STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATIONS OF WPX ENERGY PERMIAN, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case Nos. 25204 & 25205

APPLICATIONS OF 3R OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case Nos. 25123 & 25124

MOTION REQUESTING LEAVE TO ALLOW WPX'S REBUTTAL WITNESS WITH REBUTTAL EXHIBIT

WPX Energy Permian, LLC ("WPX"), through its undersigned attorneys, files this Motion

respectfully requesting that Oil Conservation Division ("Division" or "OCD") allow Michael

Tanner Womack, a WPX Completion Engineer, to testify as a rebuttal witness. In support thereof,

the following is shown:

Under the New Mexico Administrative Code, rebuttal evidence is defined as:

. . evidence which tends to explain, counteract, repel, or disprove evidence submitted by another party or by staff. Evidence which is merely cumulative or could have been more properly offered in the case in chief is not proper rebuttal evidence.

N.M. Admin. Code § 1.2.2.35.N(1).

In this case, 3R is making the claim that WPX/Devon has been slow to update to a modern frac design and is pumping significantly undersized frac designs. *See* 3R 000127-129. Mr. Womack's written statement, direct testimony, and his rebuttal evidence will present evidence to establish that Devon/WPX is using state of the art completion techniques that are designed to

maximize production. Mr. Womack's written statement, direct testimony, and his rebuttal evidence will present evidence to explain 3R's confusion expressed in its rebuttal exhibits (3R 000127-128) about WPX/Devon's AFE coding of fuel and water costs associated with completion. . A copy of Mr. Womack's proposed written testimony with **WPX Rebuttal Exhibits R-3 and R-4** is attached hereto as **WPX Exhibit 1**.

Mr. Womack's proposed rebuttal evidence is not cumulative. Moreover, it is not the type of evidence that applicants present in their case in chief, as shown by the fact that 3R did not present this type of evidence in its case in chief. Instead, applicants present their AFEs as part of their case in chief, but do not present evidence to justify the costs associated with their AFEs or their history of stimulating wells Where another party challenges the reasonableness of a competing party's AFE and whether the competing party is properly stimulating their wells with accepted completion techniques, providing rebuttal evidence is appropriate.

Finally, although Mr. Womack was not identified as a witness in WPX's Prehearing Statement and did not present testimony in WPX's hearing packet, his appearance as a Completions Engineer expert is warranted to address and rebut certain specific claims being made by 3R.

As such, WPX respectfully submits that Mr. Womack's proposed rebuttal testimony qualifies as proper rebuttal evidence under Rule 1.2.2.35.N(1), NMAC. Furthermore, WPX respectfully submits that allowing its Completion Engineer to provide rebuttal evidence will provide the Division with relevant and probative evidence pursuant to 19.15.4.17 NMAC.

Mr. Tanner Womack has not previously testified before the Division as an expert witness. He graduated in Magna Cum Laude in 2005 from the University of Missouri – Rolla, with a Bachler of science in Petroleum Engineering. He has worked for Devon/WPX since for more than sixteen years, including 5 years as a Completion Engineer, the last 2 1/2 years in the Delaware Basin.

If the Division grants WPX leave to allow Mr. Tanner to appear as a rebuttal witness, WPX will provide the Division with a revised and complete hearing packet that will include his rebuttal exhibit along a cover letter.

Respectfully submitted, ABADIE & SCHILL, PC /s/ Darin C. Savage

Darin C. Savage

Andrew D. Schill William E. Zimsky 214 McKenzie Street Santa Fe, New Mexico 87501 Telephone: 970.385.4401 Facsimile: 970.385.4901 darin@abadieschill.com andrew@abadieschill.com bill@abadieschill.com

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was filed with the New Mexico

Oil Conservation Division and was served on counsel of record via electronic mail on August

28, 2025:

Miguel A. Suazo – <u>msuazo@bwenergylaw.com</u> James P. Parrot – <u>jparrot@bwenergylaw.com</u> Jacob L. Everhart – jeverhart@bwenergylaw.com *Attorneys for 3R Operating, LLC*

beth.ryan@conocophillips.com keri.hatley@conocophillips.com *Attorneys Marathon Oil Permian, LLC*

/s/Darin C. Savage

Darin C. Savage

STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

APPLICATION OF WPX ENERGY PERMIAN, LLC FOR A COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case Nos. 25204 and 25205

SELF-AFFIRMED STATEMENT OF REBUTTAL WITNESS MICHAEL TANNER WOMACK

I, Michael Tanner Womack, state and affirm the following:

1. I am over the age of 18, and I have personal knowledge of the matters stated herein.

2. I am employed as a Completion Engineer for WPX Energy Permian, LLC ("WPX"), and I am familiar with the subject applications and the wells proposed therein.

3. I have not previously testified before the Oil Conservation Division ("Division") as an expert Completion Engineer. Attached hereto as **WPX Exhibit E-1** is a copy of my resume.

4. I hold a BSc degree in Petroleum Engineering obtained from University of Missouri-Rolla. I completed my education in 2005 and graduated Magna Cum Laude. I have over seventeen years of industry experience with over twelve years of direct involvement in well completions. I have held specialized completion roles on reservoir characterization teams where I have focused on completion optimization and improvement through planning and executing diagnostic projects, modeling, and full integration with specialized counterparts, including rock mechanics, reservoir fluids, petrophysics, geophysics, and natural fracture experts. I have been employed full-time as a Completions Engineer with WPX since July of 2022 in the Delaware Basin and was employed by Devon Energy for more than 14 years prior being employed by WPX. My



current responsibilities include the design and planning for the completion of wells located in Lea and Eddy Co. NM.

This Self-Affirmed Statement is submitted to the Division to present and explain
 WPX's Rebuttal Exhibit R-3 and R-4, attached hereto.

6. **WPX Rebuttal Exhibit R-3** rebuts 3R Operating, LLC's ("3R") claim that that WPX/Devon has been slow to update to a modern frac design, is pumping significantly undersized frac designs, and that its AFEs do not accurately reflect modern completion size costs. *See* 3R Hearing Packet at 3R 000127-129.

7. First, **WPX Rebuttal Exhibit R-3** shows that the average proppant/ft (lbs/ft) of the 499 WPX/Devon wells drilled and completed since 2016 in Eddy and Lea Counties is 2,474 proppant/ft, and not 2,043 proppant/ft and with respect to fluid/ft, the actual average for WPX/Devon is 1,899 and not 1,646 as set forth in 3R 000127.

8. WPX plans to pump 2,500 proppant/ft and 1,900 gallons per foot completion designs on the Frontier Wells.

9. While 3R's reference to the two Mimosa and Prairie Fire wells on 3R 000127, the location of those wells differs in terms of geology and reservoir characteristics, requiring less proppant/ft and fluid/ft.

10. WPX Rebuttal Exhibit R-4 addresses 3R's allegation that WPX's AFEs are too low and evidence that WPX is under stimulating its wells. *See* 3R 000128 and 000129. 3R claims that WPX/Devon's AFEs do not properly account for the amount of fuel necessary for modernized stimulation and that its water costs are too low. *See* 3R 000129. However, WPX utilizes Tier 4 DGB HHP which replaced 50-70% of Diesel with Natural Gas. Moreover, WPX/Devon and other reputable operators do not use the amount of water that 3R claims is necessary for proper stimulation. Rather, the entire design of the completion process is more important.

11. Moreover, WPX/Devon based its AFEs utilized actual costs from its operations in Eddy County located a few miles north of the Frontier DSU. WPX Rebuttal Exhibit R-4 also shows that WPX/Devon has been accomplishing increased efficiencies in its operations that result in lower AFEs.

12. The WPX Rebuttal Exhibit to this Self-Affirmed Statement was prepared by me or compiled from WPX's company business records under my supervision and/or approval.

13. The foregoing is correct and complete to the best of my knowledge and belief.

[Signature page follows}

[Signature page of Self-Affirmed Statement of Michael Tanner Womack]:

I understand that this Self-Affirmed Statement will be used as written testimony before the Division in Case Nos. 25204 and 25205 and affirm that my testimony herein is true and correct, to the best of my knowledge and belief and made under penalty of perjury under the laws of the State of New Mexico.

Michael Tanner Womack

 $\frac{4/28/25}{\text{Date Signed}}$

MICHAEL TANNER WOMACK

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EXPERIENCE

07/22 - Present	Devon Energy Corporation
07/22 – Present	 Completions Engineer, Delaware Basin Asset Engineer for Delaware Basin NM responsible for completion design and completion planning
01/06 - 09/20	Devon Energy Corporation
11/18 – 09/20	 Reservoir Engineer, Anadarko Basin Reservoir responsibilities for all core Woodford wells and a region of Meramec wells Led reservoir characterization of an area transitioning from gas condensate to oil wells in both Woodford and Meramec horizons Development planning for high pressure dry gas areas Led completion optimization team with a focus on parent wells underperforming modern child wells and Woodford polyacrylamide damage
02/16 - 11/18	 Completions Engineer, Anadarko Basin Designed and executed completion procedures for Meramec and Woodford 5k, 10k, and 15k horizontal wells (parent and infill) Designed and executed science projects: vertical science wells, chem tracers, radioactive tracers, pressure monitoring, nickel coated proppant, micro seismic coordination, pressure monitoring wells, etc
08/15 - 02/16	Production Engineer, Permian Basin • Production responsibilities for several Wolfberry and old waterflood fields
08/14 - 08/15	Completions Engineer, Permian Basin • Worked across multiple asset teams designing and executing completion procedures for horizontals in a multitude of horizons and fields including first horizontals in horizons
11/13 - 08/14	Asset Completions Engineer, Permian Basin • Responsible for completion aspect of two reservoir characterizations of different shale plays (Cline and El Dorado) including frac modeling, completion fluids testing, design and execution of vertical science test wells, and defending completion practices against JV partner's hired consultants
12/12 - 10/13	Operations Engineer, Permian Basin Lead operations engineer on the Cline Shale exploration and development team Responsible for design and execution of completion and artificial lift procedures Responsible for section layout, facilities coordination, and water planning
11/09 – 12/12	Operations Engineer, Permian Basin Responsible for the design and execution of vertical Wolfberry completions, production monitoring, artificial lift installations, workovers, facility designs, and section developments for a very active Wolfberry development field Mentored interns and new engineers who frequently rotated through the team



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MICHAEL TANNER WOMACK

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06/06 – 11/09	 Devon Training Program Field Engineer, South Texas (1 yr) - Divided time as a field operations supervisor and a lease operator. Supervised frac, coil, wireline, and workover rig operations. Operations Engineer, Wind River Basin (9 mo) Reservoir Engineer, Permian Basin (6 mo) Drilling Engineer, Barnett Shale (7 mo) – 4 mo as company man, 3 mo office duty Reservoir Engineer, Marketing and Midstream (6 mo) – Forecasted pipeline volume and plant volumes forecasts for all M&M assets (company and external). Worked on supply and demand projections for forecasting oil, nat gas, and NGL futures
01/06 - 06/06	Operations Engineer, Gulf of Mexico
INTERSHIPS	
05/06 – 08/06	Devon – Reservoir Engineering Intern - Offshore Equatorial Guinea – Houston

EDUCATION

2003 - 2005	University of Missouri – Rolla Bachelor of Science in Petroleum Engineering; Magna Cum Laude	
1999 - 2002	Southwest Missouri State University	

WPX/DVN Completions Overview

3R Incorrect Data on WPX/DVN's Completion Sizes

- based on IHS data filtered to Eddy and Lea counties and Wolfcamp formation 3R's table data is incorrect for historical completion sizes, which is reportedly
- 3R's table shows average Proppant/Ft at 2,043 lb/ft, but is actually 2,474 lb/ft

pounds_per_ft

2,400 2,800 3,200

A age of a state of a

Color by: COUNTY_ EDDY LEA

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1,600

2,000

Devon Data Filtered to Eddy/Lea Counties and WFMP

- WPX/DVN data ch 20 <u>}</u> ind 2 450 - 2 500 nnf cinc
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WPX/DVN Completions Overview

3R Incorrect Calculations in Rebuttal Exhibits

- Fuel Cost miscalculated value (Use Codes 6060100 + 6060130; 3R only used Dyed Fuels)
- WPX/DVN utilizes Tier 4 DGB HHP which replaces 50-70% of Diesel with Natural Gas 6060100 DYED LIQUID FUELS 6060130 GASEOUS FUELS 103,015.76 124,753.00 50,858.00 0.00 227,768.76 50,858.00
- Water Cost miscalculated value (Use Codes 6090100 + 6090120; 3R only used Recycle H20)

0.00

146.007.00	0.00	146,007.00	0.00	6090120 RECYC TREAT&PROC-H20
118,448.70	0.00	92,825.00	25,623.70	6090100 FLUIDS - WATER

Completions Overview in WPX/DVN's Favoi

- DSU AFEs generated in early Dec 2024 utilized actuals from Eddy County a few miles north of Frontier DSU. At the time, we were still evaluating ideal completion design for Frontier
- cheaper than 3R. AFEs by nature are estimates We have updated values based on design decisions, but WPX/DVN is still significantly
- AFE Cost²/Economics¹: \$2,795,380 / 51% ROR / NPV10 \$2.6MN
- Updated Cost/Economics¹: \$3,214,007 / 47% ROR / NPV 10 \$2.4MM
- previously done in majority Delaware Basin): 2500 lbs/ft and 45 bbl/ft Based on updated costs above, WPX/DVN plans to utilize "modern design" (as we have
- believe the entire design is important WPX/DVN and other reputable operators do not believe more water is better, we





drilling release through the finish of the plug drillout process ²Completion estimates referenced in this slide represent costs from

Inclusive of prep work, fracturing, and plug drillout costs Does not include flowback, artificial lift, or facility costs

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