

2016 Delaware Basin Profile



Who We Are

WPX Energy specializes in producing oil, natural gas and natural gas liquids from non-conventional resources such as tight-sands and shale formations.

We have three decades of experience in our industry and more than 40 awards for corporate social responsibility.

Our Local Story

Our office in Carlsbad, N.M, oversees operations across 100,000 net acres where we are developing new oil wells. The majority of our leasehold is in Loving County, Texas, and Eddy County, N.M.

The Delaware Basin is an emerging resource play in the broader Permian Basin. WPX entered the area via an acquisition of RKI Exploration in 2015. Oil and Gas Investor magazine hailed the transaction as industry's Deal of the Year.

We operate more than 700 wells in the basin and also own an interest in another 900+ wells that are operated by other companies.

Highlights

- We have identified 13 potential oil and gas zones with drilling opportunities.
- These zones or reservoirs include the Wolfcamp, Bone Spring, Avalon and Delaware Sands intervals.
- We are focusing our current development in the Wolfcamp formation.
- We are targeting estimated ultimate recoveries (EURs) of 900 Mboe from our wells in the Delaware Basin.
- WPX has more than 5,500 gross drilling locations in the basin.
- The number of remaining drillable locations represents decades of drilling inventory.
- WPX has more than 375 miles of natural gas gathering and water transfer lines in the basin.
- We are also expanding our assets with a crude oil gathering line to be commissioned in 2017.

Economic Investment

\$2.75 Billion

2015 acquisition to enter basin

\$195-\$215 Million

Planned 2016 investment in the basin

\$99 Million

2015 partial-year investment in the basin

\$34.5 Million

2015 royalties paid to private landowners in NM & TX

\$19 Million

2015 royalties paid on federal and state lands in NM & TX

\$7.7 Million

2015 severance and ad valorem taxes paid in NM & TX

\$8 Million

WPX payroll in NM & TX



WPX plans to deploy five rigs in the Delaware Basin by the end of 2016.



www.wpxenergy.com