

# Plantation Petroleum Company

## IPAA Meeting

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*June 9, 2004*

# Company History

- Plantation Petroleum I
  - Created to acquire Maynard Oil Company
  - Transaction closed 7/17/2002 and took company private
  - Funded acquisition with bank debt and private equity
  - Divested non-core properties and rapidly reduced debt
  - Executed development plan and key properties
  - Sold as a corporate deal on 12/31/2004
  
- Plantation Petroleum II
  - Negotiated and closed acquisition of Zia Energy during Maynard sale process
    - ♦ 100% operated properties
    - ♦ High NRI's
    - ♦ Regionally concentrated
    - ♦ Primarily natural gas
    - ♦ Low risk development opportunities
    - ♦ Unidentified opportunities
  - Create value by optimizing current assets and acquiring new assets in core area

# Management Team

## **PPH, LLC**

- Thomas C. Meneley – President & CEO
- Bill J. Walls – Exec. V.P. & CFO
- Mike Parker – Sr. V.P. & COO
- Mickey McGhee – V.P. Geology
- Sean Keenan – Mgr. Bus. Dev.

## **PPH II, LLC**

- Thomas C. Meneley – President
- Bill J. Walls – CEO
- Don Dotson – COO
- Mickey McGhee – V.P. Geology
- Sean Keenan – Mgr. Bus. Dev.

# Value Creation Strategy

- Optimize value of producing properties
  - Attention to detail and monitor / review performance
  - Optimize field operations and reduce costs
  - Exploit PDNP reserves
  - Prioritize and drill low risk development opportunities
  - Apply proven completion and stimulation techniques
  - Improve marketing contracts
- Make strategic acquisitions
  - Acquire accretive acreage positions in core area (SE NM & W TX)
  - Generate farm-out and term lease opportunities
- Generate and execute high impact projects
- Prepare for exit

# Lessons Learned

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- Focus on risks of business you can control
- Understand difficulty in managing a large organization and changing culture if doing a corporate deal
- Stay disciplined in a resource constrained organization
- Be able to adapt to changing market conditions
- Check “Crystal Ball” to forecast future oil and gas prices before selling
- Be happy with terms of transaction and do not look back on decision to sell
- If possible, have your “reload” deal identified before closing on original transaction