



**FOR IMMEDIATE RELEASE**

## **Oryx Midstream Receives \$300 Million Equity Commitment and Enters Permian Basin with Substantial Acreage Dedication**

**MIDLAND, TX** – April 9, 2014 – Oryx Midstream Services, LLC (Oryx) today announced it has received an equity commitment totaling up to \$300 million from Quantum Energy Partners, Post Oak Energy Capital, Wells Fargo Energy Capital, Oryx management and other private investors. Oryx will pursue midstream opportunities in the Permian Basin, focusing initially on the Delaware Basin in Texas and New Mexico. The company expects to leverage its deep energy industry experience and build on strong relationships with oil and gas producers in the region to provide a full suite of midstream services.

Oryx has signed long-term, fee-based contracts with three exploration and production companies — one large, publicly traded independent company and two private Midland-based companies — to support their active drilling programs in the northern Delaware Basin. The three companies have dedicated to Oryx production from wells drilled within an area encompassing approximately 340,000 acres in Lea County, New Mexico. To accommodate production from the dedicated acreage, Oryx plans to initially construct up to 60 miles of rich gas gathering pipeline and up to 80 miles of crude oil gathering pipeline. Construction is expected to begin this month and will be conducted in phases based on customer needs. The pipeline systems will provide customers with an integrated gathering service and will serve production from multiple formations including the Second Bone Spring, Third Bone Spring, Avalon/Leonard and Wolfcamp shales. Oryx also plans to pursue third-party volumes inside the acreage dedication area and more broadly across the basin.

Oryx is led by a management and advisory team with more than 145 years of experience in the energy industry and 100 years specific to the Permian Basin. Oryx CEO Brett Wiggs has extensive midstream leadership experience in the U.S. and abroad, having previously served as president and CEO of three energy companies. Most recently Wiggs served as CEO of DFW Midstream Services LLC, a natural gas gathering company focused in the Barnett Shale. Chief Financial Officer and Vice President of Business Development Karl Pfluger previously served as managing director at EnCap Flatrock Midstream where he helped originate new midstream investment opportunities and coordinate the ongoing growth activities of portfolio companies, including several in the Permian Basin. Oryx Vice President of Engineering and Operations Jamey Wasson, previously served as a senior process engineer at Midland-based BCKK Engineering and as a manager with Southern Union Gas.

Serving as executive advisors to the Oryx management team are Midland energy industry veterans Michael Black of Crown Oil Partners and Lea Crump of Crump Energy Partners. Black and Crump each has more than 35 years of oil and gas experience in the Permian Basin and bring a deep technical knowledge and understanding of the area.

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“We are privileged to partner with financial firms like Quantum, Post Oak and Wells Fargo that recognize the value of the robust midstream opportunities in the Permian Basin,” said Oryx Chief Executive Officer Brett Wiggs. “Their partnership coupled with this initial acreage dedication allow us to be one of the first movers in an area where we expect to see substantial growth. Our goal is to leverage this anchor position as we work with producers to develop custom midstream solutions and build much-needed infrastructure in the Delaware Basin.”

“The Oryx team has a track record of success. Our equity commitment illustrates our confidence in their extensive midstream experience, reputation and customer-driven approach,” said Garry Tanner, managing director of Quantum Energy Partners. “The Permian Basin is a thriving market with tremendous midstream opportunities, and we are enthusiastic about partnering with such a strong team based in Midland with deep roots in the area.”

“We believe that the immediate and long-term fundamental midstream needs of the Permian Basin provide vast potential for growth and attractive returns,” said Frost Cochran, Post Oak managing director. “The Oryx team is acutely aware of the challenges presented in this market and knows how to execute in a way that is flexible and aligns with producer needs and schedules. We look forward to supporting Oryx’s growth.”

#### **About Oryx Midstream Services, LLC**

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 145 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. 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 \$6.5 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**

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).

#### **About Wells Fargo Energy Capital**

Headquartered in Houston, the Wells Fargo Energy Group, which includes Wells Fargo Energy Capital, is an energy finance leader providing integrated financial solutions to public and private companies across the upstream, midstream, downstream, services and power sectors. With more than 40 years of experience in the energy industry, the Wells Fargo Energy Group delivers comprehensive debt, equity, advisory, capital markets and traditional banking solutions to companies of all sizes and in all stages of development. For more about the Wells Fargo Energy Group, please visit [www.wellsfargo.com/com/industry/energy](http://www.wellsfargo.com/com/industry/energy).

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