

# A&D STRATEGIES AND OPPORTUNITIES

Conference & Workshop

## 11th Annual A&D Strategies and Opportunities Conference Show Report 2012



Steve Toon

Gyrating oil, sagging NGL and rock-bottom natural gas prices have combined to depress 2012's transaction market, but the last quarter could be so robust as to end the year in record territory for deal value, attendees learned at the **11th Annual A&D Strategies and Opportunities Conference**. More than 500 high-profile A&D professionals attended the event held at The Ritz-Carlton Hotel in Dallas in early September.

**Scott Richardson**, co-founding principal, *RBC Richardson Barr*, said, "This year, we've had \$40 billion in E&P asset sales. A normal year is \$60 billion." Activity should surge in the fourth-quarter, however, with more than \$20 billion in deals expected. The main driver for this action will be private companies selling assets in anticipation of much higher tax rates in 2013. In addition private-equity firms will be making deals in oil resource plays, and public companies will continue divesting dry-gas properties.



Keefe Borden

The recent fluctuations in oil prices have definitely made people nervous, said **Lisa Stewart**, chief executive officer, *Sheridan Production Partners*. "Buyers and sellers like stability. When we get these price shocks, people do worry more." But **Maynard Holt**, co-president, head of E&P investment banking, *Tudor Pickering Holt & Co.*, said many investors seek oil in the event of world instability, and recognize the historic opportunity in natural gas. "There's a lot of financial money that senses this is a good time to buy."

Assets on the market in this quarter will primarily be oily and privately held, says **Chris Simon**, managing director and head of asset A&D for *Raymond James*. This year, by early September, 67% of oil-weighted deals were sold by private E&Ps on a deal-count basis and 81% on a deal-value basis. Among buyers, public E&Ps won 42% of the deals, representing 70% of deal value, he says. For gas-weighted properties, public E&Ps have been the most active sellers, while MLPs and private-equity firms have been the most active buyers, he adds. "There is a lot of uncertainty right now in commodity markets and the taxing market."

Private equity is available and plentiful in the E&P sector, said **Murphy Markham**, partner, *EnCap Investments LP*. "Our space is about \$40 billion, with an additional \$20 billion coming in." Public capital is flowing, too. During the past 12 months, some \$200 billion in high-yield debt has been issued, and upstream E&P accounted for \$30 billion of that, according to **Paul Beck**, executive director, *Macquarie Bank*.

Former **Speaker of the House Newt Gingrich**, working alongside *Noble Royalties* CEO **Scott Noble**, debuted a new study that revealed the government could raise at least \$1.8 trillion over 30 years if leasing on federal lands was returned to 1984 levels. "This is the first election in which you could decisively change the outcome of the election based on energy," he told attendees.

**Steve Toon**  
Senior Editor  
*Oil and Gas Investor*

**Keefe Borden**  
Editor  
*A&D Watch; A-Dcenter.com*

## Introducing A&D Watch Editor, Keefe Borden



Keefe Borden is editor of A&D Watch and A-Dcenter.com. He joined Hart Energy as senior editor of Midstream Business in the summer of 2011. He has covered oil and gas in various capacities for 15 years. Borden followed upstream investments in Venezuela and Colombia before Hugo Chavez became president. He later returned to Houston, where he wrote for Argus Media in various capacities. At Argus, he covered U.S. refined products markets, the Latin American energy scene and the NGL market in the U.S. He worked briefly as an NGL broker in Houston before starting a marketing communications company aimed at energy companies. Borden has undergraduate and graduate degrees from the University of Texas at Austin.

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## A&D Strategies and Opportunities Statistics

### Attendees

- **Total Registered** 520
- **Countries Represented** Canada, United States
- **Total Sponsoring Companies** 16

### States Represented - 22

Alabama	Connecticut	Louisiana	Minnesota	Ohio	Texas
Arkansas	Georgia	Maryland	Mississippi	Oklahoma	West Virginia
California	Illinois	Massachusetts	New Mexico	Pennsylvania	
Colorado	Kansas	Michigan	New York	Tennessee	

### Save the Date – September 4 – 5, 2013

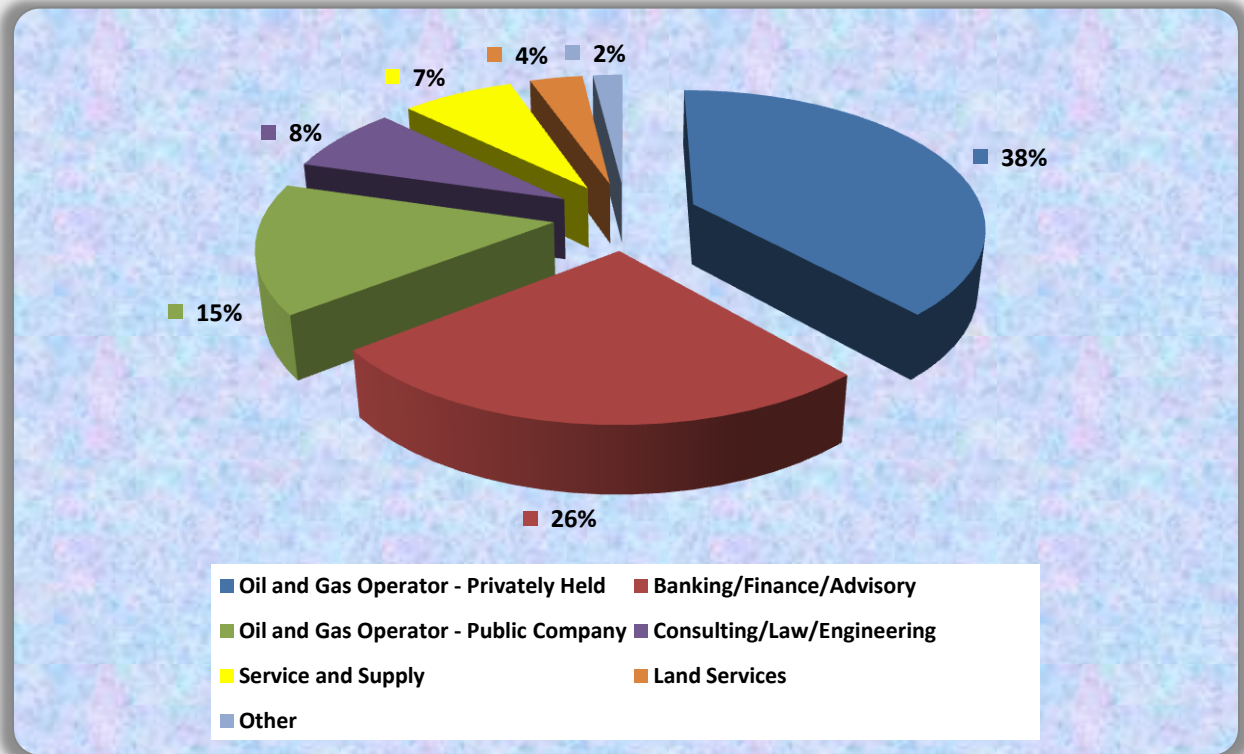
Join us for deal discussion and deal-making at Hart Energy's **12th Annual A&D Strategies and Opportunities** conference!. The A&D market is undergoing a transformation. Unconventional resources dominate the scene, involving enormous amounts of capital for acquisition and development. International majors and national oil companies have staked big claims in the onshore U.S. Domestic companies have surged into oil and liquids, at the same time conventional dry gas assets attract money with a long view. Hear from the players, advisors and analysts on strategic deal-making in this evolving marketplace.

The **A&D Strategies and Opportunities** conference, in its 11 years, has grown to be the energy industry's premier event focused on oil and gas acquisitions and divestitures. This event unites buyers with sellers and provides insight on the best A&D strategies for 2014.

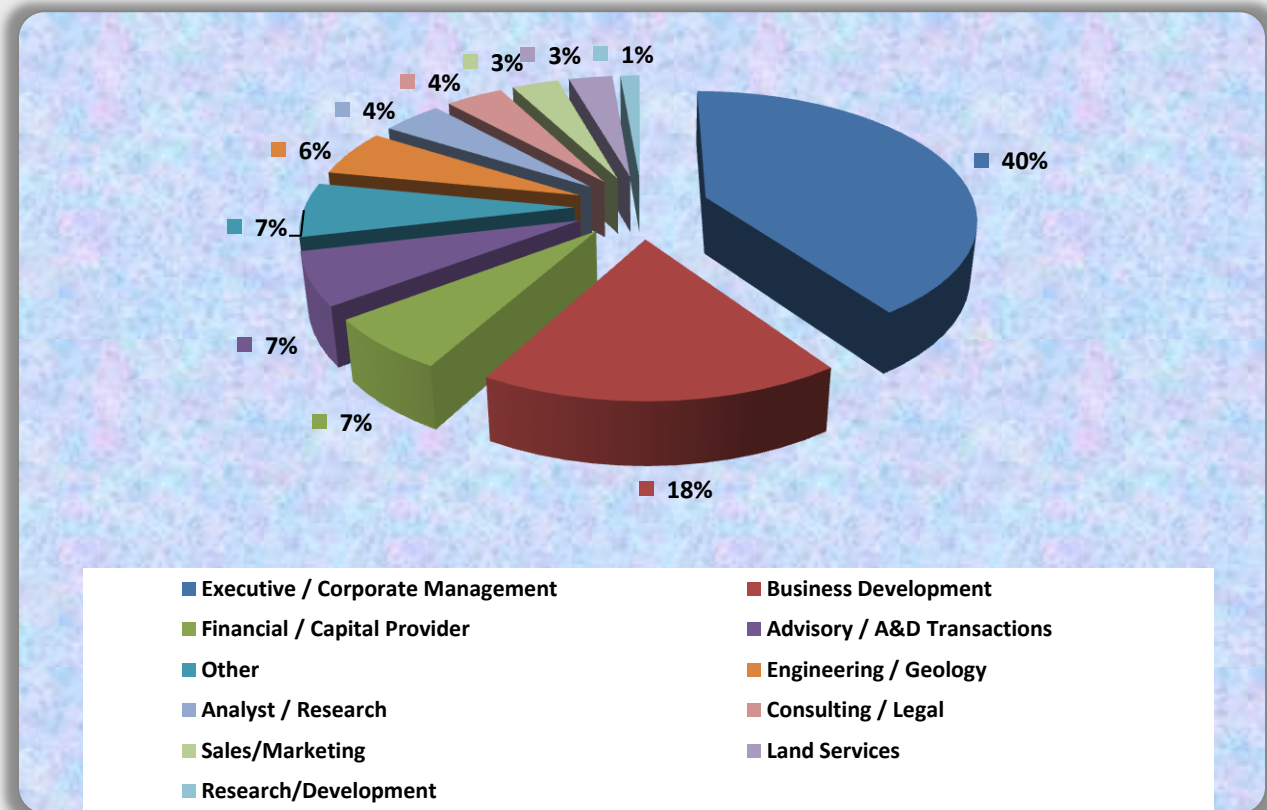
### Venue

The Ritz-Carlton Hotel - Dallas  
2121 McKinney Avenue  
Dallas, Texas

## Attendance by Type of Company



## Attendance by Job Function



## Companies Represented - 288

Accelerated Oil Technologies	Activa Resources LLC	Agarita Resources LLC
Alamo Resources LLC	Alpine Gas Company	Alta Mesa Holdings LP
Amadeus Petroleum Inc.	Amegy Bank N.A.	Anadarko Minerals
Anderson King Energy Advisors	Apache Corp.	Apollo Management LP
Appaloosa Energy LLC	Approach Resources Inc.	Arapaho Energy LLC
Baker Botts LLP	Bank of Texas	BASA Resources Inc.
BB&T Bank	BB&T Capital Markets	BBVA Compass
Bedrock Petroleum	Bentek Energy	BHP Billiton
Black Arrow Energy LLC	Black Briar	Black Stone Minerals Company LP
BlackWell Energy	Bloomberg News	Blue Flame Minerals
BMC Group SmartRoom	BMO Capital Markets	Bounty Investments
BP Corp. North America Inc.	Bregal Energy	BreitBurn Energy
Brycap Investments Inc.	Burleson LLP	C&C Reservoirs
Caerus Oil and Gas LLC	Callon Petroleum Company	Calyx Energy LLC
Canaan Natural Gas PE Funds	Canaan Resources LLC	Capital One Southcoast
Cargill Inc.	Caterpillar Financial Services Corp.	Cathexis Oil & Gas LLC
Cenesia Petroleum	Cessna Aircraft Company	Chalker Energy Partners III LLC
Charger Resources LLC	Chatham Energy	Chesapeake Energy
Cheyenne Petroleum Company	Chief Oil & Gas	Chroma Oil & Gas LP
Cinco Energy Services	Cisco Energy LLC	Citation Oil & Gas Corp.
Citigroup	Citrus Energy Corp.	Clearfork Resources LLC
Comerica Bank	Common Resources II	Community Trust Bank
Comstock Resources	ConocoPhillips	Consolidated Asset Management Service
Constellation Energy	Continental Resources Inc.	Cornerstone Acquisition & Management
Cortez Resources LLC	Credit Agricole	Credo Petroleum Corp.
CTC Minerals	Dallas Energy Group	Davis Petroleum Corp.
Denbury Resources	Denham Capital	Devonshire Investors
DrillingInfo Inc.	Eagle Energy Trust	Eagle Land Services Inc.
Eagle Rock Energy Partners	EDF Trading Resources LLC	EnCap Investments LP
Enduro Resource Partners	Energen Resources Corp.	Energy Capital Solutions
Energy Navigator	Energy Production Corp.	Energy Spectrum
Energy Trust Partners	Energy XXI	Enertia Software
EnerVest Ltd.	Eni Petroleum	EnRisk
Enstream Capital	EP Energy LLC	Equity Group Investments
ESS Funds	Evercore Partners	EXCO Resources Inc.
Fairway Resources	Falcon E&P Opportunities Fund LP	Finley Resources Inc.
First Reserve	Five States Energy Capital LLC	Forestar Group Inc.
Fossil Creek Resources LLC	Foundation Energy	Future Petroleum Company LLC
G2X Energy Inc.	Gingrich Communications	Glori Energy Inc.

## Companies Represented – 288 *(continued)*

Grand Mesa Operating Company	Grant Thornton LLP	Greater Faith International Capital Ltd.
Grenadier Energy Partners	GSO Capital Partners	Gulf Coast Energy Resources LLC
Halcon Resources Corp.	Hefner Energy Partners	Henry Resources LLC
HFBE Inc.	HighMount E&P LLC	Hillcrest Bank
Hillcrest Bank	Holland Services	Iberia Bank
Indigo Minerals LLC	Inflection Point	ION Geophysical Corp.
Jefferies & Company Inc.	John Chance Land Surveys Inc.	John Harrington Enterprises
Jones Energy Ltd.	Joshi Technologies International Inc.	Kaplan Group
Kayne Anderson Energy Funds	Keystone Petroleum	Kimbrel Oil Corp.
King Private Equity Group Inc.	Knight Resources LLC	Lantana Oil & Gas Partners
Laredo Petroleum	Legado Resources	Lewis Energy Group
Limestone Exploration II LLC	LINN Energy LLC	Logos Resources LLC
Lone Star Land & Energy II LLC	Longview Energy Company	Louis Dreyfus Highbridge Energy LLC
M. I. Phillips	M1 Energy Capital	Macquarie Energy Capital
Madison Capital Management	Marathon Oil Company	Martineau Petroleum Inc.
Maverick American Natural Gas LLC	McElvain Energy Inc.	Meagher Energy Advisors
Memorial Resource Development LLC	Mergermarket	Merit Energy Company
Midstates Petroleum	Miller Energy Company	MK Resources
Mobella Investments LLC	Municipal Gas Authority	Muse, Stancil & Co.
Natural Resource Partners LP	Netherland, Sewell & Associates Inc.	Newfield Exploration
Newpek LLC	NextEra Energy Resources	NFR Energy LLC
NGP Capital Resources Company	Nichols Energy Services	Noble Royalties Inc.
Nomura	North Shore Energy LLC	Northern Oil & Gas Inc.
NPC Engineering Group	Oak Valley Energy LLC	Occidental Petroleum Corp.
OGX Resources LLC	OilRock Resource Fund	Opal Resources LLC
Opportune LLP	Osborn Heirs Company	Pacesetter Energy LLC
Pacific Summit Energy	Panther Energy Company LLC	Paramount Field Services LLC
Parkman Whaling LLC	Peak E&P LLC	Peregrine Petroleum LLC
Petrie Partners	Petro Harvester Oil & Gas LLC	PetroJava NK
Petromax Operating Inc.	PetroPoint Energy Partners LP	PetroQuest Energy LLC
PGS	Phillips Energy Partners LLC	Pierpont Communications Inc.
Plains E&P Company	Plantation Petroleum Company LLC	Platts
Porter Hedges LLP	PostRock Energy	Preng & Associates
Presco Inc.	Primary Natural Resources III LLC	Princess Three Corp.
Prism Midstream LLC	Producers Energy	Protege Energy II LLC
Public Gas Partners	QEP Resources	Quantum Energy Partners
Quantum Resources	R.W. Baird	Raymond James
RBC Richardson Barr	RCL Oil	Remora Oil & Gas
Resolute Energy Corp.	Riverbend E&P	Rosetta Resources

## Companies Represented – 288 *(continued)*

S. B. Street Operating Inc.	Scotia Waterous	Scotiabank
Scout Energy Partners	Sequel Energy LLC	Sequel Energy LLC
SFC Energy Partners	Sheridan Production	Silver Oak Energy
SK E&P Company	SK Innovation	Southwestern Energy
Squire Sanders (US) LP	Stanolind Oil and Gas LP	Starks Energy Economics
Step toe & Johnson PLC	Stifel, Nicolaus & Company Inc.	Stonegate Production Company LLC
Strata Energy Partners	Strategic Capital Partners	Tailwind Oil and Gas
Tanos Exploration LLC	Tarpon	Ted W. Walters & Associates
Texas Capital Bank	Texas Energy Midstream	Texas Specialty Sands LLC
Texland Petroleum LP	The Boswell Interest	The Caffey Group
The Caryle Group	The McDaniel Company	The Oil & Gas Asset Clearinghouse
The Riverside Company	The Royal Bank of Scotland	Tradition Resources LLC
Triangle Petroleum	Tudor, Pickering, Holt & Company	Unitex Oil & Gas LLC
US Energy Development Corp.	Van Operating Ltd.	Victory Park Capital
Vintage Exploration & Development	Virgo Investment Group LLC	Vural Law Firm PLC
Warpaint Resources LLC	Weidner Advisors	Wells Fargo Securities
Western Production Company/ Axia Land Services LLC	WildHorse Resources	Woodside Energy
WPX Energy	Wynn-Crosby	ZaCale Resources Company LLC