

NEWFIELD EXPLORATION CO /DE/  
Form 424B5  
March 05, 2015  
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Filed Pursuant to Rule 424(b)(5)  
Registration No. 333-198120

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to completion, dated March 5, 2015

Preliminary prospectus supplement

(to prospectus dated August 13, 2014)

## Newfield Exploration Company

**\$500,000,000**

### *% Senior Notes due 2026*

*Issue price:* %

*Interest payable* and

We are offering \$500,000,000 aggregate principal amount of our % Senior Notes due 2026, which will mature on , 2026.

We will pay interest on the notes semi-annually in arrears on each and , beginning on , 2015. We may redeem, at our option, all or part of the notes at a make-whole redemption price plus accrued and unpaid interest to, but not including, the date of redemption. On or after (three months prior to their maturity) we may redeem some or all of the notes at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest to, but not including, the redemption date. The redemption provisions are more fully described in this prospectus supplement under Description of the notes Optional redemption.

The notes will be our senior unsecured obligations, will rank equally with all of our other existing and future senior indebtedness, and will rank senior to any of our future subordinated obligations. The notes will be effectively subordinated to all of our future secured indebtedness to the extent of the value of the collateral securing such debt and will be structurally subordinated to all existing and future indebtedness of our subsidiaries. The notes will initially not be guaranteed by any of our subsidiaries.

The notes are a new issue of securities with no established trading market. The notes will not be listed on any securities exchange. Currently, there is no public market for the notes.

Investing in the notes involves risks. See Risk factors beginning on page S-18 of this prospectus supplement and other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities, or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary

is a criminal offense.

	Per Note	Total
Public Offering Price <sup>(1)</sup>	%	\$
Underwriting Discounts	%	\$
Proceeds to Us Before Expenses <sup>(1)</sup>	%	\$

(1) Plus accrued interest from March , 2015, if settlement occurs after that date.

We expect to deliver the notes to purchasers in book-entry form only, through the facilities of The Depository Trust Company, Clearstream Banking S.A. and Euroclear Bank S.A./N.V., as operator of the Euroclear System, on or about March , 2015 against payment therefor in immediately available funds.

*Joint Book-Running Managers*

**J.P. Morgan  
Scotiabank**

**Wells Fargo Securities  
US Bancorp  
*Co-Managers***

**MUFG  
Goldman, Sachs & Co.**

**SMBC Nikko  
CIBC  
SOCIETE GENERALE  
March , 2015**

**Credit Suisse  
Mizuho Securities**

**BMO Capital Markets  
Fifth Third Securities  
RBC Capital Markets**

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You should rely only on the information incorporated by reference or provided in this prospectus supplement or in the accompanying prospectus or in a free writing prospectus provided by us. We have not, and the underwriters have not, authorized anyone else to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it.

We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer is not permitted.

You should not assume that the information contained or incorporated by reference in this prospectus supplement or in the accompanying prospectus is accurate as of any date other than the date of those documents. Our business, financial condition, results of operations and prospects may have changed since those respective dates.

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## **About this prospectus supplement**

This document is in two parts. The first part is this prospectus supplement, which describes our business and the specific terms of the offering. The second part is the accompanying prospectus, which gives more general information, some of which may not apply to the offering. If information varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. You should carefully read this prospectus supplement, the accompanying prospectus and the documents incorporated herein or therein by reference in their entirety. You should pay special attention to Risk Factors beginning on page S-18 of this prospectus supplement and on page 3 of the accompanying prospectus to determine whether an investment in the notes is appropriate for you. For purposes of this prospectus supplement and the accompanying prospectus, unless otherwise indicated or the context otherwise requires, references to Newfield, we, us, our or the Company are to Newfield Exploration Company and its subsidiaries, except that in the section entitled Description of the Notes, such terms refer only to Newfield Exploration Company and not any of its subsidiaries. Unless otherwise noted, capitalized terms used in this prospectus supplement have the same meanings as used in the accompanying prospectus.

## **Forward-looking statements**

This prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein may include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). All statements other than statements of historical facts included in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein are forward looking statements, including information relating to anticipated future events or results, such as planned capital expenditures, the availability and sources of capital resources to fund capital expenditures, estimates of reserves, projected production, estimates of operating costs, our commodity price outlook, planned exploratory or development drilling, projected cash flows and liquidity, the redemption of our 2020 Notes (as defined herein), business strategy and other plans and objectives for future operations. Forward-looking statements are typically identified by use of terms such as may, believe, expect, anticipate, intend, estimate, project, target, goal, plan, should, will, predict, potential and similar expressions that refer to future events or outcomes. Although we believe that the expectations reflected in such forward-looking statements are reasonable, this information is based upon assumptions and anticipated results that are subject to numerous uncertainties and risks. Actual results may vary significantly from those anticipated due to many factors, including:

fluctuations in oil, natural gas and natural gas liquids (NGL) prices;

the availability and volatility of the securities, capital or credit markets and the cost of capital to fund our operations and business strategies;

the accuracy of and fluctuations in our reserves estimates due to sustained low commodity prices, interest assumptions and other causes;

ability to develop existing reserves or acquire new reserves;

the timing and our success in discovering, producing and estimating reserves;

sustained decline in commodity prices could result in writedown of assets;

operating hazards inherent in the exploration for and production of oil and natural gas;

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general economic, financial, industry or business trends or conditions;

the impact of, and changes in, legislation, law and governmental regulations, including those related to hydraulic fracturing, climate change and over-the-counter derivatives;

land, legal, regulatory, and ownership complexities inherent in the U.S. oil and gas industry;

the impact of regulatory approvals;

the ability and willingness of current or potential lenders, derivative contract counterparties, customers and working interest owners to fulfill their obligations to us or to enter into transactions with us in the future on terms that are acceptable to us;

the prices and quantities of commodities reflected in our commodity derivative arrangements as compared to the actual prices or quantities of commodities we produce or use;

the volatility and liquidity in the commodity futures and commodity and financial derivatives markets;

drilling risks and results;

the prices and availability of goods and services;

the cost and availability of drilling rigs and other support services;

global events that may impact our domestic and international operating contracts, markets and prices;

labor conditions;

weather conditions;

environmental liabilities that are not covered by an effective indemnity or insurance;

competitive conditions;

terrorism or civil or political unrest in a region or country;

our ability to monetize non-strategic assets, pay debt and the impact of changes in our investment ratings;

electronic, cyber or physical security breaches;

changes in tax rates;

inflation rates;

financial counterparty risk;

the effect of worldwide energy conservation measures;

the price and availability of, and demand for, competing energy sources;

the availability (or lack thereof) of acquisition, disposition or combination opportunities; and

the other factors affecting our business described in "Risk Factors" in our Annual Report on Form 10-K, which is incorporated by reference in this prospectus supplement.

Should one or more of the risks described above occur, or should underlying assumptions prove incorrect, our actual results and plans could differ materially from those expressed in any forward-looking statements. All forward-looking statements in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein, as well as all other written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary

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statements contained in this section and elsewhere in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein. These factors are not necessarily all of the important factors that could affect us and the information contained in this prospectus supplement and the documents incorporated by reference into this prospectus supplement identify additional factors that could affect our operating results and performance. Use caution and common sense when considering these forward-looking statements. Unless securities laws require us to do so, we do not undertake any obligation to publicly correct or update any forward-looking statements whether as a result of changes in internal estimates or expectations, new information, subsequent events or circumstances or otherwise.

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## Summary

This summary highlights information contained elsewhere in this prospectus supplement or the accompanying prospectus or in documents incorporated by reference herein or therein. You should read this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein in their entirety for a better understanding of the offering. You should read **Risk factors** beginning on page S-18 of this prospectus supplement and on page 3 of the accompanying prospectus for more information about important factors that you should consider before buying notes in the offering.

### **Newfield Exploration Company**

Newfield Exploration Company is an independent energy company engaged in the exploration, development and production of crude oil, natural gas and natural gas liquids. We are a Delaware corporation, incorporated in 1988, that has been publicly traded on the New York Stock Exchange (the NYSE ) since 1993 and included in the S&P 500 Index since 2010.

Our focus is on select, U.S. onshore, liquids-rich basins characterized by multiple, stacked geologic horizons.

We believe we have established a multi-year, oil and liquids-rich drilling inventory and have identified approximately 14,000 gross potential locations across our domestic leasehold as of year-end 2014.

Our most significant growth area over the past several years is the Anadarko Basin of Oklahoma, where we have nearly 300,000 net acres. At year-end 2014, this region comprised 28% of our proved reserves and over the fourth quarter of 2014, produced approximately 40% of our average production.

Since 2012, we have increased production, reserves and discretionary cash flow at compound average growth rates of 21%, 12% and 39%, respectively, when adjusted for asset sales<sup>(1)</sup>.

Our principal areas of operation are oil and liquids-rich resource plays in the Mid-Continent, Rocky Mountains and onshore Gulf Coast regions of the United States. In addition, we have offshore oil developments in China. Important characteristics about our 2014 year-end proved reserves and production include:

645 MMBOE year-end 2014 proved reserves, of which, approximately 96% were located onshore United States, 58% were liquids and 52% were proved developed;

\$8.8 billion of pre-tax present value (discounted at 10%) ( PV-10 ) of proved reserves at year-end 2014 and

138 MBOEPD of average daily production in the fourth quarter of 2014 (60% liquids).

(1) Discretionary cash flow, which we define as net cash provided by operating activities before changes in working capital, and certain adjustments for asset sales, may be considered non-GAAP financial measures by the SEC. Please read **Summary reserve and operating data** Adjustments for asset sales.



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- (2) PV-10 (as defined) is considered a non-GAAP financial measure by the SEC. Please read Summary reserve and operating data for a reconciliation to the nearest comparable GAAP measure.

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The table below provides a summary of selected information regarding our U.S. properties and our gross identified potential drilling locations as of December 31, 2014:

Domestic Areas	Net Acres	As of December 31, 2014	
		Proved Reserves (MMBOE)	Gross Identified Potential Locations <sup>(1)</sup>
Anadarko Basin horizontal	295,000	181	5,446
Uinta Basin horizontal	65,000	48	2,242
Uinta Basin conventional	160,000	163	2,929
Williston Basin horizontal	40,000	69	460
Arkoma Basin horizontal	146,000	113	2,727
Other	553,000	48	270
<b>Total</b>	<b>1,259,000</b>	<b>622</b>	<b>14,074</b>

(1) The drilling locations and resource recovered will depend on the availability of capital, regulatory approvals, commodity prices, costs, actual drilling results and other factors. Any drilling activities we are able to conduct on these identified locations may not be successful and may not result in our adding additional volumes to our existing proved reserves. The total includes locations attributable to our proved, probable and possible reserves as well as our unproven properties.

**Our 2014 highlights**

During 2014, Newfield successfully executed on several operational and financial initiatives. Our stock was the number two performing exploration and production company stock in both the S&P 500 Index and the Philadelphia Stock Exchange SIG Oil Exploration & Production Index based on stock price appreciation, excluding dividends. Highlights from the year include:

14% year-over-year increase in total proved reserves to 645 MMBOE (when adjusted for 2014 asset sales of 49 MMBOE);

18% increase in total PV-10 to \$8.8 billion as compared to year-end 2013 (when adjusted for \$608 million of asset sales on a PV-10 basis<sup>(1)</sup>);

29% year-over-year increase in daily production to 125 MBOEPD<sup>(2)</sup> (when adjusted for asset sales comprising 36 MBOEPD);

Average fourth quarter 2014 daily production increased in the Anadarko Basin to approximately 54 MBOEPD;

7% decrease in average domestic lease operating expenses, on a per barrel basis as compared to 2013;

Approximately \$1.5 billion of non-strategic asset divestments during 2014, with proceeds used to fund a portion of our 2014 capital expenditures and redeem \$600 million of 7 1/8% senior subordinated notes due 2018;

Proactively mitigated commodity price exposure before crude oil and natural gas prices declined significantly in the third and fourth quarter of 2014, and, as a result, have a derivatives portfolio valued at approximately \$800 million as of February 20, 2015; and

Commenced production in our oil development field, LF7-2, located offshore China.

(1) PV-10 (as defined) is considered a non-GAAP financial measure by the SEC. Please read Summary reserve and operating data for a reconciliation to the nearest comparable GAAP measure.

(2) Includes 8.5 Bcf (3.9 MBOEPD) of natural gas produced and consumed in operations.

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### **Our strategy**

Our primary, long-term goal is to deliver stockholder value through consistent growth of cash flow, production and reserves. Over the past several years, we have refined our asset base and focused our investments on oil and liquids-rich resource plays in the United States. Key components of our business strategy include:

- focusing on organic opportunities through disciplined capital investments;
- continuously improving operations and returns;
- preserving a strong and flexible capital structure;
- maintaining a diverse asset base with ongoing portfolio management;
- executing select, strategic acquisitions and divestitures; and
- attracting and retaining quality employees who are aligned with stockholders' interests.

### **Our 2015 outlook**

Until the last six months, crude oil prices have been reasonably stable, with NYMEX WTI averaging approximately \$95 per barrel over the past four years. During this time period, relatively easy access to low-cost capital and advances in horizontal drilling and fracture stimulations led to significant growth in U.S. oil supply. U.S. production in October 2014 surpassed 9 million barrels a day, a level not seen since the mid-1980s. As a result of increased U.S. production as well as other global supply and demand factors, crude oil prices declined by nearly 50% during the fourth quarter of 2014. As of February 20, 2015, NYMEX WTI was approximately \$50 per barrel and the three-year forward curve for NYMEX WTI was \$61.37 per barrel. In light of the foregoing, most exploration and production companies, including Newfield, have announced, or are expected to announce, significant reductions in capital spending and drilling programs.

Given the uncertainty regarding the timing and magnitude of a recovery of crude oil prices, we have reduced planned capital spending in 2015 by approximately 40% compared to 2014 levels, to \$1.2 billion (excluding approximately \$120 million of expected capitalized interest and direct internal costs). At this investment level, we expect capital expenditures and cash flows for 2015 to be relatively balanced.

In light of the current market, our primary goals during the next 12 months include:

- preserving liquidity and financial strength;
- limiting new borrowings and balancing capital investments with cash flows;
- high-grading investments based on rates of return;
- implementing a plan to reduce gross general and administrative expenses by 10% to 15%; and
- implementing a plan to reduce domestic per unit lease operating costs by approximately 5% to 15%.

Our 2015 domestic production, at the mid-point, is expected to be about 48.5 MMBOE, up 8% when adjusted for asset sales during 2014. Including oil production from our recent Pearl development, offshore China, our total company production is expected to increase 18% year-over-year, adjusted for asset sales during 2014.

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Our estimated 2015 capital expenditure budget for our strategic plays and our estimated 2015 production by business unit are shown below:

We are planning to reduce our activity levels in lower-return held-by-production areas across our portfolio, allowing for increased investment in the higher-return Anadarko Basin of Oklahoma. Approximately 70% of our planned capital investments in 2015 will be allocated to the Anadarko Basin, which is characterized by resilient economics at lower prices and a deep inventory of drilling opportunities in the SCOOP, STACK and Springer plays. We expect the ongoing reduction of service costs to further enhance returns in these plays. As such, we have elected to significantly slow down our investments in the Uinta Basin, Williston Basin and Eagle Ford plays.

We currently expect to fund 2015 investments through cash flows from operations (inclusive of realized derivative contract gains and losses) and borrowings under our credit facility, as needed. At year-end 2014, more than 85% of our expected 2015 domestic crude oil production was subject to derivative instruments intended to manage the variability associated with future changes in commodity prices.

## **Our properties**

We have strategically focused on onshore resource plays in the United States. Our domestic plays represent approximately 96% of our proved reserves at year-end 2014. The remaining 4% of our proved reserves are attributable to our offshore developments in China.

### **Mid-Continent**

Approximately 46% of our proved reserves are located in our Mid-Continent region. Our assets are comprised of more than 400,000 net acres in the Anadarko and Arkoma basins where we have over a decade of experience developing the Woodford Shale.

*Anadarko Basin.* We have about 300,000 net acres in the Anadarko Basin. As of December 31, 2014, we had drilled approximately 138 wells in the Anadarko Basin, with wells yielding high volumes of oil and natural gas liquids. Our average net production in the fourth quarter of 2014 was approximately 54,000 BOEPD (27% oil and 34% NGLs), an increase of 118% compared to the fourth quarter of 2013.

*Arkoma Basin.* We have significant dry gas production from the Arkoma Basin. The area represents approximately 18% of our total consolidated proved reserves. Our investment levels in this area have been significantly curtailed due to low natural gas prices over the past several years. As of December 31, 2014, we had approximately 146,000 net acres in the Arkoma Basin and our net production for the fourth quarter of 2014 was approximately 18,000 BOEPD (99% dry gas). Substantially all of our acreage in this region is held by production.

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### **Rocky Mountains**

Approximately 43% of our proved reserves at year end 2014 are located in the Rocky Mountains region. We are assessing and developing our Rocky Mountains region, which is comprised of more than 250,000 net acres in the Williston Basin of North Dakota and Montana as well as the Uinta Basin of Utah. Our assets are primarily oil and are characterized by long-lived production.

*Williston Basin.* We have approximately 92,000 net acres in the Williston Basin, of which approximately 40,000 acres are being developed in the Bakken and Three Forks plays of North Dakota. Our activities are currently focused on development and we are drilling multi-well pads with lateral lengths as long as 10,000 feet. Fourth quarter 2014 net production averaged approximately 20,000 BOEPD (74% oil and 10% NGLs), representing an increase of 47% compared to the fourth quarter of 2013.

*Uinta Basin.* We have approximately 225,000 net acres in the Uinta Basin, and our operations can be divided into two areas: the Greater Monument Butte Unit (the GMBU) waterflood and an area to the north and adjacent to the GMBU that we refer to as the Central Basin. Our net production from the Uinta Basin during the fourth quarter of 2014 averaged approximately 25,000 BOEPD (78% oil and 3% NGLs). As of December 31, 2014, we have drilled a combination of 83 vertical and horizontal wells in the Central Basin to hold our acreage. Overall production in the Uinta Basin grew 11% in the fourth quarter of 2014 compared to the fourth quarter of 2013.

### **Onshore Gulf Coast**

About 7% of our proved reserves are located in the onshore Gulf Coast region. We have approximately 25,000 net acres currently in development, most of which are located primarily in Dimmit and Atascosa counties in Texas. Our acreage in the Eagle Ford play produced approximately 11,000 BOEPD (52% oil and 24% NGLs) during the fourth quarter of 2014.

### **China**

Approximately 23 MMBOE, or 4%, of our proved reserves are located in China. Our Pearl facility, located in the South China Sea, is currently producing oil from three wells. An additional four wells are planned that will require net capital investments in 2015 of approximately \$40 million. The Pearl facility is expected to reach peak production by mid-2015. Previously, our China assets were included in discontinued operations as they were being marketed for sale. In December 2014, after not being able to obtain an acceptable offer for our China business due to the substantial decline in commodity prices, we decided to retain the assets. Accordingly, the China business was reclassified to continuing operations during the fourth quarter of 2014.

### **Other**

Over the last several years, we slowed our activities in our conventional natural gas plays and have sold numerous non-strategic assets. As of December 31, 2014, our conventional onshore plays in Texas produced approximately 5,700 BOEPD, consisting of 200 BOPD of oil, 300 BOEPD of NGLs and 31 MMcf/d of natural gas. We expect our production in these conventional plays to continue to experience natural declines in 2015 due to limited investment.

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### **Divestitures**

Over the last three years, we have divested over \$2 billion of non-strategic assets in order to re-align our strategic focus toward liquids-rich resource plays in the United States, reduce overall debt and enhance liquidity. In conjunction with our continued portfolio management strategy, we sold or closed the sale of certain assets in 2014 as described below.

*Granite Wash.* In September 2014, we closed on the sale of our Granite Wash assets, located primarily in Texas, for approximately \$588 million (subject to customary purchase price adjustments). We used proceeds from the Granite Wash sale to redeem outstanding debt.

*Malaysia.* In February 2014, Newfield International Holdings, Inc., a wholly-owned subsidiary of the Company, closed the sale of our Malaysia business to SapuraKencana Petroleum Berhad, a Malaysian public company, for \$898 million. We used proceeds from the sale of our Malaysia business to fund capital expenditures during 2014.

## **Recent developments**

### **Revolving credit facility amendment**

We expect to close on March 5, 2015, an amendment to our revolving credit facility that extends the maturity from June 2018 to June 2020 and increases the total borrowing capacity from \$1.4 billion to \$1.8 billion. As of March 4, 2015, we had no borrowings outstanding under our revolving credit facility or under our money market lines of credit, resulting in a remaining total borrowing capacity of approximately \$1.6 billion before giving effect to the amendment or approximately \$2.0 billion after giving effect to the amendment. We can give no assurance as to the closing of the amendment to our revolving credit facility.

### **February 2015 equity offering**

On March 3, 2015, we closed an underwritten offering of 25,300,000 shares of our common stock (the *Equity Offering*) for which we received net proceeds of approximately \$814.9 million after deducting estimated offering expenses. We used approximately \$683.5 million of the net proceeds from the Equity Offering to repay amounts outstanding under our revolving credit facility and money market lines of credit and will use the remainder for general corporate purposes.

## **Corporate information**

Our corporate headquarters are located at 4 Waterway Square Place, Suite 100, The Woodlands, Texas 77380, and our telephone number is (281) 210-5100. Through our website, [www.newfield.com](http://www.newfield.com), you can access electronic copies of our governing documents free of charge, including our Board of Directors Corporate Governance Guidelines and the charters of the committees of our Board of Directors. In addition, through our website, you can access the documents we file with the SEC, including our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, and all amendments thereto, as soon as reasonably practicable after we file or furnish them. You also may request printed copies of our SEC filings or governance documents, free of charge, by writing to our corporate secretary at the address on the cover of this report. Information contained on our website is not incorporated herein by reference and should not be considered part of this prospectus supplement or the accompanying prospectus.

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## The offering

The following summary is provided solely for your convenience. This summary is not intended to be complete. You should read the full text and more specific details contained elsewhere in this prospectus supplement. For a more detailed description of the notes and definitions of some of the terms used in this summary, see [Description of the notes](#) elsewhere in this prospectus supplement and [Description of debt securities](#) in the accompanying prospectus.

<b>Issuer</b>	Newfield Exploration Company
<b>Securities offered</b>	\$ _____ aggregate principal amount of _____ % senior notes due 2026.
<b>Maturity date</b>	_____, 2026.
<b>Interest</b>	_____ % per annum, payable semi-annually in arrears on each _____ and _____, commencing _____, 2015. Interest will accrue from March _____, 2015.
<b>Ranking</b>	<p>The notes will be our senior unsecured obligations. The notes will rank equally in right of payment with all of our other existing and future senior indebtedness and will rank senior to all of our future subordinated obligations. The notes will be effectively subordinated to all of our future secured indebtedness to the extent of the value of the collateral securing such debt and will be structurally subordinated to all existing and future indebtedness of our subsidiaries.</p> <p>As of December 31, 2014, after giving effect to the Equity Offering, the application of the net proceeds therefrom to reduce borrowings under our revolving credit facility and money market lines of credit, the issuance and sale of the notes and application of the net proceeds from this offering, along with cash on hand or borrowings under our revolving credit facility, to redeem all of our 6 <sup>7</sup>/<sub>8</sub> % senior subordinated notes due 2020 (the 2020 Notes ) and the amendment to our revolving credit facility, we would have had approximately \$2.250 billion of long-term indebtedness outstanding (excluding indebtedness of our subsidiaries) and approximately \$2.0 billion available under our revolving credit facility and money market lines of credit (which we refer to collectively herein as our credit arrangements). At December 31, 2014, our subsidiaries had no outstanding indebtedness for borrowed money and approximately \$873.0 million of other liabilities, excluding intercompany liabilities and deferred revenues.</p>
<b>Optional redemption</b>	<p>Prior to _____ (three months prior to their maturity), we may redeem, at our option, all or part of the notes at a make-whole redemption price plus accrued and unpaid interest to, but not including, the redemption date.</p> <p>On or after _____ (three months prior to their maturity), we may redeem all or part of the notes at our option at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest, to, but not including, the redemption date. See <a href="#">Description of the notes</a> <a href="#">Optional redemption</a> .</p>

**Certain covenants**



We will issue the notes under an indenture containing covenants for the benefit of noteholders. These covenants restrict us from taking certain actions,

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including, but not limited to, creating certain liens securing debt, entering into certain sale-leaseback transactions and engaging in certain merger, consolidation and asset sale transactions.

The terms of the indenture do not limit our ability to incur additional indebtedness, senior or otherwise. See Description of the notes Certain covenants .

**Change of control**

If a change of control triggering event occurs, we may be required to offer to purchase all outstanding notes at a price of 101% of the principal amount thereof plus accrued and unpaid interest. See Description of the notes Change of control .

**Use of proceeds**

We intend to use the net proceeds from this offering of approximately \$492.1 million, along with cash on hand or borrowings under our revolving credit facility, to redeem all \$700 million outstanding aggregate principal amount of our 2020 Notes. Please read Use of proceeds in this prospectus supplement.

**Risk factors**

An investment in the notes involves certain risks that you should carefully evaluate prior to making an investment. See Risk factors beginning on page S-18 of this prospectus supplement and on page 3 of the accompanying prospectus.

Table of Contents**Summary selected financial data**

We derived the summary selected historical financial data as of and for the years ended December 31, 2013 and December 31, 2014 from our audited financial statements. The following table should be read together with, and is qualified in its entirety by reference to, the historical financial statements and the accompanying notes incorporated by reference in this prospectus supplement.

(in millions)	Year Ended December 31,	
	2014	2013
<b>Income statement data:<sup>(1)</sup></b>		
Oil, gas and NGL revenues	\$ 2,288	\$ 1,857
Operating expenses:		
Lease operating	321	284
Transportation and processing	174	137
Production and other taxes	111	79
Depreciation, depletion and amortization	870	685
General and administrative	222	219
Other	15	3