



*United States Attorney  
Southern District of New York*



**FOR IMMEDIATE RELEASE  
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**MANHATTAN U.S. ATTORNEY ANNOUNCES CHARGES AND GUILTY  
PLEAS IN INSIDER TRADING SCHEME THAT NETTED MORE THAN  
\$5 MILLION IN PROFITS**

*Mariner Energy, Inc., Board Member Disclosed Material, Non-Public  
Information Concerning The Company's Acquisition  
By Apache Corporation*

PREET BHARARA, the United States Attorney for the Southern District of New York, and JANICE K. FEDARCYK, the Assistant Director-In-Charge of the New York Office of the Federal Bureau of Investigation ("FBI"), announced today that H. CLAYTON PETERSON ("CLAYTON PETERSON") and his son, DREW CLAYTON PETERSON ("DREW PETERSON"), both pled guilty in Manhattan federal court to one count of conspiracy to commit securities fraud and one count of securities fraud arising from an insider trading scheme in which CLAYTON PETERSON provided material, non-public information to DREW PETERSON about a pending acquisition of Mariner Energy, Inc. ("Mariner") by Apache Corporation ("Apache") in April 2010. At the time he provided the information, CLAYTON PETERSON was a member of Mariner's board of directors. DREW PETERSON subsequently executed trades in Mariner on behalf of his family and friends, realizing profits of approximately \$150,000. Additionally, DREW PETERSON provided the information he received from CLAYTON PETERSON to a close friend and co-conspirator ("CC-2"), who was the Chief Executive Officer ("CEO") of a Denver-based hedge fund (the "Hedge Fund"). CC-2 subsequently caused the Hedge Fund to trade on the information, which realized illegal profits of approximately \$5 million. CLAYTON PETERSON and DREW PETERSON pled guilty before U.S. District Judge ROBERT P. PATTERSON, JR.

Manhattan U.S. ATTORNEY PREET BHARARA stated: "Clayton Peterson violated his fiduciary duty to Mariner Energy and its shareholders by trading on confidential information to which he was privy as a trusted member of Mariner Energy's board. This is yet another stark reminder of the pernicious nature of insider trading and the fact that no industry is immune. We will continue to work with the FBI and the SEC to aggressively enforce the laws against this illegal conduct which has real victims and undermines the confidence of all investors."

FBI Assistant Director-in-Charge JANICE K. FEDARCYK said: "Clayton Peterson violated the law when he provided insider information about Mariner and directed the purchase of Mariner stock. Corporate board members are privy to information that would give them a huge advantage over non-insiders if they were permitted to trade on it. That is why they are not permitted. The FBI remains committed to rooting out all instances of insider ."

According to the Informations and statements made during today's guilty plea proceedings:

On March 25, 2010, representatives of Apache began confidential discussions with representatives of Mariner to acquire the company. At the time, CLAYTON PETERSON was a member of Mariner's board of directors and the chairman of its audit committee. On April 7, 2010, Mariner's board of directors convened a special telephonic meeting to consider a proposal by Apache to buy Mariner for cash and stock totaling \$25 per share. At the time, Mariner stock was trading at approximately \$17 per share.

The next day, on April 8, 2010, CLAYTON PETERSON telephoned his son DREW PETERSON, who worked as an investment adviser in Denver, Colorado. In violation of his fiduciary and other duties of trust and confidence owed to Mariner and its shareholders, CLAYTON PETERSON told his son that he had participated recently in a number of Mariner board meetings and instructed him to purchase Mariner stock on behalf of his daughter, who is DREW PETERSON's sister. When DREW PETERSON asked why, CLAYTON PETERSON said that he would not comment but would visit him later that day. After hanging up with his father, DREW PETERSON, without his sister's knowledge and using the material, non-public information received from his father, purchased Mariner stock on her behalf. Later that day, CLAYTON PETERSON visited his son in person and directed him to purchase more Mariner stock. DREW PETERSON then purchased additional stock for his sister - again, without her knowledge - and also purchased Mariner stock in the name of an investment club in which he participated with several friends.

On the same day, DREW PETERSON told CC-2 that he should think about buying Mariner stock because his father - whom CC-2 knew to be a Mariner board member - had been attending a number of board meetings and suggested that Mariner was about to be acquired. DREW PETERSON made similar statements to CC-2 on April 10, 2010.

Two days later, on April 12, 2010, DREW PETERSON, using the material, non-public information he obtained from his father, continued to purchase additional Mariner stock for himself and others. That same day, CC-2 caused the Hedge Fund to purchase shares and call options in Mariner. Also, after participating in a telephonic board of directors meeting earlier that day, CLAYTON PETERSON, in further violation of his fiduciary and other obligations of trust and confidence owed to Mariner and its shareholders, told his son that Mariner would be acquired by another company within a week. DREW PETERSON then telephoned CC-2 and left a coded voicemail message informing him that he had confirmed that Mariner was being acquired. The next day, on April 13, 2010, and again on April 14, 2010, CC-2 caused the Hedge Fund to purchase additional shares and call options in Mariner stock.

On April 15, 2010, before the market opened, Apache and Mariner announced that Apache would acquire Mariner. Mariner's stock, which opened at approximately \$18 per share, rose dramatically, and closed at approximately \$26 per share. During the trading day, CC-2 caused his hedge fund, a personal account that he had used to purchase Mariner securities, and the accounts of two other individuals over which he had discretionary authority and had used to purchase Mariner securities, to sell all of their Mariner shares and options. The sales realized illegal profits of approximately \$5 million. When DREW PETERSON spoke with CC-2 that day after the acquisition was announced and asked him if he had purchased Mariner stock, CC-2 falsely told him that he had not.

Within days of the announcement, DREW PETERSON and the various individuals (besides CC-2) whom he caused to purchase Mariner stock, or on whose behalf he had purchased Mariner stock, sold their Mariner shares, realizing approximately \$150,000 in illegal profits.

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CLAYTON PETERSON, 65, of Denver, Colorado, pled guilty to one count of conspiracy to commit securities fraud (Count One) and one count of securities fraud (Count Two). He faces a statutory maximum of 25 years in prison. Count One carries a maximum sentence of five years in prison, a maximum fine of

\$250,000, or twice the gross gain or loss from the offense, and a maximum period of three years of supervised release. Count Two carries a maximum sentence of 20 years in prison, and a maximum fine of \$5 million, or twice the gross gain or loss from the offense, and a maximum period of three years of supervised release. As part of his plea agreement, CLAYTON PETERSON has agreed to forfeit the proceeds he obtained as a result of the offense.

DREW PETERSON, 35, of Denver, Colorado, pled guilty to one count of conspiracy to commit securities fraud (Count One) and one count of securities fraud (Count Two). He faces a statutory maximum of 25 years in prison. Count One carries a maximum sentence of five years in prison, a maximum fine of \$250,000, or twice the gross gain or loss from the offense, and a maximum period of three years of supervised release. Count Two carries a maximum sentence of 20 years in prison, and a maximum fine of \$5 million, or twice the gross gain or loss from the offense, and a maximum period of three years of supervised release. As part of his plea agreement, DREW CLAYTON PETERSON has agreed to forfeit the proceeds he obtained as a result of the offense.

CLAYTON PETERSON is scheduled to be sentenced by Judge PATTERSON on \_\_\_\_\_ DREW PETERSON is scheduled to be sentenced by Judge PATTERSON on January 11, 2012.

Mr. BHARARA praised the investigative work of the Federal Bureau of Investigation. He also thanked the U.S. Securities and Exchange Commission for its assistance.

This case was brought in coordination with President BARACK OBAMA's Financial Fraud Enforcement Task Force, on which Mr. BHARARA serves as a Co-Chair of the Securities and Commodities Fraud Working Group. President OBAMA established the interagency Financial Fraud Enforcement Task Force to wage an aggressive, coordinated, and proactive effort to investigate and prosecute financial crimes. The task force includes representatives from a broad range of federal agencies, regulatory authorities, inspectors general, and state and local law enforcement who, working together, bring to bear a powerful array of criminal and civil enforcement resources. The task force is working to improve efforts across the federal executive branch, and with state and local partners, to investigate and prosecute significant financial crimes, ensure just and effective punishment for those who perpetrate financial crimes, combat discrimination in the lending and financial markets, and recover proceeds for victims of financial crimes.

This case is being handled by the Office's Securities and  
Commodities Fraud Task Force. Assistant U.S. Attorneys MICHAEL  
A. LEVY and ANTONIA M. APPS are in charge of the prosecution.

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