



C. K. COOPER & COMPANY
Our Insight, Your Growth

THE STATE OF THE MARKETS

-Status of the Micro/Small Cap Energy Capital Markets

Offering Summary	
Issuer:	Concho Resources
Symbol:	CXO
Exchange:	NYSE
Market Cap:	\$3,782,220,308
Shares Offered:	4,650,000
Offering Price:	\$42.75
Amount Raised:	\$198,787,500

CONCHO RESOURCES PRICES A 4.6 MILLION SHARE PUBLIC OFFERING VALUED AT \$198.8 MILLION

Recent Transaction Announcement

MIDLAND, Texas--(BUSINESS WIRE)--Concho Resources Inc. (NYSE: CXO - News) ("Concho" or the "Company") announced today that it has priced an offering of 4,650,000 shares of common stock at a price to the public of \$42.75 per share. Concho has granted the underwriters a 30-day option to purchase up to an additional 697,500 shares of common stock to cover over-allotments. Concho expects issuance and delivery of the shares to occur on February 1, 2010, subject to customary closing conditions.

Economic Environment	
Measurement	Unit
Crude Oil	\$75.26
Natural Gas	\$5.66
12 Mo. Future Oil	\$80.42
12 Mo. Future Gas	\$6.60
Dow Jones	10,197
NASDAQ	2,211

January 25, 2010

Concho intends to use the net proceeds from the offering to repay a portion of the outstanding borrowings under its credit facility. Any amounts repaid with proceeds from this offering may be reborrowed in the future.

Headquartered in Midland, Texas, Concho Resources is an independent energy company engaged in the acquisition, production, exploration and development of oil and gas, with properties concentrated in the Permian basin.

The following table outlines Concho Resources stock characteristics prior to the announcement of this transaction based upon the inferred offering price:

Concho Resources					
Measurement	1 Day	10 Day	15 Day	20 Day	30 Day
Avg Price Previous to Transaction	\$ 44.08	\$ 44.50	\$ 45.14	\$ 45.24	\$ 44.83
Avg Daily Volume Previous to Transaction	606,785	643,736	693,724	578,886	574,637
Percentage Discount to the Market	3.0%	3.9%	5.3%	5.5%	4.6%

*negative = premium

Below are the cumulative mean (average) and median discounts to the previous day's closing price of the issuing company in sampled day increments with the aforementioned transaction included:

CKCC Peer Running Avg % Discount to Market*					
Measurement	1 Day	10 Day	15 Day	20 Day	30 Day
Concho Resources' % Discount to Market *	3.0%	3.9%	5.3%	5.5%	4.6%
Peer Transaction Mean % Discount	12.1%	12.7%	12.2%	11.0%	8.2%
Peer Transaction Median % Discount	10.8%	9.6%	9.5%	8.3%	4.9%
Concho Resources' Difference to Mean	-9.1%	-8.8%	-6.9%	-5.5%	-3.6%
Concho Resources' Difference to Median	-7.8%	-5.6%	-4.2%	-2.8%	-0.2%

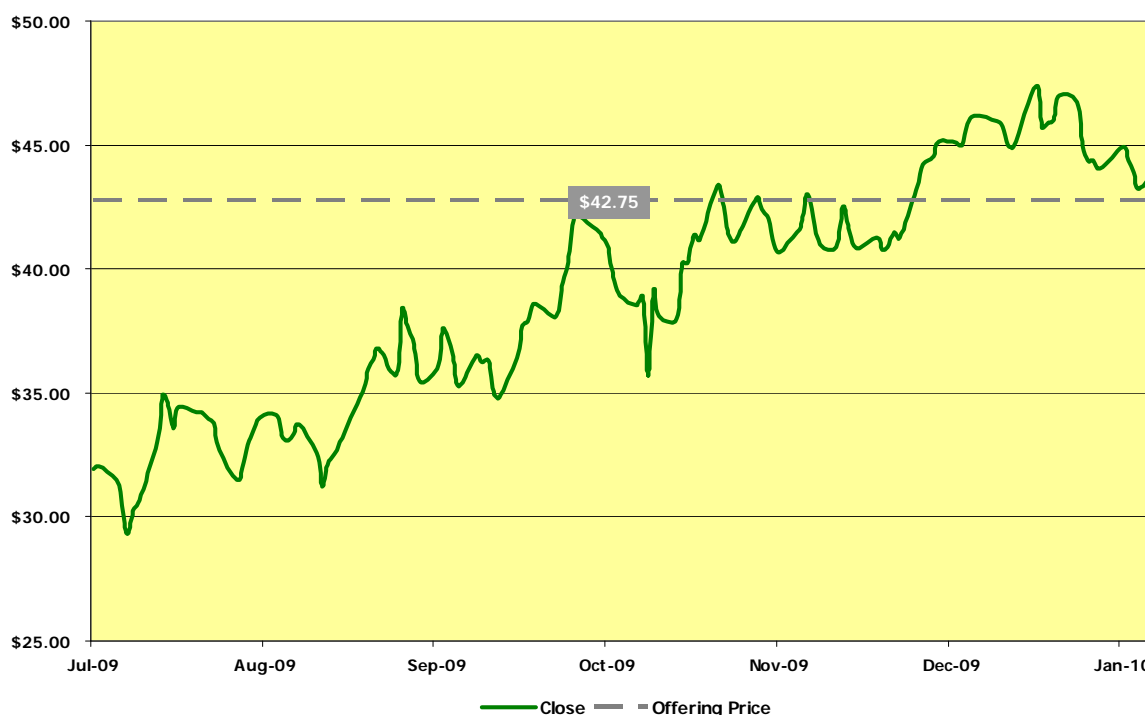
*Previous Closing Price to Announced Transaction

The table above compares the 10 most recent transactions to the offering completed by Concho Resources. The Company's offering priced at a 3.0% discount to the previous day's close of announcement and a 4.6% discount to the 30 day average price of the stock. The offering priced 9.1 percentage points better than recent peer transactions which averaged a 12.1% discount to the previous day's close of announcement, and priced 3.6 percentage points better to the 30 day mean discount which averaged an 8.2% discount.

Concho Resources' offering priced favorably compared to its peers based on 1 day through 30 day averages. We attribute this favorable pricing to Concho being among the larger sized companies in the sampling, its oily asset base, proceeds are to pay down debt, and the fact that 4.6 million shares represent only $\approx 5.6\%$ dilution. The day after pricing on Wednesday, January 27th, the Company's share price closed up 5.3% from its offering price of \$42.75 indicating the offering was received positively by the market. We continue to view the equity market as being open and anticipate continued investor interest in the micro and small cap exploration and production space.

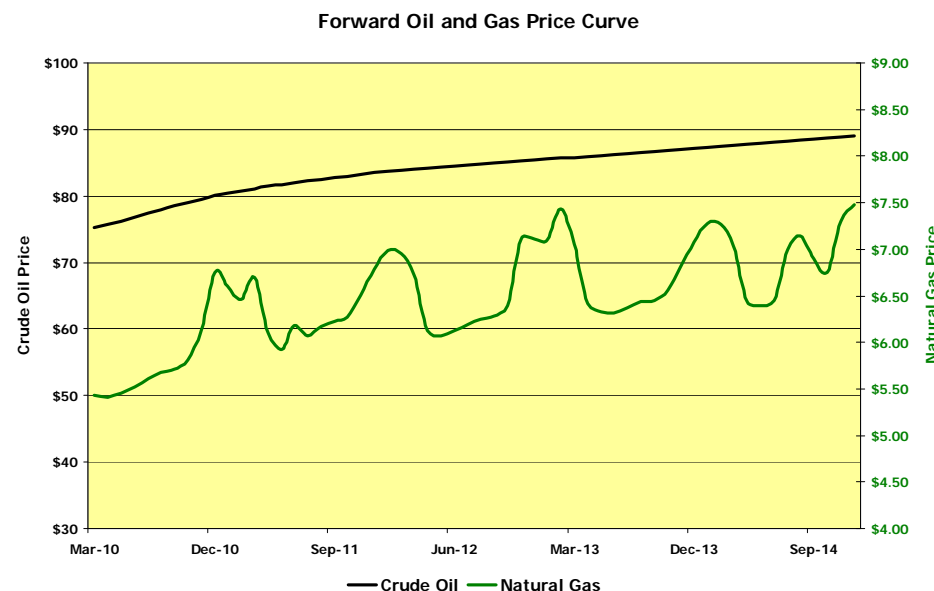
6 Month Stock Performance Chart

Stock Price vs. Offering Price



C. K. Cooper's purpose for this analysis is to provide a snapshot of the current capital markets, demonstrating the current possibilities and arena for a similar company. We track every transaction in a specific peer group, defined by the following guidelines: oil and gas focused, micro and small cap companies from \$50 million to \$1.5 billion market capitalization, domestically based, developed and/or developable tangible assets, fundamentally strong and scalable organization, and common transactions structured under agreeable terms. The 10 most current transactions used for comparative purposes are shown below.

For informative purposes, the graph charts the NYMEX oil and gas future price curve at the date of this publication:



Issuer	Symbol	Exchange	Date	\$ Raised	Offering Px	% Discount to Market				
						1 Day	10 Day	15 Day	20 Day	30 Day
Kodiak Oil & Gas**	KOG	NYSE-AMEX	10/26/2009	\$ 26,400,000	\$ 2.20	10.9%	12.9%	12.8%	11.2%	10.3%
Northern Oil & Gas**	NOG	NYSE-AMEX	10/30/2009	\$ 59,300,000	\$ 9.12	1.1%	8.0%	8.0%	5.5%	-0.5%
¹ Magnum Hunter Resources**	MHR	NYSE-AMEX	11/11/2009	\$ 11,078,000	\$ 1.47	22.2%	18.3%	19.9%	21.8%	14.0%
GeoResources, Inc.**	GEOI	NASDAQ	11/13/2009	\$ 35,190,000	\$ 10.20	10.7%	11.2%	11.1%	13.4%	12.8%
Houston American Energy**	HUSA	NASDAQ	11/27/2009	\$ 13,525,200	\$ 4.68	-5.4%	-2.0%	-4.7%	-7.4%	-6.3%
U.S. Energy Corp**	USEG	NASDAQ	11/30/2009	\$ 26,250,000	\$ 5.25	11.6%	14.6%	15.6%	14.9%	14.3%
¹ Hyperdynamics Corp**	HDY	NYSE-AMEX	12/2/2009	\$ 6,500,000	\$ 0.51	48.0%	51.2%	52.2%	53.8%	57.9%
American Oil & Gas Inc.**	AEZ	NYSE-AMEX	12/18/2009	\$ 31,500,000	\$ 3.50	15.9%	4.5%	0.7%	-4.4%	-11.9%
Berry Petroleum**	BRY	NYSE	1/11/2010	\$ 234,000,000	\$ 29.25	5.3%	3.7%	3.0%	1.0%	-1.6%
Rex Energy Corp**	REXX	NASDAQ	1/12/2010	\$ 73,500,000	\$ 12.25	1.2%	4.8%	3.3%	0.6%	-6.8%
Concho Resources**	CXO	NYSE	1/25/2010	\$ 198,787,500	\$ 42.75	3.0%	3.9%	5.3%	5.5%	4.6%
Mean				\$ 51,724,320		12.1%	12.7%	12.2%	11.0%	8.2%
Median				\$ 28,950,000		10.8%	9.6%	9.5%	8.3%	4.9%

*PIPE

**Public Offering

¹Inferred Offering Price Based on Warrant Coverage