

HALCON RESOURCES CORP
Form S-3ASR
August 01, 2012
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As filed with the Securities and Exchange Commission on August 1, 2012

Registration Statement No. 333-

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-3

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

Halcón Resources Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

1000 Louisiana St., Suite 6700

20-0700684
(I.R.S. Employer
Identification Number)

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Houston, Texas 77002

(832) 538-0300

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Floyd C. Wilson

Chief Executive Officer

Halcón Resources Corporation

1000 Louisiana St., Suite 6700

Houston, Texas 77002

(832) 538-0300

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copy to:

William T. Heller IV

Thompson & Knight LLP

333 Clay Street, Suite 3300

Houston, Texas 77002

(713) 654-8111

Approximate date of commencement of proposed sale to the public: From time to time after this Registration Statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this form is a post-effective amendment to a registration to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate to check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
 Non-accelerated filer (Do not check if smaller reporting company) Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of each class securities to be registered	Amount to be registered	Proposed maximum offering price per share(1)	Proposed maximum aggregate offering price(1)	Amount of registration fee
Common Stock, par value \$0.0001	1,184,966	\$6.86	\$8,128,867	\$932

(1) Estimated solely for purposes of calculating the registration fee, based on the average of the high and low prices for the registrant's common stock as quoted on the New York Stock Exchange on July 30, 2012, in accordance with Rule 457(c) under the Securities Act of 1933, as amended.

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PROSPECTUS

HALCÓN RESOURCES CORPORATION

1,184,966 Shares

Common Stock

This prospectus relates to the offer and sale from time to time of up to an aggregate of 1,184,966 shares of our common stock for the account of the selling stockholders named in this prospectus. All of the shares covered by this prospectus are issuable upon the exercise of outstanding warrants, referred to herein as the Warrants. A selling stockholder may sell none, some or all of the shares offered by this prospectus. We cannot predict when or in what amounts a selling stockholder may sell any of the shares offered by this prospectus. We will not receive any proceeds from sales by selling stockholders.

The Warrants were originally issued by GeoResources, Inc., referred to herein as GeoResources, on June 9, 2008. Pursuant to an Agreement and Plan of Merger, which we refer to as the Merger Agreement, dated April 24, 2012, as amended, among us, GeoResources and two of our wholly owned subsidiaries, we acquired GeoResources on August 1, 2012. We refer to this transaction as the Merger. In connection with the Merger, the Warrants originally issued by GeoResources were assumed by us and converted into adjusted and restated Warrants that are exercisable for shares of our common stock and cash.

The shares of our common stock underlying the Warrants are being registered as a result of obligations assumed by us under the registration rights agreement between GeoResources and the holders of the Warrants. The shares are being registered to permit the selling stockholders to sell the shares from time to time in the public market. The selling stockholders may sell the shares through ordinary brokerage transactions or through any means described elsewhere in this prospectus under Plan of Distribution. The selling stockholders may sell any, all or none of the shares offered by this prospectus.

Our common stock is currently quoted on the New York Stock Exchange under the symbol **HK**. On July 30, 2012 the last reported sales price for our common stock was \$6.85 per share.

Investing in our common stock involves risks. Please read carefully the information under the headings Risk Factors beginning on page 3 and Forward-Looking Statements on page 14 of this prospectus before you invest in our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This prospectus is dated August 1, 2012.

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You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized anyone to provide you with different information. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front of this prospectus.

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ABOUT THIS PROSPECTUS

This prospectus is part of an automatic shelf registration statement that we filed with the Securities and Exchange Commission (SEC), as a well-known seasoned issuer as defined in Rule 405 under the Securities Act of 1933, as amended (the Securities Act). Under this shelf registration process, the selling stockholders may, from time to time, sell the securities described in this prospectus in one or more offerings. This prospectus provides you with a description of the securities which may be offered by the selling stockholders. Each time a selling stockholder sells securities, the selling stockholder is required to provide you with this prospectus and, in certain cases, a prospectus supplement containing specific information about the selling stockholder and the terms of the securities being offered. That prospectus supplement may include additional risk factors or other special considerations applicable to those securities. Any prospectus supplement may also add, update, or change information in this prospectus. If there is any inconsistency between the information in this prospectus and any prospectus supplement, you should rely on the information in that prospectus supplement. You should read both this prospectus and any prospectus supplement together with additional information described under Where You Can Find More Information; Incorporation by Reference.

You should rely only on the information contained in or incorporated by reference into this prospectus or any prospectus supplement. Neither we nor the selling stockholders have authorized anyone to provide you with additional or different information. If anyone provides you with additional, different or inconsistent information, you should not rely on it. This prospectus is not an offer to sell, nor is it a solicitation of an offer to buy, the securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this prospectus or any prospectus supplement is accurate as of any date other than the date on the front cover of this prospectus or the prospectus supplement, or that the information contained in any document incorporated by reference is accurate as of any date other than the date of the document incorporated by reference, regardless of the time of delivery of this prospectus or any sale of a security.

Unless the context requires otherwise or unless otherwise noted, all references in this prospectus or any prospectus supplement to Halcón, we, us or our mean Halcón Resources Corporation and its wholly owned subsidiaries. References in this prospectus or any prospectus supplement to GeoResources are to GeoResources, Inc., which became a wholly owned subsidiary of Halcón on August 1, 2012 upon completion of the Merger.

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THE COMPANY

Halcón Resources Corporation is an independent energy company engaged in the acquisition, exploration and development of onshore oil and natural gas properties in the United States. We are active in several emerging liquids-rich resource style plays, including the Utica Shale/Point Pleasant formations in Ohio and Pennsylvania, the Woodbine/Eagle Ford formations in East Texas, the Tuscaloosa Marine Shale (TMS) formation in Louisiana, the Wilcox formation in East Texas and Southwest Louisiana, the Bakken Shale and Three Forks formations in the Williston Basin in North Dakota and Montana and the Mississippi Lime formation in northern Oklahoma. We have also acquired acreage in three other undisclosed locations. We also have mature oil and natural gas reserves located primarily in Wichita, Wilbarger and Starr Counties, Texas, Pontotoc County, Oklahoma, and in several parishes in Louisiana.

As of December 31, 2011, Halcón's estimated net proved reserves were 21.1 million barrels of oil equivalent, or MMBoe, of which approximately 59% were crude oil, 32% were natural gas, and 9% were natural gas liquids. At December 31, 2011, Halcón's proved developed reserves comprised 64% of its total proved reserves. For the year ended December 31, 2011, Halcón's production averaged 4,121 Boe per day, which was 59% oil, 29% natural gas, and 12% natural gas liquids, net to its interest. For the quarter ended March 31, 2012, Halcón's net production averaged 4,055 Boe per day, which was 61% oil, 28% natural gas, and 11% natural gas liquids.

At December 31, 2011 GeoResources' estimated net proved reserves were 29.2 MMBoe, of which approximately 67% were crude oil, 29% were natural gas, and 4% were natural gas liquids. At December 31, 2011 GeoResources' proved developed reserves comprise 69% of its total proved reserves. For the year ended December 31, 2011, GeoResources' net production averaged 5,270 Boe per day, which was 64% oil, 34% natural gas, and 2% natural gas liquids. For the quarter ended March 31, 2012, GeoResources' net production averaged 6,809 Boe per day, which was 65% oil, 32% natural gas, and 3% natural gas liquids.

On a pro forma basis to give effect to our acquisition of GeoResources and our acquisitions of the East Texas Properties described below, Halcón's estimated net proved reserves as of December 31, 2011 were 62.6 MMBoe, of which approximately 67% were crude oil, 26% were natural gas, and 7% were natural gas liquids. Total pro forma combined oil, natural gas and natural gas liquids production for Halcón for the three months ended March 31, 2012 and for the year ended December 31, 2011 was approximately 1.1 MMBoe and 3.6 MMBoe, respectively.

Halcón is a Delaware corporation formerly known as RAM Energy Resources, Inc. Halcón's principal offices are located at 1000 Louisiana St., Suite 6700, Houston, Texas 77002, telephone number (832) 538-0300, and its website can be found at www.halconresources.com. Unless specifically incorporated by reference in this prospectus, information that you may find on Halcón's website is not part of this prospectus.

Recent Developments

We have recently engaged in several significant transactions:

GeoResources Merger

On August 1, 2012, we completed our acquisition of GeoResources. Under the terms of the merger agreement, GeoResources stockholders received \$20.00 per share in cash and 1.932 shares of Halcón common stock for each share of GeoResources common stock they owned. Warrants to purchase shares of GeoResources common stock that were outstanding and unexercised immediately prior to the Merger were assumed by Halcón and converted into warrants to acquire Halcón common stock and cash. In total, we paid approximately \$525.7 million in cash and issued approximately 51.3 million shares of our common stock to the GeoResources stockholders. As a result of the Merger, and after giving effect to our acquisition of the East Texas Assets described below, the former GeoResources stockholders own approximately 24% of our outstanding common stock. The historical financial statements, including the notes thereto, of Halcón and GeoResources and unaudited pro forma condensed combined financial information and the notes thereto are incorporated by reference in this prospectus. See **Where You Can Find More Information; Incorporation by Reference**.

Acquisition of the East Texas Assets

In June 2012, one of our wholly owned subsidiaries entered into purchase and sale agreements with private oil and gas companies to acquire operated interests in 20,628 net acres of oil and gas leasehold in East Texas that we believe are prospective in the Woodbine formation. We refer to these interests as the East Texas Assets. As of the date of this

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prospectus, we are in the process of closing these acquisitions. The effective date of the transactions is April 1, 2012. Net production attributable to the East Texas Assets was approximately 2,800 Boe/d as of June 1, 2012. In total, we expect to pay approximately \$302.2 million in cash and issue approximately 20.8 million shares of our common stock in connection with our acquisition of the East Texas Assets. The historical statements of revenues and direct operating expenses, including notes thereto, of the East Texas Assets and unaudited pro forma financial information and the notes thereto are incorporated by reference in this prospectus. See *Where You Can Find More Information; Incorporation by Reference*.

Acquisition of Ohio Properties

On June 28, 2012, we completed the acquisition of acreage in Eastern Ohio, prospective for the Utica/Point Pleasant formations. Pursuant to the terms of a purchase agreement dated May 8, 2012 between NCL Appalachian Partners, L.P., or NCL, and one of our wholly owned subsidiaries, we acquired a working interest in approximately 27,000 net acres for an adjusted purchase price of approximately \$164 million in cash. We funded the acquisition with cash on hand. No oil or natural gas production or proved reserves were attributable to the acquired properties when the transaction was completed. The effective date of the transaction is June 1, 2012.

Potential Divestiture of Eagle Ford Properties

Pursuant to the terms of a non-compete covenant contained in a retention agreement between our current Chairman and Chief Executive Officer, Floyd C. Wilson, and his former employer, Petrohawk Energy Corporation, or Petrohawk, Halcón intends to divest certain oil and gas properties acquired in the GeoResources acquisition that are located in the vicinity of properties owned by Petrohawk at the time of its sale to BHP Billiton. These properties, which we refer to as the Eagle Ford Properties, are currently operated by GeoResources and are located principally in southwest Fayette and northeast Gonzales Counties of Texas. GeoResources' acreage position in the Eagle Ford Shale is approximately 24,000 net acres. To date, GeoResources has drilled and completed nine currently producing wells with two wells currently being completed, and five wells waiting on completion. At present, two dedicated rigs are drilling in this project area. GeoResources' working interests in the Eagle Ford drilling units range from 35% to 55% with an average working interest of approximately 45%. As of December 31, 2011, the Eagle Ford Properties had estimated proved reserves of approximately 1.0 MMBoe, of which 94% are oil and NGLs and 17% are proved developed.

Amended Credit Facility

In connection with the closing of our acquisition of GeoResources, we amended our senior revolving credit agreement to provide for a \$1.5 billion revolving credit facility with a borrowing base of \$525.0 million. Prior to this amendment, our \$500.0 revolving credit facility had a borrowing base of \$225.0 million. The borrowing base will be redetermined semi-annually, with Halcón and the lenders each having the right to one interim unscheduled redetermination between any two consecutive semi-annual redeterminations. The adjustment will be based on our oil and natural gas properties, reserves, total indebtedness and other relevant factors consistent with normal oil and gas lending criteria. The borrowing base is subject to a reduction equal to the product of 0.25 multiplied by the stated principal amount (without regard to any initial issue discount) of any notes that we may issue in the future.

Amounts outstanding under our revolving credit facility bear interest at specified margins over the base rate of 0.50% to 1.50% for ABR-based loans or at specified margins over LIBOR of 1.50% to 2.50% for Eurodollar-based loans. These margins will fluctuate based on our utilization of the facility. Borrowings will be secured by (a) first priority liens on at least 80% of the total value of substantially all of our oil and gas properties and assets, (b) all of the assets of, and equity interests in, our participating subsidiaries, and (c) not less than 65% of the voting stock and 100% of the non-voting stock of certain other subsidiaries. Amounts drawn down on the facility will mature on August 1, 2017.

The Credit Agreement contains customary financial and other covenants, including minimum coverage of interest expenses of not less than 2.5 to 1.0 and minimum working capital levels, measured by the ratio of current assets plus the unused commitment under the Credit Agreement to current liabilities, of not less than 1.0 to 1.0. In addition, we are subject to covenants limiting certain corporate activities, dividends and other restricted payments, transactions with affiliates, incurrence of debt, changes of control, asset sales, liens on properties and swap agreements.

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Issuance of Senior Notes due 2020

On July 16, 2012, pursuant to a purchase agreement dated June 29, 2012, we issued and sold to certain financial institutions, as initial purchasers, under an indenture an aggregate principal amount of \$750 million of 9.75% senior notes due 2020 in accordance with a private placement conducted pursuant to Rule 144A under the Securities Act of 1933, as amended. The initial purchasers purchased the notes at a purchase price of 98.646% of the principal amount of the notes. The notes are guaranteed by certain of our subsidiaries and will be exchanged for similar notes registered under the Securities Act.

RISK FACTORS

An investment in our common stock involves significant risks. Before purchasing any of our common stock, you should carefully consider and evaluate all of the information included and incorporated by reference or deemed to be incorporated by reference in this prospectus or the applicable prospectus supplement, including the risk factors incorporated by reference herein from our Annual Report on Form 10-K for the year ended December 31, 2011 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2012, as updated by annual, quarterly and other reports and documents we file with the SEC after the date of this prospectus and that are incorporated by reference herein or in the applicable prospectus supplement. Additionally, you should consider the risk factors incorporated by reference herein from GeoResources Annual Report on Form 10-K for the year ended December 31, 2011, which is also incorporated by reference into this prospectus. Our business, results of operations or financial condition could be adversely affected by any of these risks or by additional risks and uncertainties not currently known to us or that we currently consider immaterial. If any of these risks were to materialize, our business, results of operations, cash flows and financial condition could be materially adversely affected. In that case, the trading price of our common stock could decline and you could lose all or part of your investment.

USE OF PROCEEDS

This prospectus relates to the offer and sale from time to time of up to an aggregate of 1,184,966 shares of common stock for the account of the selling stockholders referred to in this prospectus. We will not receive any of the proceeds from the sale of any shares of common stock by the selling stockholders. Please read *Selling Stockholders* for a list of the persons receiving proceeds from the sale of the common stock covered by this prospectus. Any proceeds that we receive from the exercise of the Warrants will be used for general corporate purposes.

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DESCRIPTION OF HALCÓN CAPITAL STOCK

The following summary is a description of the material terms of Halcón's capital stock. This summary is not meant to be complete and is qualified by reference to the applicable provisions of the Delaware General Corporation Law (the "DGCL"), Halcón's certificate of incorporation, as amended, and Halcón's amended and restated bylaws. You are urged to read those documents carefully. Copies of our certificate of incorporation, including any amendments thereto, and our amended and restated bylaws are incorporated by reference in this prospectus. See "Where You Can Find More Information; Incorporation by Reference."

Authorized Capital Stock

Halcón's authorized capital stock consists of 366,666,666 shares of common stock, par value of \$0.0001 per share, and 1,000,000 shares of preferred stock, par value \$0.0001 per share. As of August 1, 2012, Halcón had approximately 211.8 million shares of common stock and no shares of preferred stock outstanding.

Selected provisions of Halcón's organizational documents are summarized below, however, you should read the organizational documents, which are filed as exhibits to Halcón's periodic filings with the SEC and incorporated herein by reference, for other provisions that may be important to you. In addition, you should be aware that the summary below does not give full effect to the terms of the provisions of statutory or common law which may affect your rights as a Halcón stockholder.

Common Stock

Voting rights. Each share of common stock is entitled to one vote in the election of Halcón directors and on all other matters submitted to a vote of Halcón stockholders. Halcón stockholders do not have the right to cumulate their votes in the election of directors.

Dividends, distributions and stock splits. Holders of Halcón common stock are entitled to receive dividends if, as and when such dividends are declared by Halcón's board of directors out of assets legally available therefor after payment of dividends required to be paid on shares of preferred stock, if any. Halcón's existing debt arrangements restrict its ability to pay cash dividends.

Liquidation. In the event of any dissolution, liquidation, or winding up of Halcón's affairs, whether voluntary or involuntary, after payment of debts and other liabilities and making provision for any holders of its preferred stock who have a liquidation preference, Halcón's remaining assets will be distributed ratably among the holders of common stock.

Fully paid. All shares of Halcón common stock outstanding are fully paid and nonassessable.

Other rights. Holders of Halcón common stock have no redemption or conversion rights and no preemptive or other rights to subscribe for Halcón's securities.

Preferred Stock

Halcón's board of directors has the authority to issue up to 1,000,000 shares of preferred stock in one or more series and to fix the rights, preferences, privileges and restrictions thereof, including dividend rights, dividend rates, conversion rates, voting rights, terms of redemption, redemption prices, liquidation preferences and the number of shares constituting any series or the designation of that series, which may be superior to those of the common stock, without further vote or action by the stockholders.

The particular terms of any issue of preferred stock will be described in the prospectus supplement relating to the issue. The form of the certificate of designation fixing the rights, preferences, privileges and restrictions of any particular series of shares of preferred stock will be filed with the SEC in connection with any offering of such shares of preferred stock, which form will be filed either as an exhibit to the registration statement of which this prospectus is a part or be incorporated by reference from a current report on Form 8-K that we file with the SEC, and you should read those documents for the complete terms of that preferred stock described in the prospectus supplement relating to the issue and for provisions that may be important to you. See "Where You Can Find More Information; Incorporation by Reference" below for information on how to obtain copies of these documents.

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One of the effects of undesignated preferred stock may be to enable Halcón's board of directors to render more difficult or to discourage an attempt to obtain control of Halcón by means of a tender offer, proxy contest, merger or otherwise, and as a result to protect the continuity of Halcón management. The issuance of shares of the preferred stock by the Halcón board of directors may adversely affect the rights of the holders of Halcón common stock. For example, preferred stock issued by Halcón may rank superior to the common stock as to dividend rights, liquidation preference or both, may have full or limited voting rights and may be convertible into shares of common stock. Accordingly, the issuance of shares of Halcón preferred stock may discourage bids for Halcón common stock or may otherwise adversely affect the market price of Halcón common stock.

As of August 1, 2012, Halcón had no shares of preferred stock outstanding.

Delaware Anti-Takeover Law and Certain Charter and Bylaw Provisions

Halcón's certificate of incorporation, bylaws and the Delaware General Corporation Law, referred to as the DGCL, contain certain provisions that could discourage potential takeover attempts and make it more difficult for stockholders to change management or receive a premium for their shares.

Delaware law. Under Section 203 of the DGCL, a corporation is prohibited from engaging in any business combination with a stockholder who, together with its affiliates or associates, owns (or who is an affiliate or associate of the corporation and within a three-year period did own) 15% or more of the corporation's outstanding voting stock (which we refer to as an interested stockholder) for a three-year period following the time the stockholder became an interested stockholder, unless:

prior to the time the stockholder became an interested stockholder, the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;

the interested stockholder owned at least 85% of the voting stock of the corporation, excluding specified shares, upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder; or

at or subsequent to the time the stockholder became an interested stockholder, the business combination is approved by the board of directors of the corporation and authorized by the affirmative vote, at an annual or special meeting, and not by written consent, of at least 66 2/3% of the outstanding voting shares of the corporation, excluding shares held by that interested stockholder.

A business combination generally includes:

mergers and consolidations with or caused by an interested stockholder;

sales or other dispositions of 10% or more of the assets of a corporation to an interested stockholder;

specified transactions resulting in the issuance or transfer to an interested stockholder of any capital stock of the corporation or its subsidiaries; and

other transactions resulting in a disproportionate financial benefit to an interested stockholder.

The provisions of Section 203 of the DGCL do not apply to a corporation if, subject to certain requirements, the certificate of incorporation or bylaws of the corporation contain a provision expressly electing not to be governed by the provisions of the statute or the corporation does not have voting stock listed on a national securities exchange or held of record by more than 2,000 stockholders.

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Because Halcón's certificate of incorporation and bylaws do not include any provision to opt-out of Section 203 of the DGCL, the statute will apply to business combinations involving Halcón.

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Charter and bylaw provisions. Delaware law permits any Delaware corporation to classify its board of directors into as many as three (3) classes as equally as possible with staggered terms of office. After initial implementation of a classified board, one class will be elected at each annual meeting of the stockholders to serve for a term of three (3) years (depending upon the number of classes into which directors are classified) or until their successors are elected and take office. Halcón's certificate of incorporation and bylaws provide for a classified board of directors divided into three (3) classes, with the number of directors in each class as nearly equal as possible and each class serving for a term of three (3) years or until their successors are elected and qualified. Under Delaware law, stockholders of a corporation with a classified board of directors may only remove a director for cause unless the certificate of incorporation provides otherwise. Halcón's certificate of incorporation does not so provide and, accordingly, stockholders may only remove a director for cause. Further, Halcón's bylaws provide that a majority vote of the holders of the outstanding shares entitled to vote at the meeting is required to effect such removal. The likely effect of the classification of the board of directors and the limitations on the removal of directors is an increase in the time required for the stockholders to change the composition of the board of directors. For example, because only approximately one-third of the directors may be replaced by stockholder vote at each annual meeting of stockholders, stockholders seeking to replace a majority of the members of the Halcón board of directors will need at least two annual meetings of stockholders to effect this change.

Transfer Agent and Registrar

The transfer agent and registrar for Halcón common stock is Continental Stock Transfer & Trust Company, 17 Battery Place, New York, NY 10004. Its phone number is (212) 509-4000.

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The shares of common stock that may be offered by the selling stockholders are issuable upon exercise of the Warrants. We are registering the shares of common stock in order to permit the selling shareholders to offer the shares for resale from time to time.

No offer or sale under this prospectus may be made by a stockholder unless that holder is listed in the table below, in a supplement to this prospectus or in an amendment to the related registration statement. We will supplement or amend this prospectus to include additional selling stockholders upon request and upon provision of all required information to us, subject to the terms of a registration rights agreement between us and the holders of the Warrants. This prospectus will not cover subsequent sales of common stock purchased from a selling stockholder named in this prospectus.

The following table sets forth the maximum number of shares of our common stock to be sold by the selling stockholders, assuming the exercise of all Warrants held by or for the benefit of each selling stockholder for shares of our common stock. The table also sets forth the name of each selling stockholder, the nature of any position, office, or other material relationship which the selling stockholder has had, within the past three years, with us or with any of our predecessors or affiliates, and the number of shares of our common stock to be owned by such stockholders after completion of the offering.

Each of those selling stockholders that are identified as a registered broker-dealer or as an affiliate of a broker-dealer have represented to us, among other things, that (i) it acquired the securities to be resold under the registration statement of which this prospectus is a part in the ordinary course of business and (ii) it does not have any agreements, understandings or arrangements with any persons, either directly or indirectly, to dispose of such securities.

We prepared the table based on information supplied to us by the selling stockholders. We have not sought to verify such information. Additionally, the selling stockholders may have sold or transferred some or all of their shares of our common stock in transactions exempt from the registration requirements of the Securities Act since the date on which the information in the table was provided to us. Other information about the selling stockholders may also change over time.

Except as otherwise indicated, each selling stockholder has sole voting and dispositive power with respect to such shares.

Name of Selling Stockholder	Shares Owned Prior to Offering (1)		Remaining Shares Offered Pursuant to this Prospectus	Shares Owned After Offering	
	Number	Percent	Number	Number (2)	Percent
Cranshire Capital, L.P. (3)	133,052	**	51,521	81,531	**
Iroquois Master Fund Ltd. (4)	171,734	**	68,695	103,039	**
Jung Capital Partners, LLP (5)	5,796	**	3,864	1,932	**
Option Opportunities Corp. (6)	154,562	**	154,562	0	**
Portside Growth and Opportunity Fund (7)	85,878	**	34,348	51,530	**
Rockmore Investment Master Fund Ltd. (8)	92,847	**	43,360	49,487	**
Warberg Opportunistic Trading Fund, LP (9)	171,736	**	171,736	0	**
Warrant Strategies Fund LLC (10)	107,335	**	107,335	0	**
Waterstone Market Neutral Master Fund Ltd. (11)	577,282	**	230,913	346,369	**
Waterstone Market Neutral MAC 51 Ltd. (12)	281,387	**	112,555	168,832	**
TOTAL:	1,781,609	**	978,889	802,720	**

** Less than 1%

(1) Percentages prior to proposed sales of shares offered by this prospectus are based on 211.8 million shares of our common stock, determined in accordance with Rule 13d-3 of the Securities Exchange Act of 1934 (the Exchange Act), excluding treasury shares, which

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were issued and outstanding as of August 1, 2012.

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- (2) Beneficial ownership is determined in accordance with Rule 13d-3 under the Exchange Act, and includes any shares as to which the stockholder has sole or shared voting power or investment control, and also any shares which the stockholder has the right to acquire within 60 days of the date hereof, whether through the exercise or conversion of any stock option, convertible security, warrant or other right. The indication herein that shares are beneficially owned is not an admission on the part of the stockholder that he, she or it is a direct or indirect beneficial owner of those shares. Because the selling stockholders are not obligated to sell all or any portion of the shares of our common stock shown as offered by them, we cannot estimate the actual number of shares (or actual percentage of the class) of our common stock that will be held by any selling stockholder upon completion of this resale offering. For purposes of this table, we have assumed that upon the completion of the offering the selling stockholders will have exercised and sold all of the shares of common stock issuable under the Warrants and registered for resale by this prospectus.
- (3) Includes 51,521 shares of common stock underlying the Warrants. Downsvie Capital, Inc. (Downsvie) is the general partner of Cranshire Capital, L.P. (Cranshire) and consequently has voting control and investment control over securities held by Cranshire. Mitchell P. Kopin (Mr. Kopin), President of Downsvie, has voting control over Downsvie. As a result, each of Mr. Kopin, Downsvie and Cranshire may be deemed to have beneficial ownership (as determined under Section 13(d) of the Exchange Act) of the shares owned by Cranshire which are being registered hereunder.
- (4) Includes 68,695 shares of common stock underlying the Warrants. Joshua Silverman has voting and investment control over the shares held by Iroquois Master Fund Ltd. Mr. Silverman disclaims beneficial ownership of these shares.
- (5) Includes 3,864 shares of common stock underlying the Warrants. Jon P. Jung has voting and investment control over the shares held by Jung Capital Partners, LLLP.
- (6) Represent 154,562 shares of common stock underlying the Warrants. David Dury, the owner and President of Option Opportunities Corp., has voting and investment control over these securities
- (7) Includes 34,348 shares of common stock underlying the Warrants. Ramius LLC (Ramius) is the investment adviser of Portside Growth and Opportunity Fund (Portside) and consequently has voting and investment control over securities held by Portside. Ramius disclaims beneficial ownership of these securities. C4S & Co., L.L.C. (C4S) is the managing member of Ramius and may be considered the beneficial owner of any securities deemed to be beneficially owned by Ramius. C4S disclaims beneficial ownership of these securities. Peter A. Cohen, Morgan B. Stark, Thomas W. Strauss and Jeffrey M. Solomon are the sole managing members of C4S and may be considered beneficial owners of any securities deemed to be beneficially owned by C4S. Messrs. Cohen, Stark, Strauss and Solomon disclaim beneficial ownership of these securities.
- (8) Includes 43,360 shares of common stock underlying the Warrants. Rockmore Capital, LLC (Rockmore Capital) and Rockmore Partners, LLC (Rockmore Partners), each a limited liability company formed under the laws of the state of Delaware, serve as the investment management and general partner, respectively, to Rockmore Investments (US) LP, a Delaware limited partnership, which invests all of its assets through Rockmore Investment Master Fund Ltd., an exempted company formed under the laws of Bermuda (Rockmore Master Fund). By reason of such relationships, Rockmore Capital and Rockmore Partners may be deemed to share voting and investment control over the shares of our common stock owned by Rockmore Master Fund. Rockmore Capital and Rockmore Partners disclaim beneficial ownership of such shares of our common stock. Rockmore Partners has delegated authority to Rockmore Capital regarding the portfolio management decisions with respect to the shares of common stock owned by Rockmore Master Fund and Mr. Bruce T. Bernstein and Mr. Brian Daly, as officers of Rockmore Capital, are responsible for the portfolio management decisions of the shares of common stock owned by Rockmore Master Fund. By reason of such authority, Messrs. Bernstein and Daly may be deemed to share voting and investment control over the shares of our common stock owned by Rockmore Master Fund. Messrs. Bernstein and Daly may be deemed to share voting and investment control over the shares of our common stock owned by Rockmore Master Fund. Messrs. Bernstein and Daly disclaim beneficial ownership of such shares of our common stock and neither of such persons has any legal right to maintain such authority. No other person has sole or shared voting or investment

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- control with respect to the shares of our common stock as those terms are used for purposes under Regulation 13D or 13G of the Securities Act, as amended. No person or group (as that term is used in Section 13(d) of the Exchange Act, as amended, or the SEC's Regulation 13D or 13G) controls Rockmore Master Fund.
- (9) Represents 171,736 shares of common stock underlying the Warrants. Warberg Asset Management LLC (WAM) is the general partner of Warberg Opportunistic Trading Fund, LP. The managers of WAM are Daniel Warsh and Jonathan Blumberg. Each of WAM and its manager(s) disclaims beneficial ownership of the securities, other than to the extent, if any, of its or his pecuniary interest therein.
 - (10) Represents 107,335 shares of common stock underlying the Warrants. Sean Molloy has voting and investment control over securities held by Warrant Strategies Fund, LLC.
 - (11) Includes 230,913 shares of common stock underlying the Warrants. Waterstone Capital Management, L.P. is the investment advisor for Waterstone Market Neutral Master Fund, Ltd and Waterstone Market Neutral Mac 51 Fund, Ltd. Shawn Bergerson has voting and investment control over the shares held by Waterstone Capital Management, L.P.
 - (12) Includes 112,555 shares of common stock underlying the Warrants. Waterstone Capital Management, L.P. is the investment advisor for Waterstone Market Neutral Master Fund, Ltd and Waterstone Market Neutral Mac 51 Fund, Ltd. Shawn Bergerson has voting and investment control over the shares held by Waterstone Capital Management, L.P.

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PLAN OF DISTRIBUTION

We are registering the common stock covered by this prospectus to permit the selling stockholders to conduct public secondary trading of such common stock from time to time after the date of this prospectus. We will not receive any of the proceeds of the sale of the common stock offered by this prospectus. The aggregate proceeds to the selling stockholders from the sale of the common stock will be the purchase price of the common stock less any discounts and commissions. A selling stockholder reserves the right to accept and, together with their agents, to reject, any proposed purchases of common stock to be made directly or through agents.

The common stock offered by this prospectus may be sold or otherwise distributed from time to time:

directly by the selling stockholders and their successors, which include their donees, pledgees or transferees or their successors-in-interest, or

through underwriters, broker-dealers or agents, who may receive compensation in the form of discounts, commissions or agent's commissions from the selling stockholders or the purchasers of the common stock (these discounts, concessions or commissions may be in excess of those customary in the types of transactions involved).

The selling stockholders and any underwriters, broker-dealers or agents who participate in the sale or distribution of the common stock may be deemed to be underwriters within the meaning of the Securities Act. The selling stockholders from time to time identified as or affiliated with registered broker-dealers participating in the sale or distribution of the common stock from time to time are deemed to be underwriters with respect to securities sold by them pursuant to this prospectus. As a result, any profits on the sale of the securities by such selling stockholders and any discounts, commissions or agent's commissions or concessions received by any such broker-dealer or agents may be deemed to be underwriting discounts and commissions under the Securities Act. Selling stockholders who are deemed to be underwriters within the meaning of Section 2(11) of the Securities Act will be subject to prospectus delivery requirements of the Securities Act. Underwriters are subject to certain statutory liabilities, including, but not limited to, Sections 11, 12 and 17 of the Securities Act.

The common stock may be sold in one or more transactions at:

fixed prices;

prevailing market prices at the time of sale;

prices related to such prevailing market prices;

varying prices determined at the time of sale; or

otherwise negotiated prices or without cash consideration.

These sales may be effected in one or more transactions:

on any national securities exchange or quotation on which the common stock may be listed or quoted at the time of the sale;

in the over-the-counter market;

in transactions other than on such exchanges or services or in the over-the-counter market;

through the writing of options, whether such options are listed on an options exchange or otherwise;

ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;

block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;

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sales at the market to or through a market maker or into an existing trading market, on an exchange or otherwise, for the shares;

purchases by a broker-dealer as principal and resale by the broker-dealer for its account;

an exchange distribution in accordance with the rules of the applicable exchange;

privately negotiated transactions;

through the settlement of short sales;

broker-dealers may agree with the selling stockholder to sell a specified number of shares at a stipulated price per share;

through dividends or other distributions made by selling stockholders to their respective partners, members or stockholders;