

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

IN RE ALTA MESA RESOURCES,  
INC. SECURITIES LITIGATION

Case No. 4:19-cv-00957

**CLASS ACTION**

**AMENDED ANSWER TO PLAINTIFFS' SECOND CORRECTED  
CONSOLIDATED AMENDED COMPLAINT**

Pursuant to Federal Rule of Civil Procedure 15(a), Defendant HPS Investment Partners, LLC (“HPS”) respectfully submits the following Amended Answer to the Second Corrected Consolidated Amended Complaint for Violations of the Federal Securities Laws (“SAC”). HPS denies all allegations unless expressly stated otherwise.

HPS admits that Plaintiffs purport to bring certain causes of action, and denies the remaining allegations in the introductory paragraph.

## **I. INTRODUCTION<sup>1</sup>**

1. HPS denies the allegations in Paragraph 1, except admits that Alta Mesa<sup>2</sup> announced the Business Combination on August 16, 2017.

2. HPS denies the allegations in paragraph 2.

3. HPS denies the allegations in paragraph 3.

4. HPS denies the allegations in Paragraph 4, except denies knowledge or information sufficient to form a belief as to the cause of the decline in the value of Alta Mesa stock, and admits that Plaintiff has correctly stated the earnings estimates adjustments.

5. HPS denies the allegations in Paragraph 5, except respectfully refers the Court to Alta Mesa’s publicly-reported stock prices and denies the allegations to the extent they are inconsistent with those publicly-reported prices.

---

<sup>1</sup> For ease of reference, the section headings are copied from the SAC. They require no response. To the extent a response is required, they are denied.

<sup>2</sup> Each capitalized term used but not defined herein shall have the meaning given to it in the *Second Corrected Consolidated Amended Complaint for Violations of the Federal Securities Laws* [ECF No. 69].

6. HPS denies the allegations in paragraph 6, except denies knowledge or information sufficient to form a belief as to the “terms of [Alta Mesa’s] formation.”

7. HPS denies the allegations in paragraph 7.

8. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 8.

9. HPS admits that Plaintiffs have accurately stated the content of the offering materials referenced in Paragraph 9, and denies the allegations to the extent they are inconsistent with that content.

10. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 10, except admits that certain investment funds that HPS manages held interests in AMH and Kingfisher, and states that HPS “control[]” over an entity is a legal conclusion that does not require a response, and to the extent a response is required, the allegation is denied.

11. HPS admits the allegations in paragraph 11.

12. HPS denies the allegations in paragraph 12.

13. HPS denies the allegations in paragraph 13.

14. HPS denies the allegations in Paragraph 14.

15. HPS denies the allegations in paragraph 15.

16. HPS denies the allegations in Paragraph 16, except respectfully refers the Court to the earnings call for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

17. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 17, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 17, and denies the allegations to the extent they are inconsistent with that content, and denies any characterization of the public statements by the Plaintiffs.

18. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 18.

19. HPS denies the allegations in paragraph 19.

20. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 20, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 20, denies the allegations to the extent they are inconsistent with that content, and denies the characterizations of the public statements by the Plaintiffs.

21. HPS denies the allegations in Paragraph 21, except admits that the referenced executives departed from Alta Mesa.

22. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 22, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

23. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 23 as to why Alta Mesa did not file its 2018 annual report on May 17, 2019, admits that Plaintiffs have accurately stated the content of the

public statements referenced in Paragraph 23, and denies the allegations to the extent they are inconsistent with that content.

24. HPS respectfully refers the Court to Alta Mesa's publicly-reported stock prices in Paragraph 25, denies the allegations to the extent they are inconsistent with those publicly-reported prices. and denies knowledge or information sufficient to form a belief as to the reason for the decline in Alta Mesa's stock price.

25. HPS denies the allegations in paragraph 25.

26. HPS denies the allegations in Paragraph 26.

## **II. JURISDICTION AND VENUE**

27. HPS admits the allegations in Paragraph 27.

28. HPS denies the allegations in Paragraph 28, except states that the first sentence of Paragraph 28 states a legal conclusion that requires no response, and denies knowledge or information sufficient to form a belief as to the location of the headquarters of Alta Mesa.

29. HPS denies the allegations in Paragraph 29.

## **III. PARTIES**

### **A. Plaintiffs**

30. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 30.

31. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 31.

32. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 32.

33. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 33.

34. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 34.

**B. Proxy Defendants**

35. HPS admits the allegations in Paragraph 35 as they relate to James T. Hackett's roles at Alta Mesa after the Business Combination. HPS denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 35.

36. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 36.

37. HPS admits the allegations in paragraph 37.

38. HPS admits the allegations in paragraph 38.

39. HPS admits the allegations in paragraph 39.

40. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 40.

41. HPS denies the allegations in Paragraph 41, except states that allegations categorizing individuals as types of defendants do not require a response.

**C. Management Defendants**

42. HPS admits the allegations in Paragraph 42 as they relate to Harlan H. Chappelle's roles at Alta Mesa after the Business Combination. HPS denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 42.

43. HPS admits the allegations in paragraph 43 as they relate to Michael E. Ellis's roles at Alta Mesa after the Business Combination. HPS denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 43.

44. HPS admits the allegations in paragraph 44 as they relate to Ronald Smith's roles at Alta Mesa after the Business Combination. HPS denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 44.

45. HPS denies the allegations in Paragraph 45, except states that allegations categorizing individuals as types of defendants do not require a response.

**D. Board Defendants**

46. HPS admits the allegations in paragraph 46 as they relate to David M. Leuschen's roles at Alta Mesa after the Business Combination. HPS denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 46.

47. HPS admits the allegations in paragraph 47 as they relate to Pierre F. Lapeyre Jr.'s roles at Alta Mesa after the Business Combination. HPS denies knowledge

or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 47.

48. HPS admits the allegations in paragraph 48 as they relate to William W. McMullen's roles at Alta Mesa after the Business Combination. HPS denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 48.

49. HPS admits the allegations in Paragraph 49.

50. HPS admits the allegations in paragraph 50.

51. HPS denies the allegations in Paragraph 51, except states that allegations categorizing individuals as types of defendants do not require a response.

**E. Control Entity Defendants**

52. HPS denies knowledge or information sufficient to form a belief as to the description in and composition of Riverstone and as to events that allegedly occurred prior to the Business Combination stated in Paragraph 52. HPS admits the allegations in the last sentence of Paragraph 52.

53. HPS denies knowledge and information sufficient to form a belief as to the truth of the description of Bayou City, and as to the meaning of "owns" and "owner" as used by Plaintiffs. HPS admits the remaining allegations in Paragraph 53.

54. HPS admits the allegations in paragraph 54.

55. HPS admits the allegations in paragraph 55.

56. HPS denies the allegations in Paragraph 56, except states that allegations categorizing individuals as types of defendants do not require a response.



**F. Relevant Non-Parties**

57. HPS admits the allegations in Paragraph 57.

58. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations that the High Mesa entities alleged in Paragraph 58 “own” and “control” other entities. HPS admits the remaining allegations in Paragraph 58.

**IV. BACKGROUND FACTS**

**A. Blank Check Companies**

59. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 59.

60. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 60.

61. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 61, except admits that NASDAQ has certain rules that relate to SPACs and respectfully refers the Court to those rules for their content, and denies the allegations to the extent they are inconsistent with that content.

62. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 62.

63. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 63.

64. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 64.

65. HPS denies the allegations in paragraph 65.

**B. Defendant Riverstone Forms Alta Mesa**

66. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 66.

67. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 67.

68. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 68.

69. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 69.

70. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 70.

71. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 71.

72. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 72.

73. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 73.

74. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 74, and denies the allegations to the extent they are inconsistent with that content.

75. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 75, and denies the allegations to the extent they are inconsistent with that content.

76. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 76, and denies the allegations to the extent they are inconsistent with that content.

77. HPS denies the allegations in Paragraph 77.

78. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 78.

**C. Riverstone and Alta Mesa Identify AMH and Kingfisher as Acquisition Targets**

79. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 79, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 79, and denies the allegations to the extent they are inconsistent with that content.

80. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 80.

81. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 81 concerning the period prior to the Business Combination. HPS admits that Highbridge Principal Strategies, LLC provided \$350 million in capital to AMH.

82. HPS admits the allegations in paragraph 82.

83. HPS admits the allegations in paragraph 83.

84. HPS denies knowledge or information sufficient to form a belief in the truth of the allegations in Paragraph 84, except admits that Bayou City invested in AMH and that AMH announced this investment, and that HPS owned preferred shares in High Mesa.

85. HPS admits the allegations in paragraph 85.

86. HPS admits the allegations in paragraph 86.

87. HPS denies that the allegations in Paragraph 87 provide a complete record of the interests it purports to describe.

88. HPS denies the allegations in paragraph 88.

**D. Defendants Mislead Investors as a Pretext to Obtaining Shareholder Approval for the Business Combination**

89. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 89.

90. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 90, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 90, and denies the allegations to the extent they are inconsistent with that content.

91. HPS denies the allegations in Paragraph 91, except admits that AMH had submitted a draft registration statement to the SEC. HPS denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 91.

92. HPS denies the allegations in Paragraph 92, except denies knowledge or information sufficient to form a belief as to Kingfisher's alleged statements.

93. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 93, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 93, denies the allegations to the extent they are inconsistent with that content, and admits that the Business Combination negotiations had been "ongoing since at least March 2017" and that they occurred over an "extended duration."

94. HPS denies knowledge or information sufficient to form a belief in the truth of the allegations in Paragraph 94, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 94, and denies the allegations to the extent they are inconsistent with that content.

95. HPS denies the allegations in Paragraph 95, except respectfully refers the Court to the earnings call for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

96. HPS denies the allegations in Paragraph 96, except admits Alta Mesa issued a Proxy on January 19, 2019 and that the Proxy recommended the Business Combination.

97. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 97, and denies the allegations to the extent they are inconsistent with that content.

98. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 98, and denies the allegations to the extent they are inconsistent with that content.

99. HPS denies the allegations in Paragraph 99, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 99, and denies the allegations to the extent they are inconsistent with that content.

100. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 100, and denies the allegations to the extent they are inconsistent with that content.

101. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 101, and denies the allegations to the extent they are inconsistent with that content.

102. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 102, and denies the allegations to the extent they are inconsistent with that content.

103. HPS denies the allegations in Paragraph 103, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 103, and denies the allegations to the extent they are inconsistent with that content.

104. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 104, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterization of the public statements.

105. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 105, denies the allegations to the extent they are inconsistent with that content, and states that the allegation that the Proxy “induce[d]” shareholders is a legal conclusion that requires no response, and that HPS denies knowledge or information sufficient to form a belief as to the truth of that allegation. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations concerning the basis of the Board’s recommendation.

**E. Riverstone and Alta Mesa Conceal Alta Mesa’s Operational Problems and Setbacks in Advance of the Shareholder Vote**

106. HPS denies the allegations in Paragraph 106.

107. HPS denies the allegations in Paragraph 107, except denies knowledge or information sufficient to form a belief as to the truth of the allegations concerning “oil field development.”

108. HPS denies the allegations in Paragraph 108, and denies knowledge or information sufficient to form a belief as to what statements “CW1” made to Plaintiffs and the basis for CW1’s purported knowledge.

109. HPS denies the allegations in Paragraph 109, and denies knowledge or information sufficient to form a belief as to what statements “CW1” made to Plaintiffs and the basis for CW1’s purported knowledge.

110. HPS denies the allegations in Paragraph 110, and denies knowledge or information sufficient to form a belief as to what statements “CW1” made to Plaintiffs and the basis for CW1’s purported knowledge.

111. HPS denies the allegations in Paragraph 111, and denies knowledge or information sufficient to form a belief as to what statements “CW1” made to Plaintiffs and the basis for CW1’s purported knowledge.

112. HPS denies the allegations in Paragraph 112.

113. HPS denies the allegations in Paragraph 113 that “AMH also drilled its wells too close together to justify its prior representations that the acreage could support a tremendous quantity of oil wells” and that “the field could [not] support four thousand wells,” and denies knowledge or information sufficient to form a belief as to what statements “CW2” made to Plaintiffs and the basis for CW2’s purported knowledge. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 113, and denies the allegations to the extent they are inconsistent with that content.

114. HPS denies the allegations in Paragraph 114 including the allegations contained in the quotation from CW1, and denies knowledge or information sufficient to form a belief as to what statements “CW1” made to Plaintiffs and the basis for CW1’s purported knowledge.

115. HPS denies the allegations in paragraph 115.

116. HPS denies the allegations in Paragraph 116, and denies knowledge or information sufficient to form a belief as to internal emails of the Company prior to the Business Combination.

117. HPS denies the allegations in Paragraph 117.



**F. Defendants Successfully Close the Business Combination**

118. HPS denies the allegations in Paragraph 118.

119. HPS admits the allegations in Paragraph 119.

120. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 120, except admits that SRII OpCo owned equity interests in AMH and Kingfisher after the Business Combination.

121. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 121.

122. HPS respectfully refers to the Proxy for its complete description of the transaction. HPS denies the allegations in Paragraph 122 to the extent they are inconsistent with the Proxy.

123. HPS respectfully refers to the Proxy for its complete description of the transaction. HPS denies the allegations in Paragraph 123 to the extent they are inconsistent with the Proxy.

124. HPS respectfully refers to the Proxy for its complete description of the transaction. HPS denies the allegations in Paragraph 124 to the extent they are inconsistent with the Proxy.

125. HPS respectfully refers to the Proxy for its complete description of the transaction. HPS denies the allegations in Paragraph 125 to the extent they are inconsistent with the Proxy.

126. HPS respectfully refers to the Proxy for its complete description of the transaction. HPS denies the allegations in Paragraph 126 to the extent they are inconsistent with the Proxy.

127. HPS respectfully refers to the Proxy for its complete description of the transaction. HPS denies the allegations in Paragraph 127 to the extent they are inconsistent with the Proxy.

128. HPS denies the allegations in Paragraph 128.

129. HPS denies the allegations in Paragraph 129 to the extent Plaintiffs claim the so-called “Control Entity Defendants” acted in concert. HPS admits that certain entities referenced in Paragraph 129 obtained the right to appoint certain individuals to the board of directors of Alta Mesa and that Paragraph 129 correctly identifies Alta Mesa’s directors appointed immediately after the Business Combination and those directors’ affiliations.

130. HPS denies the allegations in Paragraph 130.

131. HPS respectfully refers to the March 29, 2018 Alta Mesa 10-K for its complete description of the alleged structure. HPS denies the allegations in Paragraph 131 to the extent they are inconsistent with that 10-K.

**G. Defendants Release Poor Results While Continuing to Reassure Investors During the First Half of 2018**

132. HPS denies the allegations in Paragraph 132, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 132,

and denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

133. HPS denies the allegations in Paragraph 133, except respectfully refers the Court to the call for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the call.

134. HPS respectfully refers the Court to Alta Mesa's publicly-reported stock prices and denies the allegations to the extent they are inconsistent with those publicly-reported prices, and denies knowledge or information sufficient to form a belief as to the cause of the decline in Alta Mesa's stock price alleged in Paragraph 134.

135. HPS denies the allegations in Paragraph 135, except respectfully refers the Court to the earnings call for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

136. HPS denies the allegations in paragraph 136 that (a) "Defendant Chappelle's statements assuring investors were false and misleading;" (b) "Chappelle scrambled and ordered his team to immediately identify 25 wells that were candidates for deploying additional ESPs;" (c) "ESPs would not be an effective or economical solution for Alta Mesa's wells;" and (d) CW2's characterization that management "didn't want to hear" about concerns related to ESPs. HPS denies knowledge or information sufficient to form a belief as to what statements "CW2" made to Plaintiffs and the basis for CW2's purported knowledge.

137. HPS denies the allegations in Paragraph 137, except respectfully refers the Court to the earnings call for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

138. HPS denies the allegations in Paragraph 138, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 138, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

139. HPS denies the allegations in Paragraph 139, except respectfully refers the Court to the earnings call for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

140. HPS denies the allegations in Paragraph 140.

**H. The Truth Concerning Alta Mesa's Business is Further Revealed Through a Series of Additional Partial Corrective Disclosures**

141. HPS denies the allegations in Paragraph 141, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 141, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

142. HPS denies the allegations in Paragraph 142, except respectfully refers the Court to the earnings call for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

143. HPS denies the allegations in Paragraph 143 including the use of the word "revealed" to imply that the Company's Board had not previously reported facts known

to the Board, admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 143, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

144. HPS respectfully refers the Court to Alta Mesa's publicly-reported stock prices and denies the allegations to the extent they are inconsistent with those publicly-reported prices. HPS denies knowledge or information sufficient to form a belief as to the cause of the decline in Alta Mesa's stock price referenced in Paragraph 144.

145. HPS denies the allegations in Paragraph 145, except respectfully refers the Court to the earnings call for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

146. HPS denies knowledge or information sufficient to form a belief as to what Alta Mesa might have been attempting to do, if anything, through the alleged statements in Paragraph 146, and respectfully refers the Court to the earnings call for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

147. HPS denies the allegations in Paragraph 147, except respectfully refers the Court to the earnings call for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

148. HPS denies the allegations in Paragraph 148 including the use of the word "reveal" to imply that the Company's Board had not previously reported facts known to the Board and the characterization that Alta Mesa's results were "abysmal," admits that

Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 148, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

149. HPS denies the allegations in Paragraph 149, except respectfully refers the Court to the earnings call for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

150. HPS denies the allegations in Paragraph 150.

151. HPS admits that Alta Mesa announced the retirement of CFO Michael McCabe along with its results for the third quarter of 2018.

152. HPS respectfully refers the Court to Alta Mesa's publicly-reported stock prices and denies the allegations to the extent they are inconsistent with those publicly-reported prices. HPS denies knowledge or information sufficient to form a belief as to the cause of the alleged decline in Paragraph 152.

153. HPS admits that the executives referenced in Paragraph 153 departed Alta Mesa in or around the alleged timeframe, but denies the departure was "sudden."

154. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 154, denies the allegations to the extent they are inconsistent with that content, denies Plaintiffs' characterization of the public statements editorialized by the Plaintiffs, and denies that the assets were "worthless."

155. HPS denies the allegations in Paragraph 155, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 155,

denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

156. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 156, and denies the allegations to the extent they are inconsistent with that content.

157. HPS denies the allegations in Paragraph 157.

158. HPS respectfully refers the Court to Alta Mesa's publicly-reported stock prices and denies the allegations to the extent they are inconsistent with those publicly-reported prices. HPS denies knowledge or information sufficient to form a belief as to the cause of the alleged decline in Alta Mesa's stock price in Paragraph 158.

**I. Alta Mesa's Accounting Problems Lead to Delayed SEC Filings and an SEC Investigation**

159. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 159, and denies the allegations to the extent they are inconsistent with that content.

160. HPS admits the referenced executive departed Alta Mesa in or around the alleged timeframe. HPS denies the departure was "sudden" or that HPS announced that the departure was "sudden."

161. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 161, and denies the allegations to the extent they are inconsistent with that content.

162. HPS admits that Plaintiffs have accurately stated the content of the public statements and the dates of their filings referenced in Paragraph 162, and denies the allegations to the extent they are inconsistent with that content.

163. HPS admits that Plaintiffs have accurately stated the content of the public statements and the dates of their filings referenced in Paragraph 163, and denies the allegations to the extent they are inconsistent with that content.

164. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 164, and denies the allegations to the extent they are inconsistent with that content.

165. HPS denies the allegations in Paragraph 165, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 165, and denies the allegations to the extent they are inconsistent with that content.

166. HPS denies the allegations in Paragraph 166, except admits that Alta Mesa made a public statement concerning advisors and a potential Chapter 11 filing on that date.

167. HPS respectfully refers the Court to Alta Mesa's publicly-reported stock prices and denies the allegations to the extent they are inconsistent with those publicly-reported prices. HPS denies knowledge or information sufficient to form a belief as to the cause of the alleged decline in Alta Mesa's stock price in Paragraph 167.

168. HPS denies the allegations in Paragraph 168, except denies knowledge or information sufficient to form a belief as to the cause of the alleged decline in Alta Mesa's stock price.



**J. Post-Class Period Alta Mesa Files for Bankruptcy Just 19 Months after the \$3.8 Billion Business Combination**

169. HPS denies the allegations in Paragraph 169.

170. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 170, and denies the allegations to the extent they are inconsistent with that content.

171. HPS admits that on August 27, 2018, Alta Mesa filed its Annual Report (Form 10-K) for the fiscal year ending December 31, 2018. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 171, and denies the allegations to the extent they are inconsistent with that content.

172. HPS admits that the Debtors filed voluntary petitions for bankruptcy protection on September 11, 2019. HPS also admits that on September 12, 2019, Alta Mesa announced Mr. Hackett's resignation from his role as Interim Chief Executive Officer effective September 10, 2019.

173. HPS admits that trading in Alta Mesa's class A common stock and public warrants was suspended on September 24, 2019, at which point Alta Mesa's common stock began trading over the counter under the symbol "AMRQQ," and Alta Mesa's public warrants began trading over the counter under the symbol "AMRWWQ."

174. HPS denies the allegations in Paragraph 174, except admits that High Mesa Inc. filed for bankruptcy relief under chapter 7 of the United States Code on January 24, 2020.

175. HPS admits that BCE-Mach III LLC purchased substantially all of Alta Mesa's upstream and midstream assets, but denies the allegation that the ultimate purchase price for these assets was \$320 million. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 175, and denies the allegations to the extent they are inconsistent with that content.

**K. The Controlling Entity Defendants Maintained Significant Control Over Alta Mesa Before, During and After the Class Period**

176. HPS denies the allegations in Paragraph 176. HPS further states that "control" is a legal conclusion to which no response is required and, to the extent a response is required, HPS denies the allegation.

177. HPS denies the allegations in Paragraph 177, except denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 177 concerning other Defendants.

178. HPS denies the allegations in Paragraph 178. HPS further states that "control" is a legal conclusion that requires no response, and to the extent a response is necessary, HPS denies the allegation.

179. HPS denies the allegations in Paragraph 179. HPS further states that "control" is a legal conclusion that requires no response, and to the extent a response is necessary, HPS denies the allegation.

180. HPS denies the allegations in Paragraph 180, except denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 180 concerning other Defendants.

181. HPS denies the allegations in Paragraph 181, except admits that Alta Mesa maintained three standing committees whose members are stated in Paragraph 181.

182. HPS denies the allegations in Paragraph 182, except admits that Mr. Dimitrievich, who was a member of Alta Mesa's board of directors, attended a meeting of that board of directors.

## **V. DEFENDANTS' VIOLATIONS OF THE EXCHANGE ACT**

### **A. Defendants' Material Misstatements and Omissions in Violation of Section 10(b) of the Exchange Act**

#### **1. Defendants' Materially False and Misleading Statements and Omissions of Material Facts in 2017**

183. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 183, and denies the allegations to the extent they are inconsistent with that content.

184. HPS denies the allegations in Paragraph 184.

185. HPS respectfully refers the Court to the call referenced in Paragraph 185 for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the call.

186. HPS denies the allegations in Paragraph 186.

187. HPS respectfully refers the Court to the call referenced in Paragraph 187 for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the call.

188. HPS denies the allegations in Paragraph 188.

189. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 189, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

190. HPS denies the allegations in Paragraph 190.

2. Defendants' Materially False and Misleading Statements and Omissions of Material Facts in 2018

a) Proxy Statement

191. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 191, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 191, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

192. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 192, and denies the allegations to the extent they are inconsistent with that content.

193. HPS denies the allegations in Paragraph 193.

194. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 194, and denies the allegations to the extent they are inconsistent with that content.

195. HPS denies the allegations in Paragraph 195.

196. HPS denies the allegations in Paragraph 196.

197. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 197, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

198. HPS denies the allegations in Paragraph 198.

199. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 199, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

200. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 200, and denies the allegations to the extent they are inconsistent with that content.

201. HPS denies the allegations in Paragraph 201.

b) February 21, 2018 Statements at EnerCom Dallas Conference

202. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 202, and denies the allegations to the extent they are inconsistent with that content.

203. HPS denies the allegations in Paragraph 203.

c) 2017 Form 10-K and Related Earnings Call

204. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 204, and denies the allegations to the extent they are inconsistent with that content.

205. HPS denies the allegations in Paragraph 205.

206. HPS respectfully refers the Court to the call referenced in Paragraph 206 for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the call.

207. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 207, and denies the allegations to the extent they are inconsistent with that content.

208. HPS denies the allegations in Paragraph 208.

209. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 209, and denies the allegations to the extent they are inconsistent with that content.

210. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 210, and denies the allegations to the extent they are inconsistent with that content.

211. HPS denies the allegations in Paragraph 211.

212. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 212, and denies the allegations to the extent they are inconsistent with that content.

213. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 213, and denies the allegations to the extent they are inconsistent with that content.

214. HPS denies the allegations in Paragraph 214.

d) April 9, 2018 IPAA-OGIS Conference

215. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 215, and denies the allegations to the extent they are inconsistent with that content.

216. HPS denies the allegations in paragraph 216.

217. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 217, and denies the allegations to the extent they are inconsistent with that content.

218. HPS denies the allegations in Paragraph 218.

e) First Quarter 2018 Earnings Call, Investor Presentation and Form 10-Q

219. HPS respectfully refers the Court to the call referenced in Paragraph 219 for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the call.

220. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 220, and denies the allegations to the extent they are inconsistent with that content.

221. HPS denies the allegations in Paragraph 221.

222. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 222, and denies the allegations to the extent they are inconsistent with that content.

223. HPS denies the allegations in Paragraph 223.

224. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 224, and denies the allegations to the extent they are inconsistent with that content.

225. HPS denies the allegations in Paragraph 225.

226. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 226, and denies the allegations to the extent they are inconsistent with that content.

227. HPS denies the allegations in Paragraph 227.

228. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 228, and denies the allegations to the extent they are inconsistent with that content.

229. HPS denies the allegations in Paragraph 229.

f) Second Quarter Earnings Calls, Investor Presentation and Form 10-Q

230. HPS respectfully refers the Court to the earnings call referenced in Paragraph 230 for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

231. HPS denies the allegations in Paragraph 231.

232. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 232, and denies the allegations to the extent they are inconsistent with that content.

233. HPS denies the allegations in Paragraph 233.



234. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 234, and denies the allegations to the extent they are inconsistent with that content.

235. HPS denies the allegations in Paragraph 235, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 235, and denies the allegations to the extent they are inconsistent with that content.

236. HPS denies the allegations in Paragraph 236.

237. HPS denies the allegations in Paragraph 237, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 237, and denies the allegations to the extent they are inconsistent with that content.

238. HPS denies the allegations in Paragraph 238.

239. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 239, and denies the allegations to the extent they are inconsistent with that content.

240. HPS denies the allegations in Paragraph 240.

g) Barclays CEO Energy-Power Conference

241. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 241, and denies the allegations to the extent they are inconsistent with that content.

242. HPS denies the allegations in Paragraph 242.

243. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 243, and denies the allegations to the extent they are inconsistent with that content.

244. HPS denies the allegations in Paragraph 244.

h) Third Quarter Form 10-Q and Related Earnings Call

245. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 245, and denies the allegations to the extent they are inconsistent with that content.

246. HPS denies the allegations in Paragraph 246.

247. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 247, and denies the allegations to the extent they are inconsistent with that content.

248. HPS denies the allegations in Paragraph 248.

249. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 249, and denies the allegations to the extent they are inconsistent with that content.

250. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 250, and denies the allegations to the extent they are inconsistent with that content.

251. HPS denies the allegations in Paragraph 251.

**B. Defendants' Acted with Scienter when They Made or Caused to Be Made Material Misstatements and Omissions in Violation of Section 10(b) of the Exchange Act**

1. Defendants Had Direct Knowledge of all Alleged Undisclosed Facts

252. HPS denies the allegations in Paragraph 252.

253. HPS respectfully refers the Court to the call referenced in Paragraph 253 for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the call.

254. HPS respectfully refers the Court to the earnings call referenced in Paragraph 254 for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

255. HPS respectfully refers the Court to the earnings call referenced in Paragraph 255 for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

256. HPS respectfully refers the Court to the earnings call referenced in Paragraph 256 for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

257. HPS denies the allegations in Paragraph 257, except denies knowledge or information sufficient to form a belief as to what statements "CW1" and "CW2" made to Plaintiffs and the basis for CW1's and CW2's purported knowledge, and HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations concerning "Monday Meetings."

2. Alta Mesa's Well Production Just Did Not "STACK" Up

258. HPS denies the allegations in Paragraph 258.

259. HPS denies the allegations in Paragraph 259.

260. HPS denies the allegations in Paragraph 260.

3. Defendants Knew They Had Drilled Alta Mesa Wells Too Densely

261. HPS denies the allegations in Paragraph 261.

262. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 262.

263. HPS denies the allegations in Paragraph 263, except denies knowledge or information sufficient to form a belief as to the truth of the general allegations concerning fracking.

4. Defendants Knew that ESPs Were Futile, Costly, and Unreliable

264. HPS denies the allegations in Paragraph 264.

265. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 265.

266. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 266.

267. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 267, except denies allegations that Alta Mesa "falsely reassured" investors.

268. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 268.

5. Defendants Knowingly Drilled Wellbores that Inevitably Trapped Vast Reserves

269. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 269.

270. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 270.

271. HPS denies the allegations in Paragraph 271.

272. HPS denies the allegations in paragraph 272, except denies knowledge or information sufficient to form a belief as to the truth of the allegations concerning the statements of unidentified “production personnel” and the Monday Meetings.

273. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 273.

274. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 274.

275. HPS denies the allegations in Paragraph 275 that Defendants possessed and had access to the referenced data, and denies knowledge or information sufficient to form a belief as to the truth of the other allegations in Paragraph 275.

6. Riverstone and Hackett Were Financially Motivated to Commit Fraud

276. HPS denies knowledge or information sufficient to for a belief as to the truth of the allegations in Paragraph 276.

277. HPS denies knowledge or information sufficient to for a belief as to the truth of the allegations in Paragraph 277.

278. HPS denies the allegations in Paragraph 278.

279. HPS denies the allegations in Paragraph 279.

**C. Material Misstatements and Omissions in the Proxy in Violation of the [sic] Section 14(a) of the Exchange Act**

280. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 280, and denies the allegations to the extent they are inconsistent with that content.

281. HPS denies the allegations in Paragraph 281, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 281, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

282. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 282, and denies the allegations to the extent they are inconsistent with that content.

283. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 283, and denies the allegations to the extent they are inconsistent with that content.

284. HPS denies the allegations in Paragraph 284.

285. HPS denies the allegations in Paragraph 285, except denies knowledge or information sufficient to form a belief as to what Alta Mesa believed in September 2017.

286. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 286, denies the allegations to the extent they are

inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

287. HPS denies the allegations in Paragraph 287.

288. HPS denies the allegations in Paragraph 288, except admits that certain Alta Mesa stockholders voted to approve the Business Combination, admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 288, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

289. HPS denies the allegations in Paragraph 289.

290. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 290, and denies the allegations to the extent they are inconsistent with that content.

291. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 291, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

292. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 292, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements. HPS denies knowledge or information sufficient to form a belief as to whether the referenced results were "disappointing."

293. HPS denies the allegations in Paragraph 293, except denies knowledge or information sufficient to form a belief as to the cause of the alleged decline in Alta Mesa's stock price.

## **VI. LOSS CAUSATION**

294. HPS denies the allegations in Paragraph 294.

295. HPS denies the allegations in Paragraph 295.

296. HPS denies the allegations in Paragraph 296.

### **A. March 29, 2018 Disclosures**

297. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 297, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

298. HPS respectfully refers the Court to Alta Mesa's publicly-reported stock prices, and to the publicly-reported prices of the referenced indices, and denies the allegations to the extent they are inconsistent with that publicly-reported information. HPS denies knowledge or information sufficient to form a belief as to the cause of the alleged declines in Alta Mesa's stock price in Paragraph 298.

299. HPS denies the allegations in Paragraph 299, except respectfully refers the Court to the earnings call referenced in Paragraph 299 for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

300. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 300, denies the allegations to the extent they are



inconsistent with that content, and denies Plaintiffs characterizations of the public statements.

301. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 301, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs characterizations of the public statements.

302. HPS respectfully refers the Court to the earnings call referenced in Paragraph 302 for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

303. HPS respectfully refers the Court to the earnings call referenced in Paragraph 303 for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

304. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 304, and denies the allegations to the extent they are inconsistent with that content.

305. HPS denies the allegations in Paragraph 305.

306. HPS denies the allegations in Paragraph 306, except admits that Plaintiffs have accurately stated the content of the press release, and denies Plaintiffs' characterizations of the public statements. HPS respectfully refers the Court to the earnings call referenced in Paragraph 306 for its true and accurate contents, and denies the allegations to the extent they are inconsistent with the earnings call.

307. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 307, and denies the allegations to the extent they are inconsistent with that content.

308. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 308, and denies the allegations to the extent they are inconsistent with that content.

**B. August 14, 2018 Disclosures**

309. HPS denies the allegations in Paragraph 309, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 309, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

310. HPS denies the allegations in Paragraph 310, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 310, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

311. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 311, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

312. HPS respectfully refers the Court to Alta Mesa's publicly-reported stock prices, and to the publicly-reported prices of the referenced indices, denies the allegations to the extent they are inconsistent with that publicly-reported information, and denies

Plaintiffs' characterizations of the public statements. HPS denies knowledge or information sufficient to form a belief as to the cause of the alleged declines in Alta Mesa's stock price in Paragraph 312.

313. HPS respectfully refers the Court to the earnings call referenced in Paragraph 313 for its true and accurate contents, denies the allegations to the extent they are inconsistent with the earnings call, and denies Plaintiffs' characterizations of the public statements. HPS denies knowledge or information sufficient to form a belief as to whether the market relied on statements made by Alta Mesa.

314. HPS respectfully refers the Court to the earnings call referenced in Paragraph 314 for its true and accurate contents, denies the allegations to the extent they are inconsistent with the earnings call, and denies Plaintiffs' characterizations of the public statements. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations that statements in Paragraph 314 "calm[ed] investor nerves."

315. HPS respectfully refers the Court to the earnings call referenced in Paragraph 315 for its true and accurate contents, denies the allegations to the extent they are inconsistent with the earnings call, and denies Plaintiffs' characterizations of the public statements.

316. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 316, and denies the allegations to the extent they are inconsistent with that content.

317. HPS denies the allegations in Paragraph 317.

**C. November 13, 2018 Disclosures**

318. HPS denies the allegations in Paragraph 318, except admits that the numerical data cited is accurately stated based upon the referenced public filings, denies the allegations to the extent they differ from the public filings, and denies Plaintiffs' characterizations of the public filings.

319. HPS respectfully refers the Court to Alta Mesa's publicly-reported stock prices, and to the publicly-reported prices of the referenced indices, and denies the allegations to the extent they are inconsistent with that publicly-reported information. HPS denies knowledge or information sufficient to form a belief as to the cause of the declines in Alta Mesa's stock price alleged in Paragraph 319.

320. HPS respectfully refers the Court to the earnings call referenced in Paragraph 320 for its true and accurate contents, denies the allegations to the extent they are inconsistent with the earnings call, and denies Plaintiffs' characterizations of the public statements. HPS denies knowledge or information sufficient to form a belief as to the cause of the decline in Alta Mesa's stock price alleged in Paragraph 320.

321. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 321, and denies the allegations to the extent they are inconsistent with that content.

322. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 322, and denies the allegations to the extent they are inconsistent with that content.

323. HPS denies the allegations in Paragraph 323.

**D. February 29, 2019 Disclosures**

324. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 324, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

325. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 325, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

326. HPS denies the allegations in paragraph 326.

327. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 327, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

328. HPS respectfully refers the Court to Alta Mesa's publicly-reported stock prices, and to the publicly-reported prices of the referenced indices, and denies the allegations to the extent they are inconsistent with that publicly-reported information. HPS denies knowledge or information sufficient to form a belief as to the cause of the alleged declines in Alta Mesa's stock price alleged in Paragraph 328.

**E. May 17, 2019 Disclosures Reveal the Full Truth**

329. HPS denies the allegations in Paragraph 329, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 329,

denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

330. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 330, and denies the allegations to the extent they are inconsistent with that content.

331. HPS denies the allegations in Paragraph 331, except admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 331, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

332. HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 332, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterizations of the public statements.

333. HPS denies that Alta Mesa's stock price fell from \$.0176 to \$0.131 because \$0.131 is greater than \$.0176, and denies knowledge or information sufficient to form a belief as to the cause for the movement of Alta Mesa's stock price alleged in Paragraph 333.

334. HPS denies the allegations in Paragraph 334.

335. HPS denies the allegations in Paragraph 335, except denies knowledge or information sufficient to form a belief as to the cause of the decline in Alta Mesa's stock price alleged in Paragraph 335.

336. HPS denies the allegations in paragraph 336, except denies knowledge or information sufficient to form a belief as to the cause of the decline in Alta Mesa's stock price alleged in Paragraph 336.

## **VII. PRESUMPTION OF RELIANCE**

337. HPS denies the allegations in Paragraph 337, except denies knowledge or information sufficient to form a belief as to the character of the market for Alta Mesa stock or what, if anything, class members relied on in purchasing Alta Mesa stock.

338. HPS denies the allegations in Paragraph 338.

339. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 339.

340. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 340, except denies the allegation that investors purchased shares at "artificially inflated market prices."

341. HPS denies the allegations in Paragraph 341.

## **VIII. INAPPLICABILITY OF THE STATUTORY SAFE HARBOR AND BESPEAKS CAUTION DOCTRINE**

342. HPS denies the allegations in Paragraph 342.

343. HPS denies the allegations in Paragraph 343.

344. HPS denies the allegations in Paragraph 344.

## **IX. CLASS ACTION ALLEGATIONS**

345. The allegations in Paragraph 345 do not require a response, and to the extent a response is required, HPS denies the allegations.

346. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 346.

347. HPS denies the allegations in Paragraph 347.

348. HPS denies the allegations in Paragraph 348.

349. HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in the first sentence of Paragraph 349. HPS denies the remaining allegations in Paragraph 349.

350. HPS denies the allegations in Paragraph 350.

**X. FRAUD CLAIMS**

**COUNT I**

**For Violations of Section 10(b) of the Exchange Act and  
Rule 10b-5 Promulgated Thereunder Against the Management  
Defendants and Board Defendants**

351. HPS repeats each response contained above to each allegation in the SAC, as if fully set forth herein.

352. HPS denies the allegations in Paragraph 352.

353. HPS denies the allegations in Paragraph 353.

354. HPS denies the allegations in Paragraph 354.

355. HPS denies the allegations in Paragraph 355.

356. HPS denies the allegations in Paragraph 356.

357. HPS denies the allegations in Paragraph 357.

358. HPS denies the allegations in Paragraph 358.

359. HPS denies the allegations in Paragraph 359.



## COUNT II

### **For Violations of Section 20(a) of the Exchange Act Against All Defendants**

360. HPS repeats each response contained above to each allegation in the SAC, as if fully set forth herein.

361. HPS denies the allegations in Paragraph 361.

362. HPS denies the allegations in Paragraph 362.

### **XI. PROXY CLAIMS**

363. Plaintiffs' fraud disclaimer is ineffective, as the character of allegations must be determined by their content. To the extent Paragraph 363 requires a response, HPS denies the allegations.

364. HPS denies the allegations in Paragraph 364.

365. HPS denies the allegations in Paragraph 365.

366. HPS denies the allegations in Paragraph 366.

367. HPS denies the allegations in Paragraph 367.

368. HPS denies the allegations in Paragraph 368.

369. HPS denies the allegations in Paragraph 369, except denies knowledge or information sufficient to form a belief as to the cause of the decline in the price of Alta Mesa stock alleged in Paragraph 369.

### COUNT III

#### **For Violations of Section 14(a) of the Exchange Act Against the Proxy Defendants (Except for Walker and Coats) and Riverstone**

370. This Count is not alleged against HPS, and therefore this allegation requires no response. To the extent a response is required, HPS repeats each response contained above to each allegation in the SAC, as if fully set forth herein, and states that Plaintiffs' fraud disclaimer is ineffective, as the character of allegations must be determined by their content.

371. This Count is not alleged against HPS, and therefore this allegation requires no response. To the extent a response is required, HPS denies the allegations in Paragraph 371.

372. This Count is not alleged against HPS, and therefore this allegation requires no response. To the extent a response is required, HPS denies the allegations in Paragraph 372.

373. This Count is not alleged against HPS, and therefore this allegation requires no response. To the extent a response is required, HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 373, denies the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterization of the public statements.

374. This Count is not alleged against HPS, and therefore this allegation requires no response. To the extent a response is required, HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 374, denies

the allegations to the extent they are inconsistent with that content, and denies Plaintiffs' characterization of the public statements.

375. This Count is not alleged against HPS, and therefore this allegation requires no response. To the extent a response is required, HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 375, and denies the allegations to the extent they are inconsistent with that content, and denies knowledge or information sufficient to form a belief as to whether Defendant Hackett permitted his name to be used in the Proxy.

376. This Count is not alleged against HPS, and therefore this allegation requires no response. To the extent a response is required, HPS admits that Plaintiffs have accurately stated the content of the public statements referenced in Paragraph 376, denies the allegations to the extent they are inconsistent with that content, and denies knowledge or information sufficient to form a belief as to whether the Proxy Defendants (as defined by Plaintiffs) permitted their names to be used in the Proxy.

377. This Count is not alleged against HPS, and therefore this allegation requires no response. To the extent a response is required, HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 377.

378. This Count is not alleged against HPS, and therefore this allegation requires no response. To the extent a response is required, HPS denies knowledge or information sufficient to form a belief as to the intent of the referenced Defendants, and further denies the allegations to the extent they are inconsistent with the Proxy.

379. This Count is not alleged against HPS, and therefore this allegation requires no response. To the extent a response is required, HPS denies the allegations in Paragraph 379.

380. This Count is not alleged against HPS, and therefore this allegation requires no response. To the extent a response is required, HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 380.

381. This Count is not alleged against HPS, and therefore this allegation requires no response. To the extent a response is required, HPS denies the allegations in Paragraph 381.

382. This Count is not alleged against HPS, and therefore this allegation requires no response. To the extent a response is required, HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 382.

383. This Count is not alleged against HPS, and therefore this allegation requires no response. To the extent a response is required, HPS denies the allegations.

#### **COUNT IV**

##### **For Violations of Section 20(a) of the Exchange Act Against the Proxy Defendants and Control Entity Defendants**

384. HPS repeats each response contained above to each allegation in the SAC, as if fully set forth herein, and states that Plaintiffs' fraud disclaimer is ineffective, as the character of allegations must be determined by their content.

385. HPS denies the allegations in Paragraph 385.

386. HPS denies the allegations in Paragraph 386.

387. HPS denies the allegations in Paragraph 387.

388. The allegations in Paragraph 388 are legal conclusions to which no response is required. To the extent a response is required, HPS denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 388.

389. HPS denies the allegations in Paragraph 389.

## **XII. PRAYER FOR RELIEF**

Regarding paragraphs A-D of the Prayer for Relief, HPS denies that the Plaintiffs are entitled to any relief whatsoever from HPS.

## **XIII. JURY DEMAND**

HPS admits that Plaintiffs purport to demand a trial by jury.

### **AFFIRMATIVE DEFENSES**

By asserting these defenses, HPS does not concede that it bears the burden of proof on any defense. Nothing stated herein is intended, or shall be construed, as an acknowledgment that any particular issue or subject matter is relevant to the allegations. HPS further reserves the right to assert additional affirmative defenses or any claims, cross-claims, or counterclaims of which it becomes aware during discovery.

#### **FIRST AFFIRMATIVE DEFENSE**

Plaintiffs fail to state a claim upon which relief can be granted.

#### **SECOND AFFIRMATIVE DEFENSE**

Plaintiffs fail to plead the elements of their causes of action with particularity pursuant to Federal Rule of Civil Procedure 9(b) or the Private Securities Litigation Reform Act of 1995 (“PSLRA”).

### **THIRD AFFIRMATIVE DEFENSE**

Plaintiffs have failed to establish a primary violation of any laws, including Sections 10(b) and 14(a) of the Securities Exchange Act of 1934 (“1934 Act”), and therefore fail to plead control-person liability as to HPS.

### **FOURTH AFFIRMATIVE DEFENSE**

Plaintiffs have failed to establish that HPS did control, or had the ability to control, any Defendants accused of a primary violation of any laws, including Sections 10(b) and 14(a) of the 1934 Act, and therefore fail to plead control-person liability as to HPS.

### **FIFTH AFFIRMATIVE DEFENSE**

Plaintiffs have failed to establish that HPS did control or had the ability to control any of the alleged conduct that supposedly constituted violations of any laws, including Sections 10(b) and 14(a) of the 1934 Act, and therefore fail to plead control-person liability as to HPS.

### **SIXTH AFFIRMATIVE DEFENSE**

Plaintiffs have failed to establish that HPS was a culpable participant in any primary violation of any laws, including Sections 10(b) and 14(a) of the 1934 Act, and therefore fail to plead control-person liability as to HPS.

### **SEVENTH AFFIRMATIVE DEFENSE**

HPS exercised reasonable care and acted in good faith, including good faith conformity with applicable SEC rules, regulations, and orders, and also did not directly or indirectly induce the act or acts constituting the alleged violations or causes of action.

HPS is therefore not subject to liability under the federal securities laws. 15 U.S.C. §§ 78(t), 78w(a)(1).

#### **EIGHTH AFFIRMATIVE DEFENSE**

HPS is not liable for any alleged damages suffered by Plaintiffs and other members of the putative class to the extent that their purported damages, if any, were caused or contributed, in whole or in part, by the policies, practices, acts, or omissions of independent persons or entities other than HPS over which HPS had no control. 15 U.S.C. § 78u-4(f)(3)(A).

#### **NINTH AFFIRMATIVE DEFENSE**

Plaintiffs' claims are limited, in whole or in part, because superseding or intervening events caused some or all of the alleged damages.

#### **TENTH AFFIRMATIVE DEFENSE**

Plaintiffs' claims are limited, in whole or in part, by their actions, omissions, and/or comparative fault and contributory negligence, including the failure to undertake their own due diligence.

#### **ELEVENTH AFFIRMATIVE DEFENSE**

Plaintiffs' claims are limited, in whole or in part, because Plaintiffs had actual or constructive knowledge of the risks involved with Alta Mesa's<sup>3</sup> business and the oil and gas industry and thus assumed the risk that the value of Alta Mesa stock would decline if such risks materialized.

---

<sup>3</sup> For purposes of HPS's affirmative defenses, references to "Alta Mesa" includes Silver Run Acquisition Corporation II.

**TWELFTH AFFIRMATIVE DEFENSE**

Plaintiffs' claims are limited, in whole or in part, because the allegedly undisclosed facts underlying their claims were known to the market.

**THIRTEENTH AFFIRMATIVE DEFENSE**

Plaintiffs' claims are limited, in whole or in part, because they are not entitled to the "fraud on the market" or *Affiliated Ute* presumptions of reliance, and because Plaintiffs did not rely on the alleged misstatements in determining whether to take any actions in connection with Alta Mesa securities.

**FOURTEENTH AFFIRMATIVE DEFENSE**

Plaintiffs are limited from recovery for damages, in whole or part, because they failed to make reasonable efforts to mitigate any such damages.

**FIFTEENTH AFFIRMATIVE DEFENSE**

HPS is not liable because certain alleged misstatements were forward-looking statements under the PSLRA Safe Harbor and the bespeaks caution doctrine. The forward-looking statements were identified as forward-looking and were accompanied by meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the forward-looking statements.

**SIXTEENTH AFFIRMATIVE DEFENSE**

Plaintiffs are not entitled to any recovery from HPS because they knew or should have known the allegedly omitted or misstated information, or ratified the alleged wrongful acts and omissions alleged in the SAC, or would have purchased Alta Mesa



securities even with full knowledge of the facts that they now allege were misrepresented or omitted.

**SEVENTEENTH AFFIRMATIVE DEFENSE**

Any recovery for damages allegedly incurred by Plaintiffs and putative class members is subject to offset in the amount of any value gained through the investment (including tax benefits actually received), and is subject to the 90-day look-back damages limitation under the PSLRA and to the proportionate liability provisions of the 1934 Act to reflect only Dimitrievich's percentage of responsibility, if any.

**EIGHTEENTH AFFIRMATIVE DEFENSE**

This action may not properly be maintained as a class action.

**NINETEENTH AFFIRMATIVE DEFENSE**

Plaintiffs are not entitled to attorneys' fees, costs, expenses, or any other damages or relief.

**TWENTIETH AFFIRMATIVE DEFENSE**

Plaintiffs' claims are limited, in whole or in part, because Plaintiffs lack standing to maintain this action under Article III or other applicable statute or common law.

**TWENTY-FIRST AFFIRMATIVE DEFENSE**

To the extent Plaintiffs' claims, and/or the issues and alleged underlying misconduct raised by Plaintiffs' claims, have been previously litigated, Plaintiffs' claims are limited, in whole or in part, from any recovery by the doctrines of *res judicata* and/or collateral estoppel.

**TWENTY-SECOND AFFIRMATIVE DEFENSE**

HPS is not liable because any alleged wrongdoing lacks a sufficient connection to the purchase or sale of Alta Mesa securities.

**TWENTY-THIRD AFFIRMATIVE DEFENSE**

HPS is not liable because the alleged misrepresentations and omissions on which Plaintiffs base their claims were immaterial puffery and/or otherwise not material.

**TWENTY-FOURTH AFFIRMATIVE DEFENSE**

Plaintiffs' claims are limited, in whole or in part, because certain alleged misstatements contained non-actionable expressions of opinion that were truly held and reasonably made.

**TWENTY-FIFTH AFFIRMATIVE DEFENSE**

Plaintiffs' claims are limited in whole or in part by the doctrines of estoppel, waiver, and/or ratification.

**TWENTY-SIXTH AFFIRMATIVE DEFENSE**

Plaintiffs' claims are limited in whole or in part by the applicable statutes of limitations, statutes of repose, or laches.

**TWENTY-SEVENTH AFFIRMATIVE DEFENSE**

Plaintiffs' claims are limited in whole or in part because Plaintiffs have failed to establish any causal or other connection between the alleged misstatements or omissions, or other acts or occurrences, and the alleged losses.

**TWENTY-EIGHTH AFFIRMATIVE DEFENSE**

Plaintiffs' claims are limited in whole or in part because Defendants were under

no duty or obligation to disclose any allegedly withheld information.

**TWENTY-NINTH AFFIRMATIVE DEFENSE**

HPS hereby adopts and incorporates by reference any and all other defenses asserted, or that may hereafter be asserted, either by motion or otherwise, by any other Defendant in this action to the extent that such defense is applicable to HPS.

**WHEREFORE**, HPS respectfully requests that the Court enter judgment for it by adjudging and decreeing:

1. That the SAC, and each purported cause of action against HPS, be dismissed with prejudice;
2. That the Court determine that this action may not proceed as a class action and dismiss all purported class allegations with prejudice;
3. That the Court grant HPS all equitable or other relief against Plaintiffs as a consequence of defending this action, including attorneys' fees and costs; and
4. That the Court award HPS any such other and further relief as the Court may deem just and proper.

Respectfully submitted June 2, 2021.

**QUINN EMANUEL URQUHART &  
SULLIVAN, LLP**

/s/ Karl S. Stern

Karl S. Stern (SBN 19175665)  
Christopher D. Porter (SBN 24070437)  
Devin van der Hahn (SBN 24104047)  
711 Louisiana Street, Suite 500  
Houston, TX 77002

Telephone: (713) 221-7000  
Facsimile: (713) 221-7100  
Email: karlstern@quinnemanuel.com  
chrisporter@quinnemanuel.com  
devinvanderhahn@quinnemanuel.com

**-AND-**

Michael B. Carlinsky (*pro hac vice*)  
Jacob J. Waldman (*pro hac vice*)  
Courtney C. Whang (*pro hac vice*)  
52 Madison Avenue, 22nd Floor  
New York, New York 10022  
Telephone: (212) 849-7000  
Facsimile: (212) 849-7100  
Email: michaelcarlinsky@quinnemanuel.com  
jacobwaldman@quinnemanuel.com  
courtneywhang@quinnemanuel.com

**COUNSEL TO HPS INVESTMENT  
PARTNERS, LLC**

**CERTIFICATE OF SERVICE**

Pursuant to LR 5.3 of the Local Rules for the United States District Court for the Southern District of Texas, I certify that a true and correct copy of the foregoing instrument has been served on June 2, 2021, on all counsel of record who have consented to electronic notification via CM/ECF through the United States District Court for the Southern District of Texas.

*/s/ Karl S. Stern*

\_\_\_\_\_

Karl S. Stern