

HALCON RESOURCES CORP
Form DEF 14A
April 12, 2019

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

Halcón Resources Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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Halcón Resources Corporation

1000 Louisiana St., Suite 1500
Houston, Texas 77002
Telephone (832) 538-0300

NOTICE OF 2019 ANNUAL MEETING OF STOCKHOLDERS

April 12, 2019

To the Stockholders of Halcón Resources Corporation:

The 2019 Annual Meeting of Stockholders (the "Annual Meeting") of Halcón Resources Corporation (the "Company") will be held on Thursday, May 23, 2019 at 11:00 a.m., Mountain Daylight Time, in the main conference room of the Company offices located at 1801 California Street, Suite 3500, Denver, Colorado 80202, for the following purposes:

1. To elect three Class C directors to serve until the 2022 annual meeting of stockholders in accordance with our certificate of incorporation and bylaws;
2. To ratify the appointment of Deloitte & Touche LLP, an independent registered public accounting firm, as our independent registered public accountant for the fiscal year ending December 31, 2019; and
3. To transact such other business as may properly come before the Annual Meeting or any adjournment thereof.

If you were a stockholder as of the close of business on April 1, 2019, you are entitled to notice of, and to vote at, the Annual Meeting and at any adjournment thereof.

We are pleased to furnish our proxy materials, including the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, to each stockholder of record, over the Internet, as permitted by Securities and Exchange Commission rules. This process will enable us to provide you with a convenient way to access our proxy materials, while reducing the amount of paper necessary to produce these materials, as well as the costs associated with mailing these materials to all stockholders of record. Accordingly, on or about April 12, 2019, the Company mailed the Notice of Internet Availability of Proxy Materials (the "Notice") to all stockholders of record as of April 1, 2019 and posted its proxy materials on the website referenced in the Notice. As more fully described in the Notice, all stockholders may choose to access the proxy materials on the website referred to in the Notice or may request a printed set of the proxy materials.

Your vote is important. Please vote your proxy promptly so your shares can be represented, even if you plan to attend the Annual Meeting. You can vote by Internet or by telephone by using the voting procedures described in the Notice, or by requesting a printed copy of the proxy materials (including the proxy card), and completing, signing and returning the proxy card enclosed by mail. All stockholders are cordially invited to attend the Annual Meeting.

By order of the Board of Directors of
Halcón Resources Corporation:

James W. Christmas

Chairman

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR
THE 2019 ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 23, 2019**

The Notice and our proxy materials, including the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, are available on the Internet at www.proxyvote.com and at <http://www.halconresources.com/investors/annual-report-proxy-materials/>.

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**Halcón Resources Corporation
1000 Louisiana St., Suite 1500
Houston, Texas 77002
Telephone (832) 538-0300**

**PROXY STATEMENT
FOR ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON MAY 23, 2019**

GENERAL INFORMATION

These proxy materials are being furnished to you in connection with the solicitation of proxies by the board of directors of Halcón Resources Corporation, a Delaware corporation (referred to in this proxy statement as Halcón, the Company, we, us, or our), for use at the annual meeting of stockholders and any adjournments or postponements thereof to be held on Thursday, May 23, 2019 at 11:00 a.m., Mountain Daylight Time, in the main conference room at the Company's offices located at 1801 California Street, Suite 3500, Denver, Colorado 80202.

Electronic Availability of Proxy Statement and Annual Report

As permitted under the rules of the Securities and Exchange Commission, or the SEC, Halcón is making this proxy statement and its Annual Report on Form 10-K for the fiscal year ended December 31, 2018 available to its stockholders electronically via the Internet. On or about April 12, 2019, Halcón mailed a Notice of Internet Availability of Proxy Materials (the "Notice") to its stockholders of record as of the close of business on April 1, 2019, which Notice sets forth instructions for accessing Halcón's proxy materials electronically and instructions on how a stockholder can request to receive paper or e-mail copies of Halcón's proxy materials.

Voting and Revocation of Proxies

If you provide specific voting instructions, your shares will be voted as you instruct. Whether you hold shares directly as a stockholder of record, or beneficially in street name, you may direct how your shares are voted at the annual meeting. If you are a stockholder of record, you may vote by submitting a proxy or by voting in person at the annual meeting, and if you hold your shares in street name, you may vote by submitting voting instructions to your broker, trustee or other nominee. You may cast your vote by proxy as follows:

Internet at www.proxyvote.com by following the instructions on the Notice, or if you received proxy materials by mail, the proxy card;

Telephone by calling 1-800-579-1639 and following the voice prompts; or

Mailing the completed, signed and dated proxy card if you received proxy materials by mail, in the pre-addressed postage-paid envelope enclosed therewith.

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Unless you otherwise direct in your proxy, the individuals named in the proxy card will vote the shares represented by such proxy in accordance with the recommendations of our board of directors. If you hold your shares in street name, please refer to the proxy card forwarded by your broker, trustee or other nominee to see which voting options are available to you and for instructions on how to vote. If you vote by Internet or by telephone, you need not return your proxy card. Proxies granted by telephone or over the Internet, in accordance with the procedures set forth on the proxy card, will be valid under Delaware law.

If you sign the proxy card of your broker, trustee or other nominee but do not provide voting instructions, your shares will not be voted unless your broker, trustee or other nominee has discretionary authority to vote. When a broker, trustee or other nominee holding shares for a beneficial owner is unable to vote on a particular proposal because such broker, trustee or other nominee does not have discretionary authority to vote in the absence of timely instructions from the beneficial owner, this is referred to as a "broker non-vote." **Out of the two proposals that will be brought to a vote at our annual meeting, brokers will have discretionary voting authority only with respect to the ratification of the appointment of our independent registered public accounting firm. It is therefore very important that you indicate on the proxy card of your broker, trustee or other nominee how you want your shares to be voted in the election of the three director nominees named in this proxy statement.**

The board of directors is not aware of any business to be brought before the annual meeting other than as indicated in the Notice. If any other matter does come before the meeting, the persons named in the proxy card will vote the shares represented by the proxy in his or her best judgment.

Revocation of Proxy. A proxy may be revoked by a stockholder at any time prior to it being voted by:

delivering a revised proxy (by one of the methods described above) bearing a later date;

voting in person at the annual meeting; or

notifying our Corporate Secretary of the revocation in writing at our address set forth above in time to be received before the annual meeting.

Attendance at the meeting alone will not effectively revoke a previously executed and delivered proxy. If a proxy is properly executed and is not revoked by the stockholder, the shares it represents will be voted at the meeting in accordance with the instructions from the stockholder. If the proxy card is signed and returned without specifying choices, the shares will be voted in accordance with the recommendations of our board of directors. If your shares are held in an account at a broker, trustee or other nominee, you should contact your broker, trustee or other nominee to change your vote.

Record Date and Vote Required for Approval. The record date with respect to this solicitation is April 1, 2019. Our voting stock consists of issued and outstanding shares of our common stock. All holders of record of our common stock as of the close of business on April 1, 2019 are entitled to vote at the annual meeting and any adjournment or postponement thereof for which a new record date has not been established. As of the record date, we had 164,331,378 shares of common stock outstanding and no shares of preferred stock outstanding. Each share of common stock entitles its holder to one vote on each matter submitted to our stockholders. Our stockholders do not have cumulative voting rights. In accordance with our bylaws, the holders of a majority of our common stock issued and outstanding and entitled to vote at the annual meeting, represented in person or by proxy, shall constitute a quorum at the annual meeting. If a quorum is not present at the annual meeting, a vote for adjournment will be taken among the stockholders present or represented by proxy. If a majority of the stockholders present or represented by proxy vote for adjournment, it is our intention to adjourn the meeting until a later date and to vote proxies received at such adjourned meeting. The place and date to which the annual meeting would be adjourned would be announced at the meeting, but would in no event be expected to be more than 30 days after the date of the annual meeting.

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Election of director nominees requires that each director be elected by a majority of the votes present in person or represented by proxy at the annual meeting and entitled to vote on this matter, thus the number of shares voted "for" a nominee must exceed the number of shares voted "against" such nominee. For purposes of determining the outcome for each nominee broker non-votes will not be counted as entitled to vote and will have no effect on the outcome of the vote. Abstentions will effectively count as votes "against" because they are considered entitled to vote.

Ratification of the appointment of Deloitte & Touche LLP as our independent registered public accountant requires the affirmative vote of a majority of the shares of voting stock present in person or represented by proxy at the meeting and entitled to vote on this matter.

Proxy Solicitation. We will bear all costs relating to the solicitation of proxies. We have retained Okapi Partners LLC to aid in the solicitation of proxies, at an estimated cost of \$9,000, plus reimbursement of out-of-pocket expenses, custodial charges in connection with payment by Okapi Partners LLC of charges of brokers and banks on our behalf, and additional charges which may be incurred in connection with the solicitation of proxies by telephone. Proxies may also be solicited by officers, directors and employees personally, by mail, or by telephone, facsimile transmission or other electronic means. On request, we will pay brokers and other persons holding shares of stock in their names or in those of their nominees, which in each case are beneficially owned by others, for their reasonable expenses in sending soliciting material to, and seeking instructions from, their principals.

Submission of Stockholder Proposals. The deadline for submitting stockholder proposals for inclusion in our proxy statement for our annual meeting in 2020 is December 13, 2019. See "*Submission of Stockholder Proposals for Our 2020 Annual Meeting of Stockholders*" below for additional information.

We will provide to any stockholder, without charge and upon written request, a copy (without exhibits, unless otherwise specified) of our Annual Report on Form 10-K, as filed with the SEC for the fiscal year ended December 31, 2018. Any such request should be directed to Quentin Hicks, Executive Vice President and Chief Financial Officer at 1801 California Street, Suite 3500, Denver, Colorado 80202. The Annual Report on Form 10-K for the fiscal year ended December 31, 2018 is not part of the proxy solicitation materials.

OUR BOARD OF DIRECTORS AND ITS COMMITTEES

The Board of Directors

Our business and affairs are managed under the direction of our board of directors, or board. Our bylaws specify that we shall not have less than one nor more than fifteen directors, and our board currently has seven members. Under our amended and restated bylaws, as amended, or "bylaws," and our amended and restated certificate of incorporation, or "certificate of incorporation," each director holds office until the next annual meeting of stockholders at which such director's class stands for re-election and serves until the director's successor is duly elected and qualified, or until such director's earlier death, resignation or removal. Our certificate of incorporation provides that our board is classified into three classes: Class A, Class B and Class C, each class having a three-year term of office or until their successors are elected and qualified. Under Delaware law, stockholders of a corporation with a classified board may only remove a director "for cause" unless the certificate of incorporation provides otherwise. Our certificate of incorporation provides that any director may be removed, with or without cause, by a majority of the shares entitled to vote at an election of directors. The likely effect of the classification of the board and the limitations on the removal of directors is an increase in the time required for the stockholders to change the composition of the board. For example, because only one class of the directors may be replaced by stockholder vote at each annual meeting of stockholders, stockholders seeking to replace a majority of the members of our board will need at least two annual meetings of stockholders to effect this change unless they are able to secure the vote of the holders of a majority of our outstanding shares of common stock to remove directors.

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As discussed more fully under "*Proposal 1 Election of Directors*," three of our current directors, Janine J. McArdle, Darryl L. Schall and Nathan W. Walton have been nominated for re-election at the 2019 annual meeting because of the expiration of the term of their class, Class C, on our board. If each nominee for director receives a majority of votes cast in favor of his or her continued service on the board, each will serve a three-year term expiring in 2022. Due to resignations, we currently do not have any directors in Class A. We plan to re-balance director classes well in advance of our annual stockholder meeting in 2020 to correct the current imbalance.

The following table sets forth the names and ages of all of our current directors, the positions and offices with us held by such persons, the years in which their current terms as directors expire and the length of their continuous service as a director:

Name	Director Since	Age	Position	Expiration of Term
William J. Campbell	Sep. 2016	60	Director	2021
James W. Christmas	Feb. 2012	71	Chairman	2021
Michael L. Clark	Sep. 2016	47	Director	2021
Janine J. McArdle	June 2018	58	Director	2019
Darryl L. Schall	Sep. 2016	58	Director	2019
Ronald D. Scott	Sep. 2016	60	Director	2021
Nathan W. Walton	Sep. 2016	41	Director	2019

William J. Campbell has served as a director since September 2016, served as Chairman of the Compensation Committee until March 2019, and currently serves as a member of the Nominating and Corporate Governance Committee and the Reserves Committee. Mr. Campbell is the Chairman and Chief Executive Officer of Cima Inspection LLC, a 9-year old Pasadena-based Non Destructive Testing company. He also serves as Managing Director and Co-owner of CB Energy, LLC, an independent oil and gas exploration company founded in 1997. He has over thirty three years of experience in the legal, investment and energy industries with a diverse background in management, finance/banking, legal, land and marketing. Since 2006, Mr. Campbell has served as owner and managing director of PPPCo-CB Energy, LLC, a Houston, Texas-based private oil and gas exploration and production company. From 1991 to 1996, Mr. Campbell served as Principal, Vice President and Corporate Counsel of Houston, Texas-based Fremont Energy Corporation, a Bechtel Family company, where Mr. Campbell managed the company's domestic and international energy asset portfolio and directed the company's commercial, banking, and legal activities, and from 1985 through 1991, Mr. Campbell served as Counsel and Manager for Bechtel Investments, Inc. in Houston, Texas, managing its oil and gas marketing and land/legal operations. Mr. Campbell was also the first representative of Bechtel in the J.P. Morgan Corporate Finance Program, New York, New York (1988). In addition, Mr. Campbell represented Bechtel's outside oil and gas interests by serving as a Director on the board of directors of BecField Drilling Services, the then largest independent horizontal and directional drilling company in the United States, CurveDrill, Inc. and PetroSource Corporation, a refining and marketing company with annual revenues over \$500 million. Mr. Campbell started his professional career at the Houston, Texas law firm of Reynolds, Allen & Cook. Mr. Campbell has a Doctorate of Jurisprudence (J.D.) and holds a Bachelor of Business Administration Degree (BBA) in Petroleum Land Management/Finance from the University of Texas in Austin, Texas. Mr. Campbell is active in community and civic affairs. His service includes: The Kinkaid School Board of Trustees of Houston since 2007, and its Advancement, Finance & Building Committees since 2002; the Board of Directors of the Houston Country Club from 2005 to 2007; the Institute for Molecular Medicine as a Founding Trustee and Scientific Advisory Board Member since 2001; the Development Board of the University of Texas Health Science Center since 1991 Chair Emeritus 2002-2003; the Advisory Boards of Tanglewood Bank, NA and the Amegy Bank of Texas, N.A. since 1998; the Endowment Board, Jr. Warden and Senior Council Representative of St. Martin's Episcopal Church since 2004; the Board of Directors and Treasurer of the Daniel and Edith Ripley Foundation since 2005; the Board of Directors of the Bayou

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City Pump Inc. since 2010; the Board of Directors of Erin Energy Corporation and its Audit and Compensation Committees since 2011; the Advance Team Board of M.D. Anderson since 2005; the Texas Children's Hospital Individuals Committee since 2005; the Memorial Hermann System Board of Directors and its Finance, Compensation and Chairman Governance Committees and Memorial Hermann Foundation since 2011 and a Member of the Texas Bar Association. Mr. Campbell's qualifications to serve on the board include over thirty years of experience in the legal, investment and energy industries, management of domestic and international energy asset portfolios and extensive professional background provide valuable contributions to the Company's board of directors.

James W. Christmas has served as a director since February 2012 and as Lead Independent Director from January 2015 until becoming Chairman of the Board in February 2019. Mr. Christmas served as Chairman of the Audit Committee and as a member of the Compensation Committee until March 2019. Previously, Mr. Christmas served as a director of Petrohawk Energy Corporation from July 2006, effective upon the merger of KCS Energy, Inc. ("KCS") into Petrohawk, and continued to serve as a director, and as Vice Chairman of the Board of Directors, for Petrohawk until BHP Billiton acquired Petrohawk in August 2011. He also served on the Audit Committee and the Nominating and Corporate Governance Committee of Petrohawk. Mr. Christmas served as a member of the Board of Directors of Petrohawk, as a wholly-owned subsidiary of BHP Billiton, and as chair of the Financial Reporting Committee of such board until September 2014. He also serves on the Board of Governors of St. John's University. Mr. Christmas serves as a director of Yuma Energy, and as Chairman of its Audit Committee and as a member of its Nominating and Corporate Governance Committee. Previously, Mr. Christmas served as a director of Rice Energy, as chairman of its audit committee and a member of its compensation committee from January 2014 until its merger with EQT Corporation in November 2017. He served as President and Chief Executive Officer of KCS from 1988 until April 2003 and Chairman of the Board and Chief Executive Officer of KCS since then until its merger into Petrohawk. Mr. Christmas was a Certified Public Accountant in New York and was with Arthur Andersen & Co. from 1970 until 1978 before leaving to join National Utilities & Industries ("NUI"), a diversified energy company, as Vice President and Controller. He remained with NUI until 1988, when NUI spun out its unregulated activities that ultimately became part of KCS. As an auditor and audit manager, controller and in his role as CEO of KCS, Mr. Christmas was directly or indirectly responsible for financial reporting and compliance with SEC regulations, and as such has extensive experience in reviewing and evaluating financial reports, as well as in evaluating executive and board performance and in recruiting directors. Mr. Christmas's qualifications to serve on the board include his experience as an executive, service as a director and committee member combined with his extensive audit, accounting and financial reporting experience provide significant contributions to the Company's board.

Michael L. Clark has served as a director since September 2016 and currently serves as Chairman of the Compensation Committee and as a member of the Audit Committee and the Nominating and Corporate Governance Committee. Until March 2019, Mr. Clark served as Chairman of the Nominating and Corporate Governance Committee. He is also a director of privately-held Laws Whiskey House, an award winning craft distiller and is a director of Nasdaq-listed Workhorse Group, a manufacturer of electric delivery vans, where he serves on the Audit and Compensation Committees. Mr. Clark has also served as a director of Paragon Offshore Ltd., as Chairman of the Corporate Governance and Compensation Committee and a member of its Audit Committee from July 2017 until its sale to Borr Drilling Limited in March 2018. Mr. Clark is a Chartered Financial Analyst (CFA) Charterholder with over seventeen years of investing experience focusing on basic materials and oilfield services and equipment equities. Mr. Clark was a Retired Partner of SIR Capital Management, LLC from 2014 until his departure in 2016 and from 2008 to 2013 served as a Portfolio Manager and Partner. Prior to that, Mr. Clark valued energy equities as a Portfolio Manager at Satellite Asset Management, LLC from 2005 to 2007 and as an Equity Research Analyst at SAC Capital Management, LLC from 2003 to 2005 and at Merrill Lynch from 1997 to 2002. Mr. Clark began his career at Deloitte & Touche, LLP, progressing to Senior Auditor. He is a Certified Public Accountant licensed in New York State and also holds the Accredited in Business Valuation (ABV) credential awarded by the American Institute of Certified Public Accountants. The National Association of

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Corporate Directors (NACD) recognized him as a NACD Governance Fellow in 2017. Mr. Clark graduated cum laude from the University of Pennsylvania with a Bachelor of Arts in Economics and earned a Masters of Business Administration in Finance and Economics with Distinction (Top 10%) from New York University's Stern School of Business. Mr. Clark's qualifications to serve on the board include his wealth of accounting, financial and investment knowledge and experience in the energy industry provide significant contributions to the Company's board.

Janine J. McArdle has served as a director of Halcón since June 2018 and currently serves as Chairman of the Nominating and Corporate Governance Committee and a member of the Audit Committee, the Compensation Committee and the Reserves Committee. Ms. McArdle has been an executive in the oil and gas industry for over 30 years with extensive experience in engineering, marketing, business development, finance and risk management. Ms. McArdle is currently founder and CEO of Apex Strategies LLC, a global consultancy company providing advisory services to companies engaged in the midstream and downstream sectors of the energy industry. Prior to forming her own company, Ms. McArdle was an Executive Officer at Apache Corporation from 2002 to 2015. During that time, she also served as President of Kitimat LNG, Senior Vice President Global Gas Monetization, and Senior Vice President of Global Oil and Gas Marketing. Prior to Apache, Ms. McArdle served as President and Managing Director for Aquila Europe Ltd. from 2001 to 2002 and held executive and management positions with Aquila Energy Marketing from 1993 to 2001, including Vice President Trading and Vice President Mergers and Acquisitions. She served as a member of the board of directors for Intercontinental Exchange, the electronic trading platform, from 2000 to 2002. Previously, Ms. McArdle was a partner in Hesse Gas from 1991 to 1993. Ms. McArdle graduated from the University of Nebraska with a Bachelor of Science in Chemical Engineering, earned a Master of Business Administration in Finance from the University of Houston, a CERT Certificate in Cybersecurity from Carnegie Mellon's Software Engineering Institute, and a Governance Fellowship from the National Association of Corporate Directors (NACD). Ms. McArdle currently serves on the Advisory Board for the College of Engineering at the University of Nebraska and, previously, on the Board of Directors of the Palmer Drug Abuse Program.

Darryl L. Schall has served as a director since September 2016 and currently serves as Chairman of the Audit Committee and as a member of the Nominating and Corporate Governance Committee. Mr. Schall previously served as a Partner and Portfolio Manager in the Ares Private Equity Group, where he was responsible for managing Ares' special situations strategy until his retirement in January 2017, and subsequently served as an Advisor to Ares Management LLC through July 2017. Prior to joining Ares in 2009, Mr. Schall worked at Tudor Investment Corporation, where he focused on managing distressed and high yield investments. Previously, Mr. Schall was a Managing Director and Director of High Yield Research at Trust Company of the West, where he focused on managing portfolios of distressed and high yield debt. In addition, Mr. Schall was a Senior Research Analyst and Senior Vice President at Dabney/Resnick & Wagner, Inc., a boutique investment firm specializing in high yield and distressed debt. Previously, Mr. Schall was an Investment Banking Associate of the Corporate Finance Department of Drexel Burnham Lambert Inc. and was a Supervising Senior Accountant with KPMG Peat Marwick. Mr. Schall holds a B.A., cum laude, from the University of California, Los Angeles, in History and an M.B.A. from the University of Chicago. Mr. Schall also is a Certified Public Accountant. Mr. Schall's qualifications to serve on the board include his vast experience managing investment portfolios and extensive knowledge financial and accounting matters provide valuable contributions to the Company's board.

Ronald D. Scott has served as a director since September 2016 and currently serves as Chairman of the Reserves Committee and a member of the Compensation Committee. Mr. Scott has over thirty years oil and gas industry experience. Mr. Scott is a director of Gastar Exploration, Inc., a publicly traded energy firm. He serves on the Reserves Committee and the Compensation Committee of Gastar. In addition, Mr. Scott serves as a director of Blackbrush Oil and Gas, Verdad Resources and Elk Hills Power, all privately held energy companies. Previously, Mr. Scott was a member of the Board of Directors of Clayton

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Williams Energy, Inc. serving from September 2016 until the sale of the company in April 2017. He also served as a member of the Board of Directors of Pardus Energy from June 2016 until the sale of the company in November 2017. Mr. Scott chaired the Reserves Committee and the Compensation Committee while serving on the Pardus Energy board. Mr. Scott is the Chief Executive Officer of Development Capital Resources. Previously, Mr. Scott served as President and CEO of True Oil Company, a private equity backed oil and gas firm. Prior to True Oil he worked for Henry Petroleum as President and Chief Operating Officer of that company and its successor companies, Henry Resources and HPC Energy. During this time, Mr. Scott successfully led the sale and re-start of multiple operating oil and gas entities. Beginning his career with Exxon Corporation, from 1983 to 1995, Mr. Scott held various supervisory and managerial assignments in Engineering, Operations, Planning and Financial Accounting and Reporting. In addition to the Permian Basin, he had assignments covering operational areas in the Gulf Coast/Gulf of Mexico region, California and the Rocky Mountains. Mr. Scott was the Technical Manager for Exxon's multi-billion dollar onshore operations in the Western United States prior to joining Henry Petroleum. In addition to the above, Mr. Scott served as an independent contract, non-employee consultant to Ares Management from approximately October 2016 to June 2017 providing services as a contract, independent Operating Advisor. Mr. Scott serves as Vice President of the Board of the Henry Foundation, as a founding member of Educate Midland, a non-profit focused on public education, and on the board of directors of the Midland, Texas Chamber of Commerce. Mr. Scott holds Master and Bachelor of Science degrees in Engineering from New Mexico State University and is a Registered Petroleum Engineer in the State of Texas. Mr. Scott's qualifications to serve on the board include his more than thirty years in the oil and gas industry, leadership experience and technical expertise as a petroleum engineer provide significant contributions to the Company's board.

Nathan W. Walton has served as a director since September 2016. Mr. Walton is a Partner and Co-Head of North American Private Equity within the Ares Private Equity Group and a member of the Management Committee of Ares Management. He joined the firm in 2006. Mr. Walton serves on the Ares Private Equity Group's ACOF Investment Committee. He also serves on the Board of Directors of Development Capital Resources, LP, EPIC Midstream Holdings, LP, Gastar Exploration, Inc., Salt Creek Midstream LLC, Verdad Resources LLC and the parent company of BlackBrush Oil & Gas LP. Mr. Walton holds a B.A. from Princeton University in Politics and an M.B.A. from the Stanford Graduate School of Business. Mr. Walton's qualifications to serve on the board include his vast knowledge of the oil and natural gas exploration and production industry, his directorship experience and investment expertise in the energy industry provide significant contributions to the Company's board.

Meetings of Our Board of Directors and Committees of the Board

Our board of directors has the responsibility for establishing our broad corporate policies and for our overall performance. However, the board is not involved in our day-to-day operations. The board is kept informed of our business through discussions with our executive officers and other key personnel, by reviewing analyses and reports provided to it on a regular basis, and by participating in board and committee meetings. Our board held twelve (12) meetings during 2018, including telephonic meetings, and acted by unanimous written consent five (5) times, and each director attended at least 75% of the total meetings of the board and the committee(s) on which such director serves during the period that such director served as a director or on such committee(s).

Our board currently has four standing committees: Audit, Compensation, Nominating and Corporate Governance, and Reserves. Actions taken by our committees are reported to the full board. Each committee conducts an annual evaluation of its duties and is expected to conduct an annual review of its charter and also has authority to retain, set the compensation for, and terminate consultants, outside counsel and other advisers as that committee determines to be appropriate.

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Audit Committee. The members of our Audit Committee through the filing date of our Form 10-K for the fiscal year ended December 31, 2018, were James W. Christmas, Janine McArdle and Darryl L. Schall, with Mr. Christmas serving as the chairman. Mr. Christmas left the Audit Committee subsequent to the filing of our Form 10-K in connection with the enhanced responsibilities he assumed on an interim basis following the departure of certain members of our senior leadership team. Upon Mr. Christmas' departure from the Audit Committee, Michael L. Clark was added to the Audit Committee, and Mr. Schall was appointed chairman of the Audit Committee. Our board has determined that all members of our Audit Committee are financially literate within the meaning of SEC rules, under the current listing standards of the NYSE and in accordance with our audit committee charter. Our board has also determined that all members of the Audit Committee are independent, within the meaning of SEC and NYSE regulations for independence for audit committee members, under our corporate governance guidelines, and in accordance with our audit committee charter. Our board determined that Messrs. Christmas and Schall are each an "audit committee financial expert" (as defined under SEC rules) because each possesses: (i) an understanding of generally accepted accounting principles in the United States of America and financial statements; (ii) the ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves; (iii) experience analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by our financial statements; (iv) an understanding of internal control over financial reporting; and (v) an understanding of audit committee functions. Messrs. Christmas and Schall acquired these attributes through their respective educational backgrounds and by having held various positions that provided relevant experience, as described in their respective biographies under "*Our Board of Directors and Its Committees The Board of Directors*" above.

The Audit Committee is responsible for oversight of Company risks relating to accounting matters, financial reporting and related legal and regulatory compliance. The Audit Committee annually considers the qualifications and evaluates the performance of our independent auditor and selects and engages our independent auditor. The Audit Committee meets quarterly with representatives of the independent auditor and is available to meet at the request of the independent auditor. During these meetings, the Audit Committee receives reports regarding our books of accounts, accounting procedures, financial statements, audit policies and procedures, internal accounting and financial controls, and other matters within the scope of the Audit Committee's duties. The Audit Committee reviews the plans for and the results of audits for us and our subsidiaries. The Audit Committee reviews the independence of the independent auditor, and considers and authorizes the fees for both audit and non-audit services provided by the independent auditor. In 2018, our Audit Committee held five (5) meetings.

The written charter of the Audit Committee adopted by our board is available on our website at www.halconresources.com.

Compensation Committee. The members of our Compensation Committee through the filing date of our Form 10-K for the fiscal year ended December 31, 2018, were William J. Campbell, James W. Christmas and Michael L. Clark, with Mr. Campbell serving as the chairman. Messrs. Campbell and Christmas left the Compensation Committee in March 2019 and were replaced by Ms. McArdle and Mr. Scott, with Mr. Clark serving as chairman. Our board has determined that each member of the Compensation Committee meets the NYSE standards for independence, and is a "non-employee director" as defined in Rule 16b-3 under the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), an "outside director" as defined for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended, and meets the enhanced independence requirements set forth in Rule 10C-1 under the Exchange Act.

The Compensation Committee is entrusted with the overall responsibility for establishing, implementing and monitoring the compensation for our executive officers, administers the Halcón Resources Corporation 2016 Long-Term Incentive Plan (as amended, the "Plan"), and approves awards

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and other stock-based grants under the Plan for our executive officers. In 2018, our Compensation Committee held six (6) meetings, including telephonic meetings.

Our Compensation Committee engaged Longnecker & Associates, Inc. ("Longnecker"), an outside independent compensation consulting firm, to assist the board and the Compensation Committee in crafting our total compensation program for our executive officers for 2018 and to assist the board in determining compensation for our non-employee directors. In connection with its engagement, Longnecker was tasked with, among other things, making recommendations to the Compensation Committee regarding an appropriate compensation peer group, assisting the Compensation Committee in establishing a competitive executive compensation program and making recommendations and providing analysis regarding the compensation of our executive officers, including the named executive officers, discussed below under the heading "*Executive Compensation*."

The written charter of the Compensation Committee adopted by our board is available on our website at www.halconresources.com.

Nominating and Corporate Governance Committee. The members of our Nominating and Corporate Governance Committee through the filing date of our Form 10-K for the fiscal year ended December 31, 2018, were William J. Campbell, Michael L. Clark, Janine J. McArdle, and Darryl L. Schall, with Mr. Clark serving as the chairman. Mr. Clark stepped down as chairman in March 2019 in connection with his becoming chairman of the Compensation Committee, at which time Ms. McArdle was appointed chairman. Our board has determined that all members of the Nominating and Corporate Governance Committee are independent pursuant to the NYSE rules, under our corporate governance guidelines, and in accordance with our nominating and corporate governance committee charter.

Our Nominating and Corporate Governance Committee is responsible for identifying qualified candidates to be presented to our board for nomination as directors, ensuring that our board and our organizational documents are structured in a way that best serves our practices and objectives, and developing and recommending a set of corporate governance principles. The Nominating and Corporate Governance Committee may consider candidates for our board from any reasonable source, including a search firm engaged by the Nominating and Corporate Governance Committee, recommendations of the board, management or, in accordance with the procedures set forth in our bylaws, our stockholders. In 2018, our Nominating and Corporate Governance Committee held five (5) meetings, including telephonic meetings and acted by unanimous written consent three (3) times.

The written charter of the Nominating and Corporate Governance Committee adopted by our board is available on our website at www.halconresources.com.

Reserves Committee. The members of our Reserves Committee as of the filing date of our Form 10-K for the fiscal year ended December 31, 2018, were Janine J. McArdle, Darryl L. Schall and Ronald D. Scott, with Mr. Scott serving as the chairman. Thomas R. Fuller was a member of the Reserves Committee and served as its chairman until his resignation from our board effective February 25, 2019, at which time Mr. Scott was appointed chairman and Ms. McArdle joined the committee. Mr. Schall left the Reserves Committee in April 2019, and Mr. Campbell was appointed to the Reserves Committee at that time. Our Reserves Committee is composed solely of non-employee directors who are independent under our corporate governance guidelines and in accordance with our reserves committee charter. Our Reserves Committee assists our board with oversight in the preparation by independent petroleum engineers of annual and any special reserve reports and/or audits of the estimated amounts of our consolidated hydrocarbon reserves and related information. The Reserves Committee selects, engages and determines funding for the independent petroleum engineers who evaluate our hydrocarbon reserves and also determines their independence from the Company in accordance with, among other things, the Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information promulgated by the Society of Petroleum Engineers. In 2018, our Reserves Committee held six (6) meetings, including telephonic meetings.

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The written charter of the Reserves Committee adopted by our board is available on our website at www.halconresources.com.

Corporate Governance Matters

Corporate Governance Web Page and Available Documents. We maintain a corporate governance page on our website at www.halconresources.com/investors/corporate-governance where you can find the following documents:

our Corporate Governance Guidelines;

our Code of Ethics for the Chief Executive Officer and Senior Financial Officers;

our Code of Conduct;

our Amended and Restated Insider Trading Policy;

our Regulation FD Policy;

our Amended and Restated Equity-Based Incentive Grant Policy; and

charters of our Audit, Compensation, Nominating and Corporate Governance, and Reserves Committees.

Notwithstanding any reference to our website contained in this proxy statement, the information you may find on our website is not part of this proxy statement. We will provide a printed copy of these documents, without charge, to stockholders who request copies in writing from Quentin R. Hicks, Executive Vice President and Chief Financial Officer, Halcón Resources Corporation, 1801 California Street, Suite 3500, Denver, Colorado 80202.

Director Independence. The current listing standards of the NYSE require our board to affirmatively determine the independence of each director and to disclose such determination in the proxy statement for each annual meeting of our stockholders. The board, on February 27, 2019, affirmatively determined that each of William J. Campbell, James W. Christmas, Michael L. Clark, Janine J. McArdle, Darryl L. Schall, Ronald D. Scott and Nathan W. Walton is an "independent director" under the guidelines described below and the independence rules of the NYSE codified in Section 303A of the NYSE Listed Company Manual.

In connection with its assessment of independence, our board reviewed information regarding relevant relationships, arrangements or transactions between the Company and each director or parties affiliated with such director. Our board has established the following standards for determining director independence in our corporate governance guidelines:

A majority of the directors on our board must be "independent." No director qualifies as "independent" unless the board affirmatively determines that the director has no "material relationship" with Halcón, either directly, or as a partner, stockholder or officer of an organization that has a relationship with Halcón. A "material relationship" is a relationship that the board determines, after a consideration of all relevant facts and circumstances, compromises the director's independence from management. Our board's determination of independence must be consistent with all applicable requirements of the NYSE, the SEC, and any other applicable legal requirements. Our board may adopt specific standards or guidelines for independence in its discretion from time to time, consistent with those requirements. As set forth in the NYSE Listed Company Manual Section 303A.02, our board must consider the following factors that preclude a finding by the board of a member's or prospective member's "independence" from Halcón:

1. A director who is, or who has been within the last three years, an employee of Halcón (including in each case subsidiaries or parent entities in a consolidated group), or an immediate family member who is, or has been within the last three years, an executive officer, of Halcón;

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2. A director who has received, or has an immediate family member who has received, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from Halcón, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service); provided, that, compensation received by a director for former service as an interim Chairman or Chief Executive Officer or other executive officer need not be considered in determining independence under this test, and compensation received by an immediate family member for service as an employee of Halcón need not be considered in determining independence under this test;

3. (A) A director is a current partner or employee of a firm that is Halcón's internal or external auditor; (B) a director who has an immediate family member who is a current partner of such a firm; (C) a director who has an immediate family member who is a current employee of such a firm and who participates in Halcón's audit; or (D) a director or an immediate family member who was within the last three years (but is no longer) a partner or employee of such a firm and personally worked on Halcón's audit within that time;

4. A director or an immediate family member who is, or who has been within the last three years, employed as an executive officer of another company where any of Halcón's present executive officers at the same time serves or served on that company's compensation committee;

5. A director who is a current employee, or an immediate family member who is a current executive officer, of a company that has made payments to, or received payments from, Halcón for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1,000,000, or 2% of such other company's consolidated gross revenues;

6. Whether the director has any other relationship with Halcón, either directly or as a partner, stockholder or officer of an organization that has a relationship with Halcón; and

7. Whether the director is aware of any other relationships that could potentially interfere, or could appear to interfere, with his exercise of independent judgment in carrying out the responsibilities of a director, including (i) any transaction, arrangement or relationship, in the last fiscal year, involving the director, including any family members, and any other officer or director of Halcón; or (ii) any other relationship with Halcón, either directly or as a stockholder, executive officer or partner or an organization that has such a relationship, including any relationships with charitable, educational, political or other not-for-profit organizations.

For purposes of determining "independence" of a director based on the tests set forth above, among other things, the following applies:

A. In applying the test in paragraph 5 above, both the payments and the consolidated gross revenues to be measured are those reported in the last completed fiscal year. The look-back provision for this test applies solely to the financial relationship between Halcón and the director or immediate family member's current employer; Halcón is not required to consider former employment of the director or the immediate family member.

B. For purposes of paragraph 5 above, contributions to tax exempt organizations are not considered "payments," although Halcón still considers the "materiality" of any such relationship in determining the "independence" of a director.

C. For purposes of determining "independence," an "immediate family member" includes a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than a domestic employee) who shares such person's home, and does not include individuals who are no longer immediate family members as a result of legal separation or divorce, or those who have died or become incapacitated.

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Our corporate governance guidelines set forth our policy with respect to qualifications of the members of the board, the standards of director independence, director responsibilities, board meetings, director access to management and independent advisors, director orientation and continuing education, director compensation, chairman and chief executive officer dual responsibilities, management evaluation and succession, annual performance evaluation of the board, and executive sessions.

Nomination Process. The Nominating and Corporate Governance Committee will consider stockholder nominees for election as directors. Any stockholder nominations must be received by us not less than sixty (60) days nor more than ninety (90) days prior to the annual meeting; provided however, that in the event that less than seventy (70) days notice or prior public disclosure of the date of the meeting is given or made to stockholders, notice by the stockholder, to be timely, must be received no later than the close of business on the tenth (10th) day following the day on which such notice of the date of the meeting was mailed or such public disclosure was made, whichever first occurs. Nominations should be delivered to the Nominating and Corporate Governance Committee at the following address: Halcón Resources Corporation Nominating and Corporate Governance Committee, c/o Halcón Resources Corporation, Attention: Corporate Secretary, 1000 Louisiana St., Suite 1500, Houston, Texas 77002. The stockholder's nomination notice must set forth: (i) as to each person whom the stockholder proposes to nominate for election or re-election as a director: (a) the name, age, business address and residence address of the person; (b) the principal occupation or employment and business experience of the person for at least the previous five years; (c) the class and number of shares of our capital stock which are beneficially owned by the person; and (d) any other information relating to the person that is required to be disclosed in solicitations for proxies for election of directors pursuant to the rules and regulations of the SEC under Section 14 of the Exchange Act; and (ii) as to the stockholder giving the notice: (a) the name and record address of the stockholder; and (b) the class and number of shares of our capital stock beneficially owned by the stockholder. Such submission must be accompanied by the written consent of the proposed nominee to be named as a nominee and to serve as a director, if elected. We may require any proposed nominee to furnish such other information as may reasonably be required by us to determine the eligibility of such proposed nominee to serve as a director.

In considering possible candidates for election as a director, the Nominating and Corporate Governance Committee is guided by the principles that each director should be an individual of high character and integrity and have:

independence;

wisdom;

an understanding and general acceptance of our corporate philosophies;

business or professional knowledge and experience that can address our challenges and opportunities, and contribute meaningfully to the deliberations of our board of directors;

a proven record of accomplishment with an excellent organization;

an inquiring mind;

a willingness to speak one's mind;

an ability to challenge and stimulate management; and

a willingness to commit time and energy to our business affairs.

In considering possible candidates for election as directors, the Nominating and Corporate Governance Committee may, in its discretion, review the qualifications and backgrounds of existing directors and other nominees (without regard to whether a nominee has been recommended by stockholders), as well as the overall composition of our board, and recommend the slate of directors to be nominated for election at the ensuing annual meeting of stockholders. Currently, we do not employ or pay

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a fee to any third party to identify or evaluate, or assist in identifying or evaluating, potential director nominees.

The charter of our Nominating and Corporate Governance Committee provides that the committee will evaluate our corporate governance effectiveness and recommend such revisions as it deems appropriate to improve our corporate governance. The areas of evaluation may include such matters as the size and independence requirements of our board, board committees, management succession and planning, and regular meetings of our non-employee directors without management in executive sessions.

The Nominating and Corporate Governance Committee did not receive any stockholder recommendations for nomination to our board in connection with this year's annual meeting. The Nominating and Corporate Governance Committee has recommended Ms. McArdle and Messrs. Schall and Walton, who are current Class C directors, for re-election as the term of their class is expiring on our classified board.

Board Diversity. Our board does not have a formal written policy with regard to the consideration of diversity in identifying director nominees. Our Nominating and Corporate Governance Committee charter, however, requires the committee to review the composition of the board as a whole and recommend, if necessary, measures to be taken so that our board not only contains the required number of independent directors, but also reflects the balance of knowledge, experience, skills, expertise, integrity, analytical ability and diversity as a whole that the committee deems appropriate. This review includes an assessment as to our board's current and anticipated need for directors with specific qualities, skills, experience or backgrounds; the availability of highly qualified candidates; committee workloads and membership needs; and anticipated director retirements. In making its recommendations, the Nominating and Corporate Governance Committee will also consider diversity on gender, racial, ethnic and any other self-identified diversity characteristics of directors and candidates to become directors, all with a view towards enhancing the effectiveness of our board of directors. However, we do not inquire or require that directors or nominees self-identify as diverse in any particular respect, and none of our directors or nominees have elected to do so.

Leadership Structure. In connection with the resignation of Floyd C. Wilson from our Company on February 21, 2019, our board appointed James W. Christmas Chairman of the Board. The Board intends to make the separation of the position of Chairman of the Board and Chief Executive Officer permanent to strengthen the Company's governance structure. Previously, the roles were combined and Mr. Christmas served as lead independent director ("Lead Director"). Our board believes that no single leadership model is right for all companies at all times, and that a combined Chairman and Chief Executive Officer roles may be appropriate and efficient under certain circumstances, by fostering accountability, effective decision-making and alignment on corporate strategy while reducing the potential for fractured leadership that can undermine successful implementation of policy; however, under present circumstances and with new leadership in several key roles of the Company, our board believes that the interests of the Company and its stockholders are best served by separating the two roles. In recognition that Mr. Christmas will be required to spend substantially greater time on Company matters, particularly on an interim basis while the Company searches for a new chief executive, Mr. Christmas's compensation as a director has been adjusted as discussed under the heading "*2019 Director Compensation*".

The Chairman of our board of directors is elected annually by our board. The Chairman's responsibilities and authority generally include:

presiding over all meetings of the board and, to the extent the Chairman is also an independent director, presiding over executive sessions of the in