

WHITING PETROLEUM CORP
Form PRE 14A
March 04, 2016
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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 Pursuant to §240.14a-12

Whiting Petroleum Corporation

(Name of Registrant as Specified In Its Charter)

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

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PRELIMINARY PROXY MATERIALS SUBJECT TO COMPLETION

WHITING PETROLEUM CORPORATION

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held May 17, 2016

Dear Stockholder:

The annual meeting of stockholders of Whiting Petroleum Corporation will be held on Tuesday, May 17, 2016, at 10:00 a.m., Mountain Time, in the Hyatt Regency Denver Convention Center Capitol Ballroom, located on the 2nd floor at 650 15th Street, Denver, Colorado 80202, for the following purposes:

to elect three directors to hold office until the 2019 annual meeting of stockholders and until their successors are duly elected and qualified;

to approve, by advisory vote, the compensation of our named executive officers as disclosed in the accompanying proxy statement;

to ratify the appointment of Deloitte & Touche LLP as the independent registered public accounting firm for 2016;

to adopt and approve an amendment to our Restated Certificate of Incorporation to declassify our Board of Directors and provide for the annual elections of directors;

to adopt and approve an amendment to our Restated Certificate of Incorporation to increase the number of authorized shares of common stock;

to approve an amendment and restatement of the Whiting Petroleum Corporation 2013 Equity Incentive Plan; and

to consider and act upon such other business as may properly come before the meeting or any adjournment or postponement thereof. The close of business on March 22, 2016 has been fixed as the record date for the determination of stockholders entitled to notice of, and to vote at, the annual meeting and any adjournment or postponement thereof.

Your vote is important no matter how large or small your holdings may be. To assure your representation at the annual meeting, please vote your shares over the Internet or via the toll-free telephone number as instructed in the Notice of Internet Availability of Proxy Materials. You also may request a printed proxy card to submit your vote by mail. For more details, see **How do I vote?** under **Questions and Answers About the Annual Meeting and Voting** in the accompanying proxy statement.

By Order of the Board of Directors

WHITING PETROLEUM CORPORATION

Bruce R. DeBoer
Corporate Secretary

Denver, Colorado

April 4, 2016

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QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING

Why did I receive these proxy materials?

We are providing these proxy materials in connection with the solicitation by the Board of Directors (the **Board**) of Whiting Petroleum Corporation of proxies to be voted at our annual meeting of stockholders to be held on Tuesday, May 17, 2016, at 10:00 a.m., Mountain Time, in the Hyatt Regency Denver Convention Center Capitol Ballroom, located on the 2nd floor at 650 15th Street, Denver, Colorado 80202, and any adjournment or postponement thereof (the **Annual Meeting**) for the purposes set forth in the attached Notice of Annual Meeting of Stockholders. The Notice of Annual Meeting of Stockholders and this proxy statement and a proxy or voting instruction card are being mailed or made available to stockholders starting on or before April 4, 2016.

Why did I receive a **Notice of Internet Availability of Proxy Materials but no proxy materials?**

We distribute our proxy materials to certain stockholders via the Internet under the **Notice and Access** approach permitted by rules of the Securities and Exchange Commission (**SEC**). This approach conserves natural resources and reduces our distribution costs, while providing a timely and convenient method of accessing the materials and voting. On or before April 4, 2016, we mailed a Notice of Internet Availability of Proxy Materials to participating stockholders, containing instructions on how to access the proxy materials on the Internet to vote your shares over the Internet or by telephone. You will not receive a printed copy of the proxy materials unless you request them. If you would like to receive a printed copy of our proxy materials, including a printed proxy card on which you may submit your vote by mail, then you should follow the instructions for obtaining a printed copy of our proxy materials contained in the Notice of Internet Availability of Proxy Materials.

What do I need to do to attend the Annual Meeting?

Admission to the Annual Meeting is limited to stockholders as of the close of business on March 22, 2016 and their authorized proxy holders. If you hold your shares in your name as a stockholder of record and you plan to attend the Annual Meeting, you will need proof of ownership of our stock. If your shares are held in the name of a broker, bank or other holder of record and you plan to attend the Annual Meeting, you must present proof of your ownership of our stock, such as a bank or brokerage account statement, to be admitted to the Annual Meeting. In each case, the individual must have a valid government-issued photo identification to be admitted to the Annual Meeting.

For directions to the annual meeting, please write to Corporate Secretary, Whiting Petroleum Corporation, 1700 Broadway, Suite 2300, Denver, Colorado 80290-2300 or call (303) 837-1661.

Who is entitled to vote at the Annual Meeting?

Holders of our common stock at the close of business on March 22, 2016 are entitled to receive the Notice of Annual Meeting of Stockholders and to vote their shares at the Annual Meeting. As of that date, there were [209,871,796] shares of our common stock outstanding and entitled to vote. Each share of common stock is entitled to one vote on each matter properly brought before the Annual Meeting.

What is the difference between holding shares as a stockholder of record and as a beneficial owner?

If your shares are registered in your name with our transfer agent, Computershare, you are the **stockholder of record** of those shares. The Notice of Annual Meeting of Stockholders and this proxy statement and any accompanying materials have been provided directly to you by us.

If your shares are held in a stock brokerage account or by a bank or other holder of record, you are considered the **beneficial owner** of those shares, and the Notice of Annual Meeting of Stockholders and this Proxy Statement and any accompanying documents have been provided to you by your broker, bank or other

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holder of record. As the beneficial owner, you have the right to direct your broker, bank or other holder of record how to vote your shares by using the voting instruction card or by following their instructions for voting by telephone or on the Internet.

How do I vote?

You may vote using any of the following methods:

By Internet: You can vote over the Internet at www.envisionreports.com/WLL by following the instructions in the Notice of Internet Availability of Proxy Materials or on the proxy card.

By Telephone: You can vote over the telephone by following the instructions in the Notice of Internet Availability of Proxy Materials or on the proxy card.

By Mail: If you have requested or received a proxy or voting instruction card by mail, you can vote by completing, signing and dating the accompanying proxy or voting instruction card and returning it in the prepaid envelope. If you are a stockholder of record and return your signed proxy card but do not indicate your voting preferences, the persons named in the proxy card will vote the shares represented by your proxy card as recommended by the Board of Directors.

At the Annual Meeting: Stockholders who attend the Annual Meeting may vote in person at the Annual Meeting. You may also be represented by another person at the Meeting by executing a proper proxy designating that person. If you are a beneficial owner of shares, you must obtain a legal proxy from your broker, bank or other holder of record and present it to the inspectors of election with your ballot to be able to vote at the Annual Meeting.

Internet and telephone voting facilities for stockholders of record will be available 24 hours a day until 1:00 a.m., Eastern Time, on May 17, 2016. The availability of Internet and telephone voting for beneficial owners will depend on the voting processes of your broker, bank or other holder of record. We therefore recommend that you follow the voting instructions in the materials you receive. If you vote by Internet or telephone, you do not have to return your proxy or voting instruction card.

Your vote is important. You can save us the expense of a second mailing by voting promptly.

What can I do if I change my mind after I vote?

Submitting your proxy over the Internet, by telephone or by executing and returning a printed proxy card will not affect your right to attend the Annual Meeting and to vote in person. Presence at the Annual Meeting of a stockholder who has submitted a proxy does not in itself revoke a proxy. If you are a stockholder of record, you can revoke your proxy before it is exercised by:

giving written notice to the Corporate Secretary of the Company;

delivering a valid, later-dated proxy, or a later-dated vote by telephone or on the Internet, in a timely manner; or

voting by ballot at the Annual Meeting.

If you are a beneficial owner of shares, you may submit new voting instructions by contacting your broker, bank or other holder of record.

What is householding and how does it affect me?

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We have adopted a procedure, approved by the SEC, called householding. Under this procedure, stockholders of record who have the same address and last name and receive paper copies of the proxy materials will receive only one copy of our proxy statement and annual report to stockholders, unless we are notified that

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one or more of these stockholders wishes to continue receiving individual copies. Householding conserves natural resources and reduces our distribution costs. Stockholders who participate in householding will continue to receive separate proxy cards.

Upon request, we will promptly deliver a separate copy of the proxy statement and annual report to stockholders to any stockholder at a shared address to which a single copy of each document was delivered. For future deliveries of proxy statements and annual reports to stockholders, stockholders may also request us to deliver multiple copies at a shared address to which a single copy of each document was delivered. Stockholders sharing an address who are currently receiving multiple copies of the proxy statement and annual report to stockholders may also request delivery of a single copy upon request. Stockholders may notify us of their requests orally or in writing by contacting Corporate Secretary, Whiting Petroleum Corporation, at 303-837-1661 or 1700 Broadway, Suite 2300, Denver, Colorado 80290-2300.

If you are a beneficial owner, you can request information about householding from your broker, bank or other holder of record.

Can I access the proxy materials and the 2015 annual report on the Internet?

The Notice of Annual Meeting of Stockholders and this proxy statement and our 2015 annual report to stockholders are available on our website at www.whiting.com.

What is a broker non-vote?

If you are a beneficial owner whose shares are held of record by a broker, you must instruct the broker how to vote your shares. If you do not provide voting instructions, your shares will not be voted on any proposal on which the broker does not have discretionary authority to vote. This is called a broker non-vote. In these cases, the broker can register your shares as being present at the Annual Meeting for purposes of determining the presence of a quorum but will not be able to vote on those matters for which specific authorization is required under the rules of the New York Stock Exchange (NYSE).

If you are a beneficial owner whose shares are held of record by a broker, your broker has discretionary voting authority under NYSE rules to vote your shares on the ratification of the appointment of Deloitte & Touche LLP and the approval of an amendment to our certificate of incorporation to increase the number of authorized shares of common stock, even if the broker does not receive voting instructions from you. However, your broker does not have discretionary authority to vote on the election of directors, the approval of the advisory vote on the compensation of our named executive officers, the approval of an amendment to our certificate of incorporation to declassify our Board of Directors or the approval of an amendment and restatement of the Whiting Petroleum Corporation 2013 Equity Incentive Plan, in which case a broker non-vote will occur and your shares will not be voted on these matters.

What is a quorum for the Annual Meeting?

The presence of the holders of stock representing a majority of the voting power of all shares of stock issued and outstanding and entitled to vote at the Annual Meeting, in person or represented by proxy, is necessary to constitute a quorum. Abstentions and broker non-votes are counted as present and entitled to vote for purposes of determining a quorum.

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What are the voting requirements to elect the directors and to approve each of the proposals discussed in this proxy statement?

Proposal	Vote Required
1. Election of directors	Plurality subject to resignation under Majority Voting Policy if votes withheld greater than votes for
2. Approval of the advisory vote on the compensation of our named executive officers	Majority of votes present and entitled to vote
3. Ratification of the appointment of Deloitte & Touche LLP	Majority of votes present and entitled to vote
4. Approval of an amendment to our certificate of incorporation to declassify our Board of Directors	70% of shares entitled to vote
5. Approval of an amendment to our certificate of incorporation to increase the number of authorized shares of common stock	Majority of shares entitled to vote
6. Approval of an amendment and restatement of the Whiting Petroleum Corporation 2013 Equity Incentive Plan <i>Election of Directors; Majority Vote Policy</i>	Majority of votes present and entitled to vote

Each director will be elected by a plurality of the votes cast at the Annual Meeting (assuming a quorum is present), subject to our Majority Voting Policy. Any shares not voted at the Annual Meeting, whether due to abstentions, broker non-votes or otherwise, will have no impact on the election of the directors.

Pursuant to our Majority Voting Policy, in the absence of a contested election, any nominee for director who receives a greater number of votes withheld from his or her election than votes for such election must promptly tender his or her resignation to the chairman of the board. The Nominating and Governance Committee of our Board (or, under certain circumstances, another committee appointed by the Board) will promptly consider that resignation and will recommend to the Board whether to accept the tendered resignation or reject it based on all relevant factors. The Board must then act on that recommendation no later than 90 days following the date of an Annual Meeting of Stockholders. Within four days of the Board's decision, we must disclose the decision in a Current Report on Form 8-K filed with the SEC that includes a full explanation of the process by which the decision was reached and, if applicable, the reasons for rejecting the resignation. The Majority Voting Policy is available in Appendix C to our Corporate Governance Guidelines on our website at www.whiting.com.

Approval of the Advisory Vote on the Compensation of Our Named Executive Officers

The affirmative vote of the holders of a majority of the shares having voting power present in person or represented by proxy at the Annual Meeting (assuming a quorum is present) is required for the approval of the advisory vote on the compensation of our named executive officers as disclosed in this proxy statement. Broker non-votes will have no effect on approval of the resolution, but abstentions will act as a vote against approval of the resolution.

Ratification of the Appointment of Deloitte & Touche LLP

The affirmative vote of the holders of a majority of the shares having voting power present in person or represented by proxy at the Annual Meeting (assuming a quorum is present) is required for the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2016. Abstentions will act as a vote against ratification of the appointment.

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Approval of an Amendment to Our Certificate of Incorporation to Declassify Our Board of Directors

The affirmative vote of the holders of at least 70% of the shares entitled to vote at the Annual Meeting is required for the adoption and approval of an amendment to our certificate of incorporation to declassify our Board of Directors and provide for the annual election of directors. Both broker non-votes and abstentions will act as a vote against approval of the amendment.

Approval of an Amendment to Our Certificate of Incorporation to Increase the Number of Authorized Shares of Common Stock

The affirmative vote of the holders of a majority of the shares entitled to vote at the Annual Meeting is required for the adoption and approval of an amendment to our certificate of incorporation to increase the number of authorized shares of common stock. Abstentions will act as a vote against approval of the amendment.

Approval of an Amendment and Restatement of the Whiting Petroleum Corporation 2013 Equity Incentive Plan

The affirmative vote of the holders of a majority of the shares of common stock having voting power present in person or represented by proxy at the Annual Meeting (assuming a quorum is present) is required for the approval of an amendment and restatement of the Whiting Petroleum Corporation 2013 Equity Incentive Plan. Broker non-votes will have no effect on the approval of the amendment and restatement, but abstentions will act as a vote against approval of the amendment and restatement.

How will my shares be voted at the Annual Meeting?

If you submit your proxy over the Internet or by telephone, or you request a printed proxy card and properly execute and return the proxy card by mail, then the persons named as proxies will vote the shares represented by your proxy according to your instructions. If you request a printed proxy card, and properly execute and return the proxy card by mail, but do not mark voting instructions on the proxy card, then the persons named as proxies will vote:

FOR the election of each of the director nominees named in this proxy statement;

FOR the approval, on an advisory basis, of the compensation of our named executive officers as disclosed in this proxy statement;

FOR the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2016;

FOR the adoption and approval of an amendment to our certificate of incorporation to declassify our Board of Directors and provide for the annual election of directors;

FOR the adoption and approval of an amendment to our certificate of incorporation to increase the number of authorized shares of common stock; and

FOR the approval of an amendment and restatement of the Whiting Petroleum Corporation 2013 Equity Incentive Plan.

Could other matters be decided at the Annual Meeting?

Other than the election of three directors, the advisory vote on the compensation of our named executive officers, the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2016, the adoption and approval of an amendment to our certificate of incorporation to declassify our Board of Directors and provide for the annual election of directors, the adoption and approval of an amendment to our certificate of incorporation to increase the number of authorized shares of common stock and the approval of an amendment and restatement of the Whiting Petroleum Corporation 2013 Equity Incentive

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Plan, the Board has no knowledge of any other matters to be presented for action by the stockholders at the Annual Meeting. However, if you return your signed and completed proxy card or vote by telephone or on the Internet and any other business or matters properly shall come before the Annual Meeting, then the persons named as proxies in the form of proxy will vote the shares represented by each proxy in accordance with their judgment on such matters.

Who will pay for the cost of this proxy solicitation?

We will pay the cost of soliciting proxies. Proxies may be solicited on our behalf by our directors, officers or employees in person or by telephone, mail, electronic transmission and/or facsimile transmission. We have engaged Innisfree M&A Incorporated to assist us in the distribution and solicitation of proxies for a fee of \$20,000, plus certain disbursements and expenses. We will also reimburse brokers and other nominees for their reasonable expenses in communicating with the persons for whom they hold our common stock.

Who will count the votes?

Representatives of our transfer agent, Computershare, will tabulate the votes and act as inspectors of election.

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CORPORATE GOVERNANCE

Our Commitment to Enhanced Corporate Governance Practices

We seek to maintain and enhance our corporate governance practices by refining such practices to align with evolving practices, issues raised by our stockholders and otherwise as circumstances warrant. We have recently taken the following actions that represent corporate governance best practices:

Declassification of Board: In this proxy statement, we are requesting our stockholders to approve an amendment to our certificate of incorporation to declassify our Board and provide for the annual election of directors. The proposed amendment provides that directors would be elected to one-year terms as their existing three-year terms expire, beginning with the class of directors to be elected at our 2017 annual meeting.

Proxy Access: On February 18, 2016, our Board approved amendments to our by-laws to include a proxy access provision pursuant to which a stockholder, or group of up to 25 stockholders, owning continuously for at least three years shares of our stock representing an aggregate of at least 3% of our outstanding shares may nominate and include in our proxy materials director nominees constituting up to 25% of our Board if such stockholders and nominees comply with the procedures in our by-laws.

Elimination of Rights Plan: Our Board determined not to renew our rights plan or poison pill when it expired on February 23, 2016. As a result, we no longer have a rights plan or poison pill.

Lead Director: Effective January 1, 2016, the independent members of our Board elected a lead director, who is an independent director. We also formalized the role of the lead director and have set forth the duties of the lead director in our Corporate Governance Guidelines as described below under Board Leadership Structure; Lead Director.

We also place great value on stockholder outreach and engage regularly with our investors to gain insights into the corporate governance issues about which they care most. We aim to seek a collaborative and mutually beneficial approach to issues of importance to investors that affect our business and also to help ensure we maintain appropriate corporate governance practices. We demonstrated this approach in 2014 by making significant changes to our executive compensation program for 2015 in response to engagement with our stockholders and our 2014 say on pay vote results as described in detail in Executive Compensation Compensation Discussion and Analysis.

Proposal 1 Election of Directors

Our certificate of incorporation and by-laws currently provide that our directors are divided into three classes, with staggered terms of three years each. At the Annual Meeting, the stockholders will elect three directors to hold office until the 2019 annual meeting of stockholders and until their successors are duly elected and qualified.

The Board has no reason to believe that the listed nominees will be unable or unwilling to serve as directors if elected. However, in the event that any nominee should be unable to serve or for good cause will not serve, the shares represented by proxies received will be voted for another nominee selected by the Board.

The following sets forth certain information, as of March 22, 2016, about the Board's nominees for election at the Annual Meeting and each director whose term will continue after the Annual Meeting, including an account of their specific business experience; the names of publicly held and certain other corporations of which they also are, or have been within the past five years, directors; and a discussion of their specific experience, qualifications, attributes or skills that led to the conclusion that they should serve as directors.

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Nominees for Election at the Annual Meeting

Thomas L. Aller, 67, has been a director of Whiting Petroleum Corporation since 2003. Mr. Aller retired as Senior Vice President of Operations Support for Alliant Energy Corporation in 2014. He served as Senior Vice President – Energy Resource Development of Alliant Energy Corporation from 2009 to 2013 and President of Interstate Power and Light Company since 2004. Prior to that, he served as President of Alliant Energy Investments, Inc. since 1998 and interim Executive Vice President – Energy Delivery of Alliant Energy Corporation since 2003 and Senior Vice President – Energy Delivery of Alliant Energy Corporation since 2004. From 1993 to 1998, he served as Vice President of IES Investments. He received his Bachelor’s Degree in political science from Creighton University and his Master’s Degree in municipal administration from the University of Iowa. Mr. Aller’s particular experience with our company, including from 1997 through 2003 when he served as a director of our company’s operating subsidiary prior to our initial public stock offering, and his business acumen and experience in the energy sector led to the conclusion that he should serve as a director.

James E. Catlin, 69, has been a director of Whiting Petroleum Corporation since 2014. Mr. Catlin was a co-founder of Kodiak Oil & Gas Corp. (Kodiak) and served at Kodiak as a director since 2001 and Executive Vice President of Business Development since 2011 until we acquired Kodiak in 2014. Mr. Catlin also previously served as Chairman of the Board from 2002 until 2011, Secretary from 2002 to 2008 and Chief Operating Officer from 2006 until 2011. Mr. Catlin has nearly 40 years of geologic experience primarily in the Rocky Mountain Region. Mr. Catlin was an owner of CP Resources LLC, an independent oil and natural gas company from 1986 to 2001. Mr. Catlin was a Founder, Vice President and Director of Deca Energy from 1980 to 1986 and worked as a district geologist for Petroleum Inc. and Fuelco prior to this time. He received a Bachelor of Arts and a Master’s of Science Degree in Geology from the University of Northern Illinois in 1973. Mr. Catlin’s extensive training and experience with respect to geology and executive level experience working with oil and natural gas companies led to the conclusion he should serve as a director. The terms of the merger agreement pursuant to which we acquired Kodiak also required that Mr. Catlin be appointed as a director.

Michael B. Walen, 67, has been a director of Whiting Petroleum Corporation since 2013. Mr. Walen was the Senior Vice President – Chief Operating Officer of Cabot Oil and Gas Corporation from 2001 until 2010 and served in other management and exploration positions prior to that time. He has 40 years of exploration and management experience with independent oil and gas companies including PetroCorp Inc., Patrick Petroleum Co., TXO Production Co. and Tenneco Oil Company. Mr. Walen was a director of Vitruvian Exploration from 2010 to 2013. Mr. Walen holds a Bachelor’s Degree in Geology from Central Washington University and a Master’s Degree in Geology from Western Washington University. Mr. Walen’s geological training, technical expertise and industry experience (particularly in shale plays), including managing operations, engineering, reserves, land and geology, led to the conclusion that he should serve as a director.

The Board recommends the foregoing nominees for election as directors for terms expiring at the 2018 Annual Meeting and urges each stockholder to vote FOR such nominees.

Directors Continuing in Office

Terms Expiring at the 2017 Annual Meeting

D. Sherwin Artus, 78, has been a director of Whiting Petroleum Corporation since 2006. Mr. Artus joined Whiting Oil and Gas Corporation in 1989 as Vice President of Operations and became Executive Vice President and Chief Operating Officer in 1999. In 2000, he was appointed President and Chief Executive Officer. Mr. Artus became Senior Vice President in 2002 and retired from the Company in 2006. Prior to joining Whiting, he was employed by Shell Oil Company in various engineering research and management positions. From 1974-1977, he was employed by Wainoco Oil and Gas Company as Production Manager. He was a co-founder and later became President of Solar Petroleum Corporation, an independent oil and gas producing company. He has over 52 years of experience in the oil and natural gas business. Mr. Artus holds a Bachelor’s Degree in Geological Engineering and a Master’s Degree in Mining Engineering from the South Dakota School of Mines

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and Technology. He is a registered Professional Engineer in Colorado, Wyoming, Montana and North Dakota. Mr. Artus is a member, and a past officer, of the Society of Professional Well Log Analysts and is a member of the Society of Petroleum Engineers. Mr. Artus' technical expertise and vast industry experience coupled with his management experience with our company and intimate knowledge of our company culture led to the conclusion that he should serve as a director.

Philip E. Doty, 72, has been a director of Whiting Petroleum Corporation since 2010. Mr. Doty is a certified public accountant. Since 2007, Mr. Doty has been counsel to EKS&H LLLP, the largest Colorado-based accounting and consulting firm, where he previously was a partner from 2002 to 2007. From 1967 to 2000 he worked at Arthur Andersen & Co., where he was a partner since 1978 and served as an audit partner and head of the Denver office oil and gas practice until his retirement in 2000. He is a graduate of Drake University with a Bachelor's degree in accounting. Mr. Doty's 46 years of experience as a certified public accountant and his expertise in oil and gas financial reporting and accounting led to the conclusion he should serve as a director.

Carin S. Knickel, 59, has been a director of Whiting Petroleum Corporation since July 27, 2015. Ms. Knickel served as Vice President of Global Human Resources and a member of the management committee of ConocoPhillips from 2003 until she retired in 2012. Her energy industry experience includes over three decades in operations leadership in refining, marketing, transportation, exploration, and production for ConocoPhillips. She also held roles in business development, strategic planning and commodity trading, and led the company's specialty products business from 2001 to 2003. Ms. Knickel also served as Assistant Dean for Programs and Talent for the University of Colorado College of Engineering from 2013 through 2014 and currently serves on the school's Engineering Advisory Council. She has a Bachelor's degree in marketing from the University of Colorado and a Master's degree in management science from the Massachusetts Institute of Technology. Ms. Knickel's broad range of operational and administrative experience in the oil and gas industry led to the conclusion she should serve as a director.

Terms Expiring at the 2018 Annual Meeting

James J. Volker, 69, who serves as Chairman of the Board, President and Chief Executive Officer, has been a director of Whiting Petroleum Corporation since 2003 and a director of Whiting Oil and Gas Corporation since 2002. He joined Whiting Oil and Gas Corporation in 1983 as Vice President of Corporate Development and served in that position through 1993. In 1993, he became a contract consultant to Whiting Oil and Gas Corporation and served in that capacity until 2000, at which time he became Executive Vice President and Chief Operating Officer. Mr. Volker was appointed President and Chief Executive Officer of Whiting Oil and Gas Corporation in 2002. Mr. Volker was co-founder, Vice President and later President of Energy Management Corporation from 1971 through 1982. He has over 41 years of experience in the oil and natural gas industry. Mr. Volker has a degree in finance from the University of Denver, an MBA from the University of Colorado and has completed H. K. VanPoolen and Associates' course of study in reservoir engineering. Mr. Volker's status as our chief executive officer who applies his considerable industry experience and management qualifications and serves as a valuable resource for the other directors as to all operational and administrative aspects of our company led to the conclusion that he should serve as a director.

William N. Hahne, 64, has been a director since 2007. Mr. Hahne was Chief Operating Officer of Petrohawk Energy Corporation from 2006 until 2007. Mr. Hahne served at KCS Energy, Inc. as President, Chief Operating Officer and Director from 2003 to 2006, and as Executive Vice President and Chief Operating Officer from 1998 to 2003. He is a graduate of Oklahoma University with a BS in petroleum engineering and has 38 years of extensive technical and management experience with independent oil and gas companies including Unocal, Union Texas Petroleum Corporation, NERCO, The Louisiana Land and Exploration Company (LL&E) and Burlington Resources, Inc. He is an expert in oil and gas reserve estimating, having served as chairman for the Society of Petroleum Engineers Oil and Gas Reserve Committee. Mr. Hahne's experience in budgeting, planning and implementing effective exploration, drilling, acquisition and development programs, expertise in horizontal drilling and shale development and knowledge of oil and gas regulation, litigation and government reporting led to the conclusion that he should serve as a director.

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Governance Information

Corporate Governance Documents

The Board has adopted and regularly reviews and, if appropriate, revises our Corporate Governance Guidelines and written charters for our Audit Committee, Compensation Committee and Nominating and Governance Committee. The Board has also adopted the Whiting Petroleum Corporation Code of Business Conduct and Ethics that applies to our directors and employees. Each of our directors and employees annually confirms in writing that he or she has reviewed and will fully comply with the Code of Business Conduct and Ethics.

Copies of each of these documents are available on our website at www.whiting.com. We are not including the information contained on our website as part of, or incorporating it by reference into, this proxy statement.

Independence of Directors

Of the eight directors currently serving on the Board, the Board has determined that each of Messrs. Aller, Artus, Catlin, Doty, Hahne and Walen and Ms. Knickel has no material relationship with us and is independent under NYSE listing standards. The Board has established categorical standards within our Corporate Governance Guidelines to assist in making determinations of director independence. In making its determination of independence, the Board found that each of Messrs. Aller, Artus, Catlin, Doty, Hahne and Walen and Ms. Knickel met these standards. The Board also considered the fact that Mr. Catlin was the Executive Vice President of Business Development of Kodiak until we acquired Kodiak in 2014. Due to Mr. Catlin having no prior relationships with our company or our senior management other than in connection with us acquiring Kodiak and Mr. Catlin joining the Board as a result of the Kodiak merger agreement negotiations at a time when we and Kodiak were independent entities, the Board determined that Mr. Catlin's former officer position with Kodiak did not impede his exercise of independent judgment.

Transactions with Related Persons

We had no transactions during 2015, and none are currently proposed, in which we were a participant and in which any related person had a direct or indirect material interest. Our Board has adopted written policies and procedures regarding related person transactions. For purposes of these policies and procedures:

a related person means any of our directors, executive officers or nominees for director or any of their immediate family members; and

a related person transaction generally is a transaction (including any indebtedness or a guarantee of indebtedness) in which we were or are to be a participant and the amount involved exceeds \$120,000, and in which a related person had or will have a direct or indirect material interest.

Each of our executive officers, directors or nominees for director is required to disclose to the Nominating and Governance Committee certain information relating to related person transactions for review, approval or ratification by the Nominating and Governance Committee. Disclosure to the Nominating and Governance Committee should occur before, if possible, or as soon as practicable after the related person transaction is effected, but in any event as soon as practicable after the executive officer, director or nominee for director becomes aware of the related person transaction. The Nominating and Governance Committee's decision whether or not to approve or ratify a related person transaction is to be made in light of the Nominating and Governance Committee's determination that consummation of the transaction is not or was not contrary to our best interests. Any related person transaction must be disclosed to the full Board.

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Meetings and Attendance

The Board held ten meetings in 2015. No director attended less than 90% of the total number of Board and committee meetings during the period on which they served on the Board or such committees. Directors are expected to attend our annual meeting of stockholders each year and five of our directors serving at the time attended our 2015 annual meeting of stockholders.

Selection of Director Candidates

In identifying and evaluating nominees for director, the Nominating and Governance Committee seeks to ensure that the Board possesses, in the aggregate, the strategic, managerial and financial skills and experience necessary to fulfill its duties and to achieve its objectives, and seeks to ensure that the Board is comprised of directors who have broad and diverse backgrounds, possessing knowledge in areas that are of importance to us. The nominating and Governance Committee is guided by the Criteria for Director nominees in our Corporate Governance Guidelines, which provide:

The Nominating and Governance Committee will examine each director nominee on a case-by-case basis regardless of who recommended the nominee. The Nominating and Governance Committee will take into account all factors it considers appropriate, which may include strength of character, mature judgment, career specialization, relevant technical skills or financial acumen, diversity and industry knowledge.

The Nominating and Governance Committee believes that the following minimum qualifications are necessary for a director nominee to possess to be recommended by the Committee to the Board:

Each director must display the highest personal and professional ethics, integrity and values.

Each director must have the ability to exercise sound business judgment.

Each director must be highly accomplished in his or her respective field, with superior credentials and recognition and broad experience at the administrative and/or policy-making level in business, government, education, technology or public interest.

Each director must have relevant expertise and experience, and be able to offer advice and guidance to the chief executive officer based on that expertise and experience.

Each director must be independent of any particular constituency, be able to represent all of our stockholders and be committed to enhancing long-term stockholder value.

Each director must have sufficient time available to devote to activities of the Board and to enhance his or her knowledge of our business.

The Nominating and Governance Committee also believes the following qualities or skills are necessary for one or more directors to possess:

At least one director have the requisite experience and expertise to be designated as an audit committee financial expert.

Directors should be selected so that the Board is a diverse body, with diversity reflecting age, gender, race and professional experience. In this regard in early 2015, the Nominating and Governance Committee conducted a process specifically to identify female candidates for the Board, which resulted in the identification of Carin S. Knickel, who was appointed on July 27, 2015 to serve on our Board.

The Nominating and Governance Committee will consider persons recommended by stockholders to become nominees for election as directors in accordance with the foregoing and other criteria set forth in our Corporate Governance Guidelines and Nominating and Governance Committee Charter. Recommendations for consideration by the Nominating and Governance Committee should be sent to our Corporate Secretary in writing together with appropriate biographical information concerning each proposed nominee.

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We recently amended our by-laws to include a proxy access provision pursuant to which a stockholder, or group of up to 25 stockholders, owning continuously for at least three years shares of our stock representing an aggregate of at least 3% of our outstanding shares may nominate and include in our proxy materials director nominees constituting up to 25% of our Board. Alternatively, a stockholder may nominate director nominees under our by-laws that the stockholder does not intend to have included in our proxy materials. In either case, such stockholders must comply with the procedures set forth in our by-laws, including that the stockholders and nominees satisfy the requirements in our by-laws and our Corporate Secretary receives timely written notice, in proper form, of the intent to make a nomination at an annual meeting of stockholders. The detailed requirements for nominations are set forth in our by-laws, which were attached as an exhibit to our Current Report on Form 8-K filed with the Securities and Exchange Commission on February 22, 2016. Additional requirements regarding stockholder proposals and director nominations, including the dates by which notices must be received, are described below under the heading **Stockholder Proposals**.

Board Leadership Structure; Lead Director

The position of chairman of the board is filled by our chief executive officer. We believe this combined leadership structure is appropriate for our company because our chairman of the board and chief executive officer (i) conveys a singular, cohesive message to our stockholders, employees, industry partners and the investment community, (ii) eliminates any ambiguity as to who is accountable for company performance and (iii) exhibits strong experience in successfully leading our company. Our directors and management team engage frequently and directly in the flow of information and ideas and we believe our combined leadership structure facilitates the quality, quantity and timeliness of the information flow and communication.

Our Corporate Governance Guidelines provide that if the chairman of the board is not an independent director, the independent members of the Board will elect a lead director, who will be an independent director. The independent members of the Board have elected Mr. Hahne as our lead director. Our Corporate Governance Guidelines also provide that the lead director will have the following duties in addition to such other duties as the Board may establish from time to time:

The lead director will serve as a liaison between the chairman of the board and the independent directors;

With respect to meetings of the Board, the lead director will approve (i) information sent to the Board, (ii) meeting agendas and (iii) meeting schedules to assure there is sufficient time for discussion of all agenda items;

The lead director will have the authority to call meetings of the independent directors; and

If requested by major stockholders, the lead director shall be available for consultation and direct communication with such stockholders.

The lead director also presides over each executive session of the non-management directors at Board meetings.

Role of the Board in Risk Oversight

One of the responsibilities of our Board is to review and evaluate the process in place to assess the major risks facing our company and periodically review management's assessment of the major risks as well as options for their mitigation. Our Board leadership structure and our practice of a high degree of interaction between our directors and members of senior management facilitates this oversight function. The information flow and communication between our Board and senior management regarding long-term strategic planning and short term operational reporting includes matters of material risk inherent in our business of exploration for and production of oil and gas. Our Audit Committee, among other duties, is charged with overseeing significant financial risk exposures and the steps management has taken to monitor, control and report such exposures and has compliance oversight responsibilities. Our Compensation Committee reviews risks related to our compensation programs and works to structure such programs in a manner to deter excessive risk taking.

Table of Contents**Communication with Directors; Stockholder Engagement**

Stockholders and other interested parties may communicate with the full Board, non-management directors as a group or individual directors, including the lead director, by submitting such communications in writing to our Corporate Secretary at Whiting Petroleum Corporation, c/o the Board of Directors (or, at the stockholder's option, c/o a specific director or directors), 1700 Broadway, Suite 2300, Denver, Colorado 80290. Such communications will be delivered directly to the Board.

The chairman of the board serves as the Board's liaison for consultation and direct communication with stockholders with the lead director available for consultation and direct communication with major stockholders upon request. Individual directors may, from time to time, meet or otherwise communicate with stockholders, but it is expected that directors would do this with the knowledge of the chairman of the board and the lead director and, in most instances, at the request of management.

Board Committee Information

The Board has standing Audit, Compensation and Nominating and Governance Committees. The Board has adopted a formal written charter for each of these committees that is available on our website at www.whiting.com.

The table below provides the current composition of each standing committee of our Board:

Name	Audit	Compensation	Nominating/ Governance
Thomas L. Aller	X	X	
D. Sherwin Artus			X
Philip E. Doty	X		X
William N. Hahne			X
Carin S. Knickel		X	X
Michael B. Walen	X	X	

Audit Committee

The Audit Committee's primary duties and responsibilities are to assist the Board in monitoring the integrity of our financial statements, the independent registered public accounting firm's qualifications and independence, the performance of our internal audit function and independent registered public accounting firm and our compliance with legal and regulatory requirements. The Audit Committee is directly responsible for the appointment, retention, compensation, evaluation and termination of our independent registered public accounting firm and has the sole authority to approve all audit and permitted non-audit engagement fees and terms. The Audit Committee is presently comprised of Messrs. Doty (Chairperson), Aller and Walen, each of whom is an independent director under NYSE listing standards and SEC rules applicable to audit committee members. The Board has determined that Mr. Doty qualifies as an audit committee financial expert as defined by SEC rules. The Audit Committee held four meetings in 2015.

Compensation Committee

The Compensation Committee discharges the responsibilities of the Board with respect to our compensation programs and compensation of our executives and directors. The Compensation Committee has overall responsibility for determining the compensation of our chief executive officer, approving the compensation of our executive officers and reviewing director compensation. The Compensation Committee is also charged with administration of our Equity Incentive Plan. The Compensation Committee is presently comprised of Messrs. Aller (Chairperson) and Walen and Ms. Knickel, each of whom is an independent director under NYSE

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listing standards, an outside director for purposes of Section 162(m) of the Internal Revenue Code and a non-employee director for purposes of Rule 16b-3 under the Exchange Act. The Compensation Committee held three meetings in 2015. Additional information regarding the Compensation Committee and our processes and procedures for executive compensation, including, among other matters, our use of compensation consultants and the role of our executive officers in determining compensation, is provided below under Executive Compensation Compensation Discussion and Analysis .

Nominating and Governance Committee

The principal functions of the Nominating and Governance Committee are to identify individuals qualified to become directors and recommend to the Board nominees for all directorships, identify directors qualified to serve on Board committees and recommend to the Board members for each committee, develop and recommend to the Board a set of corporate governance guidelines and otherwise take a leadership role in shaping our corporate governance. The Nominating and Governance Committee is also charged with administering our policies and procedures regarding any transactions with related persons. The Nominating and Governance Committee is presently comprised of Messrs. Hahne (Chairperson), Artus and Doty and Ms. Knickel, each of whom is an independent director under NYSE listing standards. The Nominating and Governance Committee held three meetings in 2015.

Director Compensation

We use a combination of cash and equity incentive compensation to attract and retain qualified and experienced candidates to serve on the Board. In setting this compensation, our Compensation Committee considers the significant amount of time and energy expended and the skill-level required by our directors in fulfilling their duties. Our Compensation Committee grants restricted stock to our non-employee directors annually on the first of the month following the annual meeting of stockholders to align the grants with directors' terms of office. The shares of restricted stock granted vest 100% on the first anniversary of the grant date. All grants of shares of restricted stock become fully vested upon a change in control of our company. We also reimburse expenses incurred by our non-employee directors to attend Board and Board committee meetings and to attend continuing education seminars, conferences and classes. Directors who are our employees receive no compensation for service as members of either the Board or Board committees. For 2015, non-employee directors were compensated pursuant to the schedule as follows:

	Board Service	Audit	Committee Service Compensation	Nominating and Governance
Annual Retainer	\$ 58,000			
Restricted Stock (value)	\$ 175,000			
Committee Chair Annual Retainer		\$ 25,000	\$ 15,000	\$ 15,000
Committee Chair Restricted Stock (value)		\$ 25,000	\$ 15,000	\$ 15,000
Committee Member Annual Retainer		\$ 10,000	\$ 5,000	\$ 5,000
Meeting Fee	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500

Beginning in 2016, we will also pay the lead director an additional cash annual retainer of \$20,000 and grant the lead director an additional \$15,000 of restricted stock.

In addition, we make medical and dental coverage available to directors and their spouses, but directors who elect to receive such coverage are charged a premium that is equal to the COBRA rates associated with our insurance plan. As such, we consider the ability to participate in this coverage to be non-compensatory.

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The following table reports compensation earned by or paid to our non-employee directors during 2015.

Director Compensation

Name(1)	Fees Earned or Paid in Cash (\$)	Stock Awards \$(2)	Total (\$)
Thomas L. Aller	109,000	190,000	299,000
D. Sherwin Artus	81,500	175,000	256,500
James E. Catlin	75,500	175,000	248,500
Philip E. Doty	114,000	200,000	314,000
William N. Hahne	102,500	190,000	292,500
Carin S. Knickel(3)	77,500	148,230	225,730
Allan R. Larson(4)	72,500	0	72,500
Lynn A. Peterson(5)	67,500	0	67,500
Michael B. Walen	99,000	175,000	274,000

- (1) Mr. Volker, our Chief Executive Officer, is not included in this table as he is an employee of ours and receives no separate compensation for his services as a director. The compensation received by Mr. Volker as an employee is shown below under Executive Compensation Tables Summary Compensation Table.
- (2) Reflects the full grant date fair value of restricted stock awards granted in 2015 calculated in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718. Assumptions used in the calculation of these amounts are included in note 9 to our audited financial statements for the fiscal year ended December 31, 2015 included in our Annual Report on Form 10-K filed with the SEC on February 25, 2016. In 2015, Messrs. Aller, Artus, Catlin, Doty, Hahne, Larson, Peterson and Walen and Ms. Knickel were respectively awarded 5,850, 5,388, 5,388, 6,158, 5,850, 0, 0, 5,388 and 7,015, which in each case was the number of unvested restricted stock awards outstanding for such director at December 31, 2015.
- (3) Ms. Knickel was appointed to the Board on July 27, 2015.
- (4) Mr. Larson's term as a director expired at the annual meeting of stockholders on June 2, 2015.
- (5) Mr. Peterson resigned as a director on June 3, 2015.

Stock Ownership Guidelines

Our Board has adopted stock ownership guidelines to further align the interests of our directors with the interests of our stockholders and to promote our commitment to sound corporate governance. Non-employee directors are required to hold shares of our common stock with a value equal to four times the amount of the annual cash retainer paid for service on the Board (excluding additional committee and lead director retainers, if any). Non-employee directors are required to achieve the applicable level of ownership within three years of the date the person first became a non-employee director. Shares that count towards satisfaction of the guidelines include: (i) shares owned outright by the director, and (ii) shares held in trust for the benefit of the director. Unexercised and/or unvested equity awards do not count towards satisfaction of the guidelines. The value of a share will be measured on January 1 of each year as the average month end closing price for the 12 months preceding the date of calculation. Non-employee directors are required to hold 100% of the shares vested or acquired under equity awards granted by us until the ownership guidelines are satisfied. All of the non-employee directors currently own a sufficient number of shares of our common stock to satisfy the guidelines, except for Ms. Knickel and Mr. Walen who are each within the three year attainment period.

Table of Contents**SHARE OWNERSHIP****Directors and Executive Officers**

The following table sets forth information regarding the beneficial ownership of our common stock as of March 22, 2016 by: (i) each director and nominee; (ii) each of the named executive officers in the Summary Compensation Table set forth below; and (iii) all of the directors, nominees and executive officers (including the named executive officers in the Summary Compensation Table) as a group. Each of the holders listed below has sole voting and investment power over the shares beneficially owned. None of the holders listed below have pledged as security any of the shares beneficially owned.

Name of Beneficial Owner	Shares of Common Stock Beneficially Owned	Percent of Common Stock Beneficially Owned
James J. Volker	1,340,160(1)	*
Thomas L. Aller	34,903	*
D. Sherwin Artus	48,004(2)	*
James E. Catlin	278,167(3)	*
Philip E. Doty	24,001(4)	*
William N. Hahne	36,388	*
Carin S. Knickel	7,015	*
Michael B. Walen	9,474	*
Michael J. Stevens	542,129(1)	*
Mark R. Williams	438,594(1)	*
Rick A. Ross	376,100(1)	*
Peter W. Hagist	256,746(1)(5)	*
All directors, nominees and executive officers as a group (17 persons)	4,172,311(1)	[2.0]%

* Denotes less than 1%.

- (1) Amounts include 583,394 shares for Mr. Volker, 238,984 shares for Mr. Stevens, 216,035 shares for Mr. Williams, 189,297 shares for Mr. Ross, 137,826 shares for Mr. Hagist and 1,753,405 shares for our executive officers as a group that have current voting rights and vest based on performance criteria, which makes vesting uncertain and does not require reporting of these shares to the SEC as being beneficially owned pursuant to Section 16(a) of the Securities Exchange Act of 1934 until such shares vest. Amounts also include options to acquire shares of our common stock that were exercisable within 60 days after March 22, 2016 as follows: 137,252 shares for Mr. Volker, 72,532 shares for Mr. Stevens, 14,448 shares for Mr. Williams, 16,721 shares for Mr. Ross, 6,086 shares for Mr. Hagist and 262,591 shares for our directors and executive officers as a group.
- (2) Includes 1,000 shares held by Mr. Artus' spouse. Mr. Artus disclaims beneficial ownership of those 1,000 shares.
- (3) Includes 58,100 shares held by Mr. Catlin's spouse. Mr. Catlin disclaims beneficial ownership of those 58,100 shares.
- (4) Includes 1,000 shares held by Mr. Doty's spouse. Mr. Doty disclaims beneficial ownership of those 1,000 shares.
- (5) Includes 18,616 shares held by a Family Trust. Mr. Hagist disclaims beneficial ownership of those 18,616 shares.

Table of Contents**Certain Beneficial Owners**

The following table sets forth information regarding beneficial ownership by persons known to us to own more than 5% of our outstanding common stock.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership Voting Power		Investment Power		Aggregate	Percent of Class
	Sole	Shared	Sole	Shared		
BlackRock, Inc. (1) 55 East 52 nd Street New York, NY 10055	19,352,325		21,161,323		21,161,323	10.4%
The Vanguard Group (2) 100 Vanguard Blvd. Malvern, PA 19355	199,193	18,600	14,033,837	213,494	14,247,331	7.0%

- (1) The information is based on a Schedule 13G/A filed by BlackRock, Inc. with the SEC on January 8, 2016 reporting beneficial ownership as of December 31, 2015.
- (2) The information is based on a Schedule 13G/A filed by The Vanguard Group with the SEC on February 11, 2016 reporting beneficial ownership as of December 31, 2015.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires our directors and executive officers to file reports concerning their ownership of our equity securities with the SEC and us. Based solely upon information provided to us by individual directors and executive officers, we believe that, during the fiscal year ended December 31, 2015, all of our directors and executive officers timely complied with the Section 16(a) filing requirements, except Mr. Aller inadvertently filed late a Form 4 reporting one transaction relating to the withholding of shares upon the vesting of restricted stock.

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Engagement with Our Stockholders to Develop Executive Compensation Program for 2015

The following timetable outlines key activities that took place with respect to our executive compensation program during 2014 and early 2015 and the stockholder engagement efforts we undertook after our 2014 say on pay vote to substantially modify our executive compensation program for 2015.

Timing

Executive Compensation Activities

December 2013 - January 2014

We made our annual executive compensation decisions for 2014 consistent with our historical practice. At our May 2013 annual meeting, our stockholders had approved the compensation of our named executive officers for 2012 with approximately 92% of votes in favor.

This compensation included awards and payments under our Production Participation Plan, which was intended to provide short-term and long-term performance incentives to our employees by providing them with a direct participation in the result of our acquisition of, successful exploration for and development of proved reserves.

April - May 2014

In advance of our 2014 annual meeting, we learned that the proxy advisory firms had recommended that their clients vote against our say on pay resolution in 2014 because, among other items, what they viewed as lack of transparent disclosure regarding the operation of the Production Participation Plan, accreting benefits under the Production Participation Plan leading to substantial payments and the discretionary nature of awards under the Production Participation Plan.

We also reached out prior to our 2014 annual meeting to our top 30 stockholders representing approximately 57% of our outstanding shares and had discussions with stockholders representing approximately 37% of our outstanding shares. Through this outreach, we learned of stockholder concerns regarding our executive compensation programs, in particular with respect to the operation of our Production Participation Plan.

May 2014

Subsequent to our annual compensation decisions for 2014, our stockholders voted at our 2014 annual meeting on the compensation of our named executive officers for 2013 with only approximately 42% of votes in favor.

At a Board meeting immediately after the 2014 annual meeting, the Board and Compensation Committee determined to revise our executive compensation programs, including replacing the Production Participation Plan with a more traditional salary, bonus and stock grant program, based on the analysis and recommendations of an independent compensation consultant. The Compensation Committee also determined that contributions to the Production Participation Plan would cease effective December 31, 2013 and there would be no award made for 2014 to participants in our Production Participation Plan.

The Compensation Committee engaged Longnecker & Associates (Longnecker), an independent compensation consultant specializing in oil and gas companies, to assist it in arriving at a market competitive executive compensation structure to address stockholder concerns.

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Timing

June 2014

Executive Compensation Activities

Upon the recommendation of Longnecker, the Board and Compensation Committee determined to terminate the Production Participation Plan effective December 31, 2013. Upon termination, we were required pursuant to the terms of the Production Participation Plan to pay to participants the fair market value of their plan interests pursuant to the plan formula. The Compensation Committee also determined that executive officers would not receive any short-term cash incentive or discretionary bonus for 2014 in light of the payments they would receive as a result of the termination of the Production Participation Plan.

May October 2014

The Compensation Committee engaged in a thorough review of our executive compensation programs to develop a proposed modified executive compensation program based on the recommendations of Longnecker to begin in 2015 consisting of:

base salary targeted at the market 50 percentile of our peer group;

an annual short-term incentive plan with a strong connection between corporate and strategic performance and the potential cash awards based on transparent quantitative metrics for measuring performance; and

a long-term incentive plan consisting 50% of time vesting restricted stock and 50% of performance shares vesting based on a relative three-year total shareholder return compared to our peer group.

In light of our executive officers voluntarily requesting to eliminate their existing excise tax gross-up agreements upon a change in control of our company, the Compensation Committee also developed terms based on Longnecker's analysis of the market for employment and severance agreements with our executive officers that provide for cash severance payments in the event of a qualifying termination.

November December
2014

We reached out to our top 35 stockholders representing approximately 53% of our outstanding shares and had discussions with stockholders representing approximately 26% of our outstanding shares to further understand the reasons for our 2014 say on pay vote and to solicit feedback on our proposed new executive compensation program. One or more members of our Compensation Committee participated in most of these discussions with our stockholders. In these discussions with our stockholders, we reviewed our compensation philosophy, policies, programs and practices and engaged in a candid exchange of ideas for improvement. The stockholders generally felt that the proposed executive compensation program changes we reviewed with them were appropriate and sufficient to address their concerns.

We also engaged in dialog with the research teams at the proxy advisory firms that had recommended that their clients vote against our say on pay resolution in 2014. Members of our Compensation Committee participated in these discussions.

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Timing

Executive Compensation Activities

December 2014 January 2015

The Compensation Committee reviewed feedback from the stockholder and proxy advisory firm engagement processes and, based on the recommendation of Longnecker, determined to make the significant executive compensation program changes beginning in 2015 described below.

Our executive officers agreed to eliminate their existing excise tax gross-up agreements upon a change in control of our company and we entered into new employment and severance agreements with cash severance payments based on termination of an executive on the terms described below.

June 2015

After disclosing in the proxy statement for our June 2015 annual meeting the significant executive compensation program changes beginning in 2015, our stockholders approved the compensation of our named executive officers for 2014 with over 95% of votes in favor.

January 2016

With significantly depressed oil and gas prices, the Compensation Committee froze 2016 base salaries and reduced 2015 short-term incentive payments and 2016 long-term incentive grants for all executive officers compared to amounts that would have been awarded under the revised compensation program.

Our Response to Stockholder Feedback: Significant Changes to Our Executive Compensation Program for 2015

We are committed to providing value to our stockholders and have dedicated significant efforts to ensuring our executive compensation program is appropriate and rewards executives in a manner consistent with feedback received from our stockholders, proxy advisory firms and our independent compensation consultant. We understand our responsibility to maintain an executive compensation program that is fair, reasonable and appropriate and that compensates our executive officers based on performance. The overall objective of our executive compensation program is to maintain a strong pay-for-performance culture in order to attract, retain, and motivate the key leaders who serve our company and our stockholders.

In response to feedback from our stockholders and to continue our process of improving the alignment of our executive compensation design with our performance, we implemented in 2014 and early 2015 the following executive compensation program changes that were effective for 2015 and described in more detail below:

Targeted base salary for 2015 at the market 50th percentile of our peer group.

Established an annual short-term incentive plan for 2015 with a strong connection between corporate and strategic performance and the potential cash awards based on transparent quantitative metrics for measuring performance.

Revised long-term incentive plan for 2015 to consist 50% of performance shares vesting based on a relative three-year total shareholder return compared to our peer group and 50% of time vesting restricted stock.

Eliminated excise tax gross-up agreements and implemented employment and severance agreements on market terms.

Modified our peer group to reflect our acquisition of Kodiak that we completed in December 2014.

Increased the stock ownership guideline for our chief executive officer from being required to hold our common stock with value equal to at least three times his annual base salary to at least five times his annual base salary for 2015 and to at least six times his annual base salary beginning in 2016.

Table of Contents**Changes to Our Executive Compensation Program for 2016**

In light of the significant downturn in oil prices and current industry conditions and the impact they had on our performance during 2015 and the ongoing impact they are having on the price of our common stock, we made the following executive compensation changes that are effective for 2016:

Froze named executive officer base salaries for 2016 at 2015 levels.

Reduced the value of targeted long-term equity incentive awards granted in January 2016 by 52% for our chief executive officer and 35% for all other executive officers compared to 2015 levels. 50% of these awards vest in equal annual increments over three years and 50% of these awards cliff vest in three years only if performance criteria are realized as described below.

The following table sets forth for each of the named executive officers (i) their estimated 2016 compensation as would be reported in the Summary Compensation Table under the executive compensation program described above for 2016 assuming their short-term incentive plan cash bonus paid at target and (ii) their 2014 and 2015 compensation as reported in the Summary Compensation Table.

Name and Principal Position	Year	Salary (\$)	Restricted Stock Awards \$(1)	Non-Equity Incentive Plan Compensation	Non-Equity Incentive Plan Compensation Terminating Production Participation Plan Payment \$(3)	All Other Compensation (\$)	Total (\$)
				Cash Bonus \$(2)			
James J. Volker	2016	800,000	3,504,000	1,000,000		2,292	5,306,292
Chairman, President and	2015	800,000	7,695,000	500,000			