

**CORPORATE GOVERNANCE GUIDELINES**  
**As Adopted by the Board of Directors**  
**March 28, 2018**

**Role and Functions of the Board of Directors**

The role of the Board of Directors (the “Board”) of Alta Mesa Resources, Inc. (the “Company”) is to oversee and monitor the Company’s management in the interest and for the benefit of the Company’s stockholders. To fulfill its role the Board or a Board committee must perform the following primary functions:

1. Oversee the conduct of the Company’s business to evaluate whether the business is being properly managed;
2. Review and, where appropriate, approve the Company’s significant financial objectives, plans and actions;
3. Review and, where appropriate, approve significant changes in, and determinations of other significant issues respecting, the appropriate auditing and accounting principles and practices to be used in the preparation of the Company’s financial statements;
4. Identify and assess significant risk exposures relating to the Company and its performance, and review measures to mitigate such risks;
5. Evaluate regularly the performance and approve the compensation of the Chief Executive Officer (“CEO”) and, with the advice of the CEO, review regularly the performance and approve the compensation of principal senior officers; and
6. Plan for succession of the CEO and monitor management’s succession planning for other key officers.

In discharging these obligations, directors are entitled to rely reasonably on the honesty and integrity of their fellow directors and the Company’s executives and its outside advisors and auditors. The directors are entitled to (i) have the Company purchase reasonable directors’ and officers’ liability insurance on their behalf; (ii) the benefits of indemnification to the fullest extent permitted by law under the Company’s charter, bylaws and any indemnification agreements; and (iii) exculpation as provided by state law and the Company’s charter.

The Board may discharge its responsibilities either directly or by delegating them to its committees, except that the Board may not delegate any of its responsibilities which, under applicable law or the Company’s charter, may not be delegated to a committee of the Board. The Board shall have the full power and authority to hire, at the expense of the Company, independent financial, accounting, legal or other advisors, as necessary to fulfill its duties, without consulting with or obtaining the approval of any officer of the Company.

The Board should promote policies within the Company that encourage a corporate culture of openness, honesty, fairness and accountability. These policies also should apply to the Board and

to relationships among and between the Board, stockholders and employees. The Board should periodically review and amend these policies if needed.

The Board should recognize that the actual management of the business and affairs of the Company should be conducted by the CEO and other senior officers under his or her supervision and that, in performing the management function, the CEO and other senior officers are obliged to act in a manner that is consistent with the oversight functions and powers of the Board and the standards of the Company and to execute any specific plans, instructions or directions of the Board.

### **Director Qualifications, Selection and Limitations**

*Independence:* The Board shall have a majority of directors who meet the independence criteria discussed below under *Director Independence*. Each member of the Board should have the qualifications discussed below under *Individual Qualifications* and the Board as a whole should have the characteristics and qualifications discussed under *Qualifications of the Board as a Whole*.

*Individual Qualifications:* Each member of the Board should have the following qualifications and such other qualities as the Board shall identify from time to time:

1. Personal and professional integrity and high ethical standards;
2. Good business judgment;
3. An excellent reputation in the industry in which the nominee or director is, or has been, primarily employed;
4. A sophisticated understanding of the business of the Company or similar businesses;
5. Curiosity and a willingness to ask probing questions of management;
6. The ability and willingness to work cooperatively with other members of the Board, the CEO and other senior officers of the Company; and
7. The ability and willingness to support the Company with his or her preparation for, attendance at and participation in Board meetings.

*Qualifications of the Board as a Whole:* The members of the Board should possess, as a group, the knowledge, experience and skills necessary to develop and oversee the implementation of the strategic vision and operating plans of the Company, and such other qualities as the Board shall identify from time to time. These qualifications shall include the following core competencies:

1. An understanding of the operations and economics of the Company;
3. Knowledge of the exploration and production industry and the midstream industry, including technical knowledge, a familiarity with industry leaders and a knowledge of related service and industries;

4. Financial sophistication, including at least one director who qualifies as an “audit committee financial expert” (as such term is defined by the Securities and Exchange Commission), and sufficient numbers of financially literate directors so that all members of the Audit Committee will be financially literate;
5. An understanding of industry issues relating to safety, environmental protection, information technology, public reporting, oil and gas marketing, executive compensation and competitive and strategic challenges faced by the Company; and
6. A diversity of experience, professional expertise, skills, gender, race, ethnicity and age, and other factors that are relevant in the context of the make-up and needs of the Board at the time and as further described below.

*Diversity:* The Company seeks to achieve diversity within the Board and adhere to the Company’s philosophy of maintaining an environment free from discrimination on the basis of race, color, religion, sex, sexual orientation, gender identity, age, national origin, disability, veteran status or any protected category under applicable law. This process is designed to provide that the Board includes members with diverse backgrounds, skills, and experience, including appropriate financial and other expertise, relevant to the business of the Company. Any search firm engaged to assist the Nominating and Corporate Governance Committee in identifying candidates for appointment to the Board will be specifically directed to include diverse candidates, generally.

*Size of Board:* The number of directors that constitutes the Board shall be fixed from time to time pursuant to the requirements of the Company’s charter and bylaws.

*Selection Process:* The Nominating and Corporate Governance Committee shall for director positions not currently filled:

1. Identify the personal characteristics needed in a director nominee so that the Board as a whole will possess the *Qualifications of the Board as a Whole* as identified herein and as needed on the Board at the time of the selection of a director nominee. It is expected that the characteristics needed in a director nominee will depend on the skills of current directors and the current needs of the Company. The characteristics identified in the *Qualifications of the Board as a Whole* should be reviewed and updated, if necessary;
2. Compile, through such means as the Nominating and Corporate Governance Committee considers appropriate, a list of potential director nominees thought to possess the *Individual Qualifications* as identified herein;
3. If the Nominating and Corporate Governance Committee determines it is appropriate, engage an outside consultant to assist in the search for director nominees and to conduct background investigations of all nominees, regardless of the source by which they were recommended;
4. Review the curriculum vitae of each nominee;

5. Conduct interviews with the nominees meeting the desired set of qualifications;
6. Following the interviews, compile a short list of nominees (which, at the discretion of the Nominating and Corporate Governance Committee, may consist of a single individual) who may meet with the Chairman of the Board and such other members of the Board and/or management as the Chairman of the Board may determine; and
7. Evaluate the nominee(s) in relationship to the culture of the Company and the Board and its needs.

*Stockholder Participation in the Selection of Director Nominees:* Stockholders may nominate individuals for consideration as a director nominee in accordance with the procedures set forth in Section 3.2 of the bylaws. The Nominating and Corporate Governance Committee is responsible for reviewing nominees proposed by stockholders, subject to the Board's power and authority under Section 3.2 of the bylaws.

*Annual Review of Independence and Qualifications:* The Nominating and Corporate Governance Committee shall annually review the composition of the Board, including an assessment of the directors' independence and qualifications.

*Mandatory Retirement Age:* A director shall retire from the Board at the end of the calendar year in which he or she reaches 72 years of age, unless (1) the members of the Nominating and Corporate Governance Committee unanimously waive such requirement due to special circumstances, and (2) the Nominating and Corporate Governance Committee's action is ratified and approved by a majority of the disinterested directors on the Board. In any event, a director shall retire from the Board at the end of the calendar year in which he or she reaches 75 years of age, and no waiver shall be permitted.

*Conflicts of Interest:* Prior to any Board discussion or decision related to any matter that potentially affects a director's personal, business or professional interests, that director should (i) disclose the existence of the potential conflict of interest to the Chairman of the Nominating and Corporate Governance Committee or to the Chairman of the Board if the Chairman of the Nominating and Corporate Governance Committee has the potential conflict, and (ii) recuse himself or herself from any discussion or vote related to the matter if the Chairman of the Nominating and Corporate Governance Committee or the Chairman of the Board, as applicable, (in consultation with legal counsel) determines a conflict exists or the perception of a conflict is likely to be significant. A director will tender his or her resignation in the event there is a substantial conflict of interest between the director and the Company or the Board and such conflict cannot be resolved to the satisfaction of the Board.

*Limit on Number of Board Memberships:* The Company encourages membership on other boards, but, subject to review by the Chairman of the Board and the Chairman of the Nominating and Corporate Governance Committee, the recommended maximum number of other public company boards should be no greater than three. Further, with respect to the CEO, the maximum number of other public company boards shall be no greater than two<sup>1</sup>, and then

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<sup>1</sup> Excluding subsidiaries of the Company.

only in the event that the Chairman of the Board determines that the CEO should have sufficient time to satisfy his or her responsibilities to the Company. A director will advise the Chairman of the Board and the Chairman of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on another public company board to allow an assessment to be made of, among other things, the potential impact of such service on the director's time and availability, potential conflict of interest issues and the director's status as an independent director.

*No Term Limits:* The Board does not believe it should establish term limits except as a result of reaching the Company's mandatory retirement age. The Company and its stockholders both benefit from Board continuity and stability and by allowing directors to focus on long-term business strategies and results.

### **Director Independence**

A majority of the directors serving on the Board shall be "independent," as set forth in the NASDAQ listing standards as the same may be amended from time to time, as well as other factors not inconsistent with the listing standards that the Board considers appropriate for effective oversight and decision-making by the Board. The Board must affirmatively determine annually whether or not each director is independent and disclose the basis for that determination in the Company's proxy statement for its annual meeting of stockholders ("annual proxy statement").

### **Board Meetings**

*General:* The Board expects to have four regularly scheduled meetings each year. Upon adequate notice, unscheduled meetings may be called throughout the year as the need arises. The Chairman of the Board shall consult with other Board members in determining the times and duration of the Board meetings.

*Meeting Attendance:* Directors are expected to attend regularly scheduled Board and committee meetings on which they serve and the annual meeting of stockholders. Directors also are expected to convene and devote an adequate amount of time and effort to discharge properly their responsibilities.

*Board Materials:* Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should be distributed to the directors before a meeting, if possible. Directors are expected to review these materials in advance of the meeting. A director may request that the CEO or appropriate member of senior management present to the Board specific information as it relates to the Company and its operations.

*Board Meeting Agenda:* The Chairman of the Board, with input from the CEO (as appropriate), shall establish the agenda for each Board meeting. Each director shall be furnished with a copy of the agenda in advance of the Board meeting if possible, and if advance distribution is not possible, then the agenda shall be distributed at the Board meeting. Each director may suggest the inclusion of agenda items. Each director can bring up, at any Board meeting, subjects that are not on the agenda for that meeting.

*Executive Session of Independent Directors:* The independent directors shall meet in executive session after each regularly scheduled Board meeting or more frequently, if necessary.

## **Board Committees**

*Committees:* The Board shall have an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee and all members of these Committees shall satisfy the independence and experience requirements detailed in their respective committee charters. The Board may, from time to time, establish or maintain additional committees of the Board. Committee members shall be appointed by the Board upon recommendation (after consultation with the committee chairman) of the Nominating and Corporate Governance Committee. In making any committee appointments, consideration should be given to the desires of individual directors and periodic rotation of a committee member; however, such rotation is within the Board's discretion.

Each Board committee shall have the full power and authority to hire, at the expense of the Company, independent, financial, accounting, legal or other advisors as it may deem necessary and in accordance with the requirements of the committee's charter, without consulting with or obtaining the approval of any officer of the Company or the Board.

The Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee each shall have a written charter that sets forth the committee's structure, membership qualifications, purposes and responsibilities. Each Committee shall, on an annual basis, review and reassess the adequacy of its charter and recommend any proposed changes to the Board for approval.

*Committee Meetings:* Each committee chairman, in consultation with the committee members, shall determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. Each committee chairman, in consultation with the appropriate members of the committee and management, shall develop the committee's agenda. Each committee shall report to the Board its activities, findings and recommendations at the next regularly scheduled Board meeting following the committee meeting, and as requested by the Board.

Any director may attend any committee meetings, whether or not he or she is a member of that committee, provided that he or she has obtained pre-approval to attend from the committee chairman or a majority of the committee members.

## **Chairman of the Board**

The Board will appoint on an annual basis the Chairman of the Board who can be an employee of the Company. The Board has no formal policy with respect to the separation of the positions of Chairman of the Board and CEO. The Board believes that this issue is part of the succession planning process and that it is in the best interest of the Company for the Board to make a determination regarding this issue each time it elects a new CEO or Chairman of the Board.

The Chairman of the Board will chair all regular sessions of the Board and with input from the CEO (as appropriate) set the agenda for Board meetings, subject to the right of each Board member to suggest the inclusion of item(s) on any agenda.

### **The Board's Role in Risk Oversight**

The Board's role in the identification, assessment, oversight and management of potential risks that could affect the Company's ability to achieve its strategic, operational and financial objectives consists of (i) reviewing and discussing the Company's risk framework and risk management policies, (ii) facilitating appropriate coordination among the Board's committees with respect to oversight of risk management, the risk assessment framework and risk management policies to the Audit Committee and compensation risk to the Compensation Committee, and (iii) periodically meeting with members of management to identify, review and assess the major risk exposures and steps taken to monitor, mitigate and report such exposures.

The Compensation Committee is responsible for the annual internal risk assessment of the Company's compensation programs. The Compensation Committee shall annually review the Company's internal process for assessing the risk associated with the compensation programs and the outcomes of such assessment to ensure that the programs (i) do not motivate the Company's executive and non-executive employees to take excessive risks, (ii) are aligned with the Company's stockholders' best interests and (iii) are not reasonably likely to have a material adverse effect on the Company.

The Audit Committee is responsible for oversight of the Company's risk assessment framework and risk management policies, including significant financial risk exposures, and shall periodically review and discuss such framework and policies with members of management.

### **Director Access to Officers, Employees and Independent Advisors**

Directors are encouraged to keep themselves informed with regard to the Company and its operations. Directors shall have full and free access to Company officers and employees. Any meetings or contacts that a director wishes to initiate may be arranged through the CEO, the Corporate Secretary or directly by the director. Directors shall use their judgment to ensure that any such contact is not disruptive to the Company's business operations and shall, to the extent that it is appropriate, copy the CEO on any written or electronic communications between a director and a Company officer or employee. The Board shall approve any director's request to have senior Company officers and other personnel regularly attend the Board meetings.

Directors will also have access to the Company's independent advisors following consultation with the CEO to the extent it is appropriate.

### **Director Compensation**

The exact amount and form of non-management director compensation shall be determined and reviewed periodically by the Compensation Committee in accordance with the policies and principles set forth in its charter.

## **Stock Ownership Guidelines for Non-Management Directors and Executive Officers**

Each non-management director is required to own Company stock in an amount equal to five times the annual Board cash retainer applicable to any non-management director.

Officers are required to own Company stock at the following minimum levels:

- six times base salary for the CEO;
- three times base salary for the CFO and COOs; and
- two times base salary for Vice Presidents.

The Compensation Committee shall review non-management director and officer ownership levels annually. Shares held directly by the non-management director or officer, shares beneficially owned in a trust, by a limited liability company or partnership, and by a spouse and/or minor children, unless the non-management director or officer expressly disclaims beneficial ownership of such shares, shares exchangeable for Class A common shares of the Company, shares held indirectly through any Company employee savings plan or deferred compensation plan provided such balance is payable in shares, unvested restricted stock or restricted stock unit awards, and annual deferred share awards shall be included in determining an individual's share ownership. Outstanding performance units and unexercised stock options are not included in such determination.

Non-management directors have five years from the date of their initial election to the Board to comply with these guidelines. New officers have three years from the date of hire or appointment in which to comply. Officers who are promoted to a position subject to a higher ownership multiple will have three years from the date of such promotion to achieve the higher target level. Once compliance with the guidelines is achieved, individuals are required to remain in compliance with the guidelines, whether or not compliance is achieved prior to the applicable deadline.

If an individual is not in compliance with the share ownership requirements, including prior to the applicable compliance deadlines discussed above, he or she must retain all shares acquired on the vesting of equity awards or the exercise of stock options (in all cases net of exercise costs and taxes) until compliance is achieved.

### **Director Orientation and Continuing Education**

The Nominating and Corporate Governance Committee is responsible for developing and evaluating a general education and orientation program for directors, and for making appropriate recommendations to the Board for consideration from time to time.

At a minimum, all new non-management directors shall receive an orientation package. The package will include a copy of the Company's charter and bylaws, the Code of Business Conduct and Ethics, these Corporate Governance Guidelines, the most recent Annual Report on Form 10-K and annual proxy statement and any other pertinent information. Each new director will attend a meeting with the CEO and Chief Financial Officer to be briefed on the Company's

strategic plans, its significant financial, accounting and risk management issues and current significant exploration and development projects.

All directors are encouraged to seek and participate in continuing director education programs in subjects relevant to their individual backgrounds and their duties as a director, including the study of corporate governance best practices or ethics and their specific committee assignments. This education may be as a result of a program planned by the Company or by the director attending a pre-approved seminar, with all expenses paid by the Company.

### **CEO Evaluation and Management Succession**

The Compensation Committee shall conduct an annual review of the CEO's performance and compensation, as set forth in its charter, in order to ensure that the CEO is providing the best long and short-term leadership for the Company. The Compensation Committee may consult with the non-management directors in such review.

The Board shall conduct emergency as well as expected CEO succession planning periodically, but at least annually. The Board shall work with such Board committees and members of management as it deems appropriate to nominate and evaluate potential successors to the CEO. The CEO shall provide the Board with his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

### **Annual Performance Evaluations**

The Nominating and Corporate Governance Committee shall have responsibility for conducting and overseeing the annual performance evaluations for the Board and reporting the results to the Board at the next regularly scheduled Board meeting following the evaluation. In addition, the Compensation Committee shall have responsibility for conducting and overseeing the annual performance evaluation process of other Company senior officers and reporting the results to the Board following the end of each fiscal year. The evaluations will be based on such objective and subjective criteria as the Board deems appropriate.

### **Code of Business Conduct and Ethics**

The Board shall maintain the Code of Business Conduct and Ethics (the "Code") for the directors, officers and employees of the Company in compliance with the listing standards of the NASDAQ. The purpose of the Code shall be to focus the directors, officers and employees on areas of ethical risk, provide guidance in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, and help foster a culture of honesty and accountability. Each director shall act at all times in accordance with the requirements of the Code.

Waivers of the Code for any officer or director may only be made by the Board. Any waiver for an officer or director must be posted on the Company website and communicated to stockholders in accordance with applicable rules and requirements.

## **Other Governance Policies**

The Nominating and Corporate Governance Committee will annually review and reassess the adequacy of these Corporate Governance Guidelines and recommend any proposed changes to the Board for approval. The Nominating and Corporate Governance Committee will also periodically review the status of the Company's compliance structure and programs. In addition, the Nominating and Corporate Governance Committee will review and recommend to the Board proposed changes to the Company's charter and bylaws.

## **Board Interaction with External Constituencies**

The Board believes that the management speaks for the Company. As such, individual directors will not meet or otherwise directly communicate with stockholders, research analysts, vendors, the press or other external constituencies on behalf of the Company unless the communication is (i) requested by the Chairman of the Board, the CEO or the full Board or (ii) required to discharge his or her duties as set forth in committee charters or these Corporate Governance Guidelines.

## **Director Confidentiality**

Pursuant to their fiduciary duties of loyalty and care, directors are required to protect and hold confidential all non-public information obtained due to their directorship position absent the express or implied permission of the Board to disclose such information. Accordingly, (i) no director shall use Confidential Information for his or her own personal benefit or to benefit persons or entities outside the Company; and (ii) no director shall disclose Confidential Information outside the Company, either during or after his or her service as a director of the Company, except with authorization of the Board or as may be otherwise required by law.

“Confidential Information” is all non-public information entrusted to or obtained by a director by reason of his or her position as a director of the Company. It includes, but is not limited to, non-public information that might be of use to competitors or harmful to the Company or its customers if disclosed, such as the confidential information described in the Company's Code of Business Conduct and Ethics, the Company's Insider Trading Policy, as well as:

- non-public information about the Company's financial condition, prospects or plans, its marketing and sales programs and research and development information, as well as information relating to mergers and acquisitions, stock splits and divestitures;
- non-public information concerning possible transactions with other companies or information about the Company's customers, suppliers or joint venture partners, which the Company is under an obligation to maintain as confidential; and
- non-public information about discussions and deliberations relating to business issues and decisions, between and among employees, officers and directors.

## **Communication with the Board and Reports of Accounting and Other Concerns**

Any stockholder or interested party, who wishes to communicate with the Board, the non-management or independent directors or any specific director, may contact the Chairman of the Nominating and Corporate Governance Committee at [jeff.tepper1@gmail.com](mailto:jeff.tepper1@gmail.com) or at the following address:

Alta Mesa Resources, Inc.  
Attn: Corporate Secretary  
15021 Katy Freeway, 4<sup>th</sup> Floor  
Houston, TX 77094-1813

Any reports of concerns regarding accounting, internal auditing controls or other audit matters shall be reported at the address given above. If confidentiality is requested, the communication shall be kept confidential and forwarded to the Chairman of the Audit Committee.

Depending on the subject matter, the Chairman of the Nominating and Corporate Governance Committee, with the assistance of the Corporate Secretary, will:

- Forward the communication to the director or directors to whom it is addressed;
- Refer the inquiry to the General Counsel for referral to the appropriate corporate department if it is a matter that does not appear to require direct attention by the Board or an individual director; or
- Not forward the communication if it is primarily commercial in nature or if it relates to an improper or irrelevant topic.

The Company's acceptance and forwarding of a communication to the Board, any committee or any individual member or members of the Board, does not imply that the directors owe or assume any duties to the person submitting the communication. Duties of the directors are only prescribed by applicable law.

The Board will be given a quarterly summary of all communications received since the last report and any communications will be made available to any director upon request.