

CIMAREX ENERGY CO
Form DEF 14A
March 27, 2013
[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 x
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(3)(2))**
- x Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material Pursuant to §240.14a-12

Cimarex Energy Co.

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

Payment of Filing Fee (Check the appropriate box):

- x 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):
 - (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 1800
Denver, CO 80203-4518

NOTICE OF 2013 ANNUAL MEETING OF SHAREHOLDERS

TIME AND DATE	9:00 a.m. Mountain Daylight Time on Wednesday, May 15, 2013
PLACE	Hershner Room, 1700 Lincoln Street Denver, Colorado
ITEMS OF BUSINESS	Item 1. Election of Directors Item 2. Advisory approval of executive compensation Item 3. Ratification of independent auditors Transact any other business that properly comes before the Meeting and any adjournment or postponement of the Meeting
RECORD DATE	March 19, 2013
MATERIALS TO REVIEW	This booklet contains our Notice of 2013 Annual Meeting and Proxy Statement. Our 2012 Annual Report is available on our website at www.cimarex.com .
PROXY VOTING	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 49 of this proxy statement. If you received a paper copy of the proxy card, you may also vote by completing and mailing the proxy card in the postage-paid envelope provided for your convenience. You may also attend and vote at the Annual Meeting. You may revoke your proxy at any time before the vote is taken by following the instructions on page 49 of this proxy statement.

April 1, 2013

Mary Kay Rohrer
Corporate Secretary

Table of Contents

TABLE OF CONTENTS

	Page No.
<u>Proxy Statement Highlights</u>	1
<u>Corporate Governance</u>	4
<u>Board and Committee Information</u>	5
<u>Our Board</u>	5
<u>Criteria for Board Membership</u>	6
<u>Director Independence and Related Person Transactions</u>	6
<u>Board Leadership Structure</u>	7
<u>Executive Sessions</u>	7
<u>Risk Oversight</u>	7
<u>Compensation of Non-Management Directors</u>	8
<u>Committees</u>	9
<u>Audit Committee</u>	9
<u>Compensation and Governance Committee</u>	10
<u>Nominating Committee</u>	10
<u>Proposals Requiring Your Vote</u>	10
<u>Item 1 Election of Directors</u>	10
<u>Nominees for Class II Directors</u>	11
<u>Continuing Directors Class I</u>	13
<u>Continuing Directors Class III</u>	14
<u>Director Nomination Process and Review of Director Nominees</u>	15
<u>Item 2 Advisory Approval of Executive Compensation</u>	16
<u>2012 Advisory Vote on Executive Compensation: Shareholder Outreach</u>	16
<u>Item 3 Ratification of Independent Auditors</u>	17
<u>Audit and Non-Audit Fees</u>	17
<u>Policy for Approval of Audit, Audit-Related and Tax Services</u>	17
<u>Report of Audit Committee</u>	17
<u>Executive Compensation Table of Contents</u>	19
<u>Compensation Tables</u>	37
<u>Summary Compensation Table</u>	37
<u>2012 Grants of Plan-Based Awards</u>	39
<u>2012 Non-Equity Incentive Plan</u>	39
<u>Equity Incentive Plan Awards</u>	40
<u>Outstanding Equity Awards at December 31, 2012</u>	41
<u>2012 Option Exercises and Restricted Stock Vested</u>	42
<u>2012 Nonqualified Deferred Compensation</u>	43
<u>Potential Payments upon Change in Control or Termination</u>	44
<u>Stock Ownership of Directors, Management and Certain Beneficial Owners</u>	47
<u>Beneficial Ownership by Executive Officers and Directors</u>	47
<u>Beneficial Owners of More than Five Percent</u>	48
<u>Other Matters</u>	48
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	48
<u>Complaint and Reporting Procedures</u>	48
<u>Shareholder Proposals</u>	48

Table of Contents**Proxy Statement Highlights**

DATE, TIME AND PLACE OF MEETING

May 15, 2013, 9:00 a.m.
Hershner Room, 1700 Lincoln Street, Denver, Colorado 80203

SHAREHOLDER VOTING MATTERS

VOTING MATTER	BOARD VOTING RECOMMENDATION	SEE PAGE NUMBER
Item 1. Election of Directors	FOR	10
Item 2. Advisory Approval of Executive Compensation	FOR	16
Item 3. Ratification of Independent Auditor	FOR	17

DIRECTOR NOMINEES

You are being asked to vote on the following three Director Nominees. Directors are elected by a majority of votes cast. Detailed information about each Director's background, skill sets and areas of expertise can be found beginning on page 11.

NAME	AGE	DIRECTOR SINCE	POSITION	INDE-PENDENT	AC	C/G	NOM	OTHER PUBLIC BOARDS
Hans Helmerich	54	2002	Chairman, CEO Helmerich & Payne	Yes		X	X	2
Harold R. Logan, Jr.	68	2009	Chairman, Suburban Propane Partners, L.P.	Yes	X		X	2
Monroe W. Robertson	63	2005	Private Investor	Yes	X		X	1

CONTINUING DIRECTORS

The following are Cimarex's continuing Directors. Detailed information about each Director's background, skill sets and areas of expertise can be found beginning on page 13.

Edgar Filing: CIMAREX ENERGY CO - Form DEF 14A

NAME	AGE	DIRECTOR SINCE	TERM EXPIRES	POSITION	INDE- PENDENT	AC	C/G	NOM	OTHER PUBLIC BOARDS
Joseph R. Albi	54	2011	2015	COO, Exec VP Cimarex	No				0
Jerry Box	74	2005	2015	Chairman, Newpark Resources	Yes		X	X	1
David A. Hentschel	79	2002	2014	Retired Chairman, CEO Occidental Oil & Gas Corp					