

Business Development Study Group



SPE GCS BD Mission Statement

The primary mission of the Society of Petroleum Engineers, Business Development Study Group is to enable E&P and A&D professionals within the Oil and Gas industry to have a comfortable networking environment and provide the members and guests with professional development opportunities.

We also strive to encourage and assist prospective Petroleum Engineers through providing significant support to the **SPE Scholarship Fund.**



SPE GCS Business Development – 2018/19 Sponsors



Kayne Anderson

Energy Funds



LAZARD

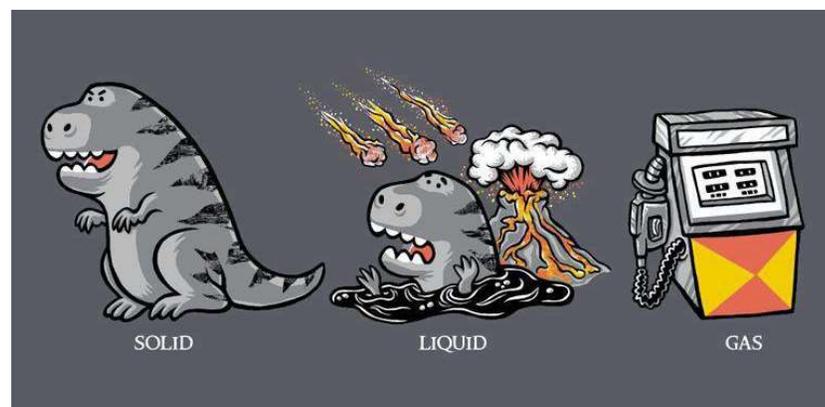


PLS  **Derrick**

Gulf Coast Section

Thank You Volunteers!

Ali Rizvi, DrillingInfo
Aprill Nelson, Arcadius Capital
Brian Lidsky, DrillingInfo
Chris Atherton (2004), EnergyNet
Cody Felton, EnergyNet
Curt Killinger (2002), JC Killinger Petrol Ventures
Dan Gualtieri, Legato Energy Solutions
David Bowman, Rockcliff Energy
David Pantoja (1996), TBD
Drew Limbacher, Scala Energy
Heidi Epstein, EnergyNet
Mike Kelly, Seaport Global Securities
Molly Reyes, TBD
Phil Delozier, EnerVest
Raymond Wong (2008), Wells Fargo
Ricardo Concha, TBD
Steve Mullican (2003), Freedom Oil & Gas
Tony Webb (2003), BP L48
Thomas Shattuck, Deloitte
Chiedozie Ekweribe, Chevron
Vivek Ghosh, Shell



Crude-oil prices

■ WTI Cushing ■ WTI Houston ■ Brent

\$60 a barrel

50

40

Jan. '17

June

Nov.

Sources: Argus (Houston); SIX Financial (Cushing, Brent)

SPE GCS BD – Upcoming Meetings

November 28

Cube Development – What, How, When,
and Why?
featuring Devon Energy

January 2019

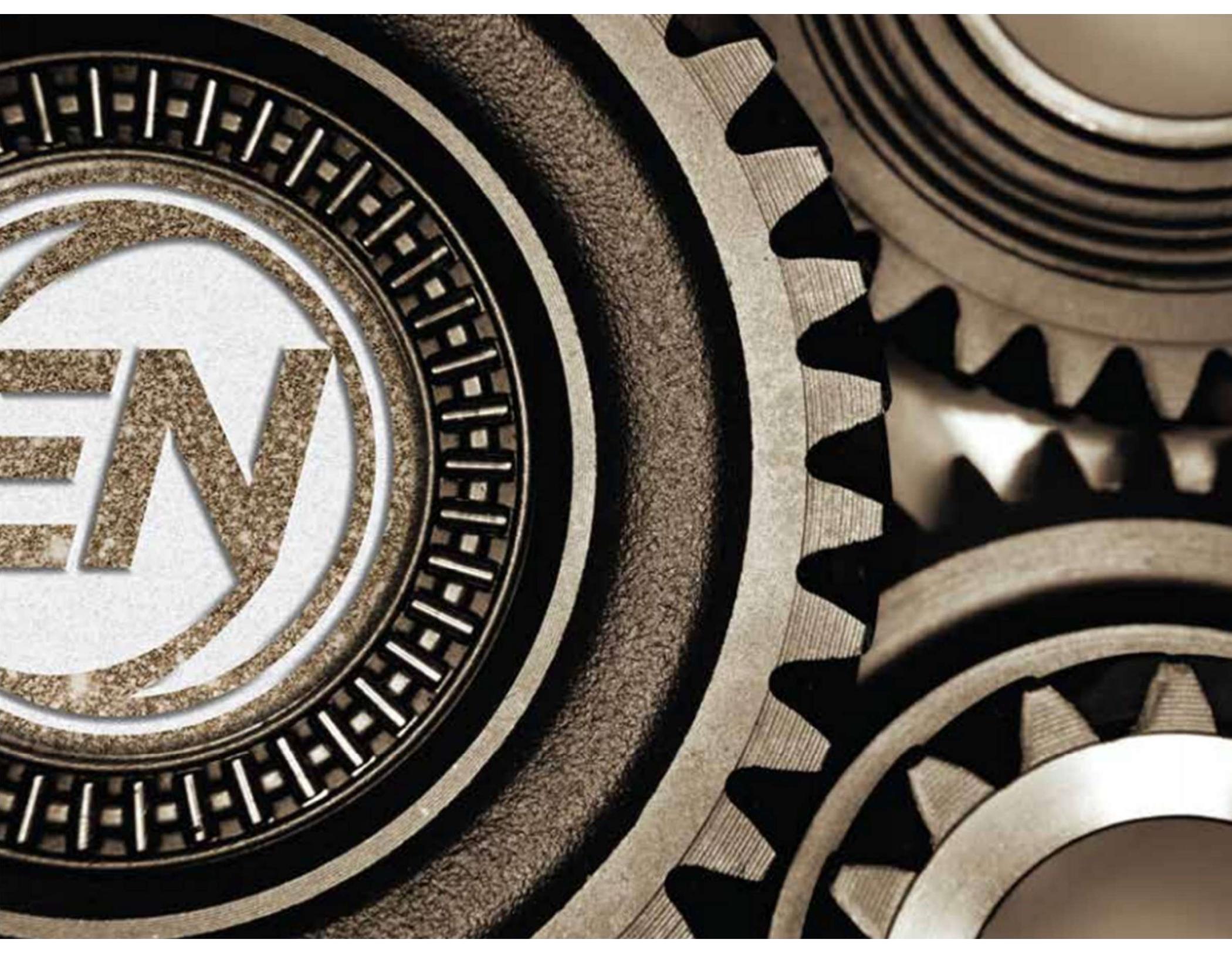
Third Annual M&A Symposium



Tonight's Sponsor



ENERGYNET





A TRUSTED PLATFORM FOR DIVESTMENT

EnergyNet's transaction platform and team of professionals are trusted by industry leaders and state and federal agencies to consistently deliver results.

Our mission is to bring exposure, competition, reliability and liquidity to the upstream oil and gas property A&D market.

We strive to make the Buyer and Seller experience the best in the industry.

Thank you to all of our Buyers and Sellers. We sincerely appreciate your business.



Our Energy. Our Network. YOUR Success.

- CONTINUOUS ONLINE AUCTION • RAPID-CYCLE SEALED BID SALES
- NEGOTIATED SALES • GOVERNMENT LEASE SALES



Key Metrics:

Successfully Closed \$3.2B in Asset Sales for our Clients over the past 24 months

2,775 Total Transactions

Closed 75 Transactions Valued Between \$25MM and \$150MM

Sell-side Engagements from Major Oil Companies, Super Independents, Large Privately-Held E&Ps and Private Equity Sponsored Operators

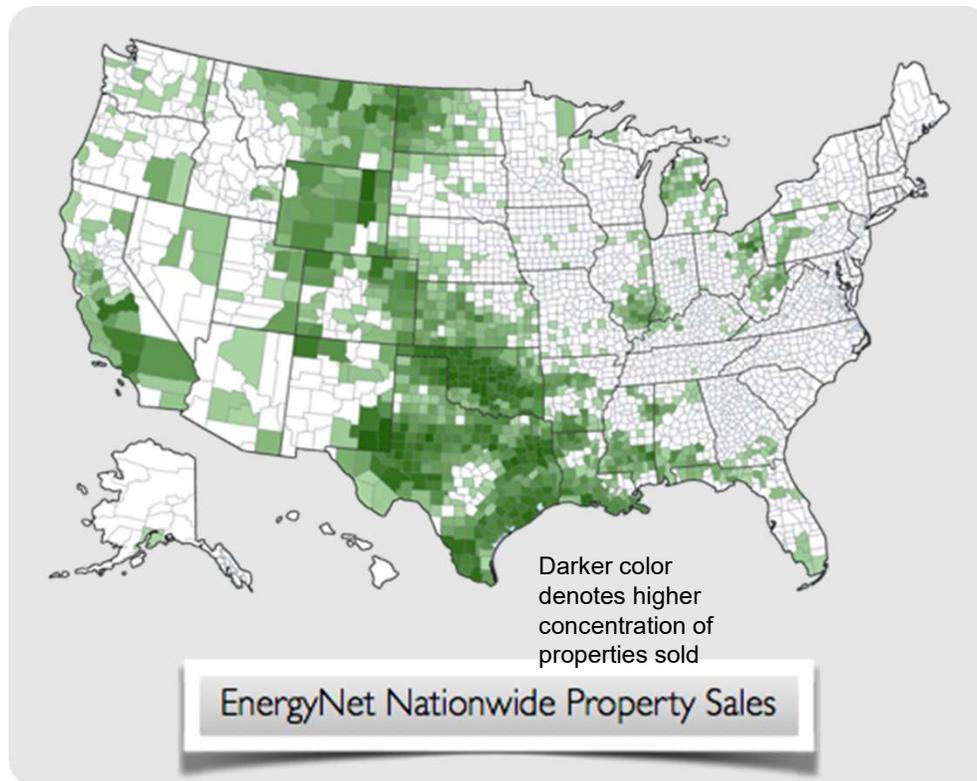
Facilitating Government Lease Sales for 10 Agencies



The EnergyNet Transaction Platform

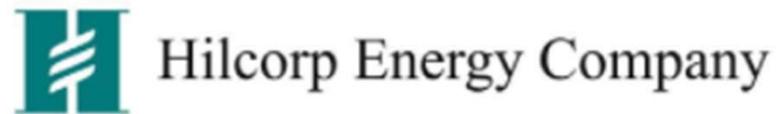
Over \$6 Billion in total sales • More than 75,000 properties and leases sold • Over 7,000 active sellers • **Industry Standard**

PROVEN - TRUSTED - RELIABLE



Oil and gas companies value EnergyNet as a critical part of their acquisition and divestment process.

Recent Sell-Side Clients



Access to the Marketplace



1,000 Buyers

EnergyNet Reaches All Well Known Buyers

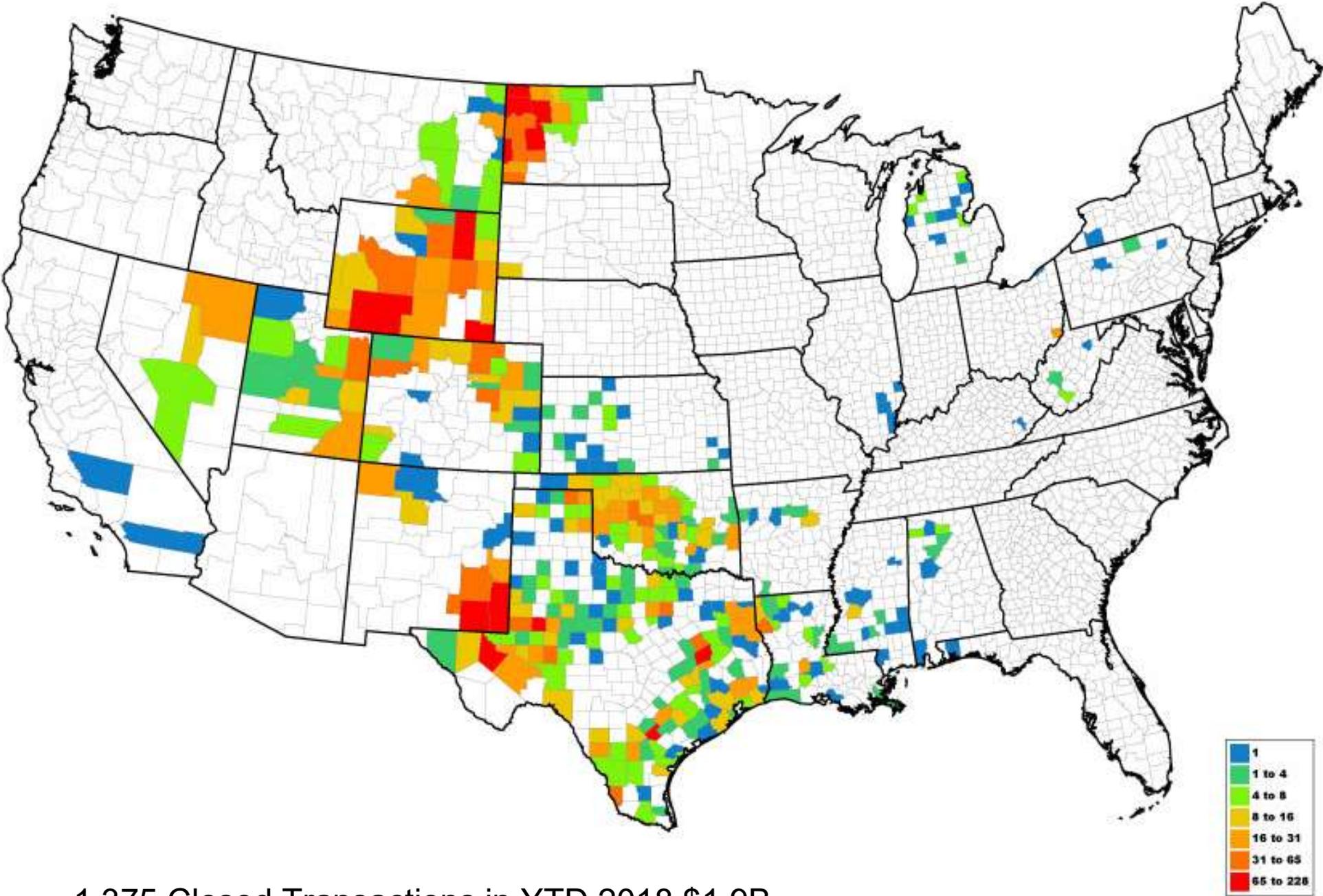
- ▶ Top 250+ Public E&P Companies
- ▶ Top 250+ Private E&P Companies
- ▶ 500 + Private Equity Backed E&P's
- ▶ Private Equity Sponsors

+ 24,000 Buyers

EnergyNet Also Reaches All Less Known Buyers

- ▶ Regional O&G Companies
- ▶ Royalty Aggregators
- ▶ Investor Groups
- ▶ Institutions
- ▶ Funds
- ▶ High Net Worth Individuals

EnergyNet Transactions Trailing 12 Months

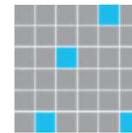


1,375 Closed Transactions in YTD 2018 \$1.9B

Government Agencies Successfully Using Online Marketing for Lease Sales



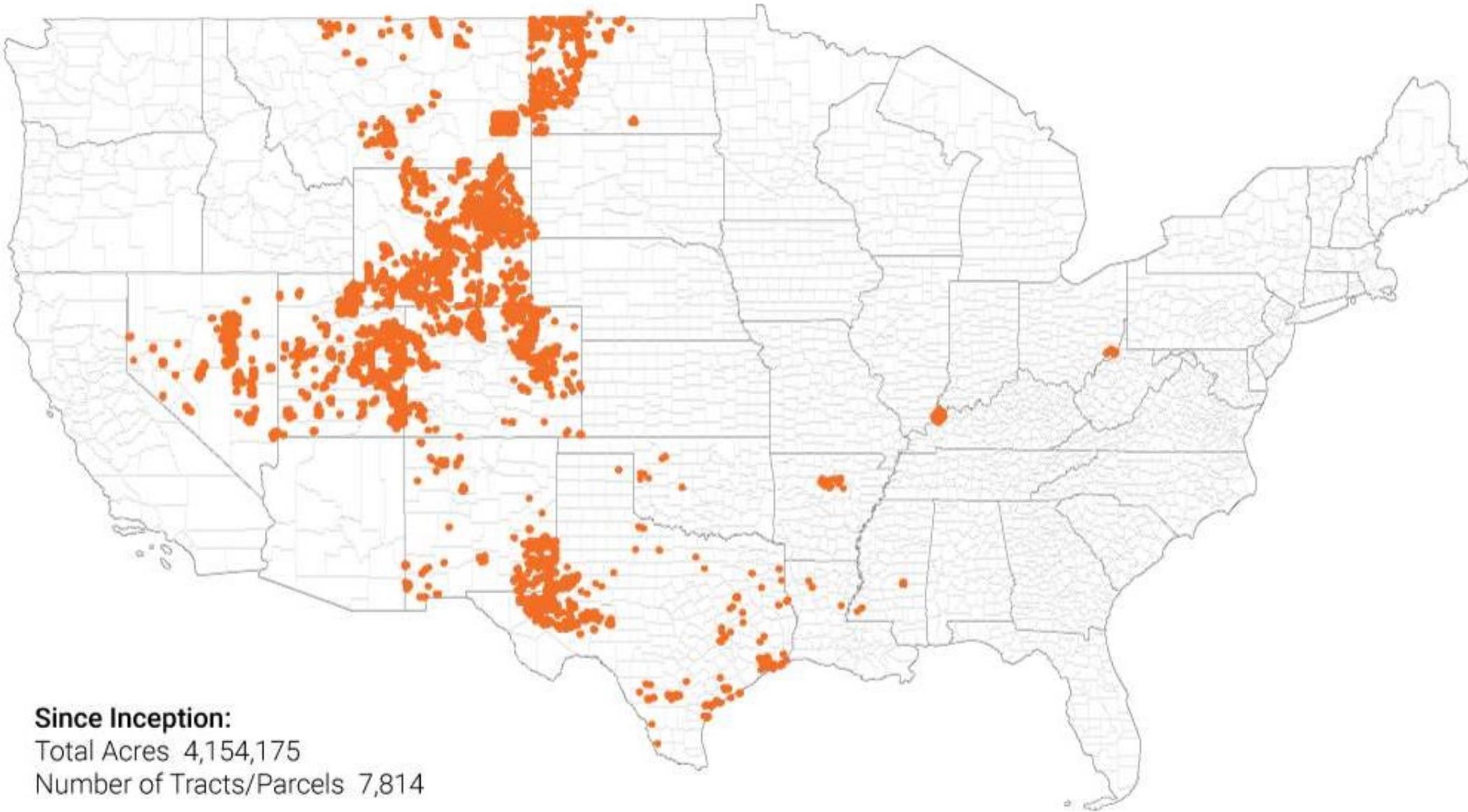
COLORADO
State Land Board
Department of Natural Resources



Trust Lands Administration
State of Utah School and Institutional Trust Lands Administration



Government Lease Sales on EnergyNet:



Since Inception:

Total Acres 4,154,175

Number of Tracts/Parcels 7,814

2018:

Total Acres 589,430

Number of Tracts/Parcels 1,060

EnergyNet Advantages

Proven & Reliable

- 60,000+ property transactions closed in 18 years
- 7,000+ unique sellers (significant repeat business)
- 25,000+ active qualified buyers
- \$6+ Billion in assets sold
- High-profile Recognized Buyers and Sellers
- Liquid Market, Consistent Deal Flow
- Structured, Fair, Competitive Process
- Streamlined, Efficient Closings handled by EN

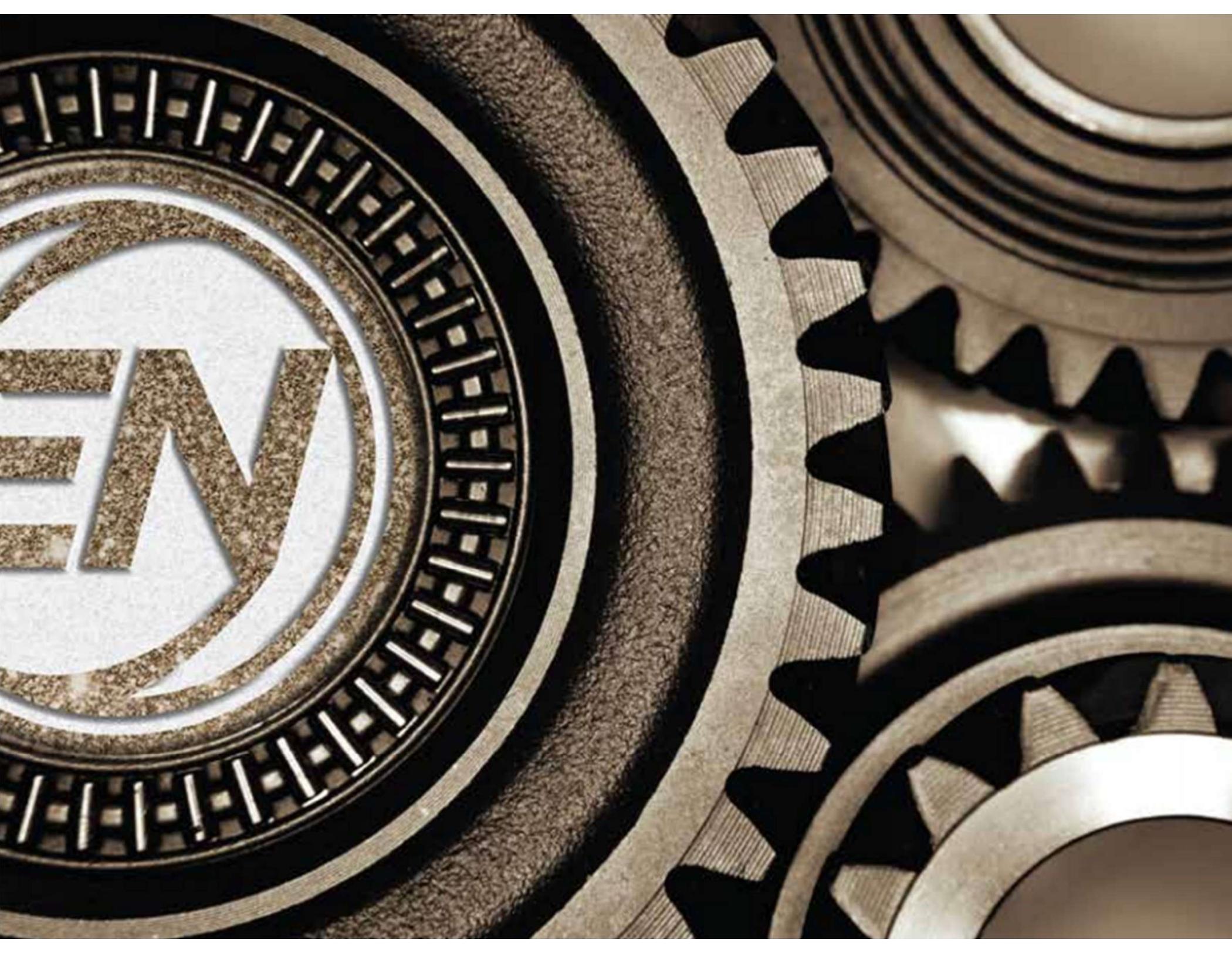
EnergyNet Advantages

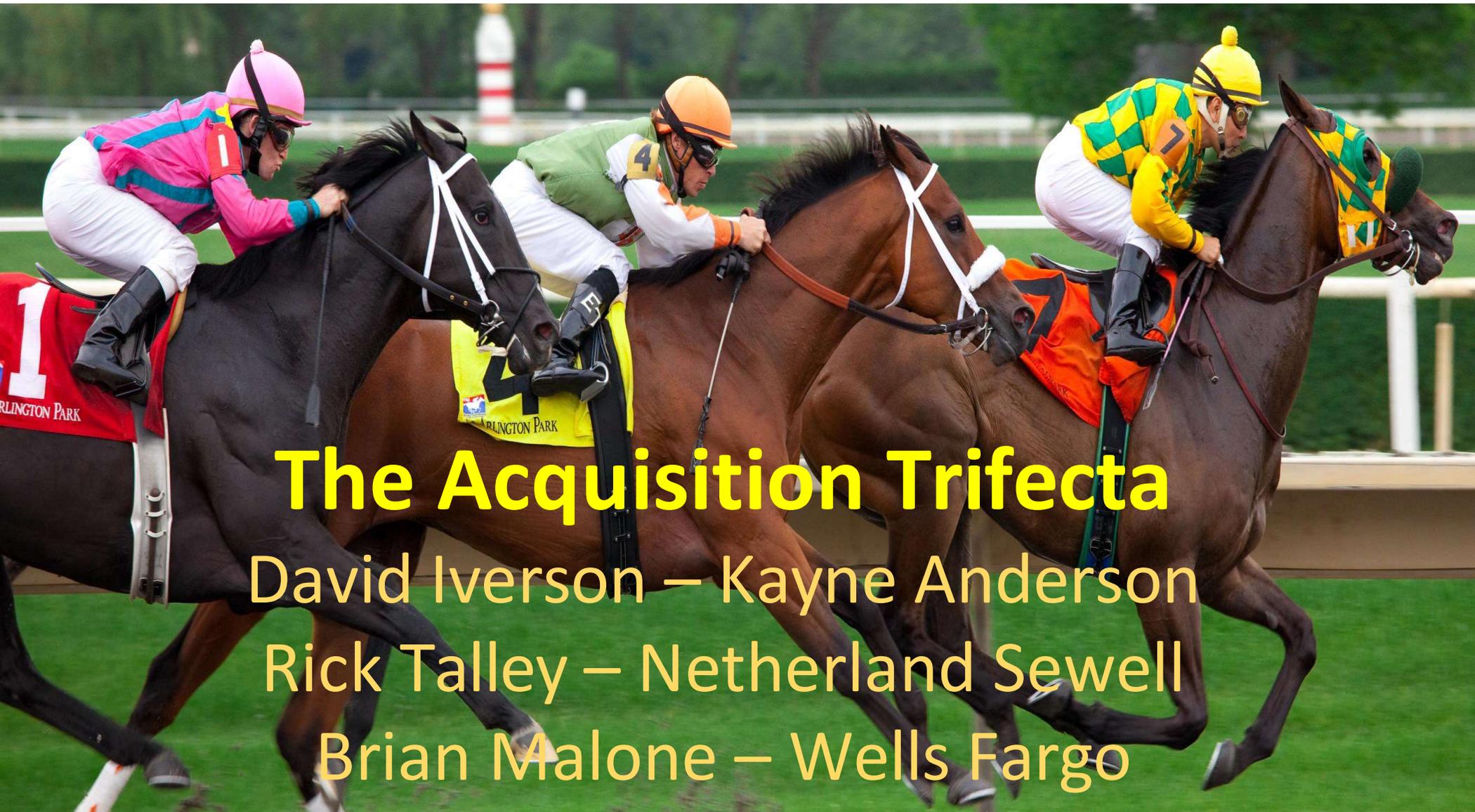
Creates Opportunity for Buyers

- Steady Stream of Acquisition Opportunities Ready to be Purchased
- Comprehensive, Thorough, and Complete VDRs
- Easy to Access Due Diligence Materials
- Buyers can Evaluate, Bid and Transact from Anywhere
- Link to DrillingInfo Embedded in VDR
- Engineering / Economic Evaluation Input Easily Downloaded

Creates Value for Sellers

- 84% Sales Success Rate
- Exposure to the Marketplace
- Competition for Assets
- Streamlined Due Diligence Distribution
- Sellers Choose When to Sell
- Flexible Sale Process Structures





The Acquisition Trifecta

David Iverson – Kayne Anderson

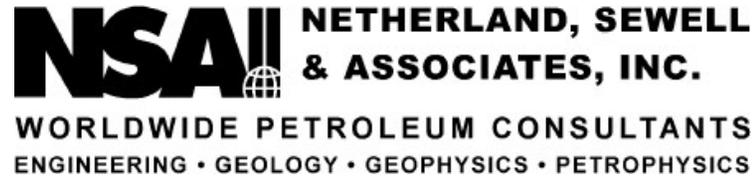
Rick Talley – Netherland Sewell

Brian Malone – Wells Fargo

Kayne Anderson

Capital Advisors, L.P.

David Iverson is a senior managing director for the Kayne Private Energy Income Fund and the Kayne Anderson Energy Funds. He is responsible for investment origination, deal analysis/structuring, technical due diligence and ongoing oversight of existing investments in the firm's energy private equity portfolio. Prior to joining Kayne Anderson in 2006, Iverson was a senior vice president of Netherland, Sewell & Associates, Inc., a Texas-based oil and gas consulting firm that provides a complete range of professional reservoir engineering, geophysical and geological services to the worldwide petroleum industry. He began his career in the oil and gas industry in 1988 with ARCO Oil & Gas Company and later Vastar Resources, where he held various reservoir and facilities engineering and corporate finance positions. Iverson earned a BS in Chemical Engineering, Magna Cum Laude, from the University of Tulsa in 1988 and an MBA, with Honors, from the University of Houston in 1994.



Rick Talley has twenty years of experience in various roles in the oil and gas sector. He is currently Senior Vice President for Netherland, Sewell & Associates. He joined NSAI in 2004 after serving as a Senior Engineer at ExxonMobil Production Company. He has significant experience with preparing reserves evaluations for conventional assets in all major United States producing basins, the Gulf of Mexico, and Israel. His work also includes evaluations for numerous tight gas and shale gas and oil basins in the United States and in Argentina. He holds an M.B.A. from Tulane University and a B.S. in Mechanical Engineering from the University of Oklahoma.



Brian Malone has thirty years of energy related experience, primarily focused on reserve based lending (“RBL”). In his current role as Managing Director of Wells Fargo’s Houston RBL Team, Mr. Malone focuses on the financing of non-investment grade, public and private, exploration and production companies. His team manages roughly one hundred clients, serving as administrative agent on the majority of these relationships. Presently, his team manages over \$10 billion of syndicated credit facilities. Prior to joining Wells Fargo in 2012, Mr. Malone was a founding member of BNP Paribas' Energy Group that was formed in 1991. BNP Paribas' Energy Group became the largest left lead arranger of reserve based syndicated credit facilities at the time of its sale to Wells Fargo in 2012. Mr. Malone started his energy banking career in 1989 with Chase Manhattan Bank. Prior to banking, Mr. Malone was a production/completion engineer with Exxon Company USA in its South Texas Division that managed the King Ranch interests. Mr. Malone graduated from the University of Texas with a MBA (1989) and a Petroleum Engineering Degree (1985).