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

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bill@abadieschill.com

Attorneys for WPX Energy Permian, LLC

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*

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/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.

- 5. 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

Michael Tanner Womack

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

MICHAEL TANNER WOMACK

2711 Freeman Manor Dr, Jones OK | 405-761-4335 | Tanner.Womack@outlook.com

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



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

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WPX/DVN Completions Overview

WPX Rebuttal Exhibit R-3 Rebuts Ex. 3R 000127 - 000129

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

- 3R's table data is incorrect for historical completion sizes, which is reportedly based on IHS data filtered to Eddy and Lea counties and Wolfcamp formation
- 3R's table shows average Proppant/Ft at 2,043 lb/ft, but is actually 2,474 lb/ft
- WPX/DVN data shows consistent avg job sizes around 2,450 2,500 ppf since
- In summary, WPX/DVN plans to pump 2500 lb/ft and 1900 gal/ft in the Frontier Wolfcamp wells.

WPX/Devon – Slow to Update to Modern Frac Design

pounds_per_ft Devon Data Filtered to Eddy/Lea Counties and WFMP 1,600 2,400 2,000 2,800 1,200 3,200 1/1/2016 1/1/2018 1/1/2020 1/1/2022 0 0 0 000 1/1/2024 EDDY LEA COUNTY

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Data Set Average	WPX/Devon 2025	WPX/Devon 2024	WPX/Devon 2023	WPX/Devon 2022	WPX/Devon 2021	WPX/Devon 2020	WPX/Devon 2019	WPX/Devon 2018	WPX/Devon 2017	WPX/Devon 2016	Start Year
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10,006	10,265	10,660	10,442	9,918	10,007	9,527	7,836	9,145	9,406	6,473	(ft)
2,474	2,486	2,487	2,492	2,482	2,489	2,446	2,443	2,380	2,195	1,275	(lbs/ft)
1899	1,997	1,904	1,898	1,878	1,913	1,859	1,834	1,936	1,977	880	(gal/ft)

₹		olfcamp wells.	dy/Lea county, W	. Filtered to Edu	Completion data from IHS. Filtered to Eddy/Lea county, Wolfcamp wells	Compl		=
1,427	2,012	2/1/2024	WEA/Devon	WEMEA	FED COM 02IA	FROMRIB FIRE 27-20 FBD COM 021F1	30000000000000000000000000000000000000	-
1 /07	2012	0/1/2024	V/DV /D	-	HICO COM 621H	SC 2C HAIR HIAIN AG	3001554600000	_
1,501	2,006	9/1/2024	WPX/Devon	WFMPB V	FED COM 722H	PRAIRIE FIRE 27-25 FED COM 722H	30015546010000	
1,471	2,002	12/1/2024	WPX/Devon	WFMPA V	ATE COM 623H	MIMOSA 18-16 STATE COM 623H	30015548050000	_
1,472	2,004	12/1/2024	WPX/Devon	WFMPA V	ATE COM 624H	MIMOSA 18-16 STATE COM 624H	30015549440000	1
Fluid/ft (gal/ft)	Proppant/ft (lbs/ft)	Production Start Date	Operator	Zone		Well	API	
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	_	1,646	2,043	8,656	Average	Ave		
		1,988	2,313	10,016	2025	WPX/Devon		
		1,812	2,305	10,720	2024	WPX/Devon		
		1,846	2,397	10,705	2023	WPX/Devon		
		1,648	2,097	9,910	2022	WPX/Devon		
		1,693	2,209	9,788	2021	WPX/Devon		
		1,659	2,095	8,724	2020	WPX/Devon		
		1,558	2,136	8,444	2019	WPX/Devon		
		1,527	1,950	7,622	2018	WPX/Devon		
		1,264	1,505	5,626	2017	WPX/Devon		
		1,462	1,419	5,009	2016	WPX/Devon		
	٦	(gal/ft)	(lbs/ft)	Length (ft)	Start Year	Operator		
	ft	Fluid/ft	Proppant/ft	Lateral	Production	Operator		
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on in the last 3	o a modern desi	g to convert t	n. Only startin	m frac design	date to a mode	WPX/Devon has been slow to update to a modern frac design. Only starting to convert to a modern design in the last 3	WPX/Devon h	٠

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WPX/DVN Completions Overview

WPX Rebuttal Exhibit R-4 Rebuts Ex. 3R 000127 - 000129

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 103,015.76 124,753.00 0.00 227,768	227,768	0.00	124,753.00	103,015.76	0100 DYED LIQUID FUELS
3060130 GASEOUS FUELS 0.00 50,858.00 0.00 50,858.0	50,858.0	0.00	50,858.00	0.00	0130 GASEOUS FUELS

Water Cost – miscalculated value (Use Codes 6090100 + 6090120; 3R only used Recycle H20) 6090100 FLUIDS - WATER 25,623.70 92,825.00 0.00 118,448.70

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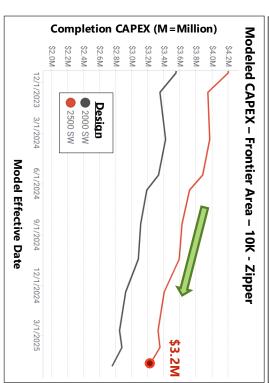
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- AFEs generated in early Dec 2024 utilized actuals from Eddy County a few miles north of Frontier DSU. At the time, we were still evaluating ideal completion design for Frontier
- cheaper than 3R. AFEs by nature are estimates We have updated values 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 / NPV10 \$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

WPX/DVN has Continued Capital **Efficiencies**



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

¹Economics ran on a flat price deck of \$60/\$3.00/\$20