NEWFIELD EXPLORATION CO /DE/
Form DEF 14A
March 29, 2018
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

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:
Preliminary Proxy Statement
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Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material Pursuant to §240.14a-12

NEWFIELD EXPLORATION COMPANY

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):
No fee required.
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TABLE OF CONTENTS

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Back to Contents

QUESTIONS
AND ANSWERS
with Our Chairman of the Board

Q How do you view the role of Newfield's Board of Directors?

A The overarching role of the members of our Board of Directors is clear—they are elected to represent you, our stockholders. However, there's a great deal of substance behind that simple statement.

Newfield is privileged to have an active Board comprised of members whose unique experiences and strong independence—all of my colleagues on the Board are independent—coalesce for maximum effectiveness. Our Board takes very seriously its fiduciary obligations to oversee and support the strategic direction of the Company.

Newfield operates in a sector affected by shifts in external factors ranging from geopolitics, climate and weather to commodity prices and tax structures. We therefore consider it essential to have a Board that understands the potential impact of these forces on the underlying value and future potential of the enterprise. Knowing how and when to use our equity, access the capital markets or make other strategic pivots depends on our Board having a deep understanding of the sector's risks and opportunities. We are fortunate that half of our Board members have direct oil and gas leadership experience.

Our directors enhance their oversight by annually electing an independent Lead Director who engages in setting Board agendas, assists our standing committees, presides over non-employee director executive sessions and briefs me, the Chairman, on issues discussed in these forums.

Q How does the Board seek to mitigate Newfield's primary risks?

A The Board has primary responsibility for overseeing our risk management. Management is responsible for assessing and managing our strategic and business risks and opportunities.

Each standing committee of the Board is responsible for overseeing the risks inherent in their areas and providing regular reports regarding them to our Board. For example, the Audit Committee oversees financial and compliance risks. The Compensation and Management Development Committee oversees human capital risks and opportunities, talent development and succession planning and pay-for-performance. Our Operations and Reserves Committee oversees the risks and opportunities related to our operations and reserves as well as those related to safety and environmental stewardship. Our Corporate Governance and Nominating Committee works to ensure that our director recruitment activities match skills with risks. It also oversees the governance structures responsible for risk management more generally. See pages 23 and 24 for more on each of these committees.

The full Board annually reviews the principal issues and risks the Company may face and continually assesses our corporate strategy, as well as our processes to manage and mitigate these risks.

Q What are the key drivers of compensation decisions at Newfield?

A We believe our employees will perform at their best if we treat them like the valued team members they are and compensate them to act as owners. This includes providing them with fulfilling benefits and jobs at market-competitive wages that support long-term loyalty and enable work-life balance. We also believe in rewarding our leadership for accomplishing corporate goals that collectively fuel strong and sustainable long-term stockholder returns.

To achieve these goals, our senior leadership's compensation is comprised of three distinct components—competitive base salaries, annual incentive awards and long-term equity incentive awards. Employees and executive officers are eligible to earn cash annual incentive awards ("AIP") each year based on levels of achievement of defined Company performance measures that we believe closely align with value creation and our strategic priorities. Based on stockholder feedback, we restructured our 2018 AIP program and adopted updated metrics, including debt adjusted production growth per share (versus absolute production growth), cash flow per share, cash-on-cash returns and corporate responsibility ("CR") goals.

We generally grant equity awards each year across our organization, not just to our executive officers. These awards—in the form of performance-based and time-based restricted stock units ("RSUs")—comprise the majority of our executive officers' total compensation package to reward creation of long-term stockholder value and achievements consistent with our long-term business strategies. We are proud of the excellent internal and external pay parity of our compensation plans.

Beginning in 2018, we have increased the proportion of performance-based equity awards received by our management team so that grants to our senior leadership are 60% performance-based RSUs tied to our relative total stockholder return performance over a three-year period and 40% time-based, retention-focused RSUs. All other officers receive 50% time-based RSUs and 50% performance-based RSUs.

Back to Contents

Q How does Newfield prepare its workforce and organizational structure to be successful on the road ahead?

A Our Vision, Mission and Core Values, featured on our website, underpin our strategic direction and help us identify our goals and measure our accomplishments. Every new employee is introduced to these important principles, which are evident in our decision making and reinforced via our hiring and promotion decisions and compliance functions.

In an era of constant employee turnover, we invest in finding the best people and retaining them via extensive training and talent-development opportunities. We have conducted a college intern program for more than 20 years that offers opportunities to gifted, motivated and diverse people. Our interns are partnered with mentors and provided guidance and support whether or not they return to Newfield. We believe this program supports inclusive and stable communities as well as positions us for a strong future. We also have an active college recruiting program. For example, approximately 44% of the engineers we employ today were recruited to Newfield through our college recruiting program. In addition, more than 35% of our workforce is between the ages of 21 and 35 and another 30% is between the ages of 36 and 45.

Q How does the Board think about and manage corporate responsibility, including environmental, social and sustainability issues?

A We have a Board-level liaison who provides guidance to our management on the CR process and its development. The Board liaison meets with the CR team periodically to discuss the latest updates and provide guidance on potential enhancements or modifications and keeps the Board apprised of our CR progress.

Our leadership team works proactively with our Board in the CR process. We maintain CR accountability through programs, policies, systems, controls, stakeholder-relationship management and performance evaluations. Our Board is fully engaged in the Company’s commitment to sustainability and citizenship throughout our operations. We also include CR metrics in our risk identification and annual materiality assessment processes.

Beginning in 2018, CR goals will comprise 12.5% of the total AIP award metrics for our executive officers. CR metrics, including safety, have always played a role in our employee review and promotion processes.

Q What are the key challenges facing E&P companies today, and more specifically, Newfield?

A Our leadership and Board regularly discuss the larger physical, geopolitical and cultural shifts that affect our long-term direction—functions now frequently referred to as scenario planning, but ones we have always performed. More immediately, as a commodity-driven industry, we are affected by commodity price volatility. Given our early shift from a predominantly natural gas company to an oil-and-liquids-focused one, we are well positioned to deliver stockholder value. One of the measures we have taken to help us mitigate the price impact on our operations over the near-term is a very proactive hedging strategy. This allows us to focus on what we can control—drilling top-tier wells in premier basins.

Our focus is on maximizing returns and achieving full-field development across our various assets. To this end, we have established a deep, high-quality inventory of assets and are building the enterprise for a long-term sustainable future. Today, we have successfully navigated the capture and assessment phases in the Anadarko Basin. In the more mature Williston Basin, we are generating significant free cash flow from operations. As a result, we believe we are within reach of attaining free cash flow generation for our Company as a whole as early as the second half of this year.

Back to Contents

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

May 15, 2018

8:00 a.m. Central Daylight Time

Via live webcast at *www.virtualshareholdermeeting.com/NFX2018*

You are cordially invited to attend the 2018 Annual Meeting of Stockholders (the "Annual Meeting") of Newfield Exploration Company ("Newfield" or the "Company"). As in past years, the Annual Meeting will be a virtual meeting of stockholders conducted via live webcast, which allows us to provide real-time communication and easy access for stockholders and to facilitate participation since stockholders can participate from any location.

The Annual Meeting is being held for the following purposes:

1. To elect the Board of Directors for the coming year;
2. To hold an advisory vote to approve the compensation of Newfield's named executive officers ("NEOs");
3. To ratify the appointment of PricewaterhouseCoopers LLP as Newfield's independent auditor for the year ending December 31, 2018; and
4. To transact any other business that may properly come before the Annual Meeting or any adjournments or postponements of the Annual Meeting.

By logging into our webcast, you will be able to hear our presentation, submit your questions and vote on all proposals to be considered at the Annual Meeting.

The close of business on March 20, 2018 has been fixed as the record date for the determination of stockholders entitled to receive notice of, and to vote at, the Annual Meeting or any adjournments or postponements thereof.

The Notice of Internet Availability of Proxy Materials, this Proxy Statement and the form of proxy or voting instruction card are first being sent or made available to stockholders on or about March 29, 2018. For instructions on voting, please refer to the Notice of Internet Availability you received in the mail or electronically or, if you requested a hard copy of the Proxy Statement, refer to your enclosed proxy card.

Your vote is very important to us. Even if you plan to attend the virtual meeting, we urge you to vote in advance online or by telephone.

March 29, 2018

By order of the Board of Directors,

TIMOTHY D. YANG

General Counsel and Corporate Secretary

Back to Contents

YOUR VOTE IS IMPORTANT

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to Be Held on May 15, 2018

The Notice of Internet Availability of Proxy Materials for the 2018 Annual Meeting (the “Notice”), the Proxy Statement for the 2018 Annual Meeting (the “Proxy Statement”) and our 2017 Annual Report and Form 10-K are available at:

http://www.proxyvote.com

You may vote online or over the phone using the instructions on the Notice, or, if you received a paper copy of the proxy card, by signing and returning it in the envelope provided. You may revoke your proxy at any time before the Annual Meeting by following the instructions in this Proxy Statement. You may also attend the Annual Meeting virtually and vote on the proposals when presented. You will need the 16-digit control number provided on the Notice or your proxy card to vote at the meeting. See “Questions and Answers about the Meeting” beginning on page 62 for information about voting by telephone or Internet, how to revoke a proxy and how to vote shares at the virtual annual meeting.

FORWARD-LOOKING STATEMENTS

Some of the amounts set forth in this Proxy Statement in the disclosure regarding executive compensation are forward-looking statements within the meaning of the federal securities laws. These statements include estimates of future amounts payable under awards, plans and agreements or the present value of future amounts, as well as the estimated value at December 31, 2017, of awards that may vest based on future performance. Estimating future payments is necessarily subject to contingencies and uncertainties, many of which are difficult to predict. In order to estimate future payments, we make assumptions as to a number of variables, which may, and in many cases will, differ from future actual conditions. These variables include the price of our common stock, the date of termination of employment, final pay, interest rates, applicable tax rates and other assumptions. Accordingly, amounts and awards paid out in future periods may vary from the related estimates and values set forth in this Proxy Statement. Please refer to information regarding forward-looking statements on page 1 and 2 of our 2017 Annual Report on Form 10-K filed with the SEC for more information regarding our Company’s anticipated results and the factors that may cause actual results to vary significantly from those anticipated.

Back to Contents

PROXY STATEMENT SUMMARY

This Proxy Statement Summary highlights information contained elsewhere in this document. Please read the entire Proxy Statement carefully before voting.

Annual Meeting of Stockholders

TIME AND DATE:	**PLACE**	**RECORD DATE:**
8:00 a.m. Central Daylight Time on **Tuesday, May 15, 2018**	Via live webcast through the link **www.virtualshareholdermeeting.com/NFX2018**	**March 20, 2018**

VOTING:

Stockholders as of the record date are entitled to vote.

Vote by Internet at **http://www.proxyvote.com**	Vote by telephone at **1-800-690-6903**	Vote by completing and returning **your proxy card or voter instruction card**

Vote during the meeting via the Internet at **www.virtualshareholdermeeting.com/NFX2018**. You will need the 16-digit control number provided on the Notice or your proxy card.

We urge you to vote before the meeting.

Voting Matters

	BOARD RECOMMENDATION
PROPOSAL 1 Election of Directors	**each director nominee**
Voting Standard: Majority of the votes cast with respect to each director, meaning the number of shares voted "for" that director must exceed the number of votes "against" that director. Abstentions and broker non-votes will have no effect in determining whether or	

not a director is elected.

PROPOSAL 2 Non-Binding Advisory Vote to Approve Named Executive Officer Compensation

Voting Standard: Majority of votes cast on the proposal. Abstentions and broker non-votes will have no effect in determining whether the proposal is approved.

PROPOSAL 3 Ratification of Appointment of Independent Auditor

Voting Standard: Majority of votes cast on the proposal. Abstentions will have no effect in determining whether the proposal is approved. Because your broker has discretion to vote your shares on the proposal in the absence of voting instructions from you, there will be no broker non-votes.

Back to Contents

Corporate Governance Highlights

The Board is responsible for, and believes in, overseeing Newfield's assets and business affairs in an honest, fair, diligent and ethical manner driven by comprehensive corporate governance practices and principles, including the following:

Proxy access
9 out of 10 directors are independent
Annual "say-on-pay" advisory vote
Lead independent director
Annual election of directors with majority voting standard
Clawback policy
Executive session of independent directors held at each regularly scheduled Board meeting
Stock ownership guidelines for executives and directors
Independent Audit, Compensation, Governance and Operations & Reserves Committees
No poison pill
Mandatory retirement age of 72 for directors (subject to waiver)
No pledging or hedging of Company stock
Active stockholder engagement
Stockholder right to call a special meeting
Robust director nominee selection process

Director Nominees

The following table provides summary information about each director nominee. Each director stands for election annually. More detailed information about each director's background, skill set and areas of expertise can be found beginning on page 15.

Name	Age	Director Since	Independent	Occupation	Committee Memberships	Other Public Company Boards
Lee K. Boothby	56	2009		Chairman, President and CEO, Newfield Exploration Company	• None	None
Steven W. Nance (Lead Director)	61	2013		President and Manager, Steele Creek Energy, LLC	• Nominating & Corporate Governance (Chair) • Operations & Reserves	Cloud Peak Energy, Inc.
Pamela J. Gardner	61	2005		CEO, Your Mind at Work	• Audit	None

				• Nominating & Corporate Governance	
Edgar R. Giesinger, Jr.	61	2017	Retired	• Audit	Solaris Oilfield Infrastructure, Inc. and Geospace Technologies Corporation
Roger B. Plank	61	2015	Founder and CEO, Apex International Energy Management, LLC	• Audit • Operations & Reserves	None
Thomas G. Ricks	65	1992	CIO, H&S Ventures L.L.C.	• Audit (Chair) • Nominating & Corporate Governance	None
Juanita M. Romans	67	2005	Chairman and CEO, The Romans Group	• Compensation & Management Development • Nominating & Corporate Governance	None
John W. Schanck	66	2013	Retired	• Operations & Reserves (Chair) • Compensation & Management Development	None
J. Terry Strange	74	2004	Retired	• Compensation & Management Development (Chair) • Audit	Group 1 Automotive, Inc., New Jersey Resources Corporation and BBVA Compass Bancshares, Inc.
J. Kent Wells	61	2015	Retired	• Compensation & Management Development • Operations & Reserves	None

Back to Contents

Corporate Responsibility and Sustainability

We drive prosperity into our communities through (1) ensuring our corporate governance practices align company core values and stakeholder interests, (2) engaging with causes that are meaningful to us, (3) creating a safe workplace for all employees and contractors, and (4) our collaborative approach and commitment to the environment. To further incentivize our management to focus on these important responsibilities, beginning in 2018, 12.5% of our executive officers' respective annual incentive awards (”AIP”) will be tied to goals in the area of corporate responsibility (“CR”). You can find additional information about our 2018 AIP below under “—2018 Annual Incentive Program Performance Metrics” and about our CR highlights from our most recent reporting cycle under “Corporate Governance—Corporate Responsibility and Sustainability.”

Corporate Governance

- Key elements of Newfield's corporate governance include Board succession planning, executive and independent leadership on the Board, Board self-evaluations, Board oversight of corporate responsibility and risk management processes and company-wide compliance with our Code of Business Conduct and Ethics and other company policies.
- Other corporate governance highlights are set forth on page 8 of this Proxy Statement.

Community Engagement

- We engage with causes that are meaningful to us and to the communities in which we live and work by matching employee donations, participating in volunteer opportunities, supporting charities through our foundation and providing university rewards and scholarships.
- We emphasize community outreach and the advancement of social performance.

Safety

- We focus on safety performance as measured by consolidated OSHA total recordable incident rate, demonstration of a robust safety reporting system considering safety observations, “stop the job” drills and near miss reporting and assessment, and validation of contractor capabilities and performance through audits, job safety analyses and third-party performance reviews.

Environment

-

- We strive to limit air emissions throughout our operations by tracking emissions as a percentage of total production, expanding leak detection and repair program usage, reducing truck traffic through use of pipeline transport and meeting and exceeding regulatory requirements.
- We minimize fresh water use and reduce operational spills through tracking of recycling and reuse of produced water, investment in storage and pipeline infrastructure systems, engagement with the research community and documentation of environmental observations and continued audits, control and countermeasure plans.
- We also focus on measurement of total produced fluid spill rate, reportable releases and total volume produced and incident response and remediation.

Back to Contents

Executive Compensation Highlights

Total Stockholder Return ("TSR") Performance

Following a five-year period (2010-2014) of exceptional strength and consistency, crude oil prices began collapsing in late 2014. The price of oil (NYMEX WTI) reached a low of approximately $26 per barrel in February 2016, as compared to approximately $107 per barrel in mid-2014. Natural gas prices also experienced significant declines in 2014-2017, as the NYMEX Henry Hub natural gas price during that period ranged from a high of approximately $6.15 per MMBtu in February 2014 to a low of approximately $1.64 per MMBtu in March 2016 (the lowest price since February 1999). Despite these significant challenges, our TSR performance over the past three years compares well versus a group of our peers in the E&P industry that we are likely to be compared against (the "E&P Peer Group").

We believe that our strong balance sheet and liquidity, operational execution, timely acquisitions and divestitures and continued positive results in the SCOOP and STACK plays have helped to differentiate our story from our peers in the E&P Peer Group during this period of commodity price volatility. As a result, we had a gain in TSR of approximately 19% over the past three years ended December 31, 2017, versus an average decline of approximately 11% in the E&P Peer Group in the same period. The "Relative TSR Performance – 3 Year" chart below compares our TSR to the E&P Peer Group.

2015-2017 Key Accomplishments

Recapitalized Newfield through the issuance of nearly **$1.6** billion in equity (**$776** million in 2016 and **$815** million in 2015). We exited 2017 with **~$325** million of cash on hand.

Domestically produced **~56** MMBOE in 2017, **~51** MMBOE in 2016 and **~44** MMBOE in 2015, adjusted for asset sales, with outperformance primarily attributed to operations in the Anadarko Basin.

Completed and commissioned the Barton Creek Water Recycling Facility in STACK, which is now processing more than **30,000 bbl/day**.

Acquired **~40,000** net acres in STACK for **$476** million in 2016 and sold **~$591** million in non-strategic assets in 2015-2017.

Replaced **435%** of 2017 domestic production and increased our year-end reserves by **~167** MMBOE due to extensions, discoveries, revisions and other additions, ending the year with consolidated proved reserves of **~680** MMBOE. Consolidated proved reserves were up **33%** year-over-year and were **~59%** proved developed and **~58%** liquids.

Reduced 2017 per unit-of-production domestic operating costs (adjusted)* by **11%** compared to 2015 and implemented innovative ways to enhance margins. We expect that many of these savings will be sustainable as commodity prices continue to recover.

Realized TSR increase of approximately **19%** during the past three-year period, which compares to an average decrease in the E&P Peer Group of approximately **11%**.

* Operating costs exclude depreciation, depletion, and amortization ("DD&A"), ceiling test impairments, unused firm gas transportation and oil and gas delivery short fall fees. For a more detailed explanation of how we calculate this non-GAAP measure, please refer to Appendix A to this Proxy Statement.

Back to Contents

Compensation Program Overview

The Compensation Committee believes that a program weighted toward variable, at risk compensation helps align NEO and stockholder interests. The charts below illustrate the approximate mix of 2017 target total direct compensation for our CEO and other NEOs:

Stockholder Engagement

The Board maintains a process for stockholders and interested parties to communicate with the Board. Stockholders and interested parties may communicate with our Board as provided below:

INTERNET	**CALL**	**WRITE**	**ATTEND**
email Investor Relations	Investor Relations	Corporate Secretary	Newfield's 2018 Annual Meeting
IR@newfield.com	281-210-5321	Newfield Exploration Company	through the link:
or visit	or	4 Waterway Square Place	*www.virtualshareholdermeeting.*
www.newfieldexploration.	Ethics Line	Suite 100	*com/NFX2018*.
ethicspoint.com	866-593-5936	The Woodlands, Texas 77380	

We are committed to a robust stockholder engagement program. The Board values our stockholders' perspectives and feedback on our executive compensation program, corporate governance practices, safety and environmental programs, and corporate responsibility ("CR") initiatives. In 2017, we reached out to more than two-thirds of our ownership and offered a call or in-person meeting. We had discussions with approximately 50% of our owners. In addition to our Chairman, President and CEO and other members of our management team, our Lead Director and our Audit Committee chair were actively involved in our stockholder outreach program during 2017. Our year-round focus on stockholder outreach is described in more detail below:

In addition, we conduct multiple meetings each year with stockholder groups to discuss strategy and governance issues and, as appropriate, facilitate meetings between stockholders and our senior leadership and directors. We believe our engagement has been productive and provides for an open exchange of ideas and perspectives with our stockholders, and we value the insights we gain from our stockholder outreach efforts.

Back to Contents

2018 Annual Incentive Program Performance Measures

One specific area we discussed with our stockholders over the past year was our annual incentive program ("AIP") metrics and goals. Based on these discussions, E&P market research, consultation with our independent compensation consultant, Longnecker & Associates, and our desire to align incentives with stockholders, we modified our AIP metrics for officers to emphasize returns-based and leverage-adjusted measures under our restructured AIP for 2018, which incorporates eight equally-weighted Company performance metrics as follows:

2017 AIP METRICS		**2018 AIP METRICS**		**NEW**
Weight	**Metric**	**Weight**	**Metric**	
15%	Domestic Production	12.5%	Debt Adjusted Production Growth Per Diluted Share	*
15%	Domestic Proved Reserves Replacement Ratio	12.5%	Proved Reserve Replacement Ratio	
15%	Discretionary Cash Flow	12.5%	Cash Flow Per Diluted Share	*
		+12.5%	Cash on Cash Return	*
15%	Domestic Controllable Expense	12.5%	Ongoing Operating Expense	
15%	Domestic Proved Developed Finding & Development Costs	12.5%	Proved Developed Finding & Development Costs	
		+12.5%	Corporate Responsibility ("CR")	*
25%	Strategic Priorities	12.5%	Corporate Strategy	

More information regarding our CR goals is provided above under "—Corporate Responsibility and Sustainability." AIP awards comprise a significant portion of our executives' total compensation package, and the new and updated metrics incorporated into the 2018 AIP are intended to reward executives for performance in a variety of areas that are critical to our short- and long-term success.

2018 Long-Term Equity-Based Incentive Awards

The Compensation Committee also approved changes to the ratio of time- to performance-based RSUs awarded to our executive officers for 2018. As a percentage of total award value, the percentage of performance-based RSUs was increased for all senior leadership (Senior Vice Presidents and above) to 60% and for all other officers to 50%. The Compensation Committee believes this change provides greater stockholder alignment for senior leadership by motivating consistent improvement in long-term stockholder value.

2018 LONG-TERM EQUITY-BASED INCENTIVE AWARD MIX

ALL SENIOR LEADERSHIP

Back to Contents

Proposal 1: Election of Directors

How Nominees Are Selected

The Board has adopted Director Selection Process and Guidelines that establish criteria for nominating, screening and evaluating director candidates and nominees. The Nominating & Corporate Governance Committee (the "Governance Committee") recommends director nominees for approval by the full Board. The Governance Committee considers candidates suggested by its members, other directors, senior management and stockholders in anticipation of upcoming director elections and actual or expected Board vacancies. The Governance Committee is authorized, at Newfield's expense, to retain search firms, consultants, and any other advisers it deems appropriate to identify and screen potential candidates, including those nominated or recommended by its members, other directors, senior management and stockholders.

The Governance Committee reviews the size and structure of the Board and considers director tenure, skills and experience in determining the slate of nominees and as part of director succession planning. When evaluating candidates, the Governance Committee (1) considers the general needs of the Board and Newfield; (2) consults with the Chairman, President and CEO, Lead Director, other Board members and key members of senior management; (3) considers the results of recent Board and Governance Committee self-evaluations; (4) identifies needed skill sets due to anticipated retirements and vacancies; and, (5) if needed, consults with external advisors.

The Governance Committee seeks a balanced representation of core competencies important to the Board's oversight role for the long-term success of Newfield's business strategies. The Governance Committee endeavors to find candidates of high integrity who have a solid reputation and record of accomplishment in their chosen fields and who display the independence of mind and strength of character to effectively represent the best interests of stockholders.

ALL OF OUR DIRECTORS EXHIBIT THE FOLLOWING QUALIFICATIONS:

- personal and professional integrity and business ethics;
- strength of character and judgment;
- ability and willingness to devote sufficient time to Board duties;
- potential contribution to the diversity and culture of the Board;
- business and professional achievements and experience;
- ability to represent the interests of all stockholders;
- strategic vision and leadership experience at a policy making level;

THE GOVERNANCE COMMITTEE CONSIDERS EXPERIENCE IN THE FOLLOWING AREAS:

- oil and gas industry and operations;
- health, safety and environmental matters;
- finance and accounting;
- technology;
- corporate social responsibility; and
- public policy matters.

demonstrated knowledge of corporate governance matters applicable to U.S.-based companies;
demonstrated ability to understand and respect the advisory and proactive oversight responsibility of the Board;
comprehension of the role of a public company director, particularly the fiduciary duties owed to Newfield and all of its stockholders;
absence of conflicts with a director's fiduciary duties;
independence from management under relevant rules;
expressed willingness to comply with all Newfield policies and guidelines applicable to the directors; and
compliance with Board policies.

After reviewing potential candidate qualifications, the Governance Committee recommends selected candidates for in-person interviews. To the extent feasible, potential candidates are interviewed by the Chairman, President and CEO and a majority of the Governance Committee members and results are considered by the Governance Committee. The Governance Committee also reviews sitting directors who are being considered for re-nomination.

Mr. Giesinger, who was first elected to the Board in August 2017 to fill a newly created vacancy resulting from the Board's decision to increase the size of the Board from nine members to ten members, was initially referred to the Governance Committee and the Board for consideration by Spencer Stuart, an executive search firm retained by our Governance Committee.

Back to Contents

Director Nominees

The Governance Committee has nominated the ten individuals named below for election as directors at our Annual Meeting. Proxies cannot be voted for more than ten nominees.

If elected, each nominee below will serve as a director until our 2019 Annual Meeting of Stockholders and thereafter until a successor has been elected and qualified, or, if earlier, until the director's death, resignation or removal. Unless instructions to the contrary are given, all properly delivered proxies will be voted for the election of these ten nominees.

Our Bylaws require that each director receive a majority of the votes cast with respect to such director in uncontested elections, meaning that the number of shares voted "FOR" a director nominee must exceed the number of votes cast "AGAINST" that nominee. If our stockholders do not re-elect a nominee who already is serving as a director, Delaware law provides that the director would continue to serve on the Board as a "holdover director." Under our Bylaws, holdover directors must submit an irrevocable resignation in writing to the Chair of the Governance Committee. The Governance Committee must make a recommendation to our Board regarding whether to accept or reject the resignation, or whether other action should be taken. Our Board would then act on the Governance Committee's recommendation and publicly disclose its decision (including if the resignation is rejected, the rationale behind it) within 90 days of the date the election results were certified.

If any nominee is unable or unwilling to serve, the proxy holders will vote for such other person as may be nominated by the Governance Committee. Alternatively, our Board may reduce the size of the Board. We have no reason to believe that any of the nominees will be unable or unwilling to serve if elected.

Composition of the Board

Our Board is a collection of individuals with a variety of complementary skills derived from their diverse backgrounds and experiences. All of our director nominees currently serve on our Board, and our Board has determined that each of our nominees, other than Mr. Boothby, is independent. The following information, which is as of March 20, 2018, introduces each of the director nominees for election at our Annual Meeting.

90%	50%	50%	20%
INDEPENDENT			WOMEN

OIL AND GAS TENURE OF
EXPERIENCE 5 YEARS OR LESS

2017 VOTING RESULTS: AVERAGE 98% “FOR” EACH DIRECTOR NOMINEE

COMMITTEE LEGEND:

AUDIT	**COMPENSATION & MANAGEMENT DEVELOPMENT**	**NOMINATING & CORPORATE GOVERNANCE**	**OPERATIONS & RESERVES**

Back to Contents

LEE K. BOOTHBY

MR. BOOTHBY is our Chairman, President and CEO. He was promoted to the position of President in February 2009 and to the additional role of CEO three months later. From October 2007 until February 2009, Mr. Boothby served as our Senior Vice President – Acquisitions & Business Development. He managed our Mid-Continent business from February 2002 to October 2007, and was promoted from General Manager to Vice President in November 2004. Mr. Boothby was responsible for leading Newfield’s early development of the Woodford Shale play in southeastern Oklahoma, and other resource plays that have driven this region’s significant growth. From 1999 to 2002, Mr. Boothby served as the Vice President and General Manager of our former Australian operations in the Timor Sea, which were divested in 2003. Prior to joining Newfield, Mr. Boothby worked for Cockrell Oil Corporation, British Gas and Tenneco Oil Company.

CHAIRMAN

Age **56**

Director since **2009**

Chairman since **May 2010**

SPECIFIC QUALIFICATIONS, ATTRIBUTES, SKILLS AND EXPERIENCE:

Relevant Management and Leadership Experience:

President and CEO of Newfield since 2009; led two Newfield business units – Mid-Continent and Australia

Broad International Exposure:

Spent three years in Australia building our former Australian business unit

Extensive Knowledge of Newfield’s Business, Industry and Community:

Over 18 years in managerial positions at Newfield and 36 years of experience in the oil and gas industry; broad experience in onshore environments, including more than 15 years of experience in North American resource plays; member of the board of directors of the American Petroleum Institute; member of the board and past chairman of the American Exploration & Production Council; member of the National Petroleum Council, where he serves on the Finance Committee; past board member of the Independent Petroleum Association of America, America’s Natural Gas Alliance, Oklahoma Independent Petroleum Association and the Oklahoma Energy Resources Board; 2015 recipient of the prestigious Chief Roughneck Award, honoring an individual whose lifetime achievements represent the highest ideals of the industry; holds degrees in Petroleum Engineering (B.S.) and Business (M.B.A.)

Community Dedication and Charitable Experience:

Serves on the Advisory Committee of the Louisiana State University Craft & Hawkins Department of Petroleum Engineering; serves on the Council of Overseers for the Rice University Jones Graduate School of Business

STEVEN W. NANCE (LEAD DIRECTOR)

INDEPENDENT

Age **61**

MR. NANCE, our Lead Director, has served as President and Manager of Steele Creek Energy, LLC, a private oil and gas investment company, since 2010. Since 2007, Mr. Nance also has provided consulting services on matters such as oil and gas investments, succession planning, coaching and leadership development. Mr. Nance began his career in 1978 as an engineer with

Director since **2013**

Lead Director since **May 2015**

Committees

• Nominating & Corporate Governance (Chair)

• Operations & Reserves

The Superior Oil Company. Mr. Nance joined Meridian Oil, Inc., the predecessor company to Burlington Resources, Inc., in 1985, where he held positions of increasing responsibility until his departure in 1997 as Vice President of Burlington's Gulf Coast division. From 1997 to 1999, he was with XPLOR Energy and its predecessor company, acting as its Chairman, President and CEO in 1999, when XPLOR Energy was acquired by Harken Energy Corporation. From 2000 to 2007, Mr. Nance served as President of Peoples Energy Production Company, until it was acquired by El Paso Corporation.

OTHER PUBLIC COMPANY DIRECTORSHIPS IN PAST FIVE YEARS:

The Williams Companies, Inc. (2012-2016); Cloud Peak Energy, Inc. (2010-present)

SPECIFIC QUALIFICATIONS, ATTRIBUTES, SKILLS AND EXPERIENCE:

Relevant Management and Leadership Experience:

Has held executive positions in several organizations, both public and private, in the oil and gas industry, including holding the role of president and/or CEO at XPLOR Energy and Peoples Energy

Extensive Knowledge of Newfield's Business and Industry:

Nearly 40 years of experience in the oil and gas industry ranging from various engineering assignments to C-level executive; holds a B.S. in Petroleum Engineering

Community Dedication and Charitable Experience:

Recognized as a Distinguished Engineer from the College of Engineering at Texas Tech and is a registered professional engineer (inactive status). Serves on the board for The Center for the Performing Arts at The Woodlands

Back to Contents

PAMELA J. GARDNER

INDEPENDENT

Age **61**

Director since **2005**

Committees

• Audit

• Nominating & Corporate Governance

MS. GARDNER has served as the CEO of Your Mind at Work, a consulting firm, since January 2013. She spent 24 seasons with the Houston Astros Baseball Club, serving her last 11 years as President, Business Operations. Ms. Gardner began her career with the Houston Astros in 1989 as Director of Communications, was promoted to Vice President of Marketing in 1996, then promoted to Senior Vice President of Sales and Marketing in 1999, and served in that role until becoming President in 2001. She retired as President in January 2012, but provided advisory services to the ownership group throughout 2012.

SPECIFIC QUALIFICATIONS, ATTRIBUTES, SKILLS AND EXPERIENCE:

Diversity:

First female executive inducted into the Texas Baseball Hall of Fame; longest tenured female executive officer in Major League Baseball; public speaker and writer on women's leadership issues; recipient of the YWCA's Outstanding Woman of Achievement Award in 2006 and the Trailblazer Award from the Houston Women's Chamber of Commerce; included in a special exhibit on Women in Baseball in the Baseball Hall of Fame in Cooperstown, New York

Relevant Management and Leadership Experience:

Professional experience in strategic planning, project development, professional sports, nonprofit/charitable organizations and business; managed all business and operational aspects of the Houston Astros, including oversight of all revenue areas, building management, customer service, finances, sponsorship and ticket sales, community, advertising and marketing, as well as non-baseball events at Minute Maid Park; frequent speaker on leadership and diversity; received the Marguerite Ross Barnett leadership award from the Houston Area Urban League in 2008; in 2017, received the Woman of Inspiration Award from the Houston Chapter of WISE (Women in Professional Sports)

Community Dedication and Charitable Experience:

Served on the Executive Committee of Central Houston, Inc., a not-for-profit organization focused on urban planning and cultural and economic development in Houston; served as a Board member of the Harris County Houston Sports Authority, overseeing property and funds of Houston sports facilities; served on the University of Houston Hobby School of Public Policy Advisory Board; and served as Chairman of the Mayor's program to end chronic homelessness in Houston

EDGAR R. GIESINGER, JR.

INDEPENDENT

Age **61**

Director since **2017**

MR. GIESINGER has more than 35 years of public accounting experience, all with KPMG LLP. From 1999 until his retirement in 2015, he served as Managing Partner for the firm's Houston office. In this role, he was responsible for overseeing strategic direction, partner compensation, human resources and legal and regulatory affairs. Mr. Giesinger also served on the nominating committee of KPMG's board of directors and as an audit engagement partner. During his tenure with KPMG, he advised a number of the firm's clients in accounting and financial matters, on raising capital and international expansions, and in dealings with the SEC. He has lectured and led

Committees

• Audit

seminars on various topics dealing with financial risks, controls and financial reporting.

OTHER PUBLIC COMPANY DIRECTORSHIPS IN PAST FIVE YEARS:

Solaris Oilfield Infrastructure, Inc. (2017-present); Geospace Technologies Corporation (2015-present)

SPECIFIC QUALIFICATIONS, ATTRIBUTES, SKILLS AND EXPERIENCE:

High Level of Financial Literacy:

More than 35 years of accounting and finance experience working mainly with publicly traded corporations, with a primary focus on energy and manufacturing clients; B.B.A. in Accounting; Certified Public Accountant; determined by the Board to be an audit committee financial expert, as defined by the SEC

Relevant Management and Leadership Experience:

35 years of service with KPMG in the audit division, including 16 years as Managing Partner for the firm's Houston office; also served on the nominating committee of KPMG's board of directors

Extensive Board and Corporate Governance Experience:

Serves on the audit committee and board of two additional public companies; President of the Tri-Cities Chapter of the National Association of Corporate Directors, bringing to our Board significant knowledge on corporate governance

Community Dedication and Charitable Experience:

Former Board Chairman of Hobby Center for Performing Arts; member of The University of Texas Accounting Department Advisory Board

Back to Contents

ROGER B. PLANK

MR. PLANK has over 35 years of experience in the oil and gas industry. Early in 2016, he founded and began serving as Chief Executive Officer of Apex International Energy Management, LLC, a private oil and gas company focused on acquisitions, exploration and production in the Middle East North Africa region, including Egypt. Recently the Egyptian General Petroleum Company awarded Apex two concessions comprised of 1.7 million acres in the prolific Abu Gharadig Basin. Mr. Plank retired from his position as President and Chief Corporate Officer of Apache Corporation in February 2014 after serving 32 years with the company. He began his career at Apache in 1982 and moved throughout the organization to take on various leadership positions in charge of Finance, Accounting, Planning and Corporate Development, Investor Relations and Corporate Communications. Mr. Plank served as Vice President and Chief Financial Officer from July 1997 to May 2000 and Executive Vice President and Chief Financial Officer from May 2000 to February 2009 when he became President and Principal Financial Officer. He was appointed President and Chief Corporate Officer in February 2011 and served in that role until his retirement in February 2014.

INDEPENDENT

Age **61**

Director since **2015**

Committees

• Audit

• Operations & Reserves

OTHER PUBLIC COMPANY DIRECTORSHIPS IN PAST FIVE YEARS:

Director of Parker Drilling, 2004 to 2016 (Lead Director, May 2013-January 2016)

SPECIFIC QUALIFICATIONS, ATTRIBUTES, SKILLS AND EXPERIENCE:

High Level of Financial Literacy:

Served as Chief Financial Officer, Principal Financial Officer and President and Chief Corporate Officer at Apache; named among Institutional Investor Magazine’s best energy CFOs in America in 2004 and 2007; determined by the Board to be an audit committee financial expert, as defined by the SEC

Relevant Management and Leadership Experience:

More than 17 years in senior leadership roles at Apache Corporation including Chief Financial Officer, Principal Financial Officer and President and Chief Corporate Officer

Extensive Knowledge of Newfield’s Business and Industry:

Over 35 years of experience in the oil and gas industry ranging from various leadership positions in corporate development to C-level executive and holds an M.B.A.

Community Dedication and Charitable Experience:

Serves on the board of Houston’s Alley Theatre (previously Chairman)

THOMAS G. RICKS

INDEPENDENT

MR. RICKS serves as Chief Investment Officer of H&S Ventures L.L.C., a private investment firm. Prior to taking this position with H&S Ventures in May 2001, he was CEO of The University of Texas Investment Management Company from March 1996 to May 2001. Mr.

Age **65**

Director since **1992**

Committees

• Audit (Chair)

• Nominating & Corporate Governance

Ricks served as Vice Chancellor for Asset Management for The University of Texas System from August 1992 through February 1996, and as Executive Director of Finance and Private Investments from 1988 to 1992.

SPECIFIC QUALIFICATIONS, ATTRIBUTES, SKILLS AND EXPERIENCE:

High Level of Financial Literacy and Risk Analysis Expertise:

Over 30 years in various domestic and international finance positions in the oil and gas and financial industries, providing him with investment and financial experience combined with accounting and audit expertise; responsible for the management of a $15 billion endowment and operating fund supporting The University of Texas System; holds B.A. in Economics and M.B.A.; Certified Public Accountant (not licensed); determined by the Board to be an audit committee financial expert, as defined by the SEC

Relevant Management and Leadership Experience:

Over five years of experience as the CEO of a $15 billion endowment and operating fund

Extensive Knowledge of Newfield’s Business and Industry:

Served as one of our directors for 26 years, providing invaluable knowledge of our strategy and business

Extensive Board and Corporate Governance Expertise:

Serves on the Board of Panacea Pharmaceuticals Inc., a private pharmaceutical development company, since 2015; former director of BDM International, DTM Corporation, LifeCell Corporation and Argus Pharmaceuticals; brings to our Board significant knowledge on corporate governance

Community Dedication and Charitable Experience:

Serves on the Investment Committee of the University of California Foundation – Irvine; previously served on the Audit Committee of the Samueli Foundation, a not-for-profit organization with a mission to create societal value by investing in innovative, entrepreneurial and sustainable ideas; previously served on the board of the Ocean Institute, a not-for-profit organization with the mission to inspire people to become responsible stewards of our oceans

Back to Contents

JUANITA M. ROMANS

MS. ROMANS serves as the Chairman and CEO of The Romans Group, a private global healthcare consulting firm she founded in January 2011. From 2012 to 2014, Ms. Romans served as Managing Principal of MFR Healthcare Solutions (a partnership formed with The Romans Group), providing strategic, tactical and operational planning consulting services to hospitals, universities, medical institutions and other providers in the global healthcare marketplace. From June 2001 to January 2011, Ms. Romans served as CEO and Central Market Leader of Memorial Hermann – Texas Medical Center, and from January 2003 to January 2011 she served as the CEO of Memorial Hermann Hospital.

INDEPENDENT

Age **67**

Director since **2005**

Committees

• Compensation & Management Development

• Nominating & Corporate Governance

SPECIFIC QUALIFICATIONS, ATTRIBUTES, SKILLS AND EXPERIENCE:

Diversity:

Over 30 years of professional experience in medical industry, strategic planning, project development and nonprofit/ charitable organizations

High Level of Financial Literacy and Risk Analysis Expertise:

Over 20 years of experience in the areas of contracting, project development, partnerships, joint ventures and analyzing risks related to business strategy; managed the costs and responsible for the financial health of Memorial Hermann Hospital with more than 6,000 employees for nine years

Relevant Management and Leadership Experience:

Over nine years of experience as a CEO in the heavily-regulated and people-intensive medical industry, responsible for, among other matters, strategy development and execution, financial performance and operations

Community Dedication and Charitable Experience:

Serves on the board of Center for Houston's Future; Chairman, Houston Hispanic Chamber of Commerce; served on the boards of Rice University Jones Business School, the Children's Assessment Center, the South Main Center Association, and Save our ERs; member of Texas Hospital Association, Voluntary Hospital Association, Texas Association for Public and Non-Profit Hospitals, Greater Houston Partnership and Texas Executive Women

JOHN W. SCHANCK

INDEPENDENT

Age **66**

Director since **2013**

Committees

MR. SCHANCK has over 35 years of experience in the oil and gas industry, most recently serving as President and CEO of Sonde Resources Corporation in Calgary, Alberta from 2010 until his retirement in June 2013. Sonde is an energy company engaged in the exploration and production of oil and natural gas, with operations in Western Canada and offshore North Africa. Mr. Schanck spent the first 21 years of his career with Unocal Corporation and its subsidiaries. During that time, he helped lead Unocal's exploration activities in both the U.S. and international regions, holding the positions of Group Vice President – Oil & Gas Operations from 1994 to 1996 and President of Spirit Energy 76 from 1997 to 1999. Following his career with Unocal, Mr.

• Compensation & Management Development

• Operations & Reserves (Chair)

Schanck was Co-CEO for Samson Investment Company from 1999 to 2005 and Managing Partner of Tecton Energy, LLC from 2006 to 2009. Mr. Schanck is also a director of Saulsbury Industries, a private company engaged in engineering and construction, and a director of P2 Energy Solutions, a private company engaged in oil and gas software development and sales.

OTHER PUBLIC COMPANY DIRECTORSHIPS HELD IN PAST FIVE YEARS:

Penn West Exploration Ltd. (June 2008-June 2014); Sonde Resources Corp. (December 2010-July 2013)

SPECIFIC QUALIFICATIONS, ATTRIBUTES, SKILLS AND EXPERIENCE:

Relevant Management and Leadership Experience:

Has held executive positions in several organizations in the energy industry

Extensive Knowledge of Newfield’s Business and Industry:

Over 35 years of experience in the energy industry, holding leadership positions in both public and private companies, including C-level executive; holds a B.S. and M.S. in Geology

Community Dedication and Charitable Experience:

Served on numerous not-for-profit boards including Child Abuse Network based in Tulsa, OK; board member and President of Spindletop Charities in Houston; board member and President of United Way, Tulsa, OK

Back to Contents

J. TERRY STRANGE

MR. STRANGE is a 34-year veteran of KPMG LLP. From 1996 until his retirement in 2002, he served as the Vice Chairman and Managing Partner of the U.S. Audit Practice of KPMG in addition to his service from 1998 until 2002 as the Global Managing Partner of the Audit Practice of KPMG International.

INDEPENDENT

Age **74**

Director since **2004**

Committees

• Audit

• Compensation & Management Development (Chair)

OTHER PUBLIC COMPANY DIRECTORSHIPS IN PAST FIVE YEARS:

Group 1 Automotive, Inc. (2005-present); New Jersey Resources Corporation, a natural gas provider (2003-present); BBVA Compass Bancshares, Inc., a commercial bank (2008-present); previously served as a director of SLM Corporation, known as “Sallie Mae” (2008-2013)

SPECIFIC QUALIFICATIONS, ATTRIBUTES, SKILLS AND EXPERIENCE:

High Level of Financial Literacy and Risk Analysis Expertise:

34 years of service with KPMG in the audit division, including six years as Vice Chairman and overseeing internal risk management; assisted in developing information risk management team at KPMG; B.B.A. and M.B.A. in Accounting; Certified Public Accountant; named as one of 100 most influential accountants in 2001 by Accounting Today; determined by the Board to be an audit committee financial expert, as defined by the SEC

Broad International Exposure:

Four years as the Global Managing Partner of the Audit Practice of KPMG International

Extensive Board and Corporate Governance Experience:

Serves on the audit committee and board of three additional public companies; an active participant and expert speaker for the National Association of Corporate Directors and an NACD Board Leadership Fellow, bringing to our Board significant knowledge on corporate governance matters

Extensive Knowledge of Newfield’s Business and Industry:

Served clients in the energy industry for over 15 years; led the energy practice at KPMG for three years; significantly involved in the original development of the accounting standards released by the Financial Accounting Standards Board and the disclosure rules implemented by the SEC for the oil and gas industry; assisted in writing the original oil and gas accounting industry guide published by the AICPA

Community Dedication and Charitable Experience:

Former Chair of the Finance Committee of the National Cutting Horse Association

J. KENT WELLS

MR. WELLS has more than 35 years of experience in the oil and gas industry, most recently retiring from his position as CEO and President of Fidelity Exploration & Production Company, an oil and natural gas drilling company, in February 2015. Mr. Wells began as a petroleum engineer with Amoco Canada Pet. Co. in 1979 and quickly advanced to take on a number of key roles in the organization. From 2000 through 2002, Mr. Wells held the position of Vice President, Rockies, and from 2002 through 2005, of Vice President, Gulf of Mexico Shelf, BP America. He also served as General Manager, Abu Dhabi Company for Onshore Oil Operations, from 2005 through 2007 and as Senior Vice President, Exploration and Production North America Gas, BP America, from 2007 through 2011. He joined Fidelity Exploration & Production Company in 2011 as President and CEO. In 2013, he was made Vice Chairman of MDU Resources, the parent company of Fidelity, and was elected to serve on its board, until he retired in 2015.

INDEPENDENT

Age **61**

Director since **2015**

Committees

• Compensation & Management Development

• Operations & Reserves

OTHER PUBLIC COMPANY DIRECTORSHIPS IN PAST FIVE YEARS:

Director of MDU Resources (2013-2015)

SPECIFIC QUALIFICATIONS, ATTRIBUTES, SKILLS AND EXPERIENCE:

Relevant Management and Leadership Experience:

More than 15 years in leadership roles at BP and Fidelity, including senior leadership positions as Senior Vice President, Exploration and Production and President and CEO

Extensive Knowledge of Newfield's Business and Industry:

Over 35 years of experience in the oil and gas industry, where he has held positions of increasing responsibility starting as a petroleum engineer focusing on drilling and advancing to C-level executive; significant experience in onshore gas resource plays in the U.S.; holds a B.S. in Mechanical Engineering

Community Dedication and Charitable Experience:

Served on the board of regional chapters of the MS Society and the Juvenile Diabetes Research Foundation

Board Recommendation

The Board of Directors recommends a vote "FOR" each of the foregoing nominees to serve as a director.

Back to Contents

CORPORATE GOVERNANCE

Set forth below is a discussion about our corporate governance policies and practices as well as other matters relating to our Board and its committees. The Board is responsible for, and believes in, overseeing Newfield’s assets and business affairs in an honest, fair, diligent and ethical manner driven by comprehensive corporate governance principles.

Corporate Governance Guidelines

To fulfill its responsibilities, the Board follows the procedures and standards set forth in its Corporate Governance Guidelines. These Guidelines address matters such as:

- Director responsibilities and conduct;
- Chairman and Lead Director responsibilities;
- Director qualifications;
- Board composition;
- Board and committee functions;
- Director access to officers, employees and advisors;
- Director compensation and stock ownership;
- Board interaction with stockholders and the media;
- Director orientation and continuing education;
- Evaluation of our President and CEO;
- Management succession;
- Board communications; and
- Reports concerning accounting and performance evaluations of our Board and its committees.

The Corporate Governance Guidelines are available on our website at *http://www.newfield.com* under the tab “Corporate Responsibility — Governance”.

Proxy Access Nominations

In November 2016, the Board approved an amendment to our Bylaws to allow a stockholder or group of stockholders that meet certain criteria and requirements to nominate candidates for election to the Board and have such candidates included in our proxy statement. Specifically, Article II, Section 2.13(e) was added to our Bylaws to permit a stockholder, or a group of up to 20 stockholders, owning 3% or more of our outstanding common stock continuously for at least three years to nominate and include in our proxy materials directors constituting up to the greater of 20% of the Board or two directors, provided that the stockholder(s) and the nominee(s) satisfy the requirements specified in the Bylaws. If you wish to utilize proxy access, you must submit the information required under the Bylaws to us not later than the close of business on the 120th day, nor earlier than the close of business on the 150th day, prior to the first anniversary of the date the definitive proxy statement was first sent to stockholders in connection with the preceding year's annual meeting of stockholders. Accordingly, for the 2019 Annual Meeting, such notice must be received no earlier than October 30, 2018 and no later than November 29, 2018. Any questions regarding our proxy access procedures may be directed to our Corporate Secretary.

Stockholder Recommendations of Director Nominees

In general, the Governance Committee will use the same process to evaluate candidates recommended by stockholders as it uses to evaluate all other director candidates. However, if a candidate is recommended by a stockholder or a group of stockholders, the Governance Committee also will review the information required of such nominees pursuant to Newfield's Bylaws.

If you want the Governance Committee to consider a possible candidate for director, you should submit the name of the candidate, together with appropriate biographical information, to the Chair of the Governance Committee, c/o Corporate Secretary, Newfield Exploration Company, 4 Waterway Square Place, Suite 100, The Woodlands, Texas 77380. If you wish to propose a matter for action at a stockholders' meeting, including the nomination of a director for election, you must comply with the provisions of our Bylaws that are described in this Proxy Statement in the section entitled "Stockholder Proposals for 2019 Annual Meeting and Director Nominations" on page 65.

Diversity Policy for Director Candidates

Our Director Selection Process and Guidelines do not prescribe specific standards for diversity. Nevertheless, in selecting director candidates, the Governance Committee and the Board take diversity into account, seeking to ensure a representation of varied perspectives and experiences. Through its succession-planning process, the Governance Committee reviews the skills and elements of diversity for all directors to ensure that the Board members represent the appropriate and relevant skills, perspectives and experiences.

Back to Contents

Director Independence

Our Board reviews the independence of our directors on an annual basis. For 2017, the Board determined that nine of our ten nominated directors are "independent" as defined by NYSE rules. In making this determination, the Board considered various transactions and relationships between each director nominee (including his or her immediate family members) and Newfield and its subsidiaries. The purpose of this review was to determine whether any such relationships or transactions were material and, therefore, inconsistent with a determination that the director is independent.

In the ordinary course of business during 2017, we entered into purchase and sale transactions for products and services with certain companies affiliated with members of our Board of Directors. Specifically, Mr. Schanck is a director of P2 Energy Solutions. In 2017, we paid P2 Energy Solutions approximately $2.1 million in licensing agreement and annual maintenance costs for software. We generally expect transactions of a similar nature to occur during 2018. See also "Related Person Transactions."

As a result of its review, including its consideration of the purchase and sale transactions described above, our Board affirmatively determined, based on its understanding of such transactions and relationships, that all of the nominees for director are independent of Newfield under the standards set forth by the NYSE, with the exception of Mr. Boothby, our Chairman, President and CEO. There are no family relationships between any of the nominees for director or between any nominee and any executive officer of Newfield.

Board Leadership Structure

We do not have a policy with respect to separating the roles of Chairman of the Board and Chief Executive Officer. The Governance Committee and the other independent members of our Board do, however, routinely evaluate the appropriate leadership structure for our Board. Mr. Boothby, our President and CEO, has served as our Chairman since May 2010. The Board believes a combined Chairman/CEO office provides significant benefits for our stockholders, including a unified approach to strategy and execution. The Board believes that a Chairman who understands Newfield's day-to-day business and the important issues to be addressed by the Board ensures that the Board has valuable insight into operations and strategies from management's perspective and facilitates the flow of information between management and the Board. The Board also believes a combined Chairman/CEO leadership structure ensures the appropriate level of independent oversight because:

- the Board has an independent Lead Director;
- the Lead Director collaborates with the Chairman to set the agenda for each meeting of the Board;
- Board committees are composed entirely of independent directors;
- the independent Compensation & Management Development Committee ("Compensation Committee") annually evaluates the performance of our President and CEO; and

- all of the director nominees, other than Mr. Boothby, our Chairman, President and CEO, are independent under NYSE standards.

Chairman of the Board

The Chairman ensures the overall effectiveness of the Board. The Chairman's significant responsibilities are to:

- set Board meeting agendas, in collaboration with the Lead Director;
- preside over meetings of the Board;
- serve as a liaison between the Board and management; and
- chair the Annual Meeting of Stockholders;

Lead Director

Mr. Nance has served as our Lead Director since May 2015.

The Lead Director is an independent director nominated by the Governance Committee and elected by the Board for a one-year term. The Lead Director serves a valuable role in leading the Board and creating an atmosphere in which the Board can enhance Newfield's success. The Lead Director's significant responsibilities are to:

- act as a liaison between the independent directors and the Chairman/ CEO and management, including with regard to the interest of the independent directors in having particular issues or topics addressed in a Board meeting;
- collaborate with the Chairman/CEO on the agendas for the meetings of the Board (including schedule and materials);
- set the agendas for, call for, and preside over the executive sessions of the independent directors, which typically are conducted at each Board meeting;
- brief the Chairman/CEO and management, as needed, on the issues discussed in executive sessions;
- preside over meetings of the Board when the Chairman is not present or has a conflict;
- serve as a mentor and provide guidance to the Chairman/CEO as requested or needed;
- coordinate the retention of consultants and advisors who report directly to the Board on Board matters (as opposed to committee consultants and advisors);
- facilitate and assist the Governance Committee with Board, committee and director evaluations, and communicate results;
- assist the Chairman/CEO and Chair of the Compensation Committee with succession planning, as necessary;
- foster a respectful atmosphere in which directors feel comfortable asking questions, providing insight and engaging in dialogue;
- frequently meet with management to preview significant matters (such as potential acquisitions and other large capital commitments) expected to be presented to the Board, and act as a general resource to the Chairman/CEO; and
- as needed or requested by the Board, perform other corporate governance duties.

Back to Contents

Governance Policies and Practices

Executive Sessions of Independent Directors

All of our non-employee directors are independent. Our Corporate Governance Guidelines provide that our independent directors will meet in executive session at least annually, and more frequently as needed at the call of one or more independent directors. In practice, our independent directors meet in executive session on a regular basis – usually at each regularly scheduled meeting of our Board. These executive sessions are presided over by the Lead Director or, if the Lead Director is not in attendance, by another person chosen by the independent directors.

Risk Oversight

Management is responsible for implementing our financial and business strategies, and for assessing and managing the risks relating to Newfield and its performance under those strategies. Our Board reviews, approves (where appropriate) and monitors our financial and business objectives, strategies, plans and major corporate actions. Our Board also assesses major risks relating to Newfield and its performance, and reviews options to mitigate and address such risks.

The Board retains primary responsibility to oversee risks related to our strategy and business. To assist the Board in discharging its oversight responsibilities, members of management report to the Board and its committees on areas of risk to Newfield, and our Board committees consider specific areas of risk inherent in their respective spheres of oversight and report to the full Board on these matters. For example:

- our Audit Committee discusses with management our major financial and compliance risk exposures and the steps management has taken to monitor and control such exposures;
- our Compensation Committee incorporates risk considerations, including the risk of loss of key personnel, as it evaluates the performance of our President and CEO and other executive officers, reviews management development and succession plans, and considers risks related to our compensation programs and policies (for additional information regarding the Compensation Committee's review of compensation-related risk, please see "Compensation Policies and Practices Related to Risk Management" on page 47);
- our Governance Committee focuses on issues relating to Board composition, leadership structures and corporate governance matters; and
- our Operations & Reserves Committee reviews, evaluates and oversees Newfield's risks relating to our operations, including matters relating to safety, the environment, regulations, operations, compliance and reserves.

In addition to receiving reports from Board committees regarding the risks considered in their respective areas, at least once a year, the Board will specifically review our long-term strategic plans and the principal issues and risks we may face, as well as the processes through which we manage risk. This ensures our Board has a broad view of our strategy and overall risk management process and enables the full Board to coordinate risk oversight, especially with respect to risk interrelationships. We believe our combined Chairman/CEO role enhances the Board's administration of its risk oversight function because, through his role as Chairman, our President and CEO is able to provide the Board with valuable insight into our risk profile and the options to mitigate and address our risks based on his experiences with the daily management of our business.

Mandatory Retirement Age for Directors

Any director who reaches age 72 while in office must resign at the end of the current term, unless (1) the members of the Governance Committee unanimously (not including the director in question if such director is a member of the Governance Committee) waive such requirement due to special circumstances, and (2) such waiver is ratified and approved by a majority of the disinterested directors on the Board. In 2016, J. Terry Strange reached our mandatory retirement age. The Governance Committee determined it was prudent to waive Mr. Strange's mandatory retirement for one year in each of 2016 and 2017, and again in 2018 until our 2019 Annual Meeting of Stockholders, and that waiver was ratified and approved unanimously by the disinterested directors of the Board.

Director Terms and Refreshment

The Board relies on a combination of strategic recruiting, annual Board and Committee evaluations and a mandatory director retirement age to create an optimal range of Board tenures. Our consistent approach to refresh the Board has resulted in directors with a good balance of innovation and experience. We believe our overall average tenure and range of tenures demonstrate the effectiveness of this method.

Stock Ownership Guidelines for Directors

The Board believes it is important to align director interests with those of stockholders. All independent directors are expected to own Newfield stock equal in value to five times their annual cash retainer, not including any cash retainers paid to a director for serving as the Lead Director or a chair of a committee. Such ownership must be reached within five years from a director's first appointment to the Board. As of year-end 2017, all independent directors (other than Mr. Giesinger, who joined the Board in August 2017) met our stock ownership guidelines.

Back to Contents

Communication with Independent Directors

We have established an Ethics Line, which enables investors, employees and any other interested parties in any country in which we operate to anonymously report any practices thought to be in violation of our corporate governance policies. The Ethics Line also can be used to communicate with our independent directors, including our Lead Director, on a direct and confidential basis. The web address for our Ethics Line is *www.newfieldexploration.ethicspoint.com* and the telephone number in the United States, Guam, Puerto Rico and Canada is 866-593-5936. Additional information regarding the Ethics Line is available on our website at *http://www.newfield.com* under the tab “Corporate Responsibility – Governance.”

Director Attendance at Board and Committee Meetings

Our Board met in person or by telephone conference four times during 2017. All of the directors attended 75% or more of the total number of meetings of the Board held in 2017 and the total number of meetings held in 2017 by all committees of the Board on which he or she served (during the respective periods that he or she served on such committee).

Director Attendance at Annual Meetings of Stockholders

Directors are expected to attend the Annual Meetings of Stockholders. All of our then current directors attended the 2017 Annual Meeting.

Board Committees

Our Board presently has four standing committees: Audit, Compensation & Management Development, Nominating & Corporate Governance, and Operations & Reserves. Each of these committees is composed entirely of independent directors and operates under a governing charter. See “Corporate Governance Documents.”

Audit Committee

Members (all independent):

Thomas G. Ricks (Chair), Pamela J. Gardner, Edgar R. Giesinger, Jr., Roger B. Plank and J. Terry Strange

Meetings Held in 2017: 7

THE PRIMARY PURPOSES OF THE AUDIT COMMITTEE ARE TO ASSIST THE BOARD IN MONITORING:

- the integrity of our financial statements and financial reporting processes and systems of internal control;
- the qualifications and independence of our independent auditors;
- the performance of our internal audit function and independent auditors; and
- our compliance with legal and regulatory requirements.

The Audit Committee also prepares a report each year in conformity with SEC regulations for inclusion in our Proxy Statement. The Audit Committee is responsible for appointing, retaining and terminating our independent auditors.

The Board has determined that each of Messrs. Ricks, Giesinger, Plank and Strange meets the qualifications of an audit committee financial expert, as defined by SEC regulations. Mr. Strange also serves on the audit committees of Group 1 Automotive, Inc., New Jersey Resources Corporation and BBVA Compass Bancshares, Inc. Our Board has determined that such simultaneous service on these other audit committees and on our Audit Committee does not impair the ability of Mr. Strange to serve Newfield effectively.

Compensation & Management Development Committee

Members (all independent):

J. Terry Strange (Chair), Juanita M. Romans, John W. Schanck and J. Kent Wells

Meetings Held in 2017: 7

THE PRIMARY PURPOSES OF THE COMPENSATION COMMITTEE ARE TO:

- review, evaluate, modify and approve the compensation of our executive officers and other key employees;

- produce a report on executive compensation each year for inclusion in our Proxy Statement;
- oversee the evaluation and development of Newfield management;
- oversee succession planning for our President and CEO and other officers; and
- perform such other functions as the Board may assign to the Compensation Committee from time to time.

The Compensation Committee has authority to oversee the administration of compensation programs applicable to all of our employees, including our executive officers. The Compensation Committee may delegate some or all of its authority to subcommittees when it deems appropriate. The Compensation Committee may also provide input on the structure of our non-employee director compensation program, as appropriate.

No member of the Compensation Committee is or has been an officer of Newfield, was an employee of Newfield during the last fiscal year or as of the date of this Proxy Statement, or is serving or has served as a member of the compensation committee of another entity that has an executive officer serving on Newfield's Compensation Committee. No executive officer of Newfield served as a director of another entity that had an executive officer serving as a Newfield director.

Back to Contents

Nominating & Corporate Governance Committee

Members (all independent):

Steven W. Nance (Chair), Pamela J. Gardner, Thomas G. Ricks and Juanita M. Romans

Meetings Held in 2017: 4

THE PRIMARY PURPOSES OF THE GOVERNANCE COMMITTEE ARE TO:

- advise our Board about the appropriate composition of the Board and its committees;
- evaluate potential or suggested director nominees and identify individuals qualified to be directors;
- nominate directors for election at our Annual Meetings of Stockholders or for appointment to fill vacancies;
- recommend to our Board the directors to serve as members of each committee and the individual members to serve as chair of the committees;
- approve the compensation structure for all non-employee directors (the Compensation Committee may also provide input on such structure, as appropriate);
- advise our Board about corporate governance practices, develop and recommend to the Board appropriate corporate governance practices and policies, and assist the Board in implementing those practices and policies;
- oversee the evaluation of our Board through an annual review of the performance of the Board and its committees; and
- oversee the new director orientation program and the continuing education program for all directors.

Operations & Reserves Committee

Members (all independent):

John W. Schanck (Chair), Steven W. Nance, Roger B. Plank and J. Kent Wells

Meetings Held in 2017: 5

THE PRIMARY PURPOSES OF THE OPERATIONS COMMITTEE ARE TO:

- review, evaluate and oversee Newfield's operations, including matters relating to safety, the environment, regulations, and compliance, and the analysis and reporting of Newfield's proved reserves;
- review, evaluate and discuss future projects;
- review, evaluate and discuss the risks related to Newfield's day-to-day operations; and
- perform such other functions as the Board may assign to the Operations & Reserves Committee from time to time.

Related Person Transactions

Although we have not formally adopted written policies or procedures for the approval of related person transactions, our Corporate Governance Guidelines and Code of Business Conduct and Ethics ("Code of Conduct"), which applies to all employees, executive officers and directors, specifically prohibit conflicts of interest, except under guidelines approved by the Board. Under the Code of Conduct, a "conflict of interest" is defined as any circumstance that could impair a person's ability to act with complete objectivity with regard to Newfield's interests. Any employee or director who becomes aware of a conflict or potential conflict is asked to bring it to the attention of a supervisor, management or other appropriate personnel, who then is required to document and report the outcome of such matters to our compliance officer. Under the Corporate Governance Guidelines, the Board must resolve any conflict of interest question involving the President and CEO or any executive officer.

In addition, the Corporate Governance Guidelines state that directors must attempt to avoid any situation that may give rise to a conflict of interest or the appearance of a conflict of interest. If an actual or potential conflict of interest arises, the director must promptly inform the Chairman of the Board and the Chair of the Governance Committee (or in the event a potential conflict arises with the Chair of the Governance Committee, that individual must notify the Chair of the Audit Committee) and recuse himself or herself from any Board deliberations or decisions related to the matter that is the subject of the conflict of interest. If an actual or potential conflict exists and cannot be resolved by a director's recusal from participation in discussions or deliberations related to the matter or in any other reasonable manner, the director is expected to offer to tender a resignation to the Chair of the Governance Committee. The Governance Committee will determine whether to accept or reject such offer.

Further, the Governance Committee and our Board annually review related person transactions with respect to directors (including those transactions described above under "Corporate Governance – Director Independence" on page 21) as part of their annual assessment of director independence and the director nomination process, as provided in our Corporate Governance Guidelines and the written charter of our Governance Committee. Other related person transactions are disclosed to our Board or a Board committee and are addressed on a case by case basis.

Codes and Corporate Governance Documents

Code of Business Conduct and Ethics, Financial Code of Ethics and Insider Trading Policy

Our Board has formally adopted, and annually reviews and approves, the Code of Business Conduct and Ethics governing the conduct and decisions of our directors, officers and employees. In addition, our Board has adopted, and annually reviews and, when required, approves changes to, our Financial Code of Ethics applicable to our President and CEO, Chief Financial Officer and Controller or Chief Accounting Officer, and our Insider Trading Policy applicable to all Newfield directors, officers, employees and consultants.

Back to Contents

Corporate Governance Documents

The Corporate Governance Guidelines and the codes and policies mentioned above, as well as the charters for the Board's four standing committees, are available on our website at *http://www.newfield.com* under the tab "Corporate Responsibility – Governance."

Corporate Responsibility and Sustainability

Corporate responsibility ("CR") is an integral part of our social license to operate that allows us to communicate sustainability and citizenship practices to our stakeholders. Our CR reporting covers a variety of topics across the organization and provides decision-useful information on our most meaningful contributions and impacts. Below are a few highlights from our most recent reporting cycle.

Safety

- Delivered zero fatalities on our sites.
- Reduced our total recordable incident rate for employees and contractors.
- Completed formal practices onsite for safety observations, "stop the job" drills and near miss reporting.
- Assessed contractor capabilities and performance through audits, job safety analyses and certified third-party reviews.

Air Quality

- Decreased methane emissions through operational efficiencies—even as production increased.
- Initiated voluntary air quality improvement efforts that exceed compliance for field equipment, programs and processes.
- Enhanced Leak Detection and Repair (LDAR) program using tablet-based technology to log inspections onsite for real-time data tracking and timely repairs; enriched LDAR training and targeted facilities with highest potential for fugitive emissions.

- Joined Environmental Partnership, a voluntary initiative led by industry to focus on proactively reducing emissions from energy production.
- Launched the Barton Water Recycling Facility in Oklahoma—reducing freshwater requirements in our operations through recycling and reuse.

Water & Fluids

- Received award from Oklahoma Water Resources Board for excellence in water resource management.
- Proactively utilized drill cuttings for well pad construction.
- Completed voluntary compliance audits.

Waste

- Enhanced tracking and surveying of naturally occurring radioactive material (NORM) waste and disposal, and expanded NORM awareness training.
- Participated in four company-sponsored charity events supported by hundreds of employee volunteer hours.

Community Investment

- Established an employee disaster relief fund.
- Contributed nearly $1.2 million in community investments, including grants from our foundation, matching gifts and university donations and scholarships.
- Recognized in 2017 as a Top Workplace for the sixth time; achieved highest ranking in the oil and gas sector.

Workforce Engagement

- Achieved an 89% employee response rate to our Workplace Engagement Survey, receiving a high rating across all factors.
- Continued an in-depth succession planning program with a robust curriculum designed to prepare employees for key leadership roles.
- Continued our commitment to hiring and retaining college graduates and industry professionals representing diverse backgrounds and skills.

Diversity & Inclusion

- Dedicated to recruiting top talent including women who represent 30% of our workforce and minorities who represent nearly 15%.

Our CR topics are now integrated into our executive compensation program and are specifically linked to our 2018 AIP. More information may be found in the “Proxy Statement Summary” on page 9 and in the “Compensation Discussion and Analysis – 2018 Compensation Changes” on page 44.

Back to Contents

DIRECTOR COMPENSATION

Only our non-employee directors are compensated for serving as directors. Currently, Mr. Boothby, our Chairman, President and CEO, is the only Board member who is also a Newfield employee. All compensation Mr. Boothby received from us in 2017 is included in the Summary Compensation Table on page 48 of this Proxy Statement.

The Governance Committee has the sole authority to approve the compensation structure for all non-employee directors. The Compensation Committee may also provide input on the structure of our non-employee director compensation program, as appropriate. Director compensation is reviewed at least annually and is determined for each one-year Board term, commencing at the Annual Meeting and ending at the following Annual Meeting (each, a "compensation period").

The Governance Committee seeks to set director compensation at an adequate level to compensate directors for their time and effort expended in satisfying their obligations without jeopardizing their independence. Each year, the Governance Committee, in consultation with the Compensation Committee, considers the type and amount of compensation provided to our non-employee directors, using analyses and recommendations from the Compensation Committee's independent compensation consultant, Longnecker & Associates ("Longnecker"), and comparative data from our Compensation Peer Group (which is listed on page 37). The Governance Committee also takes into account the responsibilities of each committee, the time commitments required for each committee to comply with increasing regulatory requirements and other committee responsibilities, the need to attract and retain quality director candidates, our financial performance, and general market conditions.

Highlights of our Non-Employee Director Compensation Program

- **No fees for Board Meeting Attendance:** No fees are paid for Board or committee meeting attendance
- **Emphasis on Equity:** There is an emphasis on equity in the overall compensation mix to further align interests with stockholders, with annual equity awards vesting on the first anniversary of the grant date
- **Recognition of Special Roles:** Special roles (such as Lead Director and committee chairs) are fairly recognized for their additional time commitments, but no fees are paid for committee membership generally
- **Robust Stock Ownership Guidelines:** A robust stock ownership guideline of five times the annual cash retainer supports alignment with stockholders' interests
- **Ability to Defer Compensation:** We maintain the Non-Employee Directors' Deferred Compensation Plan that provides directors flexibility in managing their compensation with the ability to defer cash fees and the settlement date of equity awards
- **Limited Perquisites:** Other benefits are limited (e.g., matching charitable contributions)

Director Compensation for 2017/2018 Compensation Period

In May 2017, the Governance Committee considered the compensation of the non-employee directors, seeking the input of the Compensation Committee as appropriate, and Longnecker provided a report on director compensation to the Governance Committee for its use in setting director pay for the 2017/2018 compensation period. Overall, Longnecker's report showed that our non-employee director compensation program is aligned with market trends. Based on this report and the considerations described above, the Governance Committee determined that minimal changes to the non-employee director compensation program were necessary. Specifically, the only change adopted was to increase the annual fee for our Lead Director from $75,000 to $120,000, in recognition of the significant oversight responsibilities and time commitment involved in this role. For example, in his role as Lead Director, Mr. Nance attends all Board planning sessions with the Chairman and all Board and almost all committee meetings and is an active leader of our Board's independent directors.

Compensation for non-employee directors for the 2017/2018 compensation period was as follows:

	Compensation for 2016/2017 ($)	Compensation for 2017/2018 ($)
Annual cash retainer	$ 75,000	No change
Annual fee for chair of the Governance Committee	20,000	No change
Annual fee for chair of the Audit Committee	25,000	No change
Annual fee for chair of the Compensation Committee	20,000	No change
Annual fee for chair of the Operations & Reserves Committee	20,000	No change
Annual fee for Lead Director	75,000	$ 120,000
Annual equity award (in the form of restricted stock or restricted stock units)	200,000	No change

Back to Contents

Annual equity awards were granted in 2017 pursuant to the Newfield Exploration Company 2017 Omnibus Incentive Plan, and our non-employee directors (other than Mr. Giesinger, who was appointed to the Board mid-year) were given the opportunity to elect to defer the settlement date of their annual equity awards.

Generally, under our non-employee director compensation program, each non-employee director who is in office immediately after an Annual Meeting of Stockholders and who does not elect to defer the equity award pursuant to the Newfield Exploration Company Non-Employee Directors' Deferred Compensation Plan will be granted restricted shares with a specified market value (which was approximately $200,000 for 2017). The number of restricted shares granted is determined by dividing that market value by the average of the high and low sales prices of Newfield common stock on the date of the Annual Meeting, which is the grant date of the award. In general, the restrictions on the shares granted will lapse and the award will vest in full on the one-year anniversary of the grant date, if the director is still on the Board. In addition, the restrictions on the award will lapse and the award will vest in full if (1) a change in control occurs, or (2) the director's service with Newfield terminates prior to the one year anniversary date due to (a) death, (b) disability, (c) the director choosing not to stand for re-election at the next Annual Meeting of Stockholders, provided the director completes the current term of office and obtains the approval of the Governance Committee, (d) the Governance Committee deciding not to nominate the director for re-election at the next Annual Meeting of Stockholders, provided the director completes the current term of office, or (e) the director not being re-elected at the next Annual Meeting of Stockholders, provided the director completes the current term of office.

Any non-employee director who is in office immediately after an Annual Meeting of Stockholders and who elects to defer the award will be granted a number of restricted stock units calculated in the same manner as the restricted stock award described above. These restricted stock units will be deposited in an account within the Newfield Exploration Company Non-Employee Directors' Deferred Compensation Plan and will be subject to the same vesting terms described above for restricted stock awards. Distributions with respect to restricted stock units from such accounts will be made according to the particular director's instructions under the Deferred Compensation Plan.

Any non-employee director who is appointed by the Board not in connection with an Annual Meeting of Stockholders will be granted restricted shares with the same market value as used for the previous Annual Meeting, pro-rated to reflect the actual time served on the Board. In such cases the number of restricted shares will be determined by dividing the pro-rated market value by the average of the high and low sales prices of Newfield common stock on the date of appointment. Any cash retainers payable to a non-employee director who is appointed not in connection with an Annual Meeting of Stockholders are also pro-rated to reflect the actual time served on the Board.

Director Compensation Table

The following table contains information about our non-employee directors' fiscal year 2017 compensation.

	Fees Earned or Paid in Cash ($)	**Stock Awards**[(1)] **($)**	**All Other Compensation**[(2)] **($)**	Total ($)
Pamela J. Gardner	$75,000	$ 199,982	$ 500	$275,482
Edgar R. Giesinger, Jr.	29,464	152,184	–	181,648
Steven W. Nance	198,356	199,982	2,500	400,838
Roger B. Plank	75,000	199,982	500	275,482
Thomas G. Ricks	100,000	199,982	–	299,982
Juanita M. Romans	75,000	199,982	1,000	275,982
John W. Schanck	95,000	199,982	–	294,982
J. Terry Strange	95,000	199,982	–	294,982
J. Kent Wells	75,000	199,982	500	275,482

(1) Reflects the aggregate grant date fair value of the 2017 restricted stock awards and restricted stock units to our non-employee directors, computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 (“FASB ASC Topic 718”), determined without regard to forfeitures, as required by SEC regulations. The grant date fair value of each 2017 award of $199,982 was based on the average of the high and low sales price of our common stock on the May 16, 2017 grant date, which was $34.9375. The grant date fair value of the 2017 award of $152,184 to Mr. Giesinger was based on the average of the high and low sales price of our common stock on the August 11, 2017 grant date, which was $26.05. See also Note 15, Stock-Based Compensation, to our audited financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2017, filed with the SEC, for a discussion of the assumptions used in determining the FASB ASC Topic 718 grant date fair value of these awards. As of December 31, 2017, (a) each non-employee director listed in the table above, except Mr. Giesinger, held 5,724 unvested restricted shares or unvested restricted stock units (if the director elected to defer the 2017 award), and (b) Mr. Giesinger held 5,842 unvested restricted shares. All unvested restricted shares and unvested restricted stock units are scheduled to vest on the one-year anniversary of their respective grant date, subject to the non-employee director’s continued service through such date.

(2) Reflects charitable contributions with respect to 2017 pursuant to our matching gift program for non-employee directors. Under this program, we match our non-employee directors’ charitable contributions up to $2,500 per year; however, we report these amounts in the year matched (even if related to a contribution allowance for a prior year). The amounts above include $500 contributions related to 2016 for each of Messrs. Plank and Wells and Ms. Gardner.

Back to Contents

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth beneficial ownership information with respect to our common stock as of March 20, 2018, for (1) each person known by us to own beneficially more than 5% of our outstanding common stock, (2) each of our directors and nominees for director, (3) each of our named executive officers referenced in the Summary Compensation Table, and (4) all of our directors and executive officers as a group. Unless otherwise noted, each person listed below has sole voting and investment power with respect to the shares of our common stock listed below as beneficially owned by the person. As of March 20, 2018, we had 199,743,021 shares outstanding.

None of the shares beneficially owned by our executive officers or directors has been pledged as security for an obligation. Our Insider Trading Policy prohibits our executive officers and directors from holding Newfield securities in a margin account or pledging Newfield securities as collateral for a loan.

	Beneficial Ownership[1]	
Name of Beneficial Owner	Shares (#)	Percent @ March 20, 2018
Holders of More Than 5%:		
Wellington Management Group LLP[2]	27,813,273	13.92%
The Vanguard Group, Inc.[3]	22,146,092	11.09%
BlackRock, Inc.[4]	13,961,732	6.99%
State Street Corporation[5]	11,821,612	5.92%
FMR LLC[6]	10,981,920	5.50%
Management:		
NEOs		
Lee K. Boothby	134,170	*
George T. Dunn	125,403	*
John H. Jasek	70,940	*
Lawrence S. Massaro	140,138	*
Gary D. Packer	265,444	*
Directors		
Pamela J. Gardner	41,288	*
Edgar R. Giesinger, Jr.	5,842	*
Steven W. Nance		