

Investor FAQs

What was announced?

- Halcón Resources Corporation (“Halcón” or the “Company”) filed voluntary petitions for relief under Chapter 11 of Title 11 of the U.S. Bankruptcy Code in order to effect the previously announced comprehensive balance sheet restructuring efforts pursuant to a pre-packaged plan of reorganization (the “Restructuring Plan”). As part of the Restructuring Plan the Company will eliminate approximately \$1.8 billion in long-term debt and will reduce annual interest expense by more than \$200 million. The Restructuring Plan was approved by an overwhelming majority of the Company’s creditors and preferred equity holders (the “Affected Stakeholders”) who will be affected by the plan. The Company will continue to operate its business in the ordinary course.

What is a “pre-packaged” Chapter 11 bankruptcy?

- A “pre-packaged” Chapter 11 is a plan of reorganization that is negotiated in principle and accepted by a company’s creditors and certain other stakeholders before the company actually files for bankruptcy protection. This shortens and simplifies the court process and reduces the uncertainty because of the known treatment to the stakeholders.

What is Chapter 11?

- Chapter 11 refers to the section of the U.S. Bankruptcy Code that covers court-supervised restructurings of businesses. A company that files for protection under Chapter 11 may request authority from the bankruptcy court to continue to operate and maintain its business “in the ordinary course” – or business as usual. Halcón has requested such authority from the Delaware bankruptcy court and expects to receive it shortly.

What happens during Chapter 11?

- Upon the filing of a bankruptcy case an “automatic stay” is imposed that, among other things, prevents creditors from taking any actions to collect money on debts owed by the Company prior to the date of the filing. However, as noted above, the Company has requested permission from the bankruptcy court to continue to pay its vendors, royalty owners and other parties in the ordinary course, including amounts owed for the prepetition period. Similarly, the Company’s facilities will remain open and operational throughout the bankruptcy and its employees will continue to receive their regular wages and benefits.

Is the Company going out of business?

- No. The Company is not going out of business and operations will continue in the ordinary course. The Company worked diligently with a significant majority of its Affected Stakeholders to develop a “pre-packaged” plan to support its ongoing operations and to make the restructuring process as efficient as possible.

Will there be management changes?

- Nothing in the Restructuring Plan calls for a change in management and there are no planned changes to the Company's current management structure.

Does the Company have adequate funding to conduct its operations during the restructuring?

- Yes. The Company has sufficient working capital to operate throughout the restructuring. Halcón received a commitment from certain lenders in its existing reserve-based credit facility to provide the Company with \$500 million of availability under a debtor in possession credit facility which will convert into a \$600 million reserve-based revolving credit facility upon emergence from bankruptcy. These credit facilities will provide Halcón with ample liquidity both during and after the bankruptcy filing.

How long will the Company be in Chapter 11?

- The Company expects to emerge from Chapter 11 approximately 45-60 days from the date on which it filed for bankruptcy (July 27, 2016). The Company intends to do everything it can to move through the process efficiently and in order to emerge as quickly as possible.

What will existing Halcón shareholders get under the Restructuring Plan?

- Under the Restructuring Plan, existing shareholders will receive 4.0% of the common equity of the restructured company (subject to dilution as outlined in the restructuring support agreement ("RSA") filed as an exhibit to the Current Report on Form 8-K with the SEC on June 20, 2016).

Can I still trade my shares?

- The Company anticipates its common shares will remain listed on the NYSE during the restructuring process so long as it continues to meet the minimum continued listing standards set forth by the NYSE; however, there are no assurances the Company will remain listed on the NYSE. If the Company is delisted, its shares would be relisted in short order to be publicly traded on the OTC BB (Over-The-Counter Bulletin Board, or the "Pink Sheets"). Trading on the OTC BB would likely be temporary and the Company would apply to be relisted on the NYSE to coincide with emergence from bankruptcy.

Can I or should I sell my shares?

- Neither the Company, nor any of its employees, advisors or representatives will provide financial advice with respect to an investment in the Company. All investors are encouraged to consult their personal financial and/or tax advisor(s) after careful consideration of all the facts.

Do I need to do anything as a common shareholder?

- As part of the bankruptcy process, existing shares in the Company will be canceled and new shares will automatically be issued to existing shareholders on or reasonably following the Company's emergence from bankruptcy. This process should occur seamlessly with no interruption to trading.

Do I need to do anything as an Affected Stakeholder under the Restructuring Plan?

- No action is required by Affected Stakeholders under the Restructuring Plan. You will be granted new common equity and/or cash consideration as outlined in the RSA upon the Company's emergence from bankruptcy.

I have additional questions about the restructuring. How can I obtain more information?

- The Company has set up a section on its website at www.halconresources.com which contains additional documents and information on the Restructuring Plan. Investors can also contact Quentin Hicks, Senior Vice President of Finance & Investor Relations, at 832-538-0557 or qhicks@halconresources.com for additional questions.

These FAQs are for information purposes only and are not a solicitation to accept or reject any proposals herein or an offer to sell or a solicitation of an offer to buy any securities of the Company.

Cautionary Statement about Forward-Looking Statements

Statements that are not strictly historical statements constitute forward-looking statements and may often, but not always, be identified by the use of such words as "expects," "believes," "intends," "anticipates," "plans," "estimates," "potential," "possible," or "probable" or statements that certain actions, events or results "may," "will," "should," or "could" be taken, occur or be achieved. Forward-looking statements are based on current beliefs and expectations and involve certain assumptions or estimates that involve various risks and uncertainties that could cause actual results to differ materially from those reflected in the statements. These risks include, but are not limited to, the ability to consummate a plan of reorganization in accordance with the terms of the restructuring support agreement; risks attendant to the bankruptcy process, including the effects thereof on the Company's business and on the interests of various constituents, the length of time that the Company might be required to operate in bankruptcy and the continued availability of operating capital during the pendency of such proceedings; risks associated with third party motions in any bankruptcy case, which may interfere with the ability to confirm and consummate a plan of reorganization, potential adverse effects on the Company's liquidity or results of operations; increased costs to execute the reorganization, effects on the market price of the Company's common stock and on the Company's ability to access the capital markets, and the risks set forth in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2015 and other filings submitted by the Company to the SEC, copies of which may be obtained from the SEC's website at www.sec.gov or through the Company's website at www.halconresources.com. Readers should not place undue reliance on any such forward-looking statements, which are made only as of the date hereof. The Company has no duty, and assumes no obligation, to update forward-looking statements as a result of new information, future events or changes in the Company's expectations.