

SILVERBOW RESOURCES, INC.  
Form DEF 14A  
April 15, 2019

**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 under Rule 14a-12

**SilverBow Resources, Inc.**  
(Name of Registrant as Specified In Its Charter)

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

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- x No fee required.
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  - (2) Form, Schedule or Registration Statement No.:
  - (3) Filing Party:
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April 15, 2019

Dear SilverBow Resources, Inc. Shareholder:

Our 2019 annual meeting of shareholders will be held on May 21, 2019.

Our proxy statement is enclosed, accompanied by a copy of our annual report for the fiscal year ended December 31, 2018. The proxy statement describes the business we will conduct at the annual meeting and provides information about SilverBow Resources, Inc. that you should consider when you vote your shares.

With our rebrand and relisting on the New York Stock Exchange in our rearview mirror and our management team in place, we set out in 2018 to build on our foundation as an Eagle Ford oil and gas operator, combining our assets and technical expertise as an industry cost-leader with a core acreage position. To achieve this vision, we continued to focus on our exceptional people, quality assets, and strong capital structure. During 2018, we launched a new culture initiative that we call the SBOWay, designed to harness the full potential of each individual contributor as we lead the way together as one Company. As to our assets, we have proven to be one of the lowest cost operators in the Eagle Ford trend and continue to expand our inventory in liquids-rich areas. Lastly, we remain prudent in the management of our balance sheet and all credit metrics.

Your vote is important to us. Whether or not you can attend the annual meeting of shareholders, we encourage you to vote and submit your proxy. Voting over the internet or by telephone is fast and convenient, and your vote is immediately tabulated. By using the internet or telephone, you help SilverBow Resources, Inc. reduce the cost of postage and proxy tabulations. Regardless of your method of voting, we urge you to review the accompanying materials and vote as promptly as possible to ensure the presence of a quorum for the annual meeting.

On behalf of the Board of Directors, thank you for your support and trust as a shareholder of SilverBow Resources, Inc.

Sincerely,

Sean C. Woolverton

Chief Executive Officer and Director

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**To be held May 21, 2019**

The annual meeting of shareholders of SILVERBOW RESOURCES, INC. (the “Company” or “SilverBow Resources”) will be held at the Embassy Suites Houston Energy Corridor, 11730 Katy Highway, Houston, Texas 77079, on May 21, 2019, at 10:00 a.m., Houston time, for the following purposes:

1. To elect the three Class III directors identified in this proxy statement to serve until the 2022 annual meeting of shareholders, or until their successors are duly elected and qualified or appointed pursuant to the then-applicable terms of the Director Nomination Agreement, among the Company and certain of its shareholders, dated as of April 22, 2016, as amended (“Nomination Agreement”);

A record of shareholders has been taken as of the close of business on March 22, 2019, and only shareholders of record at that time will be entitled to vote at the annual meeting, or any adjournment or postponement thereof. A complete list of shareholders will be available commencing May 10, 2019, and may be inspected during normal business hours prior to the annual meeting at the offices of the Company, 575 North Dairy Ashford Road, Suite 1200, Houston, Texas 77079. This list will also be available at the annual meeting.

By Order of the Board of Directors,

Christopher M. Abundis

Senior Vice President, General Counsel  
and Secretary

April 15, 2019

**Your Vote Is Important!**

*Whether or not you plan to attend the annual meeting of shareholders, we urge you to vote and submit your proxy as promptly as possible to ensure the presence of a quorum for the annual meeting. For additional instructions on voting*

*your shares, please refer to the proxy materials.*

**Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held On  
May 21, 2019**

*Your proxy card will contain instructions on how to view our proxy materials for the annual meeting of shareholders on the internet. Our proxy statement and the Company's annual report to shareholders on Form 10-K are available at [www.sbow.com](http://www.sbow.com).*

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**SILVERBOW RESOURCES, INC.**

**575 North Dairy Ashford Road, Suite 1200**

**Houston, Texas 77079**

**(281) 874-2700**

**PROXY STATEMENT**

**for the**

**2019 ANNUAL MEETING OF SHAREHOLDERS**

**Solicitation**

These proxy materials are being made available to the shareholders of SilverBow Resources, Inc. (“SilverBow Resources,” “Company,” “we” or “us”) beginning on or about April 15, 2019. **The Board of Directors (the “Board”) SilverBow Resources is soliciting your proxy to vote your shares of SilverBow Resources common stock at the annual meeting of shareholders (the “Annual Meeting”) to be held at the Embassy Suites Houston Energy Corridor, 11730 Katy Highway, Houston, Texas 77079, on Tuesday, May 21, 2019, at 10:00 a.m., Houston time.** The Board is soliciting proxies to give all shareholders the opportunity to vote on the matters that will be presented at the Annual Meeting. This proxy statement provides you with the information on these matters to assist you in voting your shares.

**Voting Information**

*What is a proxy?*

A proxy is your legal designation of another person or persons (the “proxy” or “proxies”) to vote on your behalf. By voting your shares as instructed in the materials you received, you are giving the designated proxies appointed by the Board the authority to vote your shares in the manner you indicate on the accompanying proxy card.

*Who are the proxies appointed by the Board of Directors for the Annual Meeting?*

The following officers of SilverBow Resources have been appointed to act as proxies for the Company with respect to shares of our issued and outstanding common stock at the Annual Meeting:

Sean C. Woolverton	Chief Executive Officer
G. Gleeson Van Riet	Executive Vice President and Chief Financial Officer
Christopher M. Abundis	Senior Vice President, General Counsel and Secretary

*Who is qualified to vote?*

You are qualified to receive notice of and to vote at the Annual Meeting if you own shares of SilverBow Resources common stock as of the close of business on our record date of Friday, March 22, 2019.

*How many shares of SilverBow Resources common stock are entitled to vote at the Annual Meeting?*

As of the March 22, 2019 record date, there were 11,712,270 shares of SilverBow Resources common stock issued, outstanding and entitled to vote at the Annual Meeting. Each share of SilverBow Resources common stock is entitled to one vote on each matter presented.

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

Many of our shareholders hold their shares through a broker, trustee or other nominee rather than having the shares registered directly in their own name. There are some distinctions between shares held of record and those owned beneficially that are summarized below.

*Shareholder of Record* – If your shares are registered directly in your name with our transfer agent, you are the shareholder of record of the shares. As the shareholder of record, you have the right to grant a proxy to vote your shares to the Company or another person, or to vote your shares in person at the Annual Meeting.

*Beneficial Owner* – If your shares are held through a broker, trustee or other nominee, it is likely that they are registered in the name of the nominee and you are the beneficial owner of shares held in “street name.” As the beneficial owner of shares held for your account, you have the right to direct the registered holder to vote your shares as you instruct, and you are also invited to attend the Annual Meeting. Your broker, trustee or other nominee has provided a voting instruction card for you to use in directing how your shares are to be voted. However, since a beneficial owner is not the shareholder of record, you may not vote your shares in person at the meeting unless you obtain a legal proxy from the registered holder of the shares giving you the right to do so.

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*If I am a shareholder of record, how do I vote?*

You may vote using any of the following methods:

*Via the Internet* – You may vote by proxy via the internet by following the instructions provided in the proxy card accompanying the proxy materials you received by mail. Please have the proxy card in hand when you log onto the website.

*By Telephone* – You may vote by proxy by calling the number found on the proxy card accompanying the proxy materials you received by mail. Please have the proxy card in hand when you call.

*By Mail* – You may vote by proxy by completing the proxy card accompanying the proxy materials you received by mail and returning it in the envelope provided.

*In Person* – If you are a shareholder of record, you may vote in person at the Annual Meeting. We will give you a ballot during the meeting.

*If I am a beneficial owner, how do I vote?*

You may vote using any of the following methods:

*Via the Internet* – You may vote by proxy via the internet by following the instructions in the voting instruction form provided by your broker, trustee or other nominee.

*By Telephone* – You may vote by proxy by calling the number found on the voting instruction form provided by your broker, trustee or other nominee.

*By Mail* – You may vote by proxy by completing the voting instruction form provided by your broker, trustee or other nominee and returning it in the envelope provided.

*In Person* – If you are a beneficial owner of shares and you wish to vote in person at the Annual Meeting, you must obtain a legal proxy from the organization that holds your shares.

*What is householding?*

We follow an SEC-approved procedure approved by the SEC known as “householding.” Under this procedure, only one copy of the proxy statement and annual report on Form 10-K is being delivered to shareholders residing at the same address, unless the shareholders have notified SilverBow Resources of their desire to receive multiple copies. This allows us to reduce the environmental impact of printing and providing proxy materials and associated printing and mailing costs.

If you received a householded mailing this year and would like additional copies of the proxy statement and annual report on Form 10-K mailed to you, please contact Broadridge Financial Solutions, Inc. (“Broadridge”) by telephone at 1-800-579-1639, or by email at [sendmaterial@proxyvote.com](mailto:sendmaterial@proxyvote.com). Broadridge will promptly deliver any additional copies requested. If you would like to enroll in or withdraw from householding, please contact the Company’s transfer agent, American Stock Transfer & Trust Company (if you hold your shares “of record”), or the bank or broker through which you hold your shares.

Householding is limited to accounts within the same bank or brokerage firm. Therefore, if you have accounts containing our common stock at more than one brokerage firm, you may receive a copy of the proxy statement and annual report on Form 10-K from each firm.

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*What are the Board's recommendations on how I should vote my shares?*

The Board recommends that you vote your shares as follows:

- Proposal 1 — FOR the election of the three nominees for Class III directors identified in this proxy statement, with terms to expire at the 2022 annual meeting of shareholders;
- Proposal 2 — FOR the approval of the compensation of SilverBow Resources' named executive officers as presented in this proxy statement;
- Proposal 3 — FOR the approval of the one-time exchange of certain equity awards granted to executives in August 2018;
- Proposal 4 — FOR the approval of the Second Amendment to the 2016 Equity Incentive Plan to increase the number of shares of common stock available for issuance under the 2016 Plan; and
- Proposal 5 — FOR the ratification of the selection of BDO USA, LLP as SilverBow Resources' independent auditor for the fiscal year ending December 31, 2019.

*What are my choices when voting?*

Proposal 1 — You may cast your vote “for” electing each of the nominees as directors or “withhold” your vote on one or more nominees.

Proposals 2, 3, 4, and 5 — You may cast your vote “for” or “against” or you may abstain with respect to each proposal.

*How will my shares be voted if I do not specify how they should be voted?*

If you vote by proxy, the individuals named on the proxy card (your “proxies”) will vote your shares in the manner you indicate. If you sign and return the proxy card without indicating your instructions, your shares will be voted as follows:

- Proposal 1 — FOR the election of the three nominees for Class III directors identified in this proxy statement, with terms to expire at the 2022 annual meeting of shareholders;
- Proposal 2 — FOR the approval of the compensation of SilverBow Resources' named executive officers as presented in this proxy statement;

- Proposal 3 — FOR the approval of the one-time exchange of certain equity awards granted to executives in August 2018;
- Proposal 4 — FOR the approval of the Second Amendment to the 2016 Equity Incentive Plan to increase the number of shares of common stock available for issuance under the 2016 Plan; and
- Proposal 5 — FOR the ratification of the selection of BDO USA, LLP as SilverBow Resources' independent auditor for the fiscal year ending December 31, 2019.

*What is a quorum?*

The holders of a majority of the voting power of the outstanding shares of stock of SilverBow Resources entitled to vote at the Annual Meeting, present in person or represented by proxy, shall constitute a quorum at the Annual Meeting. Votes withheld and abstentions are deemed as “present” at the Annual Meeting and are counted for quorum purposes.

*Can I change my vote after I have voted?*

You may revoke your proxy and change your vote at any time before the final vote at the Annual Meeting. If you submit a vote and wish to change it prior to the Annual Meeting, you may vote again via the internet or by telephone before the date and time that internet and telephone voting is no longer available, as set forth on the proxy card. Only your latest internet or telephone proxy submitted prior to the Annual Meeting will be counted. You may also change your vote by signing and returning a new proxy card or voting instruction form with a new date, or by attending the Annual Meeting and voting by ballot at the Annual Meeting.

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*What vote is required to approve each proposal? How are votes withheld, abstentions and broker non-votes treated?*

For Proposal 1, our Bylaws provide for directors to be elected by a plurality of the votes cast by the holders of shares entitled to vote at the Annual Meeting. Each of the remaining proposals requires the affirmative vote of the holders of a majority of the shares present in person or by proxy at the Annual Meeting and entitled to vote that proposal.

For Proposal 1, the election of directors, votes withheld will have the same effect as not voting. For Proposals 2, 3, 4, and 5, abstentions will have the same effect as a vote against the matter. For all proposals, broker non-votes, if any, while counted for general quorum purposes, are not deemed to be “present” with respect to any matter for which a broker does not have authority to vote and will have no effect on the outcome of any such proposal for which the broker does not have authority to vote. Brokers who do not receive voting instructions from beneficial owners will only have authority to vote on Proposal 5.

*Who pays the cost of this proxy solicitation?*

The cost of preparing, printing and mailing the proxy materials and soliciting proxies is paid for by SilverBow Resources. SilverBow Resources will also request brokerage firms, banks, nominees, custodians and fiduciaries to forward proxy materials to the beneficial owners of shares of SilverBow Resources common stock as of the record date and will reimburse these entities for the costs of forwarding the proxy materials in accordance with customary practice. Your cooperation in promptly voting your shares will help to avoid additional expense.

*Is this proxy statement the only way the proxies are being solicited?*

In addition to this solicitation by the Board, employees of SilverBow Resources may solicit proxies in person or by mail, delivery service, telephone or facsimile, without additional compensation. The Company has retained Alliance Advisors, LLC (“Alliance Advisors”) to perform proxy watch services which includes monitoring and reporting on voting for the Annual Meeting. The Company has agreed to pay this firm \$3,500, plus reasonable out-of-pocket expenses, for such proxy watch services. Pursuant to our agreement with Alliance Advisors, at the Company’s discretion, we may later engage Alliance Advisors to act as a proxy solicitor in conjunction with the Annual Meeting for an additional fee to be determined at that time.





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**PROPOSAL 1 — ELECTION OF DIRECTORS**

SilverBow Resources’ governance structure as a whole, including our amended and restated Certificate of Incorporation (“Charter”), amended and restated Bylaws (“Bylaws”), and Nomination Agreement (as defined below), was negotiated and purposefully structured in connection with our reorganization. Such governing documents, effective April 22, 2016, were requested and approved by our majority shareholders, who were former holders of our cancelled senior notes prior to our reorganization, and who remain majority shareholders of the Company as of the date of this proxy statement.

As a piece of our governance framework, on April 22, 2016, we entered into the Director Nomination Agreement (the “Nomination Agreement”) between SilverBow Resources and the “Consenting Noteholders” (as defined in the Nomination Agreement, which includes Strategic Value Partners, LLC (“SVP”) and certain other former holders of our cancelled senior notes (the “Other Noteholders”), who currently represent over a majority of our shares outstanding). Among other rights, the Consenting Noteholders nominate directors to the Board and maintain the right to remove and replace their respective directors at any time. As such, our current Board nomination process and Board members are effectively approved by a majority of shareholders prior to the annual election process. The Nomination Agreement is included by reference in our Charter as necessary to effectuate its terms. For more information on the Nomination Agreement see “Continuing Members of the Board of Directors—Related-Party Transactions.”

Pursuant to our Charter, the Board of Directors of SilverBow Resources (the “Board”) is made up of three classes. Class III directors’ terms expire at this Annual Meeting; Class I directors’ terms expire at the 2020 annual meeting of shareholders; and Class II directors’ terms expire at the 2021 annual meeting of shareholders. At each annual meeting of shareholders, directors elected to succeed those whose term has expired will be elected to three-year terms.

**Current Composition of the Board**

Directors standing for election at this Annual Meeting:

**Class III**

(For term to expire  
at the 2022 annual  
meeting)  
David Geenberg

Marcus C.  
Rowland  
Sean C.  
Woolverton

Set forth below are the names and remaining terms of the other four directors, who are not standing for election at this Annual Meeting:

**Class I**

(Term to expire at the 2020 annual meeting)

Michael Duginski  
Christoph O. Majeske

**Class II**

(Term to expire at the 2021 annual meeting)

Gabriel L. Ellisor  
Charles W. Wampler

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**Election of Directors**

Under the Nomination Agreement and SilverBow Resources' Charter, we have three classes of directors. Messrs. David Geenberg, Marcus C. Rowland and Sean C. Woolverton have been nominated by the Board to stand for election at this Annual Meeting as Class III Directors. SilverBow Resources' Bylaws, put in place by a majority of the Company's current shareholders on April 22, 2016, provide for directors to be elected by a plurality of votes cast by holders of shares entitled to vote in the election of directors at a meeting of the shareholders at which a quorum is present, subject to the then-existing terms of our Nomination Agreement and our Principles for Corporate Governance.

**Class III Director Nominees**

The biographies of each of the nominees and continuing directors below contain information regarding the person's service as a director of SilverBow Resources, business experience, director positions with other companies held currently or at any time during the last five years, information regarding involvement in certain legal or administrative proceedings, if applicable, and the experiences, qualifications, attributes or skills that were considered by the Nominating and Strategy Committee and the Board in determining that the person should serve as a director for the Company.

*David Geenberg*, 35, was appointed a director of SilverBow Resources in April 2016. He was designated as a director by SVP pursuant to the Nomination Agreement and is recommended at this Annual Meeting by both our Nominating and Strategy Committee and our Board. Mr. Geenberg is Co-Head of the North American investment team at Strategic Value Partners with a focus on energy, merchant power and infrastructure; he has served in that role since January 2016, after having been an important contributor to the investment team since he joined the firm in 2009. From 2005 to 2009, Mr. Geenberg worked at Goldman, Sachs & Co., most recently in the Infrastructure Investment Group and Principal Investment Area focused on power, utility and infrastructure businesses and, prior to that, in the Natural Resources Group in investment banking. He was appointed as the interim non-executive Co-Chairman of the Board of Directors of Penn Virginia Corporation effective January 19, 2018. Mr. Geenberg also served on the Board of Directors of Chaparral Energy from May 2018 to March 11, 2019. Mr. Geenberg received a BA in Economics from Dartmouth College. Mr. Geenberg brings to the Board energy investment banking expertise and significant capital markets knowledge.

*Marcus C. Rowland*, 66, was named a director and Chairman of the Board of SilverBow Resources in September 2016. He was appointed as Chairman of the Board by our Nominating and Strategy Committee and is classified as an "independent director," as such term is specifically used in the Nomination Agreement, meaning he was not designated by any of the Consenting Noteholders including SVP. He is recommended at this Annual Meeting by both our Nominating and Strategy Committee and our Board. Mr. Rowland is the Founder and currently Senior Managing

Director of IOG Capital, LP where he leads such company's investment team and has served in the position since 2014. Previously, Mr. Rowland served as the Chief Executive Officer at FTS International, Inc. (formerly Frac Tech International, LLC) from May 2011 through November 2012, and as the President and Chief Financial Officer of Frac Tech Services, LLC and Frac Tech International, LLC from November 2010 to May 2011. Mr. Rowland served as the Chief Financial Officer or equivalent positions of Chesapeake Energy Corporation from 1993, when the company became publicly traded, until October 2010, leaving in the position of Executive Vice President and Chief Financial Officer. Prior to that, Mr. Rowland served as Chief Operating Officer of Anglo-Suisse, LP from 1990 to 1992. Mr. Rowland has served as a director on the boards of a number of public and private companies including Mitcham Industries, Inc. from 2015 to the present, Warren Resources, Inc. from 2012 to 2016 and Chesapeake Midstream Partners from 2010 to 2011. He is an alumnus of Wichita State University. Mr. Rowland is a seasoned oil and gas corporate executive, director, and investment manager with over 40 years of experience in all aspects of upstream and midstream business segments and brings that knowledge along with his expertise in energy mergers, acquisitions, divestitures, public securities transactions, and derivatives facilities to the Board.

*Sean C. Woolverton*, 49, was appointed Chief Executive Officer and a member of the Board of SilverBow Resources in March 2017. He was appointed to the Board by our Nominating and Strategy Committee in accordance with the terms of the Nomination Agreement, and is recommended at this Annual Meeting by both our Nominating and Strategy Committee and our Board. He was previously the Chief Operating Officer of Samson Resources Company ("Samson") from January 2016 to February 2017, having joined Samson in November 2013. Samson filed for bankruptcy protection in the Federal Court in the District of Delaware on September 16, 2015, and emerged from bankruptcy on March 1, 2017, shortly after Mr. Woolverton's resignation. From 2007 to 2013, Mr. Woolverton held a series of positions of increasing responsibility at Chesapeake Energy Corporation, a public independent exploration and development oil and natural gas company, including Vice President of its Southern Appalachia business unit. Prior to joining Chesapeake Energy Corporation, Mr. Woolverton worked for Encana Corporation, a North American oil and natural gas producer, where he oversaw its Fort Worth Basin development and shale exploration teams in North Texas. Earlier in his career, Mr. Woolverton worked for Burlington Resources in multiple engineering and management roles. Mr. Woolverton received his Bachelor of Science degree in Petroleum Engineering from Montana Tech. Mr. Woolverton brings his vast operational leadership and knowledge to SilverBow Resources and the Board.

Subject to the then-existing terms of our Nomination Agreement, SilverBow Resources' Bylaws provide that a plurality of the votes cast (including votes withheld) by holders of shares entitled to vote is necessary to elect each nominee. Brokers do not have discretion to vote on this proposal without your instruction. If you do not instruct your broker how to vote on this proposal, your broker will deliver a non-vote.

***The Board of Directors unanimously recommends that shareholders vote "FOR"***

***all director nominees identified in this proxy statement to serve as Class III directors.***

The persons named as proxies in these proxy materials, unless otherwise directed by a shareholder on a proxy card, intend to vote "FOR" the election of all nominees named in this proxy statement standing for election as Class III directors. If any nominee should become unavailable or unable to serve as a director, the persons named as proxies may vote for a substitute nominee, the size of the Board may be reduced accordingly, or a new nominee or director may be appointed pursuant to the then-applicable terms of the Nomination Agreement; however, the Board is not

aware of any circumstances likely to render any nominee unavailable.

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**CONTINUING MEMBERS OF THE BOARD OF DIRECTORS**

**Class I Directors**

*Michael Duginski*, 53, has served as a director of SilverBow Resources since April 2016. He is classified as an “independent director,” as such term is specifically used in the Nomination Agreement, meaning he was not designated by any of the Consenting Noteholders including SVP. Mr. Duginski is the President and CEO of Sentinel Peak Resources, a role he assumed in 2015. Previously, Mr. Duginski was Chief Operating Officer and Executive Vice President of Berry Petroleum from 2007 to 2013, where he led all operations including corporate development, production, reserves, drilling, EH&S and land, including corporate strategic planning, until Berry's sale to Linn Energy. Mr. Duginski has served on the public board of Madagascar Oil Limited from April 2015 to April 2016, and several private boards. Mr. Duginski received his Master of Business Administration from California State University, Bakersfield, and his Bachelor of Science in Mechanical Engineering from the University of Arizona. His qualifications to serve on the Board include his approximately thirty years of experience in the oil and gas industry along with his executive and directorship experience.

*Christoph O. Majeske*, 40, has served as a director of SilverBow Resources since September 2016. He was designated as a director by SVP pursuant to the Nomination Agreement. Mr. Majeske is a Director of Strategic Value Partners and is a member of the North American investment team with a focus on energy, transportation and industrials. From 2006 to 2015, he was a Vice President and Operating Executive of Cerberus Capital Management (“Cerberus”). At Cerberus, Mr. Majeske executed private equity transactions and held various interim executive roles at portfolio companies, including Chief Financial Officer and Chief Restructuring Officer, in both North America and Europe across a range of industries. From 2000 to 2006, Mr. Majeske was a member of the M&A Advisory team at PricewaterhouseCoopers. He received a Bachelor of Business Administration in Finance, Accounting and Economics with High Distinction from the University of Michigan in 2000. He also serves on the Boards of Genco Shipping & Trading and White Energy. Mr. Majeske brings a wealth of financial and restructuring experience to the Board.

**Class II Directors**

*Gabriel L. Ellisor*, 45, was named a director of SilverBow Resources in April 2016. He was designated as a director by the Consenting Noteholders (excluding SVP) pursuant to the Nomination Agreement. Mr. Ellisor served as Chief Financial Officer of Three Rivers Operating Company II from July 2012 to February 2015 and as Chief Financial Officer for Three Rivers Operating Company I from 2010 to 2012, until such acquisition vehicles were sold. Prior to joining Three Rivers, Mr. Ellisor was a principal at Rivington Capital Advisors from 2008 to 2010. Mr. Ellisor has approximately 20 years of experience in the finance sector of the oil and gas industry, including holding various positions at First Interstate Bank, Wells Fargo, and BNP Paribas. He also serves on the board of Salt Creek Midstream LLC and served on the board of Energy XXI from April 2018 until its merger with Cox Oil in October 2018. Mr.

Ellisor earned a B.B.A., with a major in Finance, from Texas Christian University. Mr. Ellisor's qualifications to serve on the Board include his vast financial and transactional experience.

*Charles W. Wampler*, 64, has served as a director of SilverBow Resources since April 2016. He was also designated as a director by the Consenting Noteholders (excluding SVP) pursuant to the Nomination Agreement. Mr. Wampler is the Chairman, CEO and President of Resource Rock Exploration II LLC, a role he assumed in June 2017. Previously, Mr. Wampler served as Chief Operating Officer of Aspect Holdings, President of Aspect Energy and General Exploration Partners ("GEP") and Board Member for GEP from 2007 to 2012. Mr. Wampler directed the day-to-day management of Aspect's domestic operations in the US Gulf Coast and international operations in Hungary and Kurdistan, Iraq. Before joining Aspect, Mr. Wampler was Chief Operating Officer and a Board member of Lewis Energy Group from 2004 to 2007. Prior to joining Lewis Energy, Mr. Wampler was Division Operations Manager and Drilling Manager of EOG Resources from 1984 to 2004, and prior to joining EOG, he held several engineering positions. Mr. Wampler served on the Board of Directors of Energy XXI from December 2016 until its merger with Cox Oil in October 2018. Mr. Wampler earned his BS in Petroleum Engineering from University of Louisiana at Lafayette. Mr. Wampler is qualified to serve on the Board due to his decades of operational experience in various facets of the oil and gas industry.

### **Class III Directors**

The biographies for the Class III director nominees are set forth above under "Proposal 1—Election of Directors."



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**Affirmative Determinations Regarding Independent Directors and Financial Experts**

The Board has determined that each of the following directors is an “independent director” as such term is defined in Section 303A.02 of the Listed Company Manual of the New York Stock Exchange, Inc. (“NYSE”): Michael Duginski, Gabriel L. Ellisor, David Geenberg, Christoph O. Majeske, Marcus C. Rowland and Charles W. Wampler. In reaching this determination, the Board has affirmatively determined that each of these directors has no material relationship with the Company as contemplated under Section 303A.02. The Board has determined that each of these same directors is independent for the purposes of Nominating and Strategy Committee service, although each does not currently serve on the Nominating and Strategy Committee. The Board also has determined that these same directors are each “independent” under the heightened standards set forth in Section 303A of the Listed Company Manual of the NYSE for the purposes of Compensation Committee service, although these directors do not all serve on the Compensation Committee. These independent directors represent a majority of the Company’s Board of Directors. Mr. Woolverton is not an independent director because he also serves as Chief Executive Officer of the Company.

The Board has also determined that each of the following directors is “independent” under the heightened standard set forth in Section 303A of the Listed Company Manual of the NYSE for the purposes of Audit Committee service (including, by reference, the standards set forth under Rule 10A-3 under the Securities Exchange Act of 1934 (the “Exchange Act”)): Michael Duginski, Gabriel L. Ellisor, Marcus C. Rowland, and Charles W. Wampler. Although these directors do not all serve on the Audit Committee, four of our seven directors are independent for Audit Committee purposes at this Annual Meeting. Mr. Woolverton is not an independent director because he also serves as Chief Executive Officer of the Company, and Messrs. Geenberg and Majeske are not independent directors for Audit Committee purposes because they are employees of SVP, a substantial shareholder of SilverBow Resources at the time of this Annual Meeting.

As discussed above, the Board has determined that each member of the Audit, Compensation and Nominating and Strategy committees of the Board meets the independence requirements applicable to those committees prescribed by the NYSE and the SEC. Further, the Board has determined that Mr. Gabriel L. Ellisor, Audit Committee Chair, and Mr. Michael Duginski, also a member of the Audit Committee, are each an “audit committee financial expert,” as such term is defined in Item 407(d) of Regulation S-K promulgated by the SEC.

The Board reviewed the applicable standards for Board member and Board committee independence and the criteria applied to determine “audit committee financial expert” status, as well as the answers to annual questionnaires completed by each of the independent directors. On the basis of this review, the Board made its independence and “audit committee financial expert” determinations.

**Meetings and Committees of the Board**

The following standing committees have been established by the Board: Audit, Compensation and Nomination and Strategy. Descriptions of the membership and functions of these committees are set forth below.

The following chart identifies the committees upon which each member of the Board serves, the chairs of the committees, and the number of meetings and actions by consent of the Board and the committees during 2018:

	<b>Board of Directors</b>	<b>Audit</b>	<b>Compensation</b>	<b>Nominating and Strategy</b>
<b>Number of meetings held</b>	7	5	3	4
<b>Number of actions by consent</b>	2	0	2	0
Marcus C. Rowland	C			M
Michael Duginski	M	M		C
Gabriel L. Ellisor	M	C	M	
David Geenberg	M			M
Christoph O. Majeske	M		C	
Charles W. Wampler	M	M	M	
Sean C. Woolverton	M			

C = Chair

M = Member

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During 2018, each director, with the exception of Mr. Rowland, attended at least 75% of the aggregate of (i) the total number of meetings of the Board plus (ii) the total number of meetings of all committees of the Board on which he served. Mr. Rowland attended approximately 73% (i.e., 8 of 11) of the above-referenced meetings due in part to delays in travel; notwithstanding, throughout the year, he attended meetings for committees on which he did not serve along with the Company's 2018 annual meeting of shareholders.

### ***Audit Committee***

The Audit Committee assists the Board in fulfilling its responsibilities with respect to oversight in monitoring: (i) the integrity of the financial statements of the Company; (ii) SilverBow Resources' compliance with legal and regulatory requirements; (iii) the selection, qualifications and independence of the independent auditor; and (iv) the performance of SilverBow Resources' internal audit function and independent auditor. The committee is required to be comprised of three or more non-employee directors, each of whom is determined by the Board to be "independent" under the rules promulgated by the SEC under the Exchange Act and meets the financial literacy and experience requirements under the rules or listing standards established by the NYSE, as may be amended. In addition, at least one member of the committee must satisfy the definition of "audit committee financial expert" as such term may be defined from time to time under the rules promulgated by the SEC. The Board has determined that Messrs. Ellisor and Duginski qualify as "audit committee financial experts" and that each member of the Audit Committee is independent as defined in the NYSE listing standards and the Exchange Act rules, and each meets the financial literacy and experience requirements established by the NYSE. A report of the Audit Committee appears later in this proxy statement. Messrs. Ellisor (Committee Chair), Duginski and Wampler are members of our Audit Committee.

### ***Compensation Committee***

The Compensation Committee holds the responsibilities of the Board relating to compensation of the Company's executive officers. This includes evaluating the compensation of the executive officers of the Company and its primary operating subsidiary, SilverBow Resources Operating, LLC, and their performance relative to their compensation to assure that such executive officers are compensated effectively in a manner consistent with the strategy of SilverBow Resources, competitive practices and the requirements of the appropriate regulatory bodies. In addition, this committee evaluates and makes recommendations to the Board regarding the compensation of the directors. The Compensation Committee evaluates and approves any amendment, some of which may require shareholder approval, to the Company's existing equity-related plans and approves the adoption of any new equity-related plans, subject to shareholder and Board approval. The Compensation Committee may delegate its authority to subcommittees constituted of a member or members of the Compensation Committee, but generally does not delegate authority to members of management to oversee executive compensation matters or compensation plan matters, including both equity-related and cash incentive compensation plans. The Compensation Committee is required to be comprised of at least three directors who are non-employee directors and determined by the Board to be independent under applicable Exchange Act rules and NYSE listing standards. The Board has determined that all Compensation Committee members qualify as non-employee directors under applicable Exchange Act rules and

NYSE listing standards. The report of the Compensation Committee is included as part of “Compensation Discussion and Analysis” of this proxy statement. Messrs. Majeske (Committee Chair), Ellisor and Wampler are members of our Compensation Committee.

Frederic W. Cook & Co., Inc. (“FW Cook”) has been engaged by the Compensation Committee since October 31, 2017, to serve as its independent compensation consultant. FW Cook reports directly to our Compensation Committee and has provided expert advice on the design and implementation of the Company’s compensation policies and programs. To the best of the Company’s knowledge, there are no conflicts between FW Cook and any member of the Board.

### *Compensation Committee Interlocks and Insider Participation*

During 2018, the Compensation Committee consisted of Messrs. Majeske, Ellisor and Wampler, all of whom are independent directors for Compensation Committee standards. To the Company’s knowledge, there are no compensation committee interlocks involving members of the Compensation Committee or other directors of the Company.

### *Nominating and Strategy Committee*

The Nominating and Strategy Committee identifies individuals qualified to become directors, nominates candidates for directorships and also recommends to the Board the membership of each of the Board’s committees. Subject to the Nomination Agreement, this committee may consider nominees recommended by shareholders upon written request by a shareholder. The Nominating and Strategy Committee develops, monitors and recommends to the Board corporate governance principles and practices applicable to SilverBow Resources. The committee also assists management of the Company in identifying, screening and recommending to the Board individuals qualified to become executive officers of the Company. In addition, this committee administers the Company’s Conflict of Interest Policy. The Nominating and Strategy Committee is required to be comprised of at least three directors who are non-employee directors and determined by the Board to be independent under the NYSE listing standards and the Exchange Act rules. Messrs. Duginski (Committee Chair), Geenberg and Rowland are members of the Nominating and Strategy Committee and, as determined by the Board, all are independent as defined in the NYSE listing standards and rules of the SEC.

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**Board Leadership Structure; Meetings of Independent Directors; Role in Risk Oversight**

While our Principles for Corporate Governance do not require that our Independent Chairman of the Board and Chief Executive Officer positions be separate, under the present terms of the Nomination Agreement, the Independent Chairman position and the Chief Executive Officer position are separated. Mr. Rowland was appointed as the Independent Chairman when he joined the Board in September 2016 and Mr. Woolverton was named Chief Executive Officer in March 2017.

The Board believes that this leadership structure is appropriate at this time as it allows our Chief Executive Officer to manage and lead the day-to-day business while allowing the Independent Chairman to provide independent leadership to the Board. At each executive session of the independent directors, Mr. Rowland as the Independent Chairman of the Board presides.

Along with our separation of the Chairman of the Board and Chief Executive Officer roles, we also have other checks and balances for our Board structure:

- ουρ Αυδιτ, Χομπενσατιον ανδ Νομινατινγ ανδ Στρατεγψ χομμιττεεσ αρε αλλ χομπλετελψ ινδεπενδεντ, ασ ρεθυιρεδ;

The full Board is responsible for general oversight of enterprise risk concerns inherent in our business. At each Board meeting, the Board receives reports from members of our senior management that help the Board assess the risks we face in the conduct of our business. Senior technical management frequently makes presentations to the Board about current and planned exploration and development activities that may subject us to operational and financial risks. In addition, the Audit Committee reviews the effectiveness of our internal controls over financial reporting, which are designed to address risks specific to financial reporting, with our internal auditor and independent accountant at least annually. The Audit Committee is also responsible for oversight of the Company's cyber risk management. Periodic cyber risk updates are provided by Company management to the full Board and Audit Committee, and such committee annually reviews the effectiveness of such controls. Through the Company's independent committees, SilverBow Resources has established processes for the effective oversight of critical issues, such as integrity of our financial statements by our Audit Committee, executive compensation by our Compensation Committee, and corporate governance, including the selection of directors and director nominees, by our Nominating and Strategy Committee.



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In accordance with its charter, the Compensation Committee periodically evaluates the compensation of non-employee directors for service on the Board and on Board committees. In consultation with an independent compensation consultant, the Compensation Committee recommends annual retainer and meeting fees for non-employee directors and fees for service on Board committees, sets the terms and awards of any stock-based compensation and submits these recommendations to the Board for approval. Directors who are also employees of the Company or our significant shareholder, SVP, receive no additional compensation for service as directors.

As an inducement to serve on the Board, each non-employee director (other than Messrs. Geenberg and Majeske, who are employed and designated to serve as directors by SVP) who joined the Board in 2016 was granted a one-time, long-term, inducement equity award, which was subject to a multi-year vesting period (rather than the typical one-year vesting period for annual director awards granted by our peers). Since the inducement awards described in the preceding sentence were still outstanding and subject to vesting in 2018, no equity awards were granted to our non-employee directors in 2018. Further, given the fact that such inducement awards were all fully vested as of March 22, 2019, the Compensation Committee expects to revert to a more routine, annual equity award program that is in line with our peers for our non-employee directors beginning in 2019.

The following table shows the annual cash compensation payable to our non-employee directors. The Compensation Committee has not approved an annual cash retainer for service as Chairman of the Board at this time. Hence, Mr. Rowland did not earn or receive any cash compensation for his service as a non-employee director during 2018.

Annual Board Retainer	\$ 70,000 <sup>(1)</sup>
Committee Chair Premiums:	
Audit Committee Chair	\$ 20,000 <sup>(2)</sup>
Compensation Committee Chair	\$ <del>(3)</del>
Nominating and Strategy Committee Chair	\$ 5,000 <sup>(4)</sup>

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- (1) Annual cash compensation for all non-employee directors other than the Chairman of the Board or an SVP Designated Director. Directors who are employees of our significant shareholder, SVP, have elected to receive no additional compensation (neither cash nor equity) for their service as directors.
- (2) Annual fee for serving as Audit Committee Chair.
- (3) Annual fee for serving as Compensation Committee Chair. As the Compensation Committee Chair is an SVP employee, no compensation has been tied to such position.
- (4) Annual fee for serving as Nominating and Strategy Committee Chair.

The below table sets forth certain summary information regarding compensation paid or accrued by the Company to or on behalf of the Company's non-employee directors for the fiscal year ended December 31, 2018:

<b>Name</b>	<b>Fees Earned or Paid in Cash (\$)</b>	<b>\$</b>
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