintenance, either party may, in its sole discretion, terminate any Functional Service Area by providing 60 days prior written notice to the other party, provided that WPX's right to terminate Services shall not in any event entitle any WPX Entity or any third party to use the WMB Systems or any Intellectual Property owned or licensed by any WMB Entity and supplied to the WPX Entities under this Agreement after the termination date, nor shall it entitle any WPX Entity or third party to, or require any WMB Entity to disclose, any of WMB's Information. The Charges shall be equitably adjusted for any Functional Service Area terminated under this Section 12.1.

Section 12.2 WMB's Right to Terminate for Compliance Issues. WMB shall have the right to immediately terminate the provisions of any Services if, and to the extent, WMB determines that it must do so because (a) the provision of such Services would cause WMB to violate applicable law or (b) a change in WPX's or any other WPX Entity's method of doing business creates a conflict of interest for any WMB Entity.

Section 12.3 Survival. In addition to the rights and obligations of Section 8.2 of the Separation Agreement (which is hereby incorporated into this Agreement), the parties further agree that upon termination of this Agreement, all rights and obligations of the parties under this Agreement shall cease except for (a) obligations that expressly survive termination of this Agreement and (b) liabilities and obligations that have accrued prior to such termination, including the obligation to pay any Charges or other amounts accrued, even if such Charges or amounts have not become due and payable prior to termination.

Section 12.4 Effect of Termination. Within 90 days after the termination or expiration of this Agreement, WMB shall deliver a final invoice to WPX invoicing all amounts accrued for Services and work performed prior to termination that have not already been paid. WPX shall pay such amount to WMB within 30 days of its receipt of such final invoice.

ARTICLE XIII GENERAL PROVISIONS

Section 13.1 Limitation of Liability; Indemnification.

(a) Notwithstanding (i) WMB's agreement to perform, or cause to be performed, the Services in accordance with the provisions hereof, or (ii) any term or provision of the Schedules to the contrary, WPX acknowledges that performance by the WMB Entities of the Services pursuant to this Agreement will not subject any WMB Entity, its Affiliates, or their respective stockholders, directors, officers, members, agents or employees to any Liability whatsoever, except as directly caused by the gross negligence or willful misconduct on the part of such WMB Entity or such other Persons; provided, however, that WMB's Liability as a result of such gross

negligence or willful misconduct will be limited to an amount not to exceed the lesser of (A) WPX's price paid for the particular Service, (B) WPX's cost of performing the Service itself during the remainder of the Term or (C) WPX's cost of obtaining the Service from a third party during the remainder of the Term; provided further that the WPX will (and will cause the other WPX Entities to) exercise its and their commercially reasonable efforts to minimize the cost of any such alternatives to the Services by selecting the most cost effective alternatives which provide the functional equivalent of the Services replaced.

(b) Except as specifically set forth in this Agreement, WPX hereby releases, and agrees to indemnify and hold harmless, each WMB Entity, its Affiliates and their respective stockholders, directors, officers, members, agents or employees from any and all Liabilities arising from or relating to the provision or use of any Service or product provided hereunder to the extent not directly caused by the gross negligence or willful misconduct of such WMB Entity or such other Persons.

Section 13.2 Compliance With Laws. WPX will be solely responsible for (a) compliance with all Laws affecting the WPX Business and (b) any use the WPX Entities may make of the Services to assist it in complying with such Laws.

Section 13.3 Further Action. The parties shall use their reasonable best efforts to take, or cause to be taken, all appropriate action to do, or cause to be done, all things necessary, proper or advisable under applicable law, and to execute and deliver such documents and other papers, as may be required to carry out the provisions of this Agreement and to consummate and make effective the transactions contemplated by this Agreement.

Section 13.4 Expenses. Except as otherwise specified in this Agreement, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated by this Agreement shall be borne by the party incurring such costs and expenses.

Section 13.5 Authorization. WPX appoints the WMB Entities, their officers, employees and agents, or any of them, as agents for the WPX Entities to take all actions necessary or appropriate to perform the Services. To the extent the parties remain part of a consolidated group as determined by GAAP, WPX and WMB agree that, in connection with the provision of Services, any officer of WMB is authorized to take any action on behalf of any WPX Entity under the same authorities and limitations that would apply to his or her actions as an officer of WMB based upon the WMB Delegation of Authority policy or similar document then in force and effect at WMB; WPX shall, and shall cause the other WPX Entities to, execute such other instruments and take such further action as may be required in order to effectuate the foregoing authorization. WPX expressly waives, on its own behalf and on behalf of the other WPX Entities, any defense of lack of authorization that might asserted against WMB or any third party as to any transaction entered into on behalf of any WPX Entity by the WMB Entities, or any of their officers, employees or agents under the terms of this Section 13.5.

Section 13.6 Assignment. This Agreement may not be assigned by operation of law or otherwise by WPX without the express written consent of WMB (which consent may be granted or withheld in the sole discretion of WMB), and any attempted assignment without such consent shall be null and void.

Section 13.7 Force Majeure.

(a) If a Force Majeure Event is claimed by either party, the party making such claim shall orally notify the other party as soon as reasonably possible after the occurrence of such Force Majeure Event and, in addition, shall provide the other party with written notice of such Force Majeure Event within five days after the occurrence of such Force Majeure Event.

(b) Except for a party's obligations to make payments hereunder (including, but not limited to, those obligations under Article IV), neither party will be liable for any nonperformance or delay in performance of the terms of this Agreement when such failure is due to a Force Majeure Event. If either party relies on the occurrence of a Force Majeure Event as a basis for being excused from performance of its obligations hereunder, such party relying on the Force Majeure Event shall (i) provide an estimate of the expected duration of the Force Majeure Event and its probable impact on performance of such party's obligations hereunder and (ii) provide prompt notice to the other party of the cessation of the Force Majeure Event.

(c) Upon the occurrence of a Force Majeure Event, the same will, so far as possible, be remedied as expeditiously as possible using commercially reasonable efforts. It is understood and agreed that nothing in this Section 13.7(c) shall require the settlement of strikes, lockouts or labor disputes by acceding to the demands of any opposing party therein when such course is inadvisable in the discretion of the party having the difficulty.

Section 13.8 Acknowledgment. The parties acknowledge that the terms and conditions of this Agreement have been the subject of active and complete negotiations, and that this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring either party by virtue of the authorship of any provision of this Agreement.

Section 13.9 Order of Precedence. In the event of a conflict between Articles I through XIII of this Agreement and the Schedules hereto, Articles I through XIII of this Agreement shall take precedence over the Schedules.

Section 13.10 References. References to any Schedule includes all subparts, schedules, exhibits, attachments, appendices and annexes to such Schedule. For example, a reference to Schedule A-1 will be deemed to reference any attachments to such Schedule, and references to Schedule A will be deemed to include Schedules A-1 through A-10 and their respective subparts, schedules, exhibits, attachments, appendices and annexes.

Section 13.11 Incorporation of Separation Agreement Provisions. The following provisions of the Separation Agreement are hereby incorporated herein by reference, and unless otherwise expressly specified herein, such provisions shall apply as if fully set forth herein (references in this Section 13.12 to an "Article" or "Section" shall mean Articles or Sections of the Separation Agreement, and references in the material incorporated herein by reference shall be references to the Separation Agreement): Article V (relating to Exchange of Information; Confidentiality), Article VII (relating to Mutual Releases;

Indemnification); and Article X (Miscellaneous) (excluding Sections 10.3 (Expenses) and 10.12 (Assignment)). In the event of any conflict or inconsistency between any of the foregoing provisions of the Separation Agreement and any provision of this Agreement, this Agreement shall prevail with respect to matters governed by this Agreement.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first set forth above.

THE WILLIAMS COMPANIES, INC.

By: /s/ Alan S. Armstrong
Name: Alan S. Armstrong
Title: Chief Executive Officer

WPX ENERGY, INC.

By: /s/ Ralph A. Hill
Name: Ralph A. Hill
Title: Chief Executive Officer

[Signature Page to Transition Services Agreement]

WPX ENERGY, INC.

**FORM OF CHANGE IN CONTROL SEVERANCE AGREEMENT
(CEO)**

WPX ENERGY, INC.

CHANGE IN CONTROL SVERANCE AGREEMENT

(CEO)

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WPX ENERGY, INC.

CHANGE-IN-CONTROL SEVERANCE AGREEMENT

THIS AGREEMENT dated as of _____, 20__ (the “Agreement Date”) is made by and between WPX Energy, Inc., a corporation incorporated under the laws of the State of Delaware (“WPX”, together with its subsidiaries, affiliates and successors thereto) and [INSERT EXECUTIVE NAME] (“Executive”).

RECITALS

In anticipation of the distribution of the shares of WPX to the shareholders of The Williams Companies, Inc., a corporation incorporated under the laws of the State of Delaware (“Williams”), the Compensation Committee of the Board of Directors of Williams has determined that it is in the best interests of WPX and its shareholders to encourage and motivate the Executive to devote his full attention to the performance of his assigned duties without the distraction of concerns regarding his involuntary or constructive termination of employment due to a Change in Control of WPX. The Executive is employed by WPX or a Subsidiary and may from time to time be employed by one or more Subsidiaries. WPX and its Subsidiaries believe that it is in the best interest of the Executive, their customers, the communities they serve, and the stockholders of WPX to provide financial assistance through severance payments and other benefits to Executive if Executive is involuntarily or constructively terminated upon or within a certain period after a Change in Control. This Agreement is intended to accomplish these objectives.

This Agreement supersedes and replaces all other written or oral exchanges, agreements, understandings, or arrangements between or among Executive and Williams, WPX and/or a Subsidiary entered into prior to the date hereof and relating to severance or benefits in relation to a Change in Control, including, but not limited to any prior Change-in-Control Severance Agreement by and between Williams and the Executive, but excluding any non-qualified deferred compensation plan(s) sponsored by WPX (“WPX NQDC Plan”) and any agreements and plans awarding Stock Options and Restricted Shares. Each superseded agreement or understanding is void and of no further force and effect.

Article I.

Definitions

As used in this Agreement, the terms specified below shall have the following meanings:

1.1 “Accrued Annual Bonus” means the amount of any Annual Bonus earned but not yet paid as of the Termination Date, other than amounts Executive has elected to defer.

1.2 “Accrued Base Salary” means the amount of Executive’s Base Salary that is accrued but not yet paid as of the Termination Date, other than amounts Executive has elected to defer.

1.3 “ Accrued Obligations ” means, as of the Termination Date, the sum of Executive’s Accrued Base Salary, Accrued Annual Bonus, any accrued but unpaid Paid Time Off under WPX’s Paid Time Off Program, and any other amounts and benefits which are then due to be paid or provided to Executive by WPX, but have not yet been paid or provided (as applicable), provided no payments will be accelerated if such acceleration would violate Code Section 409A.

1.4 “ Affiliate ” means any Person (including a Subsidiary) that directly or indirectly, through one or more intermediaries, controls, or is controlled by or is under common control with WPX. For purposes of this definition the term “control” with respect to any Person means the power to direct or cause the direction of management or policies of such Person, directly or indirectly, whether through the ownership of Voting Securities, by contract or otherwise.

1.5 “ Agreement Date ” — see the introductory paragraph of this Agreement.

1.6 “ Agreement Term ” means the period commencing on the Agreement Date and ending on the second anniversary of the Agreement Date or, if later, such later date to which the Agreement Term is extended under the following sentence, unless earlier terminated as provided herein. The Agreement Term shall automatically be extended by one year on the first anniversary of the Agreement Date and then each day thereafter by one day to create a new two-year term. The Agreement Term may be terminated at any time (regardless of whether before or after the first anniversary of the Agreement Date), by WPX delivering written notice (an “ Expiration Notice ”) to Executive, given in accordance with Section 9.7, that the Agreement shall expire on a date specified in the Expiration Notice (the “ Expiration Date ”) that is not less than 12 months after the date the Expiration Notice is delivered to Executive; provided, however, that if a Change Date occurs before the Expiration Date specified in the Expiration Notice, then such Expiration Notice shall be void and of no further effect. Notwithstanding anything herein to the contrary, with respect to a Post-Change Period, the Agreement Term shall end at the end of the Severance Period (as defined in Section 2.1 (c)) if applicable, or if there is no such Severance Period, the earliest of the following: (a) the second anniversary of the Change Date, or (b) the Termination Date; provided that (i) the obligations, if any, of WPX to make payments under this Agreement due to a Separation from Service which occurred during the Agreement Term shall continue beyond the Agreement Term until all such obligations are fully satisfied, and (ii) the obligations of Executive under this Agreement shall continue beyond the Agreement Term until all such obligations are fully satisfied. Notwithstanding anything herein to the contrary, the Agreement shall automatically terminate upon the occurrence of a Disqualifying Disaggregation pursuant to Section 1.22(a).

1.7 “ Annual Bonus ” means the opportunity to receive payment of a cash annual incentive.

1.8 “ Article ” means an article of this Agreement.

1.9 “ Base Salary ” means annual base salary in effect on the Termination Date, disregarding any reduction that would qualify as Good Reason.

1.10 “ Beneficial Owner ” means such term as defined in Rule 13d-3 of the SEC under the Exchange Act.

1.11 “Beneficiary” — see Section 9.3.

1.12 “Board” means the Board of Directors of WPX or, from and after the Change Date that gives rise to a Surviving Corporation other than WPX, the Board of Directors of such Surviving Corporation.

1.13 “Cause” means any one or more of the following:

- (a) Executive’s conviction of or plea of nolo contendere to a felony or other crime involving fraud, dishonesty or moral turpitude;
- (b) Executive’s willful or reckless material misconduct in the performance of his duties which results in an adverse effect on WPX, the Subsidiary or an Affiliate;
- (c) Executive’s willful or reckless violation or disregard of the code of business conduct;
- (d) Executive’s material willful or reckless violation or disregard of a WPX or Subsidiary policy; or
- (e) 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:

- (i) bad judgment or negligence, other than Executive’s habitual neglect of duties or gross negligence;
- (ii) any act or omission believed by Executive in good faith, after reasonable investigation, to have been in or not opposed to the interest of WPX, the Subsidiary or an Affiliate (without intent of Executive to gain, directly or indirectly, a profit to which Executive was not legally entitled);
- (iii) any act or omission with respect to which a determination could properly have been made by the Board that Executive had satisfied the applicable standard of conduct for indemnification or reimbursement under WPX’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
- (iv) during a Post-Change Period, 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 WPX, the Subsidiary or an Affiliate or was required by applicable law or administrative regulation, such breach shall not constitute Cause if, within 10 business days after Executive is given written

notice of such breach that specifically refers to this Section, 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 Executive acted: (i) in accordance with the instructions or advice of counsel representing WPX or there was a conflict such that Executive could not consult with counsel representing WPX other qualified counsel, or (ii) as required by legal process.

1.14 “Cause Determination” —see Section 2.2(b)(iv)

1.15 “Change Date” means the date on which a Change in Control first occurs during the Agreement Term.

1.16 “Change in Control” means, except as otherwise provided below, the occurrence of any one or more of the following during the Agreement Term:

(a) any person (as such term is used in Rule 13d-5 of the SEC under the Exchange Act) or group (as such term is defined in Sections 3(a)(9) and 13(d)(3) of the Exchange Act), other than an Affiliate of WPX or any employee benefit plan (or any related trust) sponsored or maintained by WPX or any of its Affiliates (a “Related Party”), becomes the Beneficial Owner of 20% or more of the common stock of WPX or of Voting Securities representing 20% or more of the combined voting power of all Voting Securities of WPX, except that no Change in Control shall be deemed to have occurred solely by reason of such beneficial ownership by a Person (a “Similarly Owned Company”) with respect to which both more than 75% of the common stock of such Person and Voting Securities representing more than 75% of the combined voting power of the Voting Securities of such Person are then owned, directly or indirectly, by the persons who were the direct or indirect owners of the common stock and Voting Securities of WPX immediately before such acquisition, in substantially the same proportions as their ownership, immediately before such acquisition, of the common stock and Voting Securities of WPX, as the case may be; or

(b) WPX Incumbent Directors (determined using the Agreement Date as the baseline date) cease for any reason to constitute at least a majority of the directors of WPX then serving; or

(c) consummation of a merger, reorganization, recapitalization, consolidation, or similar transaction (any of the foregoing, a “Reorganization Transaction”), other than a Reorganization Transaction that results in the Persons who were the direct or indirect owners of the outstanding common stock and Voting Securities of WPX immediately before such Reorganization Transaction becoming, immediately after the consummation of such Reorganization Transaction, the direct or indirect owners, of both at least 65% of the then-outstanding common stock of the Surviving Corporation and Voting Securities representing at least 65% of the combined voting power of the then-outstanding Voting Securities of the Surviving Corporation, in substantially the same respective proportions as such Persons’ ownership of the common stock and Voting Securities of WPX immediately before such Reorganization Transaction; or

(d) approval by the stockholders of WPX of a plan or agreement for the sale or other disposition of all or substantially all of the consolidated assets of WPX or a plan of complete liquidation of WPX, other than any such transaction that would result in (i) a Related Party owning or acquiring more than 50% of the assets owned by WPX immediately prior to the transaction or (ii) the Persons who were the direct or indirect owners of the outstanding common stock and Voting Securities of WPX immediately before such transaction becoming, immediately after the consummation of such transaction, the direct or indirect owners, of more than 50% of the assets owned by WPX immediately prior to the transaction.

Notwithstanding the occurrence of any of the foregoing events, a Change in Control shall not occur with respect to Executive if, in advance of such event, Executive agrees in writing that such event shall not constitute a Change in Control. Upon the Board's determination that a sale or other disposition of all or substantially all of the consolidated assets of WPX or a plan of complete liquidation of WPX that was approved by stockholders, as described in Section 1.16(d), will not occur, a Change in Control shall be deemed not to have occurred from such date of determination forward, and this Agreement shall continue in effect as if no Change in Control had occurred except to the extent termination requiring payments under this Agreement occurs prior to such Board determination.

1.17 “Code” means the Internal Revenue Code of 1986, as amended.

1.18 “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 Executive's assistance) any of the following in which the Executive has been engaged in the twelve (12) months preceding the Termination Date (i) the harnessing, production, transmission, distribution, marketing or sale of oil, gas or other energy product or the transmission or distribution thereof through pipelines, wire or cable or similar medium (ii) any other business actively engaged in by WPX which represents for any calendar year or is projected by WPX (as reflected in a business plan adopted by WPX before Executive's Termination Date) to yield during any year during the first three-fiscal year period commencing on or after Executive's Termination Date, more than 5% of the gross revenue of WPX, and, in either case, which is located (x) anywhere in the United States, or (y) anywhere outside of the United States where WPX is then engaged in, or proposes as of the Termination Date to engage in to the knowledge of the Executive, any of such activities.

1.19 “Confidential Information” means any non-public information of any kind or nature in the possession of WPX or any of its Affiliates, including without limitation, ideas, processes, methods, designs, innovations, devices, inventions, discoveries, know-how, data, techniques, models, customer lists, marketing, business or strategic plans, financial information, research and development information, trade secrets or other subject matter relating to WPX's or its Affiliates' products, services, businesses, operations, employees, customers or suppliers, whether in tangible or intangible form, including (i) any information that gives WPX or any of its Affiliates a competitive advantage in the harnessing, production, transmission, distribution, marketing or sale of oil, gas or other energy or the transmission or distribution thereof through pipelines, wire or cable or similar medium or in the energy services or energy trading industry and other businesses in which WPX or an Affiliate is engaged, or (ii) any information obtained

by WPX or any of its Affiliates from third parties to which WPX 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 Executive's performance of any services on behalf of WPX 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 Executive; (ii) information obtained on a non-confidential basis from a third party other than WPX 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 WPX.

1.20 "Consummation Date" means the date on which a Reorganization transaction is consummated.

1.21 "Disability" means any medically determinable physical or mental impairment of Executive where he or she (a) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, or (b) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees of Executive's employer. Notwithstanding the foregoing, all determinations of whether an Executive is Disabled shall be made in accordance with Section 409A of the Code.

1.22 "Disqualifying Disaggregation" means

(a) The cessation of Executive's employment with WPX and/or its Affiliates prior to the Change Date for any reason, including but not limited to a cessation of employment with WPX and/or its Affiliates which is effected by a sale, spin-off, or other disaggregation ("Disaggregation") by WPX or an Affiliate of the business unit (including, but not limited to, a sale, spin-off or other disaggregation of a Subsidiary) which employed Executive immediately prior to such Disaggregation; or

(b) The cessation of Executive's employment with WPX and/or its Affiliates during the Post-Change Period due to a Disaggregation solely where Executive is employed by the successor in substantially the same position as the position held prior to the Disaggregation, provided the successor assumes all of WPX's obligations under this Agreement.

1.23 "Employer" means WPX or, if Executive is not employed directly by WPX, the Subsidiary that from time to time employs Executive on or after the Agreement Date, and the successor of either (provided, in the case of a Subsidiary, that such successor is also a Subsidiary).

1.24 "ERISA" means the Employee Retirement Income security Act of 1974, as amended.

1.25 "Exchange Act" means the Securities Exchange Act of 1934, as amended.

1.26 “Good Reason” means a Separation from Service by Executive in accordance with the substantive and procedural provisions of this Section.

(a) Separation from Service by Executive for “Good Reason” means a Separation from Service initiated by Executive on account of any one or more of the following actions or omissions that, unless otherwise specified, occurs during a Post-Change Period:

(i) a material adverse reduction in the nature or scope of Executive’s office, position, duties, functions, responsibilities or authority (including reporting responsibilities and authority) during a Post-Change Period from the most significant of those held, exercised and assigned at any time during the 90-day period immediately before the Change Date;

(ii) any reduction in or failure to pay Executive’s annual Base Salary at an annual rate not less than 12 times the highest monthly base salary paid or payable to Executive by his Employer in respect of the 12-month period immediately before the Change Date;

(iii) any reduction in the Target Annual Bonus which Executive may earn determined as of the Change Date or failure to pay Executive’s Annual Bonus on terms substantially equivalent to those provided to peer executives of the Employer;

(iv) a material reduction of Executive’s aggregate compensation and/or aggregate benefits from the amounts and/or levels in effect on the Change Date, unless such reduction is part of a policy applicable to peer executives of the Employer and of any successor entity;

(v) required relocation during a Post-Change Period of more than 50 miles of (A) Executive’s workplace, or (B) the principal offices of the Employer or its successor (if such offices are Executive’s workplace), in each case without the consent of Executive; provided, however, in both cases of (A) and (B) of this subsection (v), such new location is farther from Executive’s residence than the prior location;

(vi) the failure at any time of a successor to Executive’s Employer explicitly to assume and agree to be bound by this Agreement; or

(vii) the giving of a Notice of Consideration pursuant to Section 2.2(b)(ii) and the subsequent failure to terminate Executive for Cause and within a period of 90 days thereafter in compliance with all of the substantive and procedural requirements of Section 2.2.

(b) Notwithstanding anything in this Agreement to the contrary, no act or omission shall constitute grounds for “Good Reason”:

(i) Unless Executive gives a Notice of Termination to WPX and the Employer 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

(ii) Unless such Notice of Termination is given within 90 days of Executive’s first actual knowledge of such act or omission; and

(iii) Unless WPX or the Employer fails to cure such act or omission within the 30 day period after receiving the Notice of Termination.

(c) 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.

1.27 “including” means including without limitation.

1.28 “IRS” means the Internal Revenue Service of the United States of America.

1.29 “Legal and Other Expenses” — see Section 4.1.

1.30 “Notice of Consideration” — see Section 2.2(b)(ii).

1.31 “Notice of Termination” means a written notice of a Separation from Service, if applicable, given in accordance with Section 9.7 that sets forth (a) the specific termination provision in this Agreement relied on by the party giving such notice, (b) in reasonable detail the specific facts and circumstances claimed to provide a basis for such Separation from Service, and (c) if the Termination Date is other than the date of receipt of such Notice of Termination, the Termination Date.

1.32 “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.

1.33 “Post-Change Period” means the period commencing on the Change Date and ending on the earlier of the Termination Date or the second anniversary of the Change Date.

1.34 “Potential Parachute Payment” – see Section 3.1.

1.35 “Pro-rata Annual Bonus” means, in respect of an Employer’s fiscal year during which the Termination Date occurs, an amount equal to the product of Executive’s Target Annual Bonus (determined as of the Termination Date) multiplied by a fraction, the numerator of which equals the number of days from and including the first day of such fiscal year through and including the Termination Date, and the denominator of which equals 365.

1.36 “Reorganization Transaction” — see clause (c) of the definition of “Change in Control”.

1.37 “ Restricted Shares ” means shares of restricted stock, restricted stock units, deferred stock or similar awards.

1.38 “ SEC ” means the United States Securities and Exchange Commission.

1.39 “ Section ” means, unless the context otherwise requires, a section of this Agreement.

1.40 “ Separation from Service ” means an Executive’s termination or deemed termination from employment with WPX and its Subsidiaries. For purposes of determining whether a Separation from Service has occurred, the employment relationship is treated as continuing intact while the Executive is on military leave, sick leave or other bona fide leave of absence if the period of such leave does not exceed six (6) months, or if longer, so long as the Executive 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 Executive will return to perform services for his or her employer. If the period of leave exceeds six (6) months and the Executive 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 (6) 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 result in death or can be expected to last for a continuous period of not less than six (6) months, and such impairment causes the Executive to be unable to perform the duties of the Executive’s position of employment or any substantially similar position of employment, a twenty-nine (29) month period of absence shall be substituted for such six (6) month period. For purposes of this Agreement, a Separation from Service occurs at the date as of which the facts and circumstances indicate either that, after such date: (A) the Executive and WPX reasonably anticipate the Executive will perform no further services for WPX and its Subsidiaries (whether as an employee or an independent contractor) or (B) that the level of bona fide services the Executive will perform for WPX and its Affiliates (whether as an employee or independent contractor) will permanently decrease to no more than twenty (20%) of the average level of bona fide services performed over the immediately preceding thirty-six (36) month period or, if the Executive has been providing services to WPX and its Subsidiaries for less than thirty-six (36) months, the full period over which the Executive 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 Executive after a certain date.

1.41 “ Stock Options ” means stock options, stock appreciation rights or similar awards.

1.42 “ Subsidiary ” means a corporation, trade or business, if it and WPX Energy, Inc. are members of a controlled group of corporations as defined in Code Section 414(b) or under common control as defined under Code Section 414(c); the standard of control under Code Sections 414(b) and 414(c) shall be deemed to be “at least 80%” and all determinations shall be made in accordance with Code Section 409A and the applicable guidance thereunder.

1.43 “Surviving Corporation” means the parent corporation resulting from a Reorganization Transaction or, if securities representing at least 50% of the aggregate voting power of all Voting Securities of a corporation effected by a Change in Control which is not a Reorganization Transaction are directly or indirectly owned by another corporation, such other corporation.

1.44 “Target Annual Bonus” means, as of any date, the amount equal to the product of Executive’s Base Salary determined as of such date multiplied by the percentage of such Base Salary to which Executive would have been entitled immediately prior to such date under any Annual Bonus arrangement for the fiscal year for which the Annual Bonus is awarded if the performance goals established pursuant to such Annual Bonus were achieved at the 100% level as of the end of the fiscal year; provided, however, that if Executive’s Annual Bonus is discretionary and no 100% target level is formally established either under the Annual Bonus arrangement or otherwise, Executive’s “Target Annual Bonus” shall mean the amount equal to the 100% of Executive’s Base Salary.

1.45 “Taxes” means federal, state, local and other income, employment and other taxes.

1.46 “Termination Date” means the date of the receipt of the Notice of Termination by Executive (if such notice is given by Executive’s Employer) or by Executive’s Employer (if such notice is given by Executive), or any later date, not more than 30 days after the giving of such notice, specified in such notice; provided, however, that:

(a) Executive’s employment is terminated by reason of death or Disability, the Termination Date shall be the date of Executive’s death or the date of deemed termination of employment due to Disability, as applicable, regardless of whether a Notice of Termination has been given; and

(b) if no Notice of Termination is given, the Termination Date shall be the last date on which Executive is employed by an Employer; and

(c) for purposes of Article VI (Restrictive Covenants) if the Executive does not have a Separation from Service, the Termination Date shall be the later of the date the entity that employs Executive ceases to be a Subsidiary, or, after a Disaggregation (as defined in Section 1.22), the date Executive’s employment with the successor business unit terminates, whether such termination is initiated by such successor or by Executive.

1.47 “Voting Securities” of a corporation means securities of such corporation that are entitled to vote generally in the election of directors of such corporation.

1.48 “Williams” — see the first paragraph of the Recitals of this Agreement.

1.49 “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 Executive makes, conceives, discovers or develops alone or with others during the course of Executive’s employment with WPX or during the one year period following Executive’s Termination Date (whether or not protectable upon application by copyright, patent, trademark, trade secret or other proprietary rights).

1.50 “ WPX ” — see the introductory paragraph of this Agreement.

1.51 “ WPX Incumbent Directors ” means, determined as of any date by reference to any baseline date:

- (a) the members of the Board on the date of such determination who have been members of the Board since such baseline date, and
- (b) the members of the Board on the date of such determination who were appointed or elected after such baseline date and whose election, or nomination for election by stockholders of WPX or the Surviving Corporation, as applicable, was approved by a vote or written consent of two-thirds of the directors comprising the WPX Incumbent Directors on the date of such vote or written consent, but excluding each such member whose initial assumption of office was in connection with (i) an actual or threatened election contest, including a consent solicitation, relating to the election or removal of one or more members of the Board, (ii) a “tender offer” (as such term is used in Section 14(d) of the Exchange Act), or (iii) a proposed Reorganization Transaction.

1.52 “ WPX NQDC Plan ” – see the second paragraph of the Recitals of this Agreement.

1.53 “ WPX Parties ” means WPX and Executive’s Employer.

Article II.

WPX’s Obligations Upon Separation from Service

2.1 If By Executive for Good Reason or By an Employer Other Than for Cause, Disability, Death or Disqualifying Disaggregation . If Executive has a Separation from Service for Good Reason or there is an Employer-initiated Separation from Service of the Executive for any reason other than Cause, Disability, Death or a Disqualifying Disaggregation during the Post-Change Period, then in addition to payment of all Accrued Obligations, which shall be payable no later than ten (10) business days after the Termination Date, WPX’s and the Employer’s sole obligations to Executive under this Article II shall be as follows:

(a) Severance Payments . Executive shall be paid a lump-sum cash amount equal to the sum of the following, on the first business day following six (6) months after Executive’s Separation from Service:

- (i) Prorated Annual Bonus for Year of Termination . Executive’s Pro-rata Annual Bonus reduced (but not below zero) by the amount of any Annual Bonus paid to Executive with respect to the Employer’s fiscal year during which the Termination Date occurs;

(ii) Multiple of Salary and Bonus. An amount equal to three (3) times the sum of (A) Base Salary plus (B) the Target Annual Bonus, each determined as of the Termination Date; provided, however, that any reduction in Executive's Base Salary or Target Annual Bonus that would qualify as Good Reason shall be disregarded for this purpose.

(b) Stock Incentive Awards. To the extent provided in the applicable award agreements and the applicable plan, all of Executive's Stock Options then outstanding shall immediately become fully vested and remain exercisable until the 18-month anniversary of the Termination Date (or such later date as may be set forth in the applicable award agreement, including, but not limited to, a later exercise date under an award agreement if Executive has met the age and service requirements for retirement) or, if earlier, the option expiration date for any such Stock Option. All of Executive's Restricted Shares then outstanding shall only vest and payout in accordance with the applicable award agreements for such Restricted Shares.

(c) Continuation of Welfare Benefits. During the lesser of the period during which Executive or a qualifying beneficiary (as defined in Section 607 of the Employee Retirement Income Security Act of 1974, as amended) has in effect an election for post-termination continuation coverage or conversion rights to welfare benefits under applicable law, including Section 4980 of the Code ("COBRA"), or the period ending on the 18-month anniversary of the Termination Date ("Severance Period"), Executive (or, if applicable, the qualifying beneficiary) shall be entitled to such coverage at an out-of-pocket premium cost that does not exceed the out-of-pocket premium cost applicable to similarly situated active employees (and their eligible dependents); provided, however, that if Executive is eligible to retiree benefits provided under any welfare benefit plan, program, policy, practice or procedure of the WPX Parties, Executive shall be entitled to receive such retiree benefits in lieu of the COBRA coverage provided by this Section 2.1(c).

(d) Outplacement. Executive shall be reimbursed for reasonable fees and costs for outplacement services incurred by Executive within six (6) months after the Separation from Service, promptly upon presentation of reasonable documentation of such fees and costs, subject to a maximum of \$25,000. All requests of Executive for reimbursement must be submitted to WPX within one (1) year of Separation from Service and WPX shall make the reimbursement of reasonable requests no later than thirty (30) days after such request, but in all events within fifteen (15) months of Separation from Service.

(e) Indemnification. Executive shall be indemnified and held harmless by WPX and the Employer on the same terms as other peer executives and to the greatest extent permitted under applicable law as the same now exists or may hereafter be amended and the Employer's and WPX's by-laws as such exist on the Agreement Date, or such greater rights that may be provided by amendment to such by-laws from time to time, if Executive was, is, or is threatened to be, made a party to any pending, completed or threatened action, suit, arbitration, alternate dispute resolution mechanism, investigation, administrative hearing or any other proceeding whether civil, criminal, administrative or investigative, and whether formal or informal, by reason of the fact that Executive is or was, or had agreed to become, a director, officer, employee, agent or

fiduciary of the Employer or any other entity which Executive is or was serving at the request of the Employer or WPX (“Proceeding”), against all expenses (including reasonable attorneys’ fees) and all claims, damages, liabilities and losses incurred or suffered by Executive or to which Executive may become subject for any reason, and (ii) shall be entitled to advancement of any such indemnifiable expenses in accordance with the Employer’s and WPX’s by-laws as such exist on the Agreement Date, or such greater rights that may be provided by amendment to such by-laws from time to time. A Proceeding shall not include any proceeding to the extent it concerns or relates to a matter described in Section 4.1 (concerning reimbursement of certain costs and expenses).

(f) Directors’ and Officers’ Liability Insurance. For a period of six years after the Termination Date (or for any known longer applicable statute of limitations period), the Executive shall be entitled to coverage under a directors’ and officers’ liability insurance policy in an amount no less than, and on the same terms as those provided to peer executive officers and directors of the Employer.

2.2 If by the Employer for Cause.

(a) Termination for Cause. If the Executive has a Separation from Service for Cause during the Post-Change Period, the WPX Parties’ sole obligation to Executive under this Article II shall be to pay Executive a lump-sum cash amount equal to all Accrued Obligations determined as of the Termination Date.

(b) Change in Control: Procedural Requirements for Termination for Cause. For any Separation from Service for Cause during any part of a Post-Change Period, the WPX Parties shall strictly observe each of the following substantive and procedural provisions:

(i) The Board shall call a meeting for the stated purpose of determining whether Executive’s acts or omissions satisfy the requirements of the definition of “Cause” and, if so, whether to terminate Executive’s employment for Cause.

(ii) Not less than 15 days prior to the date of such meeting, the Board shall provide or cause to be provided Executive and each member of the Board written notice (a “Notice of Consideration”) of (A) a detailed description of the acts or omissions alleged to constitute Cause, (B) the date of such meeting of the Board, and (C) Executive’s rights under clauses (iii) and (iv) below.

(iii) Executive shall have the opportunity to appear before the Board in person and, at Executive’s option, with legal counsel, and/or present to the Board a written response to the Notice of Consideration.

(iv) Executive’s employment may be terminated for Cause only if (A) the acts or omissions specified in the Notice of Consideration did in fact occur and such actions or omissions do constitute Cause as defined in this Agreement, (B) the Board, by affirmative vote of at least $\frac{66}{3}$ of its members (excluding

Executive's vote), makes a specific determination to such effect and to the effect that Executive's employment should be terminated for Cause ("Cause Determination"), and (C) WPX thereafter provides Executive with a Notice of Termination that specifies in specific detail the basis of such Separation from Service for Cause and which Notice shall be consistent with the reasons set forth in the Notice of Consideration.

Nothing in this Section 2.2(b) shall preclude the Board, by majority vote, from suspending Executive from his duties, with pay, at any time.

(c) Change in Control: Standard of Review. In the event that the existence of Cause during a Post-Change Period shall become an issue in any action or proceeding between Executive, on the one hand, and any one or more of the WPX Parties on the other hand, the WPX Parties, as applicable, shall, notwithstanding the Cause Determination, have the burden of establishing that the actions or omissions specified in the Notice of Consideration did in fact occur and do constitute Cause and that the WPX Parties have satisfied all applicable substantive and procedural requirements of this Section.

2.3 If by Executive Other Than for Good Reason. If Executive has a Separation from Service initiated by the Executive during the Post-Change Period other than for Good Reason, Disability or death, the sole obligation of the WPX Parties to Executive under this Article II shall be to pay Executive a lump-sum cash amount equal to all Accrued Obligations determined as of the Termination Date.

2.4 If by Death or Disability. If Executive dies during the Post-Change Period or if Executive has a Separation from Service during the Post-Change Period by reason of Executive's Disability, the WPX Parties' sole obligation to Executive under this Article II shall be to pay Executive a lump-sum cash amount equal to all Accrued Obligations determined as of the Termination Date.

2.5 Waiver and Release. Notwithstanding anything herein to the contrary, in the event that Executive's employment terminates pursuant to Section 2.1, no WPX Party shall have any obligation to Executive under Section 2.1(a) Sections 2.1(c)-(f) and Article III unless and until Executive executes and delivers to WPX within sixty (60) days after Separation from Service a release and waiver of WPX, the Employer and Affiliates, in substantially the same form as attached hereto as Exhibit A, or as otherwise mutually acceptable.

2.6 Breach of Covenants. If a court determines that Executive has breached any non-competition, non-solicitation, non-disparagement, confidential information or intellectual property covenant entered into at any time between Executive (on the one hand) and WPX, the Employer, or any Affiliate (on the other hand), including the Restrictive Covenants in Article VI, (a) no WPX Party shall have any obligation to pay or provide any severance or benefits under Articles II and/or III, (b) all of Executive's unexercised Stock Options shall terminate as of the date of the breach, (c) all of Executive's Restricted Stock shall be forfeited as of the date of the breach, (d) Executive shall reimburse a WPX Party for any amount already paid under Articles II and/or III, and (e) Executive shall repay to WPX an amount equal to the aggregate "spread" (as

defined below) on all Stock Options exercised in the one year period prior to the first date on which Executive breached any such covenant (“Breach Date”). For purposes of this Section 2.6, “spread” in respect of any Stock Option shall mean the product of the number of shares as to which such Stock Option has been exercised during the one year period prior to the Breach Date multiplied by the difference between the closing price of the common stock on the exercise date (or if the common stock did not trade on the New York Stock Exchange or other exchange, if any, on which common stock had a higher trading volume at the time, on the exercise date, the most recent date on which the common stock did so trade) and the exercise price of the Stock Options.

Article III.

Certain Potential Benefit Adjustments by WPX

3.1 Potential Benefit Adjustment on Account of “Golden Parachute” Excise Taxes. If at any time or from time to time, it shall be determined by independent tax professionals selected by WPX (“Tax Professional”) that any payment or other benefit to Executive pursuant to Article II of this Agreement or otherwise (“Potential Parachute Payment”) is or will, but for the provisions of this Article III, become subject to the excise tax imposed by Section 4999 of the Code or any similar tax payable under any state, local, foreign or other law, but expressly excluding any income taxes and penalties or interest imposed pursuant to Section 409A of the Code (“Excise Taxes”), then the Executive’s Potential Parachute Payment shall be either (a) provided to the Executive in full, or (b) provided to the Executive as to such lesser extent which would result in no portion of such benefits being subject to the Excise Taxes, whichever of the foregoing amounts, when taking into account applicable federal, state, local and foreign income and employment taxes, the Excise Tax, and any other applicable taxes, results in the receipt by the Executive, on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be taxable under the Excise Taxes (“Payments”).

3.2 Implementation of Calculations and Any Benefit Reduction Under Section 3.1. In the event of a reduction of benefits pursuant to Section 3.1, the Tax Professional shall determine which benefits shall be reduced so as to achieve the principle set forth in Section 3.1. For purposes of making the calculations required by Section 3.1, the Tax Professional may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the Code and other applicable legal authority. WPX and Executive shall furnish to the Tax Professional such information and documents as the Tax Professional may reasonably request in order to make a determination under Section 3.1. WPX shall bear all costs the Tax Professional may reasonably incur in connection with any calculations contemplated by Section 3.1.

3.3 Potential Subsequent Adjustments.

(a) If, notwithstanding any calculations performed or reduction in benefits imposed as described in Section 3.1, the IRS determines that Executive is liable for Excise Taxes as a result of the receipt of any payments made pursuant to Article II of this Agreement or otherwise, then Executive shall be obligated to pay back to WPX, within thirty (30) days after a final IRS determination or in the event that the Executive challenges the final IRS determination, a final

judicial determination, a portion of the Payments equal to the “Repayment Amount.” The Repayment Amount shall be the smallest such amount, if any, as shall be required to be paid to WPX so that the Executive’s net after-tax proceeds with respect to the Payments (after taking into account the payment of the Excise Taxes and all other applicable taxes imposed on such benefits) shall be maximized. The Repayment Amount shall be zero if a Repayment Amount of more than zero would not result in the Executive’s net after-tax proceeds with respect to the Payments being maximized. If the Excise Taxes are not eliminated pursuant to this Section 3.3, the Executive shall pay the Excise Taxes.

(b) Notwithstanding any other provision of this Article III, if (i) there is a reduction in the payments to an Executive as described above in this Article III, (ii) the IRS later determines that the Executive is liable for Excise Taxes, the payment of which would result in the maximization of the Executive’s net after-tax proceeds (calculated based on the full amount of the Potential Parachute Payment and as if the Executive’s benefits had not previously been reduced), and (iii) the Executive pays the Excise Tax, then WPX shall pay to the Executive those payments which were reduced pursuant to Section 3.1 or 3.3(a) as soon as administratively possible after the Executive pays the Excise Taxes to the extent that the Executive’s net after-tax proceeds with respect to the payment of the Payments are maximized.

Article IV.

Expenses and Interest

4.1 Legal and Other Expenses .

(a) If Executive incurs legal fees or other expenses (including expert witness and accounting fees) in an effort to determine, secure, preserve, establish entitlement to, or obtain benefits under this Agreement (collectively, “Legal and Other Expenses”), Executive shall, regardless of the outcome of such effort, be entitled to payment of or reimbursement for such Legal and Other Expenses in accordance with Section 4.1(b).

(b) All Legal and Other Expenses shall be paid or reimbursed on a monthly basis within 10 days after presentation of Executive’s written request for reimbursement accompanied by evidence that such Legal and Other Expenses were incurred. In all events, the Company shall pay or reimburse such eligible expenses in accordance with the requirements of Treasury Regulation § 1.409A-3(i)(1)(iv) for reimbursement and in-kind benefit plans, to the extent applicable. For this purpose, (i) any reimbursement shall be for expenses incurred during Executive’s lifetime or within two additional years following Executive’s death, (ii) the amount of expenses eligible for reimbursement, or benefits provided, in one calendar year shall not affect the expenses eligible for reimbursement, or benefits to be provided, in any other calendar year, (iii) the reimbursement of any eligible expense will be made no later than the last day of the calendar year next following the calendar year in which the expense was incurred, and (iv) the right to any reimbursement or benefit shall not be subject to liquidation or exchange for any other benefit.

(c) If Executive does not prevail (after exhaustion of all available judicial remedies) in respect of a claim by Executive or by one or more of the WPX Parties, hereunder, and such parties establish before a court of competent jurisdiction that Executive had no reasonable basis for his claim hereunder, or for his response to such parties' claim hereunder, or acted in bad faith, no further payment of or reimbursement for Legal and Other Expenses shall be due to Executive in respect of such claim and Executive shall refund any amounts previously paid or reimbursed hereunder with respect to such claim.

4.2 Interest. If an amount due is not paid to Executive under this Agreement within five business days after such amount first became due and owing, interest shall accrue on such amount from the date it became due and owing until the date of payment at a annual rate equal to 200 basis points above the base commercial lending rate published in *The Wall Street Journal* in effect from time to time during the period of such nonpayment.

Article V.

No Set-off or Mitigation

5.1 No Set-off by WPX. Executive's right to receive when due the payments and other benefits provided for under this Agreement is absolute, unconditional and subject to no setoff, counterclaim, recoupment, or other claim, right or action that any WPX Party may have against Executive or others, except as expressly provided in this Section. Notwithstanding the prior sentence, any WPX Party shall have the right to deduct any amounts outstanding on any loans or other extensions of credit to Executive from a WPX Party from Executive's payments and other benefits (if any) provided for under this Agreement. Time is of the essence in the performance by the WPX Parties of their respective obligations under this Agreement.

5.2 No Mitigation. Executive shall not have any duty to mitigate the amounts payable by any WPX Party under this Agreement by seeking new employment or self-employment following termination. Except as specifically otherwise provided in this Agreement, all amounts payable pursuant to this Agreement shall be paid without reduction regardless of any amounts of salary, compensation or other amounts which may be paid or payable to Executive as the result of Executive's employment by another employer or self-employment.

Article VI.

Restrictive Covenants

6.1 Confidential Information. The Executive acknowledges that in the course of performing services for WPX and its Affiliates, Executive may create (alone or with others), learn of, have access to, or receive Confidential Information. The Executive recognizes that all such Confidential Information is the sole and exclusive property of WPX and its Affiliates or of third parties to which WPX or an Affiliate owes a duty of confidentiality, that it is WPX'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 WPX and its Affiliates. Executive agrees that, except as required by the duties of Executive's

employment with WPX or any of its Affiliates and except in connection with enforcing 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 WPX, Executive will not, without the written consent of WPX, willfully disseminate or otherwise disclose, directly or indirectly, any Confidential Information disclosed to Executive or otherwise obtained by Executive during his employment with WPX 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, WPX or any Affiliate), and will use the Confidential Information solely for the benefit of WPX 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 Executive. These obligations shall continue during and after the termination of Executive's employment for any reason and for so long as the Confidential Information remains Confidential Information.

6.2 Non-Competition. During the period beginning on the Agreement Date and ending on the first anniversary of the Termination Date, regardless of the reason for Executive's Separation from Service, Executive agrees that without the written consent of WPX Executive shall not at any time, directly or indirectly, in any capacity:

(a) 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; provided, however, that after Executive's Separation from Service, this Section 6.2 shall not preclude Executive from (i) being an employee of, or consultant to, any business unit of a Competitive Business if (A) such business unit does not qualify as a Competitive Business in its own right and (B) 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 (ii) with the approval of WPX, being a consultant to, an advisor to, a director of, or an employee of a Competitive Business; or

(b) 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 subsection (b) shall, however, restrict Executive from making an investment in any Competitive Business if such investment does not (i) represent more than 1% of the aggregate market value of the outstanding capital stock or debt (as applicable) of such Competitive Business, (ii) give Executive any right or ability, directly or indirectly, to control or influence the policy decisions or management of such Competitive Business, or (iii) create a conflict of interest between Executive's duties to WPX and its Affiliates or under this Agreement and his interest in such investment.

6.3 Non-Solicitation. During the period beginning on the Agreement Date and ending on the first anniversary of the Termination Date, regardless of the reason for Executive's Separation from Service, Executive shall not, directly or indirectly:

(a) other than in connection with the good-faith performance of his duties as an officer of WPX or its Affiliates, cause or attempt to cause any employee, director or consultant of WPX or an Affiliate to terminate his or her relationship with WPX or an Affiliate;

(b) employ, engage as a consultant or adviser, or solicit the employment or engagement as a consultant or adviser, of any employee of WPX or an Affiliate (other than by WPX or its Affiliates), or cause or attempt to cause any Person to do any of the foregoing;

(c) 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 WPX or an Affiliate, if such business is or will be a Competitive Business; or

(d) interfere with the relationship of WPX or an Affiliate with, or endeavor to entice away from WPX or an Affiliate, any Person who or which at any time during the period commencing one year prior to the Termination Date was or is, to Executive's knowledge, a material customer or material supplier of, or maintained a material business relationship with, WPX or an Affiliate.

6.4 Intellectual Property .

(a) During the period of Executive's employment with WPX or any Affiliate, and thereafter upon WPX's request, regardless of the reason for Executive's Separation from Service, Executive shall disclose immediately to WPX all Work Product that: (i) relates to the business of WPX or any Affiliate or any customer or supplier to WPX or an Affiliate or any of the products or services being developed, manufactured, sold or otherwise provided by WPX or an Affiliate or that may be used in relation therewith; or (ii) results from tasks or projects assigned to Executive by WPX or an Affiliate; or (iii) results from the use of the premises or personal property (whether tangible or intangible) owned, leased or contracted for by WPX or an Affiliate. Executive agrees that any Work Product shall be the property of WPX 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, Executive hereby assigns, and agrees to assign, to WPX 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 Executive.

(b) Notwithstanding the foregoing, WPX agrees and acknowledges that the provisions of Section 6.4(a) 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 WPX or an Affiliate was used and that are developed entirely on Executive's own time, unless: (i) the invention or other subject matter relates (a) to the business of WPX or an Affiliate, or (b) to the actual or demonstrably anticipated research or development of WPX or any Affiliate, or (ii) the invention or other subject matter results from any work performed by Executive for WPX or any Affiliate.

(c) Executive agrees that, upon disclosure of Work Product to WPX, Executive will, during his employment by WPX or an Affiliate and at any time thereafter, at the request and cost of WPX, execute all such documents and perform all such acts as WPX or an Affiliate (or their respective duly authorized agents) may reasonably require: (i) to apply for, obtain and vest in the name of WPX alone (unless WPX 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 (ii) 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.

(d) In the event that WPX is unable, after reasonable effort, to secure Executive's execution of such documents as provided in Section 6.4(c), whether because of Executive's physical or mental incapacity or for any other reason whatsoever, Executive hereby irrevocably designates and appoints WPX 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 Executive.

6.5 Non-Disparagement.

(a) Executive agrees not to make, or cause to be made, any statement, observation or opinion, or communicate any information (whether oral or written, directly or indirectly) that (i) accuses or implies that WPX and/or any of its Affiliates, together with their respective present or former officers, directors, partners, stockholders, employees and agents, and each of their predecessors, successors and assigns, engaged in any wrongful, unlawful or improper conduct, whether relating to Executive's employment (or the termination thereof), the business or operations of WPX, or otherwise; or (ii) disparages, impugns or in any way reflects adversely upon the business or reputation of WPX and/or any of its Affiliates, together with their respective present or former officers, directors, partners, stockholders, employees and agents, and each of their predecessors, successors and assigns.

(b) WPX agrees not to authorize any statement, observation or opinion, or communicate any information (whether oral or written, direct or indirect) that (i) accuses or implies that Executive engaged in any wrongful, unlawful or improper conduct relating to Executive's employment or termination thereof with WPX, or otherwise; or (ii) disparages, impugns or in any way reflects adversely upon the reputation of Executive.

(c) Notwithstanding anything contained herein to the contrary, nothing herein shall be deemed to preclude Executive or WPX from providing truthful testimony or information pursuant to subpoena, court order or other similar legal or regulatory process, provided, that to the extent permitted by law, Executive will promptly inform WPX of any such obligation prior to participating in any such proceedings.

6.6 Reasonableness of Restrictive Covenants .

(a) 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 WPX's legitimate interests in its Confidential Information, its proprietary work, and in its relationships with its employees, customers, suppliers and agents.

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

(c) Executive understands he is bound by the terms of this Article VI, whether or not he receives severance payments under the Agreement or otherwise.

6.7 Right to Injunction: Survival of Undertakings .

(a) In recognition of the confidential nature of the Confidential Information, and in recognition of the necessity of the limited restrictions imposed by this Agreement, Executive and WPX agree that it would be impossible to measure solely in money the damages which WPX would suffer if Executive were to breach any of his obligations hereunder. Executive acknowledges that any breach of any provision of this Agreement would irreparably injure WPX. Accordingly, Executive agrees that if he breaches any of the provisions of this Agreement, WPX shall be entitled, in addition to any other remedies to which WPX 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 Executive hereby waives any right to assert any claim or defense that WPX has an adequate remedy at law for any such breach.

(b) If a court determines that any covenant included in this Article VI 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.

(c) All of the provisions of this Agreement shall survive any Separation from Service of Executive, without regard to the reasons for such termination. Notwithstanding Section 2.6, in addition to any other rights it may have, neither WPX nor any Affiliate shall have any obligation to pay or provide severance or other benefits (except as may be required under the Employee Retirement Income Security Act of 1974, as amended) after the Termination Date if Executive has materially breached any of Executive's obligations under this Agreement.

Article VII.

Non-Exclusivity of Rights

7.1 Waiver of Certain Other Rights. To the extent that Executive shall have received severance payments or other severance benefits under any other plan, program, policy, practice or procedure or agreement of any WPX Party prior to receiving severance payments or other severance benefits pursuant to Article II, the severance payments or other severance benefits under such other plan, program, policy, practice or procedure or agreement shall reduce (but not below zero) the corresponding severance payments or other benefits to which Executive shall be entitled under Article II. To the extent that Executive accepts payments made pursuant to Article II, he shall be deemed to have waived his right to receive a corresponding amount of future severance payments or other severance benefits under any other plan, program, policy, practice or procedure or agreement of any WPX Party.

7.2 Other Rights. Except as expressly provided in Section 7.1 and as provided in the Recitals to this Agreement, this Agreement shall not prevent or limit Executive's continuing or future participation in any benefit, bonus, incentive or other plan, program, policy, practice or procedure provided by a WPX Party and for which Executive may qualify, nor shall this Agreement limit or otherwise affect such rights as Executive may have under any other agreements with a WPX Party. Amounts that are vested benefits or that Executive is otherwise entitled to receive under any plan, program, policy, practice or procedure and any other payment or benefit required by law at or after the Termination Date shall be payable in accordance with such plan, program, policy, practice or procedure or applicable law except as expressly modified by this Agreement.

7.3 No Right to Continued Employment. Nothing in this Agreement shall guarantee the right of Executive to continue in employment, and WPX and the Employer retain the right to terminate Executive's employment at any time for any reason or for no reason.

Article VIII.

Claims Procedure

8.1 Filing a Claim.

(a) Each individual eligible for benefits under this Agreement ("Claimant") may submit his application for benefits ("Claim") to WPX (or to such other person as may be designated by WPX) in writing in such form as is provided or approved by WPX. A Claimant shall have no right to seek review of a denial or benefits, or to bring any action in any court to enforce a Claim, prior to his filing a Claim and exhausting his rights to review under Sections 8.1 and 8.2.

(b) When a Claim has been filed properly, it shall be evaluated and the Claimant shall be notified of the approval or the denial of the Claim within 30 days after the receipt of such Claim. A Claimant shall be given a written notice in which the Claimant shall be advised as to whether the Claim is granted or denied, in whole or in part. If a Claim is denied, in whole or in part, the notice shall contain (i) the specific reasons for the denial, (ii) references to pertinent provisions of this Agreement on which the denial is based, (iii) a description of any additional material or information necessary to perfect the Claim and an explanation of why such material or information is necessary, (iv) the Claimant's right to seek review of the denial and a description of the procedures for such review and (v) a statement regarding Claimant's right to bring a civil action under section 502(a) of ERISA following an adverse decision on appeal.

8.2 Review of Claim Denial . If a Claim is denied, in whole or in part, or if a Claim is neither approved nor denied within the 30-day period specified Section 8.1(b), the Claimant (or his or her authorized representative) shall have the right at any time to (a) request that WPX (or such other person as shall be designated in writing by WPX) review the denial or the failure to approve or deny the Claim, (b) review pertinent documents, and (c) submit issues and comments in writing. Within 30 days after such a request is received, WPX shall complete its review and give the Claimant written notice of its decision. Upon request and without charge, the Claimant will be provided reasonable access to and copies of all documents, records and other information relevant to the claim. WPX shall include in its notice to Claimant (i) the specific reasons for its decision, (ii) references to provisions of this Agreement on which its decision is based, (iii) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to the claim; and (iv) a statement regarding the Claimant's right to bring a civil action under ERISA Section 502(a) within 180 days of receipt of notice of denial on appeal.

Article IX.

Miscellaneous

9.1 No Assignability . This Agreement is personal to Executive and without the prior written consent of WPX shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive's legal representatives.

9.2 Successors . This Agreement shall inure to the benefit of and be binding upon WPX and its successors and assigns. WPX will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of WPX (or the Employer during any Post-Change Period) to assume expressly and agree to perform this Agreement in the same manner and to the same extent that WPX (or, if applicable, the Employer) would be required to perform it if no such succession had taken place. Any successor to the business or assets of WPX (or any Employer) which assumes

or agrees to perform this Agreement by operation of law, contract, or otherwise shall be jointly and severally liable with WPX (or the Employer) under this Agreement as if such successor were WPX (or the Employer). If Executive's employment is transferred from WPX to a Subsidiary, or from a Subsidiary to WPX or another Subsidiary, the rights and obligations of the Employer (determined prior to such transfer) shall automatically become the rights and obligations of the Employer (determined immediately following such transfer), without requiring the consent of Executive.

9.3 Payments to Beneficiary. If Executive dies before receiving amounts to which Executive is entitled under this Agreement, such amounts shall be paid in a lump sum to one or more beneficiaries designated in writing by Executive (each, a "Beneficiary"). If none is so designated, Executive's estate shall be his or her Beneficiary.

9.4 Non-Alienation of Benefits. Benefits payable under this Agreement shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution or levy of any kind, either voluntary or involuntary, before actually being received by Executive, and any such attempt to dispose of any right to benefits payable under this Agreement shall be void.

9.5 Severability. If any one or more Articles, Sections or other portions of this Agreement are declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not serve to invalidate any Article, Section or other portion not so declared to be unlawful or invalid. Any Article, Section or other portion so declared to be unlawful or invalid shall be construed so as to effectuate the terms of such Article, Section or other portion to the fullest extent possible while remaining lawful and valid.

9.6 Amendments. This Agreement shall not be amended or modified except by written instrument executed by WPX and Executive; provided however that notwithstanding the terms of this Agreement to the contrary, the terms of this Agreement shall be administered in such a way to comply with Code Section 409A as reasonably deemed appropriate by WPX; provided further however that notwithstanding anything to the contrary herein, WPX shall have the unilateral right to modify or amend this Agreement as it reasonably deems appropriate related to compliance with Code Section 409A. The parties to this Agreement intend that this Agreement meet the requirements of Internal Revenue Code Section 409A and recognize that it may be necessary to modify this Agreement to reflect guidance under Code Section 409A issued by the Internal Revenue Service.

9.7 Notices. All notices and other communications under this Agreement shall be in writing and delivered by hand, by nationally-recognized delivery service that promises overnight delivery, or by first-class registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to Executive, to Executive at his most recent home address on file with WPX.

If to WPX or the Employer:

Marcia MacLeod
Senior Vice President, Human Resources and Administration
WPX Energy, Inc.
One Williams Center
Tulsa, OK 74172

or to such other address as either party shall have furnished to the other in writing. WPX may also deliver notice and other communications under this Agreement in writing by email transmission to the work email address of the Executive.

Notice and communications shall be effective when received by the addressee. An email notice under this Agreement will be deemed received when sent. All other notices or communications will be deemed received when delivered if delivery is confirmed by a delivery service or return receipt.

9.8 Joint and Several Liability. In the event that the Employer incurs any obligation to Executive pursuant to this Agreement, such Employer, WPX and each Subsidiary, if any, of which such Employer is a subsidiary shall be jointly and severally liable with such Employer for such obligation.

9.9 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument.

9.10 Governing Law. This Agreement shall be interpreted and construed in accordance with the laws of the State of Oklahoma, without regard to its choice of law principles, except to the extent preempted by federal law.

9.11 Captions. The captions of this Agreement are not a part of the provisions hereof and shall have no force or effect.

9.12 Rules of Construction. Reference to a specific law shall include such law, any valid regulation promulgated thereunder, and any comparable provision of any future legislation amending, supplementing or superseding such section.

9.13 Number and Gender. Wherever appropriate, the singular shall include the plural, the plural shall include the singular, and the masculine shall include the feminine.

9.14 Tax Withholding. WPX may withhold from any amounts payable under this Agreement or otherwise payable to Executive any Taxes WPX determines to be required under applicable law or regulation and may report all such amounts payable to such authority as is required by any applicable law or regulation.

9.15 No Rights Prior to Change Date. Notwithstanding any provision of this Agreement to the contrary, this Agreement shall not entitle Executive to any compensation, severance or other payments or benefits of any kind prior to a Change Date.

9.16 Entire Agreement. This Agreement and the documents expressly referred to herein contain the entire understanding of WPX and Executive with respect to severance or benefits in relation to a Change in Control.

IN WITNESS WHEREOF, Executive and a duly authorized representative of WPX Energy, Inc. have executed this Change in Control Severance Agreement _____, 20__.

[INSERT EXECUTIVE NAME]

Date: _____

WPX ENERGY, INC., acting on behalf of itself and its
Subsidiaries and Affiliates

By: _____

Title: _____

Date: _____

EXHIBIT A

**WPX ENERGY, INC.
WAIVER AND RELEASE
CHANGE IN CONTROL SEVERANCE AGREEMENT (CEO)**

This agreement, release and waiver (the "Agreement"), made as of the ____ day of _____, 20 ____ (the "Effective Date"), is made by and among WPX Energy, Inc. (together with all successors thereto, "Company") and **[INSERT EXECUTIVE NAME]** ("Executive").

WHEREAS, the Executive and the Company have entered into WPX Energy, Inc. Change in Control Severance Agreement (CEO) ("Severance Agreement");

NOW THEREFORE, in consideration for receiving benefits and severance under the Severance Agreement and in consideration of the representations, covenants and mutual promises set forth in this Agreement, the parties agree as follows:

1. Release. Except with respect to all of the Company's obligations under the Severance Agreement, the Executive, and Executive's heirs, executors, assigns, agents, legal representatives, and personal representatives, hereby releases, acquits and forever discharges the Company, its agents, subsidiaries, affiliates, and their respective officers, directors, agents, servants, employees, attorneys, shareholders, successors, assigns and affiliates, of and from any and all claims, liabilities, demands, causes of action, costs, expenses, attorneys fees, damages, indemnities and obligations of every kind and nature, in law, equity, or otherwise, known and unknown, suspected and unsuspected, disclosed and undisclosed, arising out of or in any way related to agreements, events, acts or conduct at any time prior to the day prior to execution of this Agreement that arose out of or were related to the Executive's employment with the Company or the Executive's termination of employment with the Company including, but not limited to, claims or demands related to wages, salary, bonuses, commissions, stock, stock options, or any other ownership interests in the Company, vacation pay, fringe benefits, expense reimbursements, sabbatical benefits, severance benefits, or any other form of compensation or equity or thing of value whatsoever; claims pursuant to under Title VII of the Civil Rights Act of 1964 as amended by the Civil Rights Act of 1991, 42 U.S.C. § 2000e, *et seq.*; 42 U.S.C. § 1981; 42 U.S.C. § 1983; 42 U.S.C. § 1985; 42 U.S.C. § 1986; the Equal Pay Act of 1963, 29 U.S.C. § 206(d); the National Labor Relations Act, as amended, 29 U.S.C. § 160, *et seq.*; the Americans With Disabilities Act of 1990, 42 U.S.C. § 12101, *et seq.*; the Employee Retirement Income Security Act of 1974, as amended, ("ERISA"), 29 U.S.C. § 1001, *et seq.*; the Age Discrimination in Employment Act of 1967, as amended by the Older Workers Benefit Protection Act of 1990, 29 U.S.C. § 621, *et seq.*; the Family and Medical Leave Act of 1993, 29 U.S.C. § 2601 *et seq.*; the Equal Pay Act; the Rehabilitation Act of 1973; the federal Worker Adjustment and Retraining Notification Act (as amended) and similar laws in other jurisdictions; the Oklahoma Anti-Discrimination Act, Okla. Stat., tit. 25, §§ 1101, *et seq.*, and any claims for wrongful discharge, breach of contract, breach of the implied covenant of good faith and fair dealing, fraud, discrimination, harassment, defamation, infliction of emotional distress, termination in violation of public policy, retaliation, including workers' compensation retaliation under state statutes, tort

law; contract law; wrongful discharge; discrimination; fraud; libel; slander; defamation; harassment; emotional distress; breach of the implied covenant of good faith and fair dealing; or claims for whistle-blowing, or other claims arising under any local, state or federal regulation, statute or common law. This Release does not apply to the payment of any and all benefits and/or monies earned, accrued, vested or otherwise owing, if any, to the Executive under the terms of a Company sponsored tax qualified retirement or savings plan and/or any non-qualified deferred compensation plan(s) sponsored by the Company, except that the Executive hereby releases and waives any claims that his termination was to avoid payment of such benefits or payments, and that, as a result of his termination, he is entitled to additional benefits or payments. Additionally, this Release does not apply to the indemnification provided pursuant to the Severance Agreement. This Release does not apply to any claim or rights which might arise out of the actions of the Company after the date the Executive signs this Agreement.

2. No Inducement . Executive agrees that no promise or inducement to enter into this Agreement has been offered or made except as set forth in this Agreement, that the Executive is entering into this Agreement without any threat or coercion and without reliance or any statement or representation made on behalf of the Company or by any person employed by or representing the Company, except for the written provisions and promises contained in this Agreement.

3. Damages . The parties agree that damages incurred as a result of a breach of this Agreement will be difficult to measure. It is, therefore, further agreed that, in addition to any other remedies, equitable relief will be available in the case of a breach of this Agreement. It is also agreed that, in the event Executive files a claim against the Company with respect to a claim released by Executive herein (other than a proceeding before the EEOC), the Company may withhold, retain, or require reimbursement of all or any portion of the benefits and severance payments under the Severance Agreement until such claim is withdrawn by Executive.

4. Advice of Counsel; Time to Consider; Revocation . Executive acknowledges the following:

- (a) Executive has read this Agreement, and understands its legal and binding effect. Executive is acting voluntarily and of Executive's own free will in executing this Agreement.
- (b) Executive has been advised to seek and has had the opportunity to seek legal counsel in connection with this Agreement.
- (c) Executive was given at least 21 days to consider the terms of this Agreement before signing it.

Executive understands that, if Executive signs this Agreement, Executive may revoke it within seven days after signing it by delivering written notification of intent to revoke within that seven day period. Executive understands that this Agreement will not be effective until after the seven-day period has expired.

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

6. Amendment. This Agreement shall not be altered, amended, or modified except by written instrument executed by the Company and the Executive. A waiver of any portion of this Agreement shall not be deemed a waiver of any other portion of this Agreement.

7. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same instrument.

8. Headings. The headings of this Agreement are not part of the provisions hereof and shall not have any force or effect.

9. Rules of Construction. Reference to a specific law shall include such law, any valid regulation promulgated thereunder, and any comparable provision of any future legislation amending, supplementing or superseding such section.

10. Applicable Law. The provisions of this Agreement shall be interpreted and construed in accordance with the laws of the State of Oklahoma without regard to its choice of law principles.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates specified below.

[INSERT EXECUTIVE NAME]

Date: _____

WPX ENERGY, INC.

By: _____
Title: _____
Date: _____

ACKNOWLEDGMENT

I HEREBY ACKNOWLEDGE that WPX Energy, Inc. (“the Company”), in accordance with the Age Discrimination in Employment Act of 1967, as amended by the Older Workers Benefit Protection Act of 1990, informed me in writing that:

(1) I should consult with an attorney before signing the Change in Control Severance Agreement (“Agreement”) that was provided to me.

(2) I may review the Agreement for a period of up to twenty-one (21) days prior to signing the Agreement. If I choose to take less than twenty-one (21) days to review the Agreement, I do so knowingly, willingly and on advice of counsel.

(3) For a period of seven (7) days following the signing of the Agreement, I may revoke the Agreement, and that the Agreement will not become effective or enforceable until the seven (7) day revocation period has elapsed.

(4) Any Severance Benefits paid pursuant to the Agreement will be paid in accordance with the Company’s normal pay cycle but will not be paid to me until the seven-day revocation period has elapsed.

(5) Company shall not accept my signed Agreement prior to the last day of my employment.

I HEREBY FURTHER ACKNOWLEDGE receipt of this Change in Control Severance Agreement on the ____ day of _____, 20__.

WITNESS:

[INSERT EXECUTIVE’S NAME]

WPX ENERGY, INC.

FORM OF CHANGE IN CONTROL SEVERANCE AGREEMENT

(TIER ONE EXECUTIVES)

WPX ENERGY, INC.
CHANGE IN CONTROL SEVERANCE AGREEMENT
(TIER ONE EXECUTIVES)
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WPX ENERGY, INC.

CHANGE-IN-CONTROL SEVERANCE AGREEMENT

THIS AGREEMENT dated as of _____, 20__ (the "Agreement Date") is made by and between WPX Energy, Inc., a corporation incorporated under the laws of the State of Delaware ("WPX", together with its subsidiaries, affiliates and successors thereto) and [INSERT EXECUTIVE NAME] ("Executive").

RECITALS

In anticipation of the distribution of the shares of WPX to the shareholders of The Williams Companies, Inc., a corporation incorporated under the laws of the State of Delaware ("Williams"), the Compensation Committee of the Board of Directors of Williams has determined that it is in the best interests of WPX and its shareholders to encourage and motivate the Executive to devote his full attention to the performance of his assigned duties without the distraction of concerns regarding his involuntary or constructive termination of employment due to a Change in Control of WPX. The Executive is employed by WPX or a Subsidiary and may from time to time be employed by one or more Subsidiaries. WPX and its Subsidiaries believe that it is in the best interest of the Executive, their customers, the communities they serve, and the stockholders of WPX to provide financial assistance through severance payments and other benefits to Executive if Executive is involuntarily or constructively terminated upon or within a certain period after a Change in Control. This Agreement is intended to accomplish these objectives.

This Agreement supersedes and replaces all other written or oral exchanges, agreements, understandings, or arrangements between or among Executive and Williams, WPX and/or a Subsidiary entered into prior to the date hereof and relating to severance or benefits in relation to a Change in Control, including, but not limited to any prior Change-in-Control Severance Agreement by and between Williams and the Executive, but excluding any non-qualified deferred compensation plan(s) sponsored by WPX ("WPX NQDC Plan") and any agreements and plans awarding Stock Options and Restricted Shares. Each superseded agreement or understanding is void and of no further force and effect.

Article I.

Definitions

As used in this Agreement, the terms specified below shall have the following meanings:

1.1 "Accrued Annual Bonus." means the amount of any Annual Bonus earned but not yet paid as of the Termination Date, other than amounts Executive has elected to defer.

1.2 "Accrued Base Salary." means the amount of Executive's Base Salary that is accrued but not yet paid as of the Termination Date, other than amounts Executive has elected to defer.

1.3 “Accrued Obligations” means, as of the Termination Date, the sum of Executive’s Accrued Base Salary, Accrued Annual Bonus, any accrued but unpaid Paid Time Off under WPX’s Paid Time Off Program, and any other amounts and benefits which are then due to be paid or provided to Executive by WPX, but have not yet been paid or provided (as applicable), provided no payments will be accelerated if such acceleration would violate Code Section 409A.

1.4 “Affiliate” means any Person (including a Subsidiary) that directly or indirectly, through one or more intermediaries, controls, or is controlled by or is under common control with WPX. For purposes of this definition the term “control” with respect to any Person means the power to direct or cause the direction of management or policies of such Person, directly or indirectly, whether through the ownership of Voting Securities, by contract or otherwise.

1.5 “Agreement Date” — see the introductory paragraph of this Agreement.

1.6 “Agreement Term” means the period commencing on the Agreement Date and ending on the second anniversary of the Agreement Date or, if later, such later date to which the Agreement Term is extended under the following sentence, unless earlier terminated as provided herein. The Agreement Term shall automatically be extended by one year on the first anniversary of the Agreement Date and then each day thereafter by one day to create a new two-year term. The Agreement Term may be terminated at any time (regardless of whether before or after the first anniversary of the Agreement Date), by WPX delivering written notice (an “Expiration Notice”) to Executive, given in accordance with Section 9.7, that the Agreement shall expire on a date specified in the Expiration Notice (the “Expiration Date”) that is not less than 12 months after the date the Expiration Notice is delivered to Executive; provided, however, that if a Change Date occurs before the Expiration Date specified in the Expiration Notice, then such Expiration Notice shall be void and of no further effect. Notwithstanding anything herein to the contrary, with respect to a Post-Change Period, the Agreement Term shall end at the end of the Severance Period (as defined in Section 2.1 (c)) if applicable, or if there is no such Severance Period, the earliest of the following: (a) the second anniversary of the Change Date, or (b) the Termination Date; provided that (i) the obligations, if any, of WPX to make payments under this Agreement due to a Separation from Service which occurred during the Agreement Term shall continue beyond the Agreement Term until all such obligations are fully satisfied, and (ii) the obligations of Executive under this Agreement shall continue beyond the Agreement Term until all such obligations are fully satisfied. Notwithstanding anything herein to the contrary, the Agreement shall automatically terminate upon the occurrence of a Disqualifying Disaggregation pursuant to Section 1.22(a).

1.7 “Annual Bonus” means the opportunity to receive payment of a cash annual incentive.

1.8 “Article” means an article of this Agreement.

1.9 “Base Salary” means annual base salary in effect on the Termination Date, disregarding any reduction that would qualify as Good Reason.

1.10 “Beneficial Owner” means such term as defined in Rule 13d-3 of the SEC under the Exchange Act.

1.11 “ Beneficiary ” — see Section 9.3.

1.12 “ Board ” means the Board of Directors of WPX or, from and after the Change Date that gives rise to a Surviving Corporation other than WPX, the Board of Directors of such Surviving Corporation.

1.13 “ Cause ” means any one or more of the following:

- (a) Executive’s conviction of or plea of nolo contendere to a felony or other crime involving fraud, dishonesty or moral turpitude;
- (b) Executive’s willful or reckless material misconduct in the performance of his duties which results in an adverse effect on WPX, the Subsidiary or an Affiliate;
- (c) Executive’s willful or reckless violation or disregard of the code of business conduct;
- (d) Executive’s material willful or reckless violation or disregard of a WPX or Subsidiary policy; or
- (e) 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:

- (i) bad judgment or negligence, other than Executive’s habitual neglect of duties or gross negligence;
- (ii) any act or omission believed by Executive in good faith, after reasonable investigation, to have been in or not opposed to the interest of WPX, the Subsidiary or an Affiliate (without intent of Executive to gain, directly or indirectly, a profit to which Executive was not legally entitled);
- (iii) any act or omission with respect to which a determination could properly have been made by the Board that Executive had satisfied the applicable standard of conduct for indemnification or reimbursement under WPX’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
- (iv) during a Post-Change Period, 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 WPX, the Subsidiary or an Affiliate or was required by applicable law or administrative regulation, such breach shall not constitute Cause if, within 10 business days after Executive is given written

notice of such breach that specifically refers to this Section, 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 Executive acted: (i) in accordance with the instructions or advice of counsel representing WPX or there was a conflict such that Executive could not consult with counsel representing WPX other qualified counsel, or (ii) as required by legal process.

1.14 “Cause Determination” — see Section 2.2(b)(iv)

1.15 “Change Date” means the date on which a Change in Control first occurs during the Agreement Term.

1.16 “Change in Control” means, except as otherwise provided below, the occurrence of any one or more of the following during the Agreement Term:

(a) any person (as such term is used in Rule 13d-5 of the SEC under the Exchange Act) or group (as such term is defined in Sections 3(a)(9) and 13(d)(3) of the Exchange Act), other than an Affiliate of WPX or any employee benefit plan (or any related trust) sponsored or maintained by WPX or any of its Affiliates (a “Related Party”), becomes the Beneficial Owner of 20% or more of the common stock of WPX or of Voting Securities representing 20% or more of the combined voting power of all Voting Securities of WPX, except that no Change in Control shall be deemed to have occurred solely by reason of such beneficial ownership by a Person (a “Similarly Owned Company”) with respect to which both more than 75% of the common stock of such Person and Voting Securities representing more than 75% of the combined voting power of the Voting Securities of such Person are then owned, directly or indirectly, by the persons who were the direct or indirect owners of the common stock and Voting Securities of WPX immediately before such acquisition, in substantially the same proportions as their ownership, immediately before such acquisition, of the common stock and Voting Securities of WPX, as the case may be; or

(b) WPX Incumbent Directors (determined using the Agreement Date as the baseline date) cease for any reason to constitute at least a majority of the directors of WPX then serving; or

(c) consummation of a merger, reorganization, recapitalization, consolidation, or similar transaction (any of the foregoing, a “Reorganization Transaction”), other than a Reorganization Transaction that results in the Persons who were the direct or indirect owners of the outstanding common stock and Voting Securities of WPX immediately before such Reorganization Transaction becoming, immediately after the consummation of such Reorganization Transaction, the direct or indirect owners, of both at least 65% of the then-outstanding common stock of the Surviving Corporation and Voting Securities representing at least 65% of the combined voting power of the then-outstanding Voting Securities of the Surviving Corporation, in substantially the same respective proportions as such Persons’ ownership of the common stock and Voting Securities of WPX immediately before such Reorganization Transaction; or

(d) approval by the stockholders of WPX of a plan or agreement for the sale or other disposition of all or substantially all of the consolidated assets of WPX or a plan of complete liquidation of WPX, other than any such transaction that would result in (i) a Related Party owning or acquiring more than 50% of the assets owned by WPX immediately prior to the transaction or (ii) the Persons who were the direct or indirect owners of the outstanding common stock and Voting Securities of WPX immediately before such transaction becoming, immediately after the consummation of such transaction, the direct or indirect owners, of more than 50% of the assets owned by WPX immediately prior to the transaction.

Notwithstanding the occurrence of any of the foregoing events, a Change in Control shall not occur with respect to Executive if, in advance of such event, Executive agrees in writing that such event shall not constitute a Change in Control. Upon the Board's determination that a sale or other disposition of all or substantially all of the consolidated assets of WPX or a plan of complete liquidation of WPX that was approved by stockholders, as described in Section 1.16(d), will not occur, a Change in Control shall be deemed not to have occurred from such date of determination forward, and this Agreement shall continue in effect as if no Change in Control had occurred except to the extent termination requiring payments under this Agreement occurs prior to such Board determination.

1.17 “Code” means the Internal Revenue Code of 1986, as amended.

1.18 “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 Executive's assistance) any of the following in which the Executive has been engaged in the twelve (12) months preceding the Termination Date (i) the harnessing, production, transmission, distribution, marketing or sale of oil, gas or other energy product or the transmission or distribution thereof through pipelines, wire or cable or similar medium (ii) any other business actively engaged in by WPX which represents for any calendar year or is projected by WPX (as reflected in a business plan adopted by WPX before Executive's Termination Date) to yield during any year during the first three-fiscal year period commencing on or after Executive's Termination Date, more than 5% of the gross revenue of WPX, and, in either case, which is located (x) anywhere in the United States, or (y) anywhere outside of the United States where WPX is then engaged in, or proposes as of the Termination Date to engage in to the knowledge of the Executive, any of such activities.

1.19 “Confidential Information” means any non-public information of any kind or nature in the possession of WPX or any of its Affiliates, including without limitation, ideas, processes, methods, designs, innovations, devices, inventions, discoveries, know-how, data, techniques, models, customer lists, marketing, business or strategic plans, financial information, research and development information, trade secrets or other subject matter relating to WPX's or its Affiliates' products, services, businesses, operations, employees, customers or suppliers, whether in tangible or intangible form, including (i) any information that gives WPX or any of its Affiliates a competitive advantage in the harnessing, production, transmission, distribution, marketing or sale of oil, gas or other energy or the transmission or distribution thereof through pipelines, wire or cable or similar medium or in the energy services or energy trading industry and other businesses in which WPX or an Affiliate is engaged, or (ii) any information obtained

by WPX or any of its Affiliates from third parties to which WPX 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 Executive's performance of any services on behalf of WPX 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 Executive; (ii) information obtained on a non-confidential basis from a third party other than WPX 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 WPX.

1.20 "Consummation Date" means the date on which a Reorganization transaction is consummated.

1.21 "Disability" means any medically determinable physical or mental impairment of Executive where he or she (a) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, or (b) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees of Executive's employer. Notwithstanding the foregoing, all determinations of whether an Executive is Disabled shall be made in accordance with Section 409A of the Code.

1.22 "Disqualifying Disaggregation" means

(a) The cessation of Executive's employment with WPX and/or its Affiliates prior to the Change Date for any reason, including but not limited to a cessation of employment with WPX and/or its Affiliates which is effected by a sale, spin-off, or other disaggregation ("Disaggregation") by WPX or an Affiliate of the business unit (including, but not limited to, a sale, spin-off or other disaggregation of a Subsidiary) which employed Executive immediately prior to such Disaggregation; or

(b) The cessation of Executive's employment with WPX and/or its Affiliates during the Post-Change Period due to a Disaggregation solely where Executive is employed by the successor in substantially the same position as the position held prior to the Disaggregation, provided the successor assumes all of WPX's obligations under this Agreement.

1.23 "Employer" means WPX or, if Executive is not employed directly by WPX, the Subsidiary that from time to time employs Executive on or after the Agreement Date, and the successor of either (provided, in the case of a Subsidiary, that such successor is also a Subsidiary).

1.24 "ERISA" means the Employee Retirement Income security Act of 1974, as amended.

1.25 "Exchange Act" means the Securities Exchange Act of 1934, as amended.

1.26 “ Good Reason ” means a Separation from Service by Executive in accordance with the substantive and procedural provisions of this Section.

(a) Separation from Service by Executive for “Good Reason” means a Separation from Service initiated by Executive on account of any one or more of the following actions or omissions that, unless otherwise specified, occurs during a Post-Change Period:

(i) a material adverse reduction in the nature or scope of Executive’s office, position, duties, functions, responsibilities or authority (including reporting responsibilities and authority) during a Post-Change Period from the most significant of those held, exercised and assigned at any time during the 90-day period immediately before the Change Date;

(ii) any reduction in or failure to pay Executive’s annual Base Salary at an annual rate not less than 12 times the highest monthly base salary paid or payable to Executive by his Employer in respect of the 12-month period immediately before the Change Date;

(iii) any reduction in the Target Annual Bonus which Executive may earn determined as of the Change Date or failure to pay Executive’s Annual Bonus on terms substantially equivalent to those provided to peer executives of the Employer;

(iv) a material reduction of Executive’s aggregate compensation and/or aggregate benefits from the amounts and/or levels in effect on the Change Date, unless such reduction is part of a policy applicable to peer executives of the Employer and of any successor entity;

(v) required relocation during a Post-Change Period of more than 50 miles of (A) Executive’s workplace, or (B) the principal offices of the Employer or its successor (if such offices are Executive’s workplace), in each case without the consent of Executive; provided, however, in both cases of (A) and (B) of this subsection (v), such new location is farther from Executive’s residence than the prior location;

(vi) the failure at any time of a successor to Executive’s Employer explicitly to assume and agree to be bound by this Agreement; or

(vii) the giving of a Notice of Consideration pursuant to Section 2.2(b)(ii) and the subsequent failure to terminate Executive for Cause and within a period of 90 days thereafter in compliance with all of the substantive and procedural requirements of Section 2.2.

(b) Notwithstanding anything in this Agreement to the contrary, no act or omission shall constitute grounds for “Good Reason”:

(i) Unless Executive gives a Notice of Termination to WPX and the Employer 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

(ii) Unless such Notice of Termination is given within 90 days of Executive’s first actual knowledge of such act or omission; and

(iii) Unless WPX or the Employer fails to cure such act or omission within the 30 day period after receiving the Notice of Termination.

(c) 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.

1.27 “including” means including without limitation.

1.28 “IRS” means the Internal Revenue Service of the United States of America.

1.29 “Legal and Other Expenses” — see Section 4.1.

1.30 “Notice of Consideration” — see Section 2.2(b)(ii).

1.31 “Notice of Termination” means a written notice of a Separation from Service, if applicable, given in accordance with Section 9.7 that sets forth (a) the specific termination provision in this Agreement relied on by the party giving such notice, (b) in reasonable detail the specific facts and circumstances claimed to provide a basis for such Separation from Service, and (c) if the Termination Date is other than the date of receipt of such Notice of Termination, the Termination Date.

1.32 “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.

1.33 “Post-Change Period” means the period commencing on the Change Date and ending on the earlier of the Termination Date or the second anniversary of the Change Date.

1.34 “Potential Parachute Payment” — see Section 3.1.

1.35 “Pro-rata Annual Bonus” means, in respect of an Employer’s fiscal year during which the Termination Date occurs, an amount equal to the product of Executive’s Target Annual Bonus (determined as of the Termination Date) multiplied by a fraction, the numerator of which equals the number of days from and including the first day of such fiscal year through and including the Termination Date, and the denominator of which equals 365.

1.36 “Reorganization Transaction” — see clause (c) of the definition of “Change in Control”.

1.37 “Restricted Shares” means shares of restricted stock, restricted stock units, deferred stock or similar awards.

1.38 “SEC” means the United States Securities and Exchange Commission.

1.39 “Section” means, unless the context otherwise requires, a section of this Agreement.

1.40 “Separation from Service” means an Executive’s termination or deemed termination from employment with WPX and its Subsidiaries. For purposes of determining whether a Separation from Service has occurred, the employment relationship is treated as continuing intact while the Executive is on military leave, sick leave or other bona fide leave of absence if the period of such leave does not exceed six (6) months, or if longer, so long as the Executive 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 Executive will return to perform services for his or her employer. If the period of leave exceeds six (6) months and the Executive 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 (6) 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 result in death or can be expected to last for a continuous period of not less than six (6) months, and such impairment causes the Executive to be unable to perform the duties of the Executive’s position of employment or any substantially similar position of employment, a twenty-nine (29) month period of absence shall be substituted for such six (6) month period. For purposes of this Agreement, a Separation from Service occurs at the date as of which the facts and circumstances indicate either that, after such date: (A) the Executive and WPX reasonably anticipate the Executive will perform no further services for WPX and its Subsidiaries (whether as an employee or an independent contractor or (B) that the level of bona fide services the Executive will perform for WPX and its Affiliates (whether as an employee or independent contractor) will permanently decrease to no more than twenty (20%) of the average level of bona fide services performed over the immediately preceding thirty-six (36) month period or, if the Executive has been providing services to WPX and its Subsidiaries for less than thirty-six (36) months, the full period over which the Executive 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 Executive after a certain date.

1.41 “Stock Options” means stock options, stock appreciation rights or similar awards.

1.42 “Subsidiary” means a corporation, trade or business, if it and WPX Energy, Inc. are members of a controlled group of corporations as defined in Code Section 414(b) or under common control as defined under Code Section 414(c); the standard of control under Code Sections 414(b) and 414(c) shall be deemed to be “at least 80%” and all determinations shall be made in accordance with Code Section 409A and the applicable guidance thereunder.

1.43 “Surviving Corporation” means the parent corporation resulting from a Reorganization Transaction or, if securities representing at least 50% of the aggregate voting power of all Voting Securities of a corporation effected by a Change in Control which is not a Reorganization Transaction are directly or indirectly owned by another corporation, such other corporation.

1.44 “Target Annual Bonus” means, as of any date, the amount equal to the product of Executive’s Base Salary determined as of such date multiplied by the percentage of such Base Salary to which Executive would have been entitled immediately prior to such date under any Annual Bonus arrangement for the fiscal year for which the Annual Bonus is awarded if the performance goals established pursuant to such Annual Bonus were achieved at the 100% level as of the end of the fiscal year; provided, however, that if Executive’s Annual Bonus is discretionary and no 100% target level is formally established either under the Annual Bonus arrangement or otherwise, Executive’s “Target Annual Bonus” shall mean the amount equal to the 100% of Executive’s Base Salary.

1.45 “Taxes” means federal, state, local and other income, employment and other taxes.

1.46 “Termination Date” means the date of the receipt of the Notice of Termination by Executive (if such notice is given by Executive’s Employer) or by Executive’s Employer (if such notice is given by Executive), or any later date, not more than 30 days after the giving of such notice, specified in such notice; provided, however, that:

(a) Executive’s employment is terminated by reason of death or Disability, the Termination Date shall be the date of Executive’s death or the date of deemed termination of employment due to Disability, as applicable, regardless of whether a Notice of Termination has been given; and

(b) if no Notice of Termination is given, the Termination Date shall be the last date on which Executive is employed by an Employer; and

(c) for purposes of Article VI (Restrictive Covenants) if the Executive does not have a Separation from Service, the Termination Date shall be the later of the date the entity that employs Executive ceases to be a Subsidiary, or, after a Disaggregation (as defined in Section 1.22), the date Executive’s employment with the successor business unit terminates, whether such termination is initiated by such successor or by Executive.

1.47 “Voting Securities” of a corporation means securities of such corporation that are entitled to vote generally in the election of directors of such corporation.

1.48 “Williams” — see the first paragraph of the Recitals of this Agreement.

1.49 “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 Executive makes, conceives, discovers or develops alone or with others during the course of Executive’s employment with WPX or during the one year period following Executive’s Termination Date (whether or not protectable upon application by copyright, patent, trademark, trade secret or other proprietary rights).

1.50 “WPX” — see the introductory paragraph of this Agreement.

1.51 “WPX Incumbent Directors” means, determined as of any date by reference to any baseline date:

- (a) the members of the Board on the date of such determination who have been members of the Board since such baseline date, and
- (b) the members of the Board on the date of such determination who were appointed or elected after such baseline date and whose election, or nomination for election by stockholders of WPX or the Surviving Corporation, as applicable, was approved by a vote or written consent of two-thirds of the directors comprising the WPX Incumbent Directors on the date of such vote or written consent, but excluding each such member whose initial assumption of office was in connection with (i) an actual or threatened election contest, including a consent solicitation, relating to the election or removal of one or more members of the Board, (ii) a “tender offer” (as such term is used in Section 14(d) of the Exchange Act), or (iii) a proposed Reorganization Transaction.

1.52 “WPX NQDC Plan” – see the second paragraph of the Recitals of this Agreement.

1.53 “WPX Parties” means WPX and Executive’s Employer.

Article II.

WPX’s Obligations Upon Separation from Service

2.1 If By Executive for Good Reason or By an Employer Other Than for Cause, Disability, Death or Disqualifying Disaggregation. If Executive has a Separation from Service for Good Reason or there is an Employer-initiated Separation from Service of the Executive for any reason other than Cause, Disability, Death or a Disqualifying Disaggregation during the Post-Change Period, then in addition to payment of all Accrued Obligations, which shall be payable no later than ten (10) business days after the Termination Date, WPX’s and the Employer’s sole obligations to Executive under this Article II shall be as follows:

(a) Severance Payments. Executive shall be paid a lump-sum cash amount equal to the sum of the following, on the first business day following six (6) months after Executive’s Separation from Service:

(i) Prorated Annual Bonus for Year of Termination. Executive’s Pro-rata Annual Bonus reduced (but not below zero) by the amount of any Annual Bonus paid to Executive with respect to the Employer’s fiscal year during which the Termination Date occurs;

(ii) Multiple of Salary and Bonus. An amount equal to two (2) times the sum of (A) Base Salary plus (B) the Target Annual Bonus, each determined as of the Termination Date; provided, however, that any reduction in Executive's Base Salary or Target Annual Bonus that would qualify as Good Reason shall be disregarded for this purpose.

(b) Stock Incentive Awards. To the extent provided in the applicable award agreements and the applicable plan, all of Executive's Stock Options then outstanding shall immediately become fully vested and remain exercisable until the 18-month anniversary of the Termination Date (or such later date as may be set forth in the applicable award agreement, including, but not limited to, a later exercise date under an award agreement if Executive has met the age and service requirements for retirement) or, if earlier, the option expiration date for any such Stock Option. All of Executive's Restricted Shares then outstanding shall only vest and payout in accordance with the applicable award agreements for such Restricted Shares.

(c) Continuation of Welfare Benefits. During the lesser of the period during which Executive or a qualifying beneficiary (as defined in Section 607 of the Employee Retirement Income Security Act of 1974, as amended) has in effect an election for post-termination continuation coverage or conversion rights to welfare benefits under applicable law, including Section 4980 of the Code ("COBRA"), or the period ending on the 18-month anniversary of the Termination Date ("Severance Period"), Executive (or, if applicable, the qualifying beneficiary) shall be entitled to such coverage at an out-of-pocket premium cost that does not exceed the out-of-pocket premium cost applicable to similarly situated active employees (and their eligible dependents); provided, however, that if Executive is eligible to retiree benefits provided under any welfare benefit plan, program, policy, practice or procedure of the WPX Parties, Executive shall be entitled to receive such retiree benefits in lieu of the COBRA coverage provided by this Section 2.1(c).

(d) Outplacement. Executive shall be reimbursed for reasonable fees and costs for outplacement services incurred by Executive within six (6) months after the Separation from Service, promptly upon presentation of reasonable documentation of such fees and costs, subject to a maximum of \$25,000. All requests of Executive for reimbursement must be submitted to WPX within one (1) year of Separation from Service and WPX shall make the reimbursement of reasonable requests no later than thirty (30) days after such request, but in all events within fifteen (15) months of Separation from Service.

(e) Indemnification. Executive shall be indemnified and held harmless by WPX and the Employer on the same terms as other peer executives and to the greatest extent permitted under applicable law as the same now exists or may hereafter be amended and the Employer's and WPX's by-laws as such exist on the Agreement Date, or such greater rights that may be provided by amendment to such by-laws from time to time, if Executive was, is, or is threatened to be, made a party to any pending, completed or threatened action, suit, arbitration, alternate dispute resolution mechanism, investigation, administrative hearing or any other proceeding whether civil, criminal, administrative or investigative, and whether formal or informal, by reason of the fact that Executive is or was, or had agreed to become, a director, officer, employee, agent or

fiduciary of the Employer or any other entity which Executive is or was serving at the request of the Employer or WPX (“Proceeding”), against all expenses (including reasonable attorneys’ fees) and all claims, damages, liabilities and losses incurred or suffered by Executive or to which Executive may become subject for any reason, and (ii) shall be entitled to advancement of any such indemnifiable expenses in accordance with the Employer’s and WPX’s by-laws as such exist on the Agreement Date, or such greater rights that may be provided by amendment to such by-laws from time to time. A Proceeding shall not include any proceeding to the extent it concerns or relates to a matter described in Section 4.1 (concerning reimbursement of certain costs and expenses).

(f) Directors’ and Officers’ Liability Insurance. For a period of six years after the Termination Date (or for any known longer applicable statute of limitations period), the Executive shall be entitled to coverage under a directors’ and officers’ liability insurance policy in an amount no less than, and on the same terms as those provided to peer executive officers and directors of the Employer.

2.2 If by the Employer for Cause.

(a) Termination for Cause. If the Executive has a Separation from Service for Cause during the Post-Change Period, the WPX Parties’ sole obligation to Executive under this Article II shall be to pay Executive a lump-sum cash amount equal to all Accrued Obligations determined as of the Termination Date.

(b) Change in Control: Procedural Requirements for Termination for Cause. For any Separation from Service for Cause during any part of a Post-Change Period, the WPX Parties shall strictly observe each of the following substantive and procedural provisions:

(i) The Board shall call a meeting for the stated purpose of determining whether Executive’s acts or omissions satisfy the requirements of the definition of “Cause” and, if so, whether to terminate Executive’s employment for Cause.

(ii) Not less than 15 days prior to the date of such meeting, the Board shall provide or cause to be provided Executive and each member of the Board written notice (a “Notice of Consideration”) of (A) a detailed description of the acts or omissions alleged to constitute Cause, (B) the date of such meeting of the Board, and (C) Executive’s rights under clauses (iii) and (iv) below.

(iii) Executive shall have the opportunity to appear before the Board in person and, at Executive’s option, with legal counsel, and/or present to the Board a written response to the Notice of Consideration.

(iv) Executive’s employment may be terminated for Cause only if (A) the acts or omissions specified in the Notice of Consideration did in fact occur and such actions or omissions do constitute Cause as defined in this Agreement, (B) the Board, by affirmative vote of at least $\frac{2}{3}$ of its members (excluding

Executive's vote), makes a specific determination to such effect and to the effect that Executive's employment should be terminated for Cause (" Cause Determination"), and (C) WPX thereafter provides Executive with a Notice of Termination that specifies in specific detail the basis of such Separation from Service for Cause and which Notice shall be consistent with the reasons set forth in the Notice of Consideration.

Nothing in this Section 2.2(b) shall preclude the Board, by majority vote, from suspending Executive from his duties, with pay, at any time.

(c) Change in Control: Standard of Review. In the event that the existence of Cause during a Post-Change Period shall become an issue in any action or proceeding between Executive, on the one hand, and any one or more of the WPX Parties on the other hand, the WPX Parties, as applicable, shall, notwithstanding the Cause Determination, have the burden of establishing that the actions or omissions specified in the Notice of Consideration did in fact occur and do constitute Cause and that the WPX Parties have satisfied all applicable substantive and procedural requirements of this Section.

2.3 If by Executive Other Than for Good Reason. If Executive has a Separation from Service initiated by the Executive during the Post-Change Period other than for Good Reason, Disability or death, the sole obligation of the WPX Parties to Executive under this Article II shall be to pay Executive a lump-sum cash amount equal to all Accrued Obligations determined as of the Termination Date.

2.4 If by Death or Disability. If Executive dies during the Post-Change Period or if Executive has a Separation from Service during the Post-Change Period by reason of Executive's Disability, the WPX Parties' sole obligation to Executive under this Article II shall be to pay Executive a lump-sum cash amount equal to all Accrued Obligations determined as of the Termination Date.

2.5 Waiver and Release. Notwithstanding anything herein to the contrary, in the event that Executive's employment terminates pursuant to Section 2.1, no WPX Party shall have any obligation to Executive under Section 2.1(a) Sections 2.1(c)-(f) and Article III unless and until Executive executes and delivers to WPX within sixty (60) days after Separation from Service a release and waiver of WPX, the Employer and Affiliates, in substantially the same form as attached hereto as Exhibit A, or as otherwise mutually acceptable.

2.6 Breach of Covenants. If a court determines that Executive has breached any non-competition, non-solicitation, non-disparagement, confidential information or intellectual property covenant entered into at any time between Executive (on the one hand) and WPX, the Employer, or any Affiliate (on the other hand), including the Restrictive Covenants in Article VI, (a) no WPX Party shall have any obligation to pay or provide any severance or benefits under Articles II and/or III, (b) all of Executive's unexercised Stock Options shall terminate as of the date of the breach, (c) all of Executive's Restricted Stock shall be forfeited as of the date of the breach, (d) Executive shall reimburse a WPX Party for any amount already paid under Articles II and/or III, and (e) Executive shall repay to WPX an amount equal to the aggregate "spread" (as

defined below) on all Stock Options exercised in the one year period prior to the first date on which Executive breached any such covenant (“Breach Date”). For purposes of this Section 2.6, “spread” in respect of any Stock Option shall mean the product of the number of shares as to which such Stock Option has been exercised during the one year period prior to the Breach Date multiplied by the difference between the closing price of the common stock on the exercise date (or if the common stock did not trade on the New York Stock Exchange or other exchange, if any, on which common stock had a higher trading volume at the time, on the exercise date, the most recent date on which the common stock did so trade) and the exercise price of the Stock Options.

Article III.

Certain Potential Benefit Adjustments by WPX

3.1 Potential Benefit Adjustment on Account of “Golden Parachute” Excise Taxes. If at any time or from time to time, it shall be determined by independent tax professionals selected by WPX (“Tax Professional”) that any payment or other benefit to Executive pursuant to Article II of this Agreement or otherwise (“Potential Parachute Payment”) is or will, but for the provisions of this Article III, become subject to the excise tax imposed by Section 4999 of the Code or any similar tax payable under any state, local, foreign or other law, but expressly excluding any income taxes and penalties or interest imposed pursuant to Section 409A of the Code (“Excise Taxes”), then the Executive’s Potential Parachute Payment shall be either (a) provided to the Executive in full, or (b) provided to the Executive as to such lesser extent which would result in no portion of such benefits being subject to the Excise Taxes, whichever of the foregoing amounts, when taking into account applicable federal, state, local and foreign income and employment taxes, the Excise Tax, and any other applicable taxes, results in the receipt by the Executive, on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be taxable under the Excise Taxes (“Payments”).

3.2 Implementation of Calculations and Any Benefit Reduction Under Section 3.1. In the event of a reduction of benefits pursuant to Section 3.1, the Tax Professional shall determine which benefits shall be reduced so as to achieve the principle set forth in Section 3.1. For purposes of making the calculations required by Section 3.1, the Tax Professional may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the Code and other applicable legal authority. WPX and Executive shall furnish to the Tax Professional such information and documents as the Tax Professional may reasonably request in order to make a determination under Section 3.1. WPX shall bear all costs the Tax Professional may reasonably incur in connection with any calculations contemplated by Section 3.1.

3.3 Potential Subsequent Adjustments.

(a) If, notwithstanding any calculations performed or reduction in benefits imposed as described in Section 3.1, the IRS determines that Executive is liable for Excise Taxes as a result of the receipt of any payments made pursuant to Article II of this Agreement or otherwise, then Executive shall be obligated to pay back to WPX, within thirty (30) days after a final IRS determination or in the event that the Executive challenges the final IRS determination, a final

judicial determination, a portion of the Payments equal to the “Repayment Amount.” The Repayment Amount shall be the smallest such amount, if any, as shall be required to be paid to WPX so that the Executive’s net after-tax proceeds with respect to the Payments (after taking into account the payment of the Excise Taxes and all other applicable taxes imposed on such benefits) shall be maximized. The Repayment Amount shall be zero if a Repayment Amount of more than zero would not result in the Executive’s net after-tax proceeds with respect to the Payments being maximized. If the Excise Taxes are not eliminated pursuant to this Section 3.3, the Executive shall pay the Excise Taxes.

(b) Notwithstanding any other provision of this Article III, if (i) there is a reduction in the payments to an Executive as described above in this Article III, (ii) the IRS later determines that the Executive is liable for Excise Taxes, the payment of which would result in the maximization of the Executive’s net after-tax proceeds (calculated based on the full amount of the Potential Parachute Payment and as if the Executive’s benefits had not previously been reduced), and (iii) the Executive pays the Excise Tax, then WPX shall pay to the Executive those payments which were reduced pursuant to Section 3.1 or 3.3(a) as soon as administratively possible after the Executive pays the Excise Taxes to the extent that the Executive’s net after-tax proceeds with respect to the payment of the Payments are maximized.

Article IV.

Expenses and Interest

4.1 Legal and Other Expenses.

(a) If Executive incurs legal fees or other expenses (including expert witness and accounting fees) in an effort to determine, secure, preserve, establish entitlement to, or obtain benefits under this Agreement (collectively, “Legal and Other Expenses”), Executive shall, regardless of the outcome of such effort, be entitled to payment of or reimbursement for such Legal and Other Expenses in accordance with Section 4.1(b).

(b) All Legal and Other Expenses shall be paid or reimbursed on a monthly basis within 10 days after presentation of Executive’s written request for reimbursement accompanied by evidence that such Legal and Other Expenses were incurred. In all events, the Company shall pay or reimburse such eligible expenses in accordance with the requirements of Treasury Regulation § 1.409A-3(i)(1)(iv) for reimbursement and in-kind benefit plans, to the extent applicable. For this purpose, (i) any reimbursement shall be for expenses incurred during Executive’s lifetime or within two additional years following Executive’s death, (ii) the amount of expenses eligible for reimbursement, or benefits provided, in one calendar year shall not affect the expenses eligible for reimbursement, or benefits to be provided, in any other calendar year, (iii) the reimbursement of any eligible expense will be made no later than the last day of the calendar year next following the calendar year in which the expense was incurred, and (iv) the right to any reimbursement or benefit shall not be subject to liquidation or exchange for any other benefit.

(c) If Executive does not prevail (after exhaustion of all available judicial remedies) in respect of a claim by Executive or by one or more of the WPX Parties, hereunder, and such parties establish before a court of competent jurisdiction that Executive had no reasonable basis for his claim hereunder, or for his response to such parties' claim hereunder, or acted in bad faith, no further payment of or reimbursement for Legal and Other Expenses shall be due to Executive in respect of such claim and Executive shall refund any amounts previously paid or reimbursed hereunder with respect to such claim.

4.2 Interest. If an amount due is not paid to Executive under this Agreement within five business days after such amount first became due and owing, interest shall accrue on such amount from the date it became due and owing until the date of payment at a annual rate equal to 200 basis points above the base commercial lending rate published in *The Wall Street Journal* in effect from time to time during the period of such nonpayment.

Article V.

No Set-off or Mitigation

5.1 No Set-off by WPX. Executive's right to receive when due the payments and other benefits provided for under this Agreement is absolute, unconditional and subject to no setoff, counterclaim, recoupment, or other claim, right or action that any WPX Party may have against Executive or others, except as expressly provided in this Section. Notwithstanding the prior sentence, any WPX Party shall have the right to deduct any amounts outstanding on any loans or other extensions of credit to Executive from a WPX Party from Executive's payments and other benefits (if any) provided for under this Agreement. Time is of the essence in the performance by the WPX Parties of their respective obligations under this Agreement.

5.2 No Mitigation. Executive shall not have any duty to mitigate the amounts payable by any WPX Party under this Agreement by seeking new employment or self-employment following termination. Except as specifically otherwise provided in this Agreement, all amounts payable pursuant to this Agreement shall be paid without reduction regardless of any amounts of salary, compensation or other amounts which may be paid or payable to Executive as the result of Executive's employment by another employer or self-employment.

Article VI.

Restrictive Covenants

6.1 Confidential Information. The Executive acknowledges that in the course of performing services for WPX and its Affiliates, Executive may create (alone or with others), learn of, have access to, or receive Confidential Information. The Executive recognizes that all such Confidential Information is the sole and exclusive property of WPX and its Affiliates or of third parties to which WPX or an Affiliate owes a duty of confidentiality, that it is WPX'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 WPX and its Affiliates. Executive agrees that, except as required by the duties of Executive's

employment with WPX or any of its Affiliates and except in connection with enforcing 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 WPX, Executive will not, without the written consent of WPX, willfully disseminate or otherwise disclose, directly or indirectly, any Confidential Information disclosed to Executive or otherwise obtained by Executive during his employment with WPX 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, WPX or any Affiliate), and will use the Confidential Information solely for the benefit of WPX 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 Executive. These obligations shall continue during and after the termination of Executive's employment for any reason and for so long as the Confidential Information remains Confidential Information.

6.2 Non-Competition. During the period beginning on the Agreement Date and ending on the first anniversary of the Termination Date, regardless of the reason for Executive's Separation from Service, Executive agrees that without the written consent of WPX Executive shall not at any time, directly or indirectly, in any capacity:

(a) 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; provided, however, that after Executive's Separation from Service, this Section 6.2 shall not preclude Executive from (i) being an employee of, or consultant to, any business unit of a Competitive Business if (A) such business unit does not qualify as a Competitive Business in its own right and (B) 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 (ii) with the approval of WPX, being a consultant to, an advisor to, a director of, or an employee of a Competitive Business; or

(b) 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 subsection (b) shall, however, restrict Executive from making an investment in any Competitive Business if such investment does not (i) represent more than 1% of the aggregate market value of the outstanding capital stock or debt (as applicable) of such Competitive Business, (ii) give Executive any right or ability, directly or indirectly, to control or influence the policy decisions or management of such Competitive Business, or (iii) create a conflict of interest between Executive's duties to WPX and its Affiliates or under this Agreement and his interest in such investment.

6.3 Non-Solicitation. During the period beginning on the Agreement Date and ending on the first anniversary of the Termination Date, regardless of the reason for Executive's Separation from Service, Executive shall not, directly or indirectly:

(a) other than in connection with the good-faith performance of his duties as an officer of WPX or its Affiliates, cause or attempt to cause any employee, director or consultant of WPX or an Affiliate to terminate his or her relationship with WPX or an Affiliate;

(b) employ, engage as a consultant or adviser, or solicit the employment or engagement as a consultant or adviser, of any employee of WPX or an Affiliate (other than by WPX or its Affiliates), or cause or attempt to cause any Person to do any of the foregoing;

(c) 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 WPX or an Affiliate, if such business is or will be a Competitive Business; or

(d) interfere with the relationship of WPX or an Affiliate with, or endeavor to entice away from WPX or an Affiliate, any Person who or which at any time during the period commencing one year prior to the Termination Date was or is, to Executive's knowledge, a material customer or material supplier of, or maintained a material business relationship with, WPX or an Affiliate.

6.4 Intellectual Property.

(a) During the period of Executive's employment with WPX or any Affiliate, and thereafter upon WPX's request, regardless of the reason for Executive's Separation from Service, Executive shall disclose immediately to WPX all Work Product that: (i) relates to the business of WPX or any Affiliate or any customer or supplier to WPX or an Affiliate or any of the products or services being developed, manufactured, sold or otherwise provided by WPX or an Affiliate or that may be used in relation therewith; or (ii) results from tasks or projects assigned to Executive by WPX or an Affiliate; or (iii) results from the use of the premises or personal property (whether tangible or intangible) owned, leased or contracted for by WPX or an Affiliate. Executive agrees that any Work Product shall be the property of WPX 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, Executive hereby assigns, and agrees to assign, to WPX 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 Executive.

(b) Notwithstanding the foregoing, WPX agrees and acknowledges that the provisions of Section 6.4(a) 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 WPX or an Affiliate was used and that are developed entirely on Executive's own time, unless: (i) the invention or other subject matter relates (a) to the business of WPX or an Affiliate, or (b) to the actual or demonstrably anticipated research or development of WPX or any Affiliate, or (ii) the invention or other subject matter results from any work performed by Executive for WPX or any Affiliate.

(c) Executive agrees that, upon disclosure of Work Product to WPX, Executive will, during his employment by WPX or an Affiliate and at any time thereafter, at the request and cost of WPX, execute all such documents and perform all such acts as WPX or an Affiliate (or their respective duly authorized agents) may reasonably require: (i) to apply for, obtain and vest in the name of WPX alone (unless WPX 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 (ii) 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.

(d) In the event that WPX is unable, after reasonable effort, to secure Executive's execution of such documents as provided in Section 6.4(c), whether because of Executive's physical or mental incapacity or for any other reason whatsoever, Executive hereby irrevocably designates and appoints WPX 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 Executive.

6.5 Non-Disparagement .

(a) Executive agrees not to make, or cause to be made, any statement, observation or opinion, or communicate any information (whether oral or written, directly or indirectly) that (i) accuses or implies that WPX and/or any of its Affiliates, together with their respective present or former officers, directors, partners, stockholders, employees and agents, and each of their predecessors, successors and assigns, engaged in any wrongful, unlawful or improper conduct, whether relating to Executive's employment (or the termination thereof), the business or operations of WPX, or otherwise; or (ii) disparages, impugns or in any way reflects adversely upon the business or reputation of WPX and/or any of its Affiliates, together with their respective present or former officers, directors, partners, stockholders, employees and agents, and each of their predecessors, successors and assigns.

(b) WPX agrees not to authorize any statement, observation or opinion, or communicate any information (whether oral or written, direct or indirect) that (i) accuses or implies that Executive engaged in any wrongful, unlawful or improper conduct relating to Executive's employment or termination thereof with WPX, or otherwise; or (ii) disparages, impugns or in any way reflects adversely upon the reputation of Executive.

(c) Notwithstanding anything contained herein to the contrary, nothing herein shall be deemed to preclude Executive or WPX from providing truthful testimony or information pursuant to subpoena, court order or other similar legal or regulatory process, provided, that to the extent permitted by law, Executive will promptly inform WPX of any such obligation prior to participating in any such proceedings.

6.6 Reasonableness of Restrictive Covenants.

(a) 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 WPX's legitimate interests in its Confidential Information, its proprietary work, and in its relationships with its employees, customers, suppliers and agents.

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

(c) Executive understands he is bound by the terms of this Article VI, whether or not he receives severance payments under the Agreement or otherwise.

6.7 Right to Injunction: Survival of Undertakings.

(a) In recognition of the confidential nature of the Confidential Information, and in recognition of the necessity of the limited restrictions imposed by this Agreement, Executive and WPX agree that it would be impossible to measure solely in money the damages which WPX would suffer if Executive were to breach any of his obligations hereunder. Executive acknowledges that any breach of any provision of this Agreement would irreparably injure WPX. Accordingly, Executive agrees that if he breaches any of the provisions of this Agreement, WPX shall be entitled, in addition to any other remedies to which WPX 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 Executive hereby waives any right to assert any claim or defense that WPX has an adequate remedy at law for any such breach.

(b) If a court determines that any covenant included in this Article VI 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.

(c) All of the provisions of this Agreement shall survive any Separation from Service of Executive, without regard to the reasons for such termination. Notwithstanding Section 2.6, in addition to any other rights it may have, neither WPX nor any Affiliate shall have any obligation to pay or provide severance or other benefits (except as may be required under the Employee Retirement Income Security Act of 1974, as amended) after the Termination Date if Executive has materially breached any of Executive's obligations under this Agreement.

Article VII.

Non-Exclusivity of Rights

7.1 Waiver of Certain Other Rights. To the extent that Executive shall have received severance payments or other severance benefits under any other plan, program, policy, practice or procedure or agreement of any WPX Party prior to receiving severance payments or other severance benefits pursuant to Article II, the severance payments or other severance benefits under such other plan, program, policy, practice or procedure or agreement shall reduce (but not below zero) the corresponding severance payments or other benefits to which Executive shall be entitled under Article II. To the extent that Executive accepts payments made pursuant to Article II, he shall be deemed to have waived his right to receive a corresponding amount of future severance payments or other severance benefits under any other plan, program, policy, practice or procedure or agreement of any WPX Party.

7.2 Other Rights. Except as expressly provided in Section 7.1 and as provided in the Recitals to this Agreement, this Agreement shall not prevent or limit Executive's continuing or future participation in any benefit, bonus, incentive or other plan, program, policy, practice or procedure provided by a WPX Party and for which Executive may qualify, nor shall this Agreement limit or otherwise affect such rights as Executive may have under any other agreements with a WPX Party. Amounts that are vested benefits or that Executive is otherwise entitled to receive under any plan, program, policy, practice or procedure and any other payment or benefit required by law at or after the Termination Date shall be payable in accordance with such plan, program, policy, practice or procedure or applicable law except as expressly modified by this Agreement.

7.3 No Right to Continued Employment. Nothing in this Agreement shall guarantee the right of Executive to continue in employment, and WPX and the Employer retain the right to terminate Executive's employment at any time for any reason or for no reason.

Article VIII.

Claims Procedure

8.1 Filing a Claim.

(a) Each individual eligible for benefits under this Agreement ("Claimant") may submit his application for benefits ("Claim") to WPX (or to such other person as may be designated by WPX) in writing in such form as is provided or approved by WPX. A Claimant shall have no right to seek review of a denial or benefits, or to bring any action in any court to enforce a Claim, prior to his filing a Claim and exhausting his rights to review under Sections 8.1 and 8.2.

(b) When a Claim has been filed properly, it shall be evaluated and the Claimant shall be notified of the approval or the denial of the Claim within 30 days after the receipt of such Claim. A Claimant shall be given a written notice in which the Claimant shall be advised as to whether the Claim is granted or denied, in whole or in part. If a Claim is denied, in whole or in part, the notice shall contain (i) the specific reasons for the denial, (ii) references to pertinent provisions of this Agreement on which the denial is based, (iii) a description of any additional material or information necessary to perfect the Claim and an explanation of why such material or information is necessary, (iv) the Claimant's right to seek review of the denial and a description of the procedures for such review and (v) a statement regarding Claimant's right to bring a civil action under section 502(a) of ERISA following an adverse decision on appeal.

8.2 Review of Claim Denial . If a Claim is denied, in whole or in part, or if a Claim is neither approved nor denied within the 30-day period specified Section 8.1(b), the Claimant (or his or her authorized representative) shall have the right at any time to (a) request that WPX (or such other person as shall be designated in writing by WPX) review the denial or the failure to approve or deny the Claim, (b) review pertinent documents, and (c) submit issues and comments in writing. Within 30 days after such a request is received, WPX shall complete its review and give the Claimant written notice of its decision. Upon request and without charge, the Claimant will be provided reasonable access to and copies of all documents, records and other information relevant to the claim. WPX shall include in its notice to Claimant (i) the specific reasons for its decision, (ii) references to provisions of this Agreement on which its decision is based, (iii) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to the claim; and (iv) a statement regarding the Claimant's right to bring a civil action under ERISA Section 502(a) within 180 days of receipt of notice of denial on appeal.

Article IX.

Miscellaneous

9.1 No Assignability . This Agreement is personal to Executive and without the prior written consent of WPX shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive's legal representatives.

9.2 Successors . This Agreement shall inure to the benefit of and be binding upon WPX and its successors and assigns. WPX will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of WPX (or the Employer during any Post-Change Period) to assume expressly and agree to perform this Agreement in the same manner and to the same extent that WPX (or, if applicable, the Employer) would be required to perform it if no such succession had taken place. Any successor to the business or assets of WPX (or any Employer) which assumes

or agrees to perform this Agreement by operation of law, contract, or otherwise shall be jointly and severally liable with WPX (or the Employer) under this Agreement as if such successor were WPX (or the Employer). If Executive's employment is transferred from WPX to a Subsidiary, or from a Subsidiary to WPX or another Subsidiary, the rights and obligations of the Employer (determined prior to such transfer) shall automatically become the rights and obligations of the Employer (determined immediately following such transfer), without requiring the consent of Executive.

9.3 Payments to Beneficiary. If Executive dies before receiving amounts to which Executive is entitled under this Agreement, such amounts shall be paid in a lump sum to one or more beneficiaries designated in writing by Executive (each, a "Beneficiary"). If none is so designated, Executive's estate shall be his or her Beneficiary.

9.4 Non-Alienation of Benefits. Benefits payable under this Agreement shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution or levy of any kind, either voluntary or involuntary, before actually being received by Executive, and any such attempt to dispose of any right to benefits payable under this Agreement shall be void.

9.5 Severability. If any one or more Articles, Sections or other portions of this Agreement are declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not serve to invalidate any Article, Section or other portion not so declared to be unlawful or invalid. Any Article, Section or other portion so declared to be unlawful or invalid shall be construed so as to effectuate the terms of such Article, Section or other portion to the fullest extent possible while remaining lawful and valid.

9.6 Amendments. This Agreement shall not be amended or modified except by written instrument executed by WPX and Executive; provided however that notwithstanding the terms of this Agreement to the contrary, the terms of this Agreement shall be administered in such a way to comply with Code Section 409A as reasonably deemed appropriate by WPX; provided further however that notwithstanding anything to the contrary herein, WPX shall have the unilateral right to modify or amend this Agreement as it reasonably deems appropriate related to compliance with Code Section 409A. The parties to this Agreement intend that this Agreement meet the requirements of Internal Revenue Code Section 409A and recognize that it may be necessary to modify this Agreement to reflect guidance under Code Section 409A issued by the Internal Revenue Service.

9.7 Notices. All notices and other communications under this Agreement shall be in writing and delivered by hand, by nationally-recognized delivery service that promises overnight delivery, or by first-class registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to Executive, to Executive at his most recent home address on file with WPX.

If to WPX or the Employer:

Marcia MacLeod
Senior Vice President, Human Resources and Administration
WPX Energy, Inc.
One Williams Center
Tulsa, OK 74172

or to such other address as either party shall have furnished to the other in writing. WPX may also deliver notice and other communications under this Agreement in writing by email transmission to the work email address of the Executive.

Notice and communications shall be effective when received by the addressee. An email notice under this Agreement will be deemed received when sent. All other notices or communications will be deemed received when delivered if delivery is confirmed by a delivery service or return receipt.

9.8 Joint and Several Liability. In the event that the Employer incurs any obligation to Executive pursuant to this Agreement, such Employer, WPX and each Subsidiary, if any, of which such Employer is a subsidiary shall be jointly and severally liable with such Employer for such obligation.

9.9 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument.

9.10 Governing Law. This Agreement shall be interpreted and construed in accordance with the laws of the State of Oklahoma, without regard to its choice of law principles, except to the extent preempted by federal law.

9.11 Captions. The captions of this Agreement are not a part of the provisions hereof and shall have no force or effect.

9.12 Rules of Construction. Reference to a specific law shall include such law, any valid regulation promulgated thereunder, and any comparable provision of any future legislation amending, supplementing or superseding such section.

9.13 Number and Gender. Wherever appropriate, the singular shall include the plural, the plural shall include the singular, and the masculine shall include the feminine.

9.14 Tax Withholding. WPX may withhold from any amounts payable under this Agreement or otherwise payable to Executive any Taxes WPX determines to be required under applicable law or regulation and may report all such amounts payable to such authority as is required by any applicable law or regulation.

9.15 No Rights Prior to Change Date. Notwithstanding any provision of this Agreement to the contrary, this Agreement shall not entitle Executive to any compensation, severance or other payments or benefits of any kind prior to a Change Date.

9.16 Entire Agreement. This Agreement and the documents expressly referred to herein contain the entire understanding of WPX and Executive with respect to severance or benefits in relation to a Change in Control.

IN WITNESS WHEREOF, Executive and a duly authorized representative of WPX Energy, Inc. have executed this Change in Control Severance Agreement _____, 20__.

[INSERT EXECUTIVE NAME]

Date: _____

WPX ENERGY, INC., acting on behalf of itself and its
Subsidiaries and Affiliates

By: _____

Title: _____

Date: _____

EXHIBIT A

**WPX ENERGY, INC.
WAIVER AND RELEASE
CHANGE IN CONTROL SEVERANCE AGREEMENT (TIER ONE)**

This agreement, release and waiver (the "Agreement"), made as of the _____ day of _____, 20 _____ (the "Effective Date"), is made by and among WPX Energy, Inc. (together with all successors thereto, "Company ") and [INSERT EXECUTIVE NAME] ("Executive").

WHEREAS, the Executive and the Company have entered into WPX Energy, Inc. Change in Control Severance Agreement (Tier One) ("Severance Agreement");

NOW THEREFORE, in consideration for receiving benefits and severance under the Severance Agreement and in consideration of the representations, covenants and mutual promises set forth in this Agreement, the parties agree as follows:

1. Release. Except with respect to all of the Company's obligations under the Severance Agreement, the Executive, and Executive's heirs, executors, assigns, agents, legal representatives, and personal representatives, hereby releases, acquits and forever discharges the Company, its agents, subsidiaries, affiliates, and their respective officers, directors, agents, servants, employees, attorneys, shareholders, successors, assigns and affiliates, of and from any and all claims, liabilities, demands, causes of action, costs, expenses, attorneys fees, damages, indemnities and obligations of every kind and nature, in law, equity, or otherwise, known and unknown, suspected and unsuspected, disclosed and undisclosed, arising out of or in any way related to agreements, events, acts or conduct at any time prior to the day prior to execution of this Agreement that arose out of or were related to the Executive's employment with the Company or the Executive's termination of employment with the Company including, but not limited to, claims or demands related to wages, salary, bonuses, commissions, stock, stock options, or any other ownership interests in the Company, vacation pay, fringe benefits, expense reimbursements, sabbatical benefits, severance benefits, or any other form of compensation or equity or thing of value whatsoever; claims pursuant to under Title VII of the Civil Rights Act of 1964 as amended by the Civil Rights Act of 1991, 42 U.S.C. § 2000e, *et seq.* ; 42 U.S.C. § 1981; 42 U.S.C. § 1983; 42 U.S.C. § 1985; 42 U.S.C. § 1986; the Equal Pay Act of 1963, 29 U.S.C. § 206(d); the National Labor Relations Act, as amended, 29 U.S.C. § 160, *et seq.* ; the Americans With Disabilities Act of 1990, 42 U.S.C. § 12101, *et seq.* ; the Employee Retirement Income Security Act of 1974, as amended, ("ERISA"), 29 U.S.C. § 1001, *et seq.* ; the Age Discrimination in Employment Act of 1967, as amended by the Older Workers Benefit Protection Act of 1990, 29 U.S.C. § 621, *et seq.* ; the Family and Medical Leave Act of 1993, 29 U.S.C. § 2601 *et seq.* ; the Equal Pay Act; the Rehabilitation Act of 1973; the federal Worker Adjustment and Retraining Notification Act (as amended) and similar laws in other jurisdictions; the Oklahoma Anti-Discrimination Act, Okla. Stat., tit. 25, §§ 1101, *et seq.* , and any claims for wrongful discharge, breach of contract, breach of the implied covenant of good faith and fair dealing, fraud, discrimination, harassment, defamation, infliction of emotional distress, termination in violation of public policy, retaliation, including workers' compensation retaliation under state statutes, tort

law; contract law; wrongful discharge; discrimination; fraud; libel; slander; defamation; harassment; emotional distress; breach of the implied covenant of good faith and fair dealing; or claims for whistle-blowing, or other claims arising under any local, state or federal regulation, statute or common law. This Release does not apply to the payment of any and all benefits and/or monies earned, accrued, vested or otherwise owing, if any, to the Executive under the terms of a Company sponsored tax qualified retirement or savings plan and/or any non-qualified deferred compensation plan(s) sponsored by the Company, except that the Executive hereby releases and waives any claims that his termination was to avoid payment of such benefits or payments, and that, as a result of his termination, he is entitled to additional benefits or payments. Additionally, this Release does not apply to the indemnification provided pursuant to the Severance Agreement. This Release does not apply to any claim or rights which might arise out of the actions of the Company after the date the Executive signs this Agreement.

2. No Inducement . Executive agrees that no promise or inducement to enter into this Agreement has been offered or made except as set forth in this Agreement, that the Executive is entering into this Agreement without any threat or coercion and without reliance or any statement or representation made on behalf of the Company or by any person employed by or representing the Company, except for the written provisions and promises contained in this Agreement.

3. Damages . The parties agree that damages incurred as a result of a breach of this Agreement will be difficult to measure. It is, therefore, further agreed that, in addition to any other remedies, equitable relief will be available in the case of a breach of this Agreement. It is also agreed that, in the event Executive files a claim against the Company with respect to a claim released by Executive herein (other than a proceeding before the EEOC), the Company may withhold, retain, or require reimbursement of all or any portion of the benefits and severance payments under the Severance Agreement until such claim is withdrawn by Executive.

4. Advice of Counsel; Time to Consider; Revocation . Executive acknowledges the following:

- (a) Executive has read this Agreement, and understands its legal and binding effect. Executive is acting voluntarily and of Executive's own free will in executing this Agreement.
- (b) Executive has been advised to seek and has had the opportunity to seek legal counsel in connection with this Agreement.
- (c) Executive was given at least 21 days to consider the terms of this Agreement before signing it.

Executive understands that, if Executive signs this Agreement, Executive may revoke it within seven days after signing it by delivering written notification of intent to revoke within that seven day period. Executive understands that this Agreement will not be effective until after the seven-day period has expired.

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

6. Amendment. This Agreement shall not be altered, amended, or modified except by written instrument executed by the Company and the Executive. A waiver of any portion of this Agreement shall not be deemed a waiver of any other portion of this Agreement.

7. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same instrument.

8. Headings. The headings of this Agreement are not part of the provisions hereof and shall not have any force or effect.

9. Rules of Construction. Reference to a specific law shall include such law, any valid regulation promulgated thereunder, and any comparable provision of any future legislation amending, supplementing or superseding such section.

10. Applicable Law. The provisions of this Agreement shall be interpreted and construed in accordance with the laws of the State of Oklahoma without regard to its choice of law principles.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates specified below.

[INSERT EXECUTIVE NAME]

Date: _____

WPX ENERGY, INC.

By: _____

Title: _____

Date: _____

ACKNOWLEDGMENT

I HEREBY ACKNOWLEDGE that WPX Energy, Inc. (“the Company”), in accordance with the Age Discrimination in Employment Act of 1967, as amended by the Older Workers Benefit Protection Act of 1990, informed me in writing that:

(1) I should consult with an attorney before signing the Change in Control Severance Agreement (“Agreement”) that was provided to me.

(2) I may review the Agreement for a period of up to twenty-one (21) days prior to signing the Agreement. If I choose to take less than twenty-one (21) days to review the Agreement, I do so knowingly, willingly and on advice of counsel.

(3) For a period of seven (7) days following the signing of the Agreement, I may revoke the Agreement, and that the Agreement will not become effective or enforceable until the seven (7) day revocation period has elapsed.

(4) Any Severance Benefits paid pursuant to the Agreement will be paid in accordance with the Company’s normal pay cycle but will not be paid to me until the seven-day revocation period has elapsed.

(5) Company shall not accept my signed Agreement prior to the last day of my employment.

I HEREBY FURTHER ACKNOWLEDGE receipt of this Change in Control Severance Agreement on the _____day of _____, 20__.

WITNESS:

_____ [INSERT EXECUTIVE’S NAME]