

## ORYX DELAWARE OIL TRANSPORT LLC

### OPEN SEASON NOTICE

On October 14, 2020, Oryx Delaware Oil Transport LLC (“**ODOT**”) issued a press release announcing the commencement of a binding open season to obtain volume commitments to support the construction of a proposed new gathering system. Upon completion, the new gathering system would provide gathering service from certain receipt points located in Eddy County, New Mexico to the Interconnect with the Trans Permian Pipeline System at Carlsbad Station, Eddy County, New Mexico. The “**Open Season**” began at 8:00 a.m. CDT on October 14, 2020 and is scheduled to end at 5:00 p.m. CST on November 13, 2020.

Provided below is a summary of the key terms and conditions of service being offered in the Open Season. A more detailed explanation of the key terms and conditions of service is provided in the open season procedures, a copy of which shall be available to any interested shipper upon the execution of a confidentiality agreement. The TSA (as defined below) shall also be available to those interested shippers upon the execution of a confidentiality agreement. A form of the confidentiality agreement shall be provided to any interested shipper upon request.

- Shippers that wish to obtain priority service (*i.e.*, service that is not subject to prorationing during normal operating conditions) on the Project are required to execute a transportation services agreement (“TSA”) with ODOT during the Open Season.
- ODOT will retain at least 10 percent of the Project’s capacity for Uncommitted Shippers (*i.e.*, those shippers that elect not to execute a TSA during the open season), both in the context of the Open Season and during the term of the TSA, provided ODOT receives timely nominations from Uncommitted Shippers for such capacity.
- Committed Shippers that execute a TSA during the Open Season must commit to ship, or otherwise pay for not shipping, a minimum volume of crude petroleum on the Project each day during the term of the TSA. The minimum volume commitment is 5,000 barrels per day.
- The initial term of the TSA is 10 years.
- The rate applicable to Committed Shippers for the transportation of their volume commitment will be set at a premium compared to the rate applicable to Uncommitted Shippers.
- The TSA provides certain expansion rights to Committed Shippers in the event ODOT elects to expand the capacity of the Project in the future.
- A Committed Shipper that executes a TSA will have the right to designate third party shippers to transport product on behalf of the Committed Shipper, subject to the conditions set forth in the TSA.

Any party interested in obtaining a copy of the open season procedures and the TSA should contact Will Abney via phone at (432) 253-0135 or via email at [will@oryxmidstream.com](mailto:will@oryxmidstream.com).