WPX Energy Signs Sales Worth More Than $200 Million

04.02.2019 | Business Wire

WPX Energy (NYSE:WPX) has signed agreements to divest certain holdings for aggregate proceeds in excess of $200 million, with closings expected in the first quarter.

The sales consist of separate transactions for an equity interest in a third-party pipeline and WPX’s non-core Nine Mile Draw E&P assets in southern Reeves County, Texas.

“We remain opportunistic as we manage our portfolio with respect to disciplined development and capital execution,” said Rick Muncrief, chairman and chief executive officer.

One sale involves WPX’s 20 percent equity interest in WhiteWater Midstream’s Agua Blanca natural gas pipeline. WPX will continue to be a shipper on the line.

The other sale involves roughly 5,600 net acres and approximately 1,500 Boe/d of production in an area significantly outside of WPX’s core Stateline development in the Delaware Basin.

WPX is reinvesting $100 million of sales proceeds for its purchase of approximately 14,000 surface acres within its Stateline operations.

“The investment in Stateline surface acreage is another example of how we transform potential constraints into opportunities for value creation,” said Clay Gaspar, WPX president and chief operating officer.

“The acreage will provide economic returns through speed of development, facilitating longer laterals, right of way access, and revenue associated with infrastructure like roads, water and electricity,” Gaspar said.

Tudor, Pickering, Holt & Co. and Credit Suisse Securities (USA) LLC advised WPX on the Whitewater transaction.

About WPX Energy, Inc.

WPX is an independent energy producer with core positions in the Permian and Williston basins. WPX’s production is approximately 80 percent oil/liquids and 20 percent natural gas. The company also has an infrastructure portfolio in the Permian Basin. Visit www.wpxenergy.com for more information.

This press release includes “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that the company expects, believes or anticipates will or may occur in the future are forward-looking statements. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the company. Statements regarding future drilling and production are subject to all of the risks and uncertainties normally incident to the exploration for and development and production of oil and gas. These risks include, but are not limited to, the volatility of oil, natural gas and NGL prices; uncertainties inherent in estimating oil, natural gas and NGL reserves; drilling risks; environmental risks; and political or regulatory changes. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. The forward-looking statements in this press release are made as of the date of this press release, even if subsequently made available by WPX Energy on its website or otherwise. WPX Energy does not undertake and expressly disclaims any obligation to update the forward-looking statements as a result of new information, future events or otherwise. Investors are urged to consider carefully the disclosure in our filings with the Securities and Exchange Commission, available from us at WPX Energy, Attn: Investor Relations, P.O. Box 21810, Tulsa, Okla., 74102, or from the SEC’s website at www.sec.gov.

View source version on businesswire.com: https://www.businesswire.com/news/home/20190204005093/en/

Contact

MEDIA CONTACT:
Kelly Swan
(539) 573-4944

INVESTOR CONTACT:
David Sullivan
(539) 573-9360