

Natural Resources Interim Committee

Vice-President & GC | Alta Mesa Holdings, LP



John Peiserich

Alta Mesa

Committed to Excellence



- **Founded by Mike & Mickey Ellis in 1987**
- **Private company, 220+ employees**
- **Scientists, engineers, technicians, CPAs, professional landmen**
- **Apply cutting-edge technology to find and prudently develop resources others have left behind or overlooked**



Alta Mesa

Who we are



Our mission:

Find and produce natural gas and oil in a safe, environmentally responsible, and profitable manner

- What we get to do improves life for our fellow man and makes America more competitive
- We are accountable to our communities, to governments and regulators, to our team members, and to our shareholders
- We must be good neighbors and good stewards



Idaho Project History

Conventional exploration and development in a brand new basin



- Early indications of gas in water wells, oil seeps
- First exploration 1903; sporadic 1907-1976
- Snake River / Alta Mesa focus began 2010
- 2D seismic evaluation supported initial leasing
- 2012-2015: 300 sq mi 3-D seismic, 6 wells
- Northwest Gas Processing built initial backbone infrastructure
- First production – 3/7/2015 – Kauffman 1-9 well



Early 1900's in Payette



100 years later

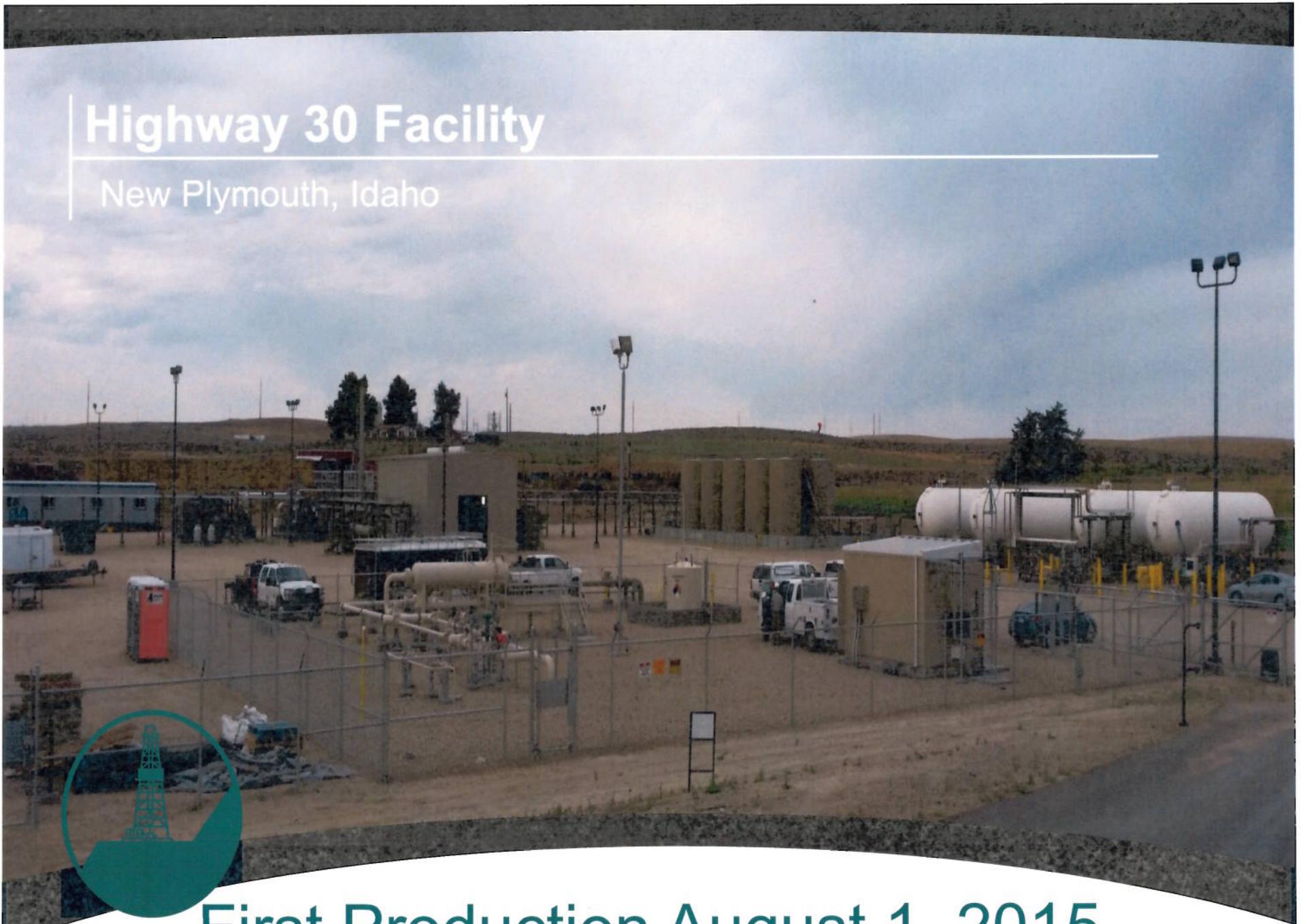
Recent Operational Developments

Idaho



Highway 30 Facility

New Plymouth, Idaho



First Production August 1, 2015

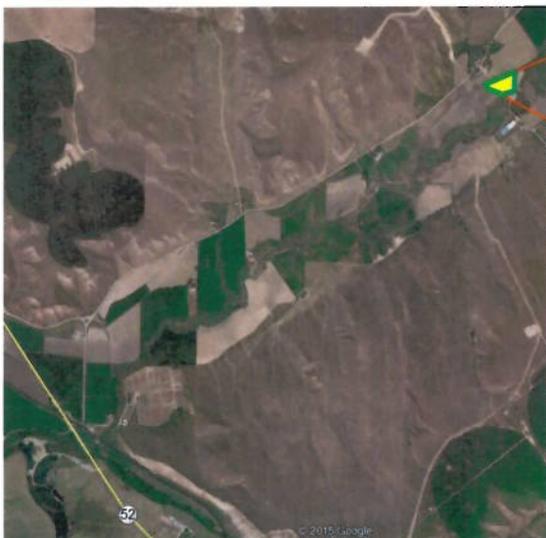
Highway 30 Treating Facility



Highway 30 Treating Facility



Little Willow Gathering Facility



Little Willow Gathering Facility



Energy Transport



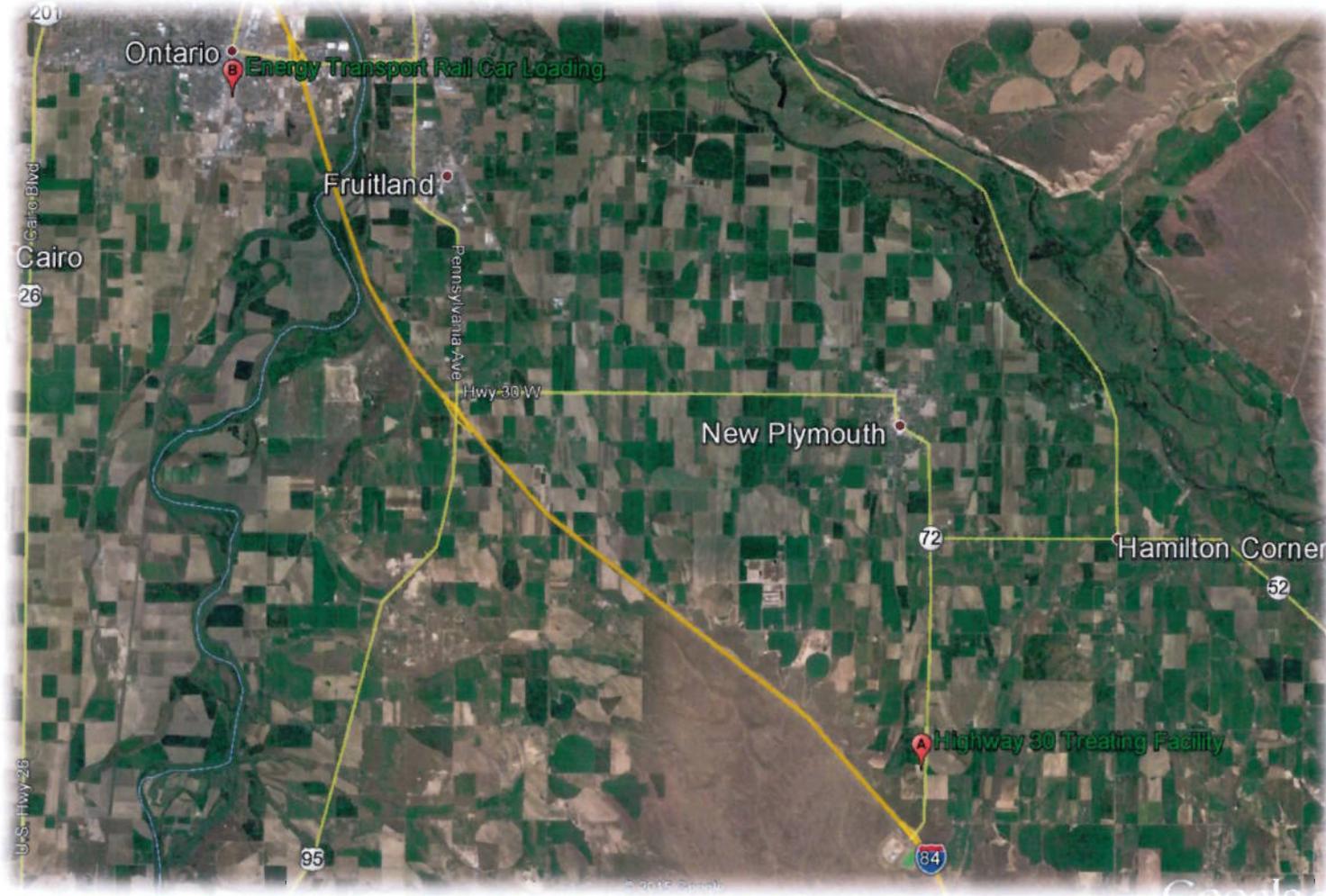
Campo & Poole/Energy Transport Rail Loading Facility



Ontario, OR



Hwy 30 Facility & Energy Transport Rail Site



Energy Transport



Positive Economics for Idaho



- Leases of State endowment lands and minerals
 - Idaho received more than \$2,100,000 for leases in 2014, the last sales
- First BLM lease sale in a decade
 - May 28, 2015
 - Idaho gets $\frac{1}{2}$ of the proceeds which total \$3,878.683
- Royalties and Severance Tax Payments
 - August 1, 2015 start date of Highway 30 = first significant production
- Sale of Gas to Idaho Power
 - Alta Mesa is supplying gas directly to Langley Gulch
 - At full capacity will supply ~40% of Langley Gulch's needs

Regulatory Challenges

- IDL/IDEQ
- Financial
- Development Impacts

