



## **HIGHPOINT RESOURCES CORPORATION**

### **COMPENSATION COMMITTEE CHARTER**

#### **Purpose**

The Compensation Committee is appointed by the Board of Directors (“Board”) of HighPoint Resources Corporation (“Company”) to discharge the Board’s responsibilities relating to compensation of the Company’s directors and officers. The Compensation Committee has overall responsibility for approving and evaluating the annual employee incentive compensation plan amounts as well as the director and officer compensation plans, policies and programs of the Company.

The Compensation Committee also is responsible for producing an annual report on executive compensation for inclusion in the Company’s proxy statement.

#### **Committee Membership**

The Compensation Committee shall consist of no fewer than three members of the Board. The members of the Compensation Committee shall meet the independence requirements of the New York Stock Exchange, in addition to the independence standards under Section 162(m) of the Internal Revenue Code and Rule 16b-3 under the Securities Exchange Act of 1934.

The members of the Compensation Committee shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee. Compensation Committee members may be replaced by the Board.

#### **Committee Authority and Responsibilities**

The Compensation Committee shall have the sole authority, in its discretion, to appoint, compensate and provide oversight of the work of compensation consultants, outside legal counsel and other advisers. The Company must provide for appropriate funding, as determined by the Compensation Committee, for payment of reasonable compensation to such advisers. Prior to the retention of a compensation consultant or any other external adviser to the Compensation Committee, and from time to time as the Compensation Committee deems appropriate, the Compensation Committee shall assess the independence of such adviser from management, taking into consideration all factors relevant to such adviser's independence, including factors specified in the New York Stock Exchange listing standards.

The Compensation Committee shall, in coordination with (a) the Chairman of the Board or, if the Chairman of the Board is not independent, the Lead Director, and (b) the



Nominating and Corporate Governance Committee, annually review and approve corporate goals and objectives relevant to Chief Executive Officer (“CEO”) compensation, evaluate the CEO’s performance in light of those goals and objectives, and approve, or make recommendations to the Board for approval, the CEO’s compensation levels based on this evaluation. In determining the long-term incentive component of CEO compensation, the Compensation Committee shall consider the Company’s performance and relative stockholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the CEO in past years.

The Compensation Committee shall annually review and approve, or make recommendations to the Board for approval, with respect to the compensation of all directors, officers (other than the CEO) and other key executives, including incentive compensation plans and equity-based plans.

The Compensation Committee shall annually review and approve, for the CEO and other officers of the Company, (a) the annual base salary level, (b) the annual incentive opportunity level, (c) the long-term incentive opportunity level, (d) employment agreements, severance arrangements, and change in control agreements/provisions, in each case as, when and if appropriate, and (e) any special or supplemental benefits.

The Compensation Committee shall annually (a) oversee all matters relating to stockholder approval of executive compensation (“say-on-pay” votes), including the frequency of such votes (“say-when-on-pay”), (b) evaluate and recommend to the Board a recommendation to the stockholders regarding approval of say-on-pay and the frequency of say-when-on-pay, (c) oversee the appropriate response to a say-on-pay vote that was not approved by the stockholders or a say-when-on-pay vote that did not follow the Board’s frequency recommendation, and (d) prepare and approve the Compensation Committee report and review the compensation discussion and analysis as required to be included in the Company’s proxy statement.

The Compensation Committee shall annually review and assess the risks associated with the Company’s compensation practices, policies and programs applicable to employees to determine whether the risks arising from such practices, policies and programs are appropriate or reasonably likely to have a material adverse effect on the Company.

The Compensation Committee may form and delegate authority to subcommittees when appropriate and in compliance with applicable law, regulation and/or applicable equity plan. Compensation of officers other than “Section 16 officers” (as officer is defined in Rule 16a-1 under the Securities Exchange Act of 1934) may be approved by the Chair of the Compensation Committee or a subcommittee consisting of two or more members of the Compensation Committee.

The Compensation Committee shall make regular reports to the Board.



The Compensation Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Compensation Committee shall annually review its own performance.

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