Form **8937**

(December 2011)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-2224

Part I Reporting	lssuer			
1 Issuer's name		2 Issuer's employer identification number (EIN)		
Halcon Resources Corpora		20-0700684		
3 Name of contact for add	ditional information	4 Telephon	e No. of contact	5 Email address of contact
Quentin R. Hicks		1.44	(832) 538-0300	QHicks@halconresources.com
6 Number and street (or P.O. box if mail is not delivered to street address) of contact			7 City, town, or post office, state, and Zip code of contact	
				HOUSTON, TX 77002
8 Date of action		9 Class	ification and description	
JULY 24, 2017 10 CUSIP number	11 Serial number(s			OF 6.75% SENIOR NOTES DUE 2025
10 COSIP Humber	TI Serial number(s	5)	12 Ticker symbol	13 Account number(s)
405070500				
40537Q506 Part II Organization	nal Action Attac	h additional	HK statements if peeded. See by	ack of form for additional questions.
				ainst which shareholders' ownership is measured for
the action ► See Att		pplicable, trie	date of the action of the date ag	allist which shareholders, ownership is measured for
See All	actieu			
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15 Describe the quantitat share or as a percenta	ive effect of the organige of old basis ► Se	nizational acti	ion on the basis of the security in	the hands of a U.S. taxpayer as an adjustment per
		····		
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Describe the calculation valuation dates ► See	on of the change in ba	asis and the c	data that supports the calculation	, such as the market values of securities and the
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Par		Organizational Action (continued)	
17	List the	applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based	➤ See Attached
	-		
18	Can any	resulting loss be recognized? ► See Attached	
10	Call ally	Testituing its site recognized: > See Attached	
		2.00	
19	Provide	any other information necessary to implement the adjustment, such as the reportable tax year ▶ See	Attached
		- Contract acco	
			9-79-711C
		3 Marie 17.	
		The state of the s	
		penalties of perjury, I declare that I have examined this return, including accompanying schedules and statement:	
		it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which pre-	parer has any knowledge.
Sign			
Here	Signa	ture Date 9-5	- 2017
	Delet	iour name h. Mark I. Mize	I CEO
Doid		our name ► Mark J. Mize Print/Type preparer's name Preparer's signature Date	DTIN
Paid	ı Darer	Robert B. Gabriel 2 Lat 3 9 9-5-17	Check if self-employed P00649131
	Only	Firm's name ► Deloitte Tax LLP	Firm's EIN ▶ 86-1065772
	,	Firm's address ► 1111 Bagby St., Suite 4500, Houston, TX 77002	Phone no. (713) 982-2000

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

Part II Organizational Action

- 14. Halcon Resources Corporation ("the Company") had outstanding \$850 million of 6.75% senior notes due 2025 (the "Notes"), which were issued on February 16, 2017, at par. On July 12, 2017, the Company launched a consent solicitation to amend the indenture among the Company, the guarantors party thereto and U.S. Bank National Association, as trustee (the "Trustee"), governing the Notes. The Company agreed to make a cash payment of \$20.00 per \$1,000 principal amount of Notes (such payments, collectively, the "Consent Fee") to each holder of record who validly delivered and did not revoke a consent to the Proposed Amendments under the terms of the solicitation, subject to certain conditions. On July 24, 2017, the Company executed the supplemental indenture implementing the modifications. The modifications require that upon the completion of the Williston sale (as defined in the amendments to the Indenture) the Company make an offer to purchase notes equal to 50% of the outstanding principal amount plus an additional principal amount equal to 50% of any sale proceeds exceeding \$1.4 billion. This purchase will occur at a price of 103% of par.
- 15. The Company is treating the amendments to the Indenture as a significant modification of the Notes. All holders, regardless of consent, will be deemed to exchange the Notes for New Notes plus the Consent Fee. The Notes are publicly traded as defined in Treasury Regulation 1.1273-2, and the Company has determined the issue price of the New Notes to be 103.25% of par. The Company is treating the exchange of the Notes for the New Notes as a recapitalization transaction that is assumed to qualify as a tax-free reorganization pursuant to IRC Sec. 368(a)(1)(E) with gain being recognized to the extent of any boot received. For this purpose the Company is treating the Consent Fee as boot. Under IRC Sec. 358(a), a holder's aggregate adjusted tax basis in the New Notes is equal to such holder's aggregate adjusted basis in the Notes, increased by the gain recognized in the exchange (if any), and decreased by any cash received (i.e., boot). Holders should consult with a tax advisor regarding the tax basis of the New Notes received in the exchange.
- **16.** See Line 15 above, the holder's aggregate tax basis in the New Note received is expected to equal the aggregate tax basis of the Notes surrendered, increased by the gain recognized (if any), and decreased by any cash received.
- **17.** Sections 354, 368(a)(1)(E), 356, 358.
- **18.** No loss can be recognized in conjunction with this organizational action that is a recapitalization.
- **19.** Holders should consult with a tax advisor regarding the particular tax consequences of the exchange to the holder. The information contained in this document does not constitute tax advice and is not intended or written to be used, and cannot be used, for the purposes of avoiding penalties under the Internal Revenue Code.