

CIMAREX ENERGY CO  
Form DEF 14A  
March 25, 2019

Use these links to rapidly review the document

[TABLE OF CONTENTS](#)

[Table of Contents](#)

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    **p**

Filed by a Party other than the Registrant    **o**

**Check the appropriate box:**

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

**Cimarex Energy Co.**

(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):**

- p** No fee required.
- o** 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:
  - (2) Aggregate number of securities to which transaction applies:
  - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

Edgar Filing: CIMAREX ENERGY CO - Form DEF 14A

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

**o Fee paid previously with preliminary materials.**

**o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.**

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

---

Table of Contents

1700 Lincoln Street, Suite 3700  
Denver, CO 80203

# 2019 ANNUAL MEETING

## § NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

<b>TIME AND DATE</b>	9:00 a.m. Mountain Daylight Time on Wednesday, May 8, 2019
<b>PLACE</b>	Wells Fargo Center Denver Assemble Room (Lower Level 2) 1700 Lincoln Street Denver, Colorado 80203
<b>ITEMS OF BUSINESS</b>	<p><a href="#">Item 1.</a> Election of Directors</p> <p><a href="#">Item 2.</a> Advisory Vote to Approve Executive Compensation</p> <p><a href="#">Item 3.</a> Approve the 2019 Equity Incentive Plan</p> <p><a href="#">Item 4.</a> Ratification of Independent Auditors</p> <p>Transact any other business that properly comes before the Meeting and any adjournment or postponement of the Meeting</p>
<b>RECORD DATE</b>	March 12, 2019
<b>MAILING DATE TO SHAREHOLDERS</b>	March 25, 2019
<b>MATERIALS TO REVIEW</b>	This booklet contains our Notice of 2019 Annual Meeting and Proxy Statement. Our 2018 Annual Report is available on our website at <a href="http://www.cimarex.com">www.cimarex.com</a> .
<b>PROXY VOTING</b>	It is important that your shares be represented and voted at the Meeting. You can vote your shares by following the internet or telephone instructions on page 86 of this proxy statement or you may attend and vote in person at the Annual Meeting. If you received a paper copy of the proxy card, you also may vote by completing and mailing the proxy card in the postage-paid envelope provided for your convenience. You may revoke your proxy at any time before the vote is taken by following the instructions on page 88 of this proxy statement.

March 25, 2019

Francis B. Barron, Corporate Secretary

---

Table of Contents

# TABLE OF CONTENTS

<b><u>PROXY STATEMENT SUMMARY</u></b>	<b><u>1</u></b>
<b><u>ITEM 1: ELECTION OF DIRECTORS</u></b>	<b><u>6</u></b>
<u>Election Process</u>	<u>6</u>
<u>Director Nominations</u>	<u>6</u>
<u>2019 Nominees for Class II Directors</u>	<u>7</u>
<u>Continuing Directors</u>	<u>11</u>
<u>Summary of Director Core Competencies and Composition Highlights</u>	<u>18</u>
<b><u>CORPORATE GOVERNANCE</u></b>	<b><u>19</u></b>
<u>Corporate Governance Highlights</u>	<u>19</u>
<u>Shareholder Engagement</u>	<u>19</u>
<u>Director Qualifications and Recruitment</u>	<u>20</u>
<u>Board of Directors and its Committees</u>	<u>20</u>
<u>Other Governance Matters</u>	<u>25</u>
<b><u>COMPENSATION DISCUSSION AND ANALYSIS</u></b>	<b><u>28</u></b>
<u>Executive Summary of Compensation Discussion and Analysis ("CD&amp;A")</u>	<u>28</u>
<u>Section 1</u>	<u>32</u>
<u>Our Compensation Framework</u>	<u>32</u>
<u>Competitive Positioning</u>	<u>33</u>
<u>2018 Compensation Peer Group</u>	<u>34</u>
<u>2018 Stock Performance Peer Group</u>	<u>35</u>
<u>Section 2</u>	<u>36</u>
<u>Summary of 2018 and Early 2019 Compensation Decisions</u>	<u>36</u>
<u>Response to 2018 Say-on-Pay Vote and Shareholder Engagement</u>	<u>37</u>
<u>Key 2018 Compensation Actions</u>	<u>38</u>
<u>Alignment of CEO Direct Compensation to Total Shareholder Return ("TSR")</u>	<u>47</u>
<u>Early 2019 Compensation Decisions</u>	<u>49</u>
<u>Section 3</u>	<u>50</u>
<u>Role of Compensation Consultant and Management in Compensation Decisions</u>	<u>50</u>
<u>Other Compensation Arrangements</u>	<u>51</u>
<u>Other Compensation Policies</u>	<u>52</u>
<u>Compensation and Governance Committee Report</u>	<u>53</u>
<b><u>EXECUTIVE COMPENSATION TABLES</u></b>	<b><u>54</u></b>
<u>Summary Compensation Table</u>	<u>54</u>
<u>2018 Grants of Plan-Based Awards</u>	<u>56</u>
<u>Outstanding Equity Awards at December 31, 2018</u>	<u>57</u>
<u>2018 Option Exercises and Restricted Stock Vested</u>	<u>58</u>
<u>2018 Nonqualified Deferred Compensation</u>	<u>59</u>
<u>CEO Pay Ratio</u>	<u>60</u>
<u>Potential Payments Upon Change in Control or Termination</u>	<u>61</u>
<u>Director and Officer Indemnification Agreements</u>	<u>64</u>
<b><u>NON-EMPLOYEE DIRECTOR COMPENSATION</u></b>	<b><u>65</u></b>

<b><u>SECURITY OWNERSHIP</u></b>	<b><u>68</u></b>
<u>Management, Directors and Certain Beneficial Owners</u>	<u>68</u>
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	<u>69</u>
<b><u>ITEM 2: ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION</u></b>	<b><u>70</u></b>
<b><u>ITEM 3: APPROVAL OF THE 2019 EQUITY INCENTIVE PLAN</u></b>	<b><u>71</u></b>
<b><u>ITEM 4: RATIFICATION OF INDEPENEDENT AUDITORS</u></b>	<b><u>81</u></b>
<u>Audit and Non-Audit Fees</u>	<u>81</u>
<u>Approval of Audit, Audit-Related and Tax Services</u>	<u>81</u>