

CIMAREX ENERGY CO  
Form DEF 14A  
March 25, 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 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):**

- 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:

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(3) Filing Party:

(4) Date Filed:

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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

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## Proxy Statement Summary

*This section highlights certain important information presented in this Proxy Statement and is intended to assist you in evaluating the matters to be voted on at the meeting. We encourage you to read the Proxy Statement in its entirety before you cast your vote. For more information regarding Cimarex's 2018 performance, please review Cimarex's Annual Report on Form 10-K for the year ended December 31, 2018.*

## Voting Matters and Board Recommendations

	Voting Recommendation	Page Reference
<b>Item 1:</b> Election of Directors	<b>FOR each Director Nominee</b>	6
<b>Item 2:</b> Advisory Vote to Approve Executive Compensation	<b>FOR</b>	70
<b>Item 3:</b> Approve the 2019 Equity Incentive Plan	<b>FOR</b>	71
<b>Item 4:</b> Ratification of Independent Auditors	<b>FOR</b>	81

## Advance Voting Methods

Even if you plan to attend the 2019 Annual Meeting of Shareholders in person, please vote right away using one of the following advance voting methods (see page 86 for additional details). **Make sure to have your proxy card or voting instruction form in hand and follow the instructions.**

### You can vote in advance in one of three ways:

Visit the website listed on your proxy card/voting instruction form to vote **VIA THE INTERNET**

Call the telephone number on your proxy card/voting instruction form to vote **BY TELEPHONE**

Sign, date and return your proxy card/voting instruction form in the enclosed envelope to vote **BY MAIL**

## Voting at our 2019 Annual Meeting of Shareholders

All shareholders of record may vote in person at the 2019 Annual Meeting of Shareholders, which will be held on Wednesday, May 8, 2019 at 9:00 a.m., Mountain Daylight Time, at the Wells Fargo Center – Denver, Assemble Room (Lower Level 2), 1700 Lincoln Street, Denver, Colorado 80203. Beneficial owners may vote in person at the Meeting if they have a legal proxy, as described in the response to question 14 on page 86 of "Questions and Answers about the Meeting and Voting."

## Governance Highlights (page 19)

Cimarex is committed to good corporate governance, which promotes the long-term interests of shareholders, strengthens the Board of Directors, fosters management accountability, and helps build public trust in Cimarex. Highlights include:

- ⌚ 8 of 10 independent Directors
- ⌚ Independent Lead Director
- ⌚ Majority voting Directors resignation policy
- ⌚ Clawback policy
- ⌚ Non-hedging and non-pledging policies
- ⌚ Director and management stock ownership guidelines, including restrictions on sales of shares until requirements are met
- ⌚ Active shareholder engagement
- ⌚ No tax gross-ups
- ⌚ Proxy access
- ⌚ Annual Board and committee self-evaluations

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Table of Contents**Director Nominees and Current Committee Memberships****Committee Memberships**  
*(Independent Directors Only)*

DIRECTOR NOMINEES	AGE	DIRECTOR SINCE	TERM EXPIRES	Committee Memberships		
				Audit	Compensation and Governance	Nominating
Hans Helmerich <i>(Independent Director)</i> <i>Chairman and former Chief Executive Officer, Helmerich &amp; Payne, Inc.</i>	60	2002	2019		•	•
Harold R. Logan, Jr. <i>(Independent Director)</i> <i>Independent Lead Director and Chair of Nominating Committee of Cimarex; Chairman, Suburban Propane Partners, L.P.</i>	74	2009	2019	•		•
Monroe W. Robertson <i>(Independent Director)</i> <i>Chair of Audit Committee of Cimarex; Retired, former President and Chief Operating Officer, Key Production Co.</i>	69	2005	2019	Chair		•
<b>Continuing Directors</b>						
Joseph R. Albi <i>Executive Vice President Operations, Chief Operating Officer, Cimarex Energy Co.</i>	60	2011	2021			
David A. Hentschel <i>(Independent Director)</i> <i>Retired, former Chairman and Chief Executive Officer, Occidental Oil and Gas Corporation</i>	85	2002	2020		•	•
Thomas E. Jorden <i>Chairman, Chief Executive Officer and President, Cimarex Energy Co.</i>	61	2011	2020			
Floyd R. Price <i>(Independent Director)</i> <i>Chair of Compensation and Governance Committee of Cimarex; Retired, former executive officer, Apache Corporation</i>	70	2012	2020		Chair	•
Lisa A. Stewart <i>(Independent Director)</i> <i>Chairman, President, Chief Executive Officer and Chief Investment Officer, Sheridan Production Partners</i>	61	2015	2021	•		•
	79	2002	2021		•	•



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Michael J. Sullivan (*Independent Director*)  
*Retired Senior Attorney, Lewis Roca*  
*Rothgerber LLP*

Frances M. Vallejo (*Independent Director*)  
*Retired, former Vice President,*  
*ConocoPhillips*

53

2017

2020

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## 2018 Executive Compensation (page 28)

Below is the 2018 compensation for each Named Executive Officer ("NEO") as determined under the Securities and Exchange Commission ("SEC") rules. See the notes accompanying the 2018 Summary Compensation Table on page 54 for more information.

<b>Name and Principal Position</b>	<b>Salary</b>	<b>Bonus</b>	<b>Stock Awards</b>	<b>Option Awards</b>	<b>Non-Equity Incentive Plan Comp.</b>	<b>All Other Comp.</b>	<b>Total</b>
<b>Thomas E. Jorden</b> Chairman, Chief Executive Officer and President (Principal Executive Officer)	\$ 976,789	\$	\$ 6,900,000	\$	\$ 1,740,000	\$ 110,691	\$ 9,727,480
<b>G. Mark Burford</b> Vice President and Chief Financial Officer (Principal Financial Officer)	\$ 468,394	\$	\$ 2,750,000	\$	\$ 700,000	\$ 89,183	\$ 4,007,577
<b>Joseph R. Albi</b> Executive Vice President Operations, Chief Operating Officer	\$ 620,241	\$	\$ 3,000,000	\$	\$ 875,000	\$ 83,635	\$ 4,578,876
<b>Stephen P. Bell</b> Executive Vice President Business Development	\$ 513,478	\$	\$ 2,900,000	\$	\$ 725,000	\$ 81,990	\$ 4,220,468
<b>John A. Lambuth</b> Senior Vice President Exploration	\$ 517,514	\$	\$ 3,000,000	\$	\$ 775,000	\$ 71,786	\$ 4,364,300

## A Significant Portion of our CEO's 2018 Compensation is At Risk

The accompanying graph illustrates our CEO's 2018 at risk compensation. A significant portion of reported compensation is an incentive for future performance and realized only if Cimarex meets certain performance measures.

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