



**FOR IMMEDIATE RELEASE**

## **ORYX MIDSTREAM SERVICES ANNOUNCES SUCCESSFUL OPEN SEASON AND PROVIDES COMMERCIAL UPDATE**

- **Purpose-Built System Adds Significant Capacity Capable of Segregating and Batching Crude Qualities to Assure Highest Value**
- **New Acreage Dedications Increase Oryx's Total to Approximately 900,000 Dedicated Acres**
- **Oryx Established as the Largest Private Crude Oil Midstream Company in the Delaware Basin**

**MIDLAND, TEXAS** – September 18, 2018 – [Oryx Midstream Services](#) announced today the successful completion of the open season commenced by its operating subsidiaries, Oryx Delaware Oil Gathering NM LLC, Oryx Delaware Oil Gathering TX LLC, Oryx Western Delaware Oil Gathering LLC and Oryx Delaware Oil Transport LLC (collectively, Oryx), supporting the development and construction of a new regional crude oil gathering and transportation system that will provide additional pipeline capacity across the Northern Delaware Basin. The new system will extend into Carlsbad, Eddy County, New Mexico and Lynch, Lea County, New Mexico, including a significant presence in the Stateline area of Texas and New Mexico.

The expanded Delaware Basin system will consist of more than 500 miles of new gathering and transportation pipeline with more than 1.5 million barrels of storage capacity, and ultimate throughput capacity of approximately 700,000 barrels per day. With this expanded reach, Oryx will serve production from every active county in the Delaware Basin, including Lea and Eddy Counties, New Mexico and Loving, Reeves, Ward, Pecos, Winkler and Culberson Counties, Texas.

Upon completion of the system, Oryx's total Delaware Basin transportation capacity will ultimately exceed 900,000 barrels per day. The system will also provide crude oil quality segregation and batching capabilities through more than 2 million barrels of operational storage capacity to maintain the quality of multiple grades of crude oil streams across the company's footprint. It will also expand its deliverability to major liquidity points across the Permian Basin. Construction on the new system is ongoing and Oryx expects to complete the initial phases of the project in the second half of 2018, with the system expansion expected to be completed in the second quarter of 2019.

Additionally, the successful open season resulted in Oryx significantly expanding its footprint across the Delaware Basin through the execution of new, long-term acreage dedications totaling approximately 300,000 acres in Eddy and Lea Counties, New Mexico and Loving and Reeves Counties, Texas. These new dedications bring the company's total dedicated acreage to approximately 900,000 acres from more than 20 producers, making Oryx the largest, private midstream oil supply aggregator in the Delaware Basin.

“As the Delaware Basin continues to have the most compelling upstream economics and depth of inventory of any basin in North America, we see continued production growth in our focus area for decades to come. The results of our open season were resounding, as rapid production growth has increased the need for access to gathering and storage capacity, and more efficient transportation logistics across the basin,” said Brett Wiggs, Oryx Midstream Services’ chief executive officer. “Our new system and increased storage footprint will allow us to provide crude oil segregation and connectivity for our customers in Texas and New Mexico to multiple takeaway options, providing the market flexibility they need to maximize the value of their production.”

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#### **About Oryx Midstream Services**

Midland-based Oryx Midstream is focused on developing midstream infrastructure in the Permian Basin in New Mexico and Texas. Led by an experienced team with more than 160 years of experience in the oil and gas industry, Oryx is dedicated to providing producers with solutions and flexibility through a full suite of midstream services. Oryx is supported by a consortium of capital providers including Quantum Energy Partners, Post Oak Energy Capital, Wells Fargo Energy Capital, local Midland investors and others who collectively have contributed significant capital to the venture. For more information visit [www.oryxmidstream.com](http://www.oryxmidstream.com).

#### **About Quantum Energy Partners**

Quantum Energy Partners is a leading provider of private equity capital to the global energy industry, having managed together with its affiliates more than \$16 billion in equity commitments since inception. For more information on Quantum, please visit [www.quantumep.com](http://www.quantumep.com). For investor relations, please contact Michael Dalton at (713) 452-2000.

#### **About Post Oak Energy Capital**

Post Oak, which was established in 2006, is an energy-focused private equity firm based in Houston. Its management team has executive management experience and a broad network in the energy business as well as significant expertise in private equity investments, operations, development, finance, acquisitions and divestitures. The firm pursues private equity investments primarily in the upstream sector of the oil and gas industry in North America and, to a lesser extent, in oil field services and related infrastructure. Post Oak works in close partnership with operating management teams to build businesses, accelerate growth and enhance shareholder value. Post Oak’s website is [www.postoakenergy.com](http://www.postoakenergy.com).

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