



# QUICKSILVER

RESOURCES

## CODE OF BUSINESS CONDUCT AND ETHICS

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**ISSUED BY:** Glenn Darden, President & CEO

**APPROVED BY:** Board of Directors

**ORIGINAL ISSUE DATE:** March 2, 2004

**CURRENT REVISION DATE:** November 13, 2013

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### **PURPOSE AND STATEMENT OF POLICY**

This Code of Business Conduct and Ethics describes the basic principles of conduct that we share as officers and employees of Quicksilver Resources Inc. and its subsidiary companies. This Code also applies to our directors and should be provided to and followed by our agents and representatives, including consultants. Violation of this Code may result in disciplinary action, varying from reprimand to dismissal.

This Code is intended to provide a broad overview of basic ethical principles that guide our conduct. In some circumstances, we maintain more specific policies on the topics referred to in this Code. Should you have any questions regarding these policies, please review the corporate policy and procedure manual, your employee handbook, the Compliance Officer, or contact the human resource manager.

### **COMPLIANCE WITH LAWS, RULES AND REGULATIONS**

We strive to comply with all laws, rules, and regulations of the places where we do business. If a law, rule, or regulation is unclear, or conflicts with a provision of this Code, you should seek advice from supervisors, the General Counsel, or Compliance Officer, but always seek to act in accordance with the ethical standards described in this Code. In the event that an employee encounters a conflict between the applicable laws of two or more countries, the employee should contact either the General Counsel or Compliance Officer.

### **CONFLICTS OF INTEREST**

We strive to conduct our business affairs in the best interest of our Company and should therefore avoid situations where our private interests interfere in any way with our Company's interests. We need to be especially sensitive to situations that have even the appearance of impropriety and promptly report them to a supervisor, or if appropriate, a more senior manager. If you believe that a transaction, relationship or other circumstance creates or may create a conflict of interest, you should promptly report this concern. Information regarding how to report such a concern is included below in this Code under the heading "Reporting Illegal or Unethical Behavior." It is our policy that transactions, relationships and circumstances that pose a conflict of interest must be appropriately managed, and may be prohibited.

## **RECORD KEEPING**

We require honest and accurate recording and reporting of information in order to make responsible business decisions. We document and record our business expenses accurately. If you have a question regarding how to accurately record a transaction, seek guidance from the appropriate personnel in our accounting department and/or the Compliance Officer.

All of our books, records, accounts, and financial statements are maintained in reasonable detail, appropriately reflect our transactions, and conform both to applicable legal requirements and to our system of internal controls. Unrecorded or "off the books" funds or assets should not be maintained unless permitted by applicable law or regulation.

We avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies in our business records and communications. We maintain our records according to our record retention policies. In accordance with those policies, in the event of litigation or governmental investigation, please consult the General Counsel or Compliance Officer.

## **PUBLIC REPORTING**

We are a public company and as a result file reports and other documents with the Securities and Exchange Commission (SEC) and the stock exchanges on which our securities trade. As well, we issue press releases and make other public statements that include financial and other information about our business, financial condition and results of operations. We endeavor to make full, fair, accurate, timely and understandable disclosure in reports and documents we file with, or submit to, the SEC and in our press releases and public communications.

We require cooperation and open communication with our internal and outside auditors. It is illegal to take any action to fraudulently influence, coerce, manipulate, or mislead any internal or external auditor engaged in the performance of an audit of our financial statements. The laws and regulations applicable to filings made with the SEC, including those applicable to accounting matters, are complex. While the ultimate responsibility for the information included in these reports rests with senior management, numerous other employees participate in the preparation of these reports or provide information included in these reports. We maintain disclosure controls and procedures to ensure that the information included in the reports that we file or submit to the SEC is collected and communicated to senior management in order to permit timely disclosure of the required information.

If you are requested to provide, review or certify information in connection with our disclosure controls and procedures, you must provide the requested information or otherwise respond in a full, accurate and timely manner. Moreover, even in the absence of a specific request, you should report any significant information that you believe should be considered for disclosure in our reports to the SEC.

If you have questions or are uncertain as to how our disclosure controls and procedures may apply in a specific circumstance, promptly contact your supervisor or a more senior manager, including the Chief Financial Officer or head of Internal Audit. We want you to ask questions and seek advice. Additional information regarding how to report your questions or concerns (including on a confidential, anonymous basis) is included below in this Code under the heading "Reporting Illegal or Unethical Behavior."

## **INSIDER TRADING**

We do not trade in Company stock on the basis of material, non-public information concerning the Company, nor do we "tip" others who may trade in Company securities.

### **CORPORATE OPPORTUNITIES**

We do not personally take opportunities that we discover through the use of Company property, information or position, and that would reasonably be expected to be of interest to the Company, without the consent of our Board or a committee of our Board or, in the case of individuals other than a director or executive officer of the Company, the Compliance Officer. Our directors, officers, and employees are also prohibited from competing with the Company.

### **COMPETITION AND FAIR DEALING**

We outperform our competition fairly and honestly by finding and developing oil and gas prospects, acquiring producing and non-producing oil and gas properties and marketing the produced products. We do not engage in unethical or illegal business practices such as stealing proprietary information, obtaining such information without the owner's consent, or inducing disclosure of this type of information by past or present employees of other companies.

We also do not engage in obtaining or retaining business, or obtaining any business advantage by providing value to others in an attempt to induce them to, or reward them for, misusing their positions. Bribery of any kind will not be tolerated, whether it involves a government official or private citizen. Please refer to the Anti-Corruption Guidelines for additional information.

### **BUSINESS ENTERTAINMENT AND GIFTS**

We recognize that business entertainment and gifts are meant to create goodwill and sound working relationships, not to gain unfair advantage with customers or suppliers. However, we will not provide or accept such business courtesies under circumstances that might reasonably be viewed as creating the appearance of impropriety. In some circumstances, it may be necessary to seek pre-approval to provide or accept business courtesies. Please refer to the Anti-Corruption Guidelines for additional information.

### **DISCRIMINATION AND HARASSMENT**

The diversity of our employees is a tremendous asset. We provide equal opportunity in all aspects of employment and will not tolerate discrimination or harassment of any kind. Derogatory comments based on race, ethnicity, sexual orientation or identity, or gender, unwelcome sexual advances and similar behavior are prohibited.

### **HEALTH AND SAFETY**

We strive to provide a safe and healthful work environment. We ensure a safe and healthy work environment by following safety and health rules and practices and promptly reporting accidents, injuries and unsafe equipment, practices, or conditions to a supervisor or more senior manager.

We do not permit violence or threatening behavior in our workplaces. We report to work in condition to perform our duties at our best, free from the influence of illegal drugs or alcohol. We do not tolerate the use of illegal drugs or alcohol in the workplace.

### **CONFIDENTIALITY**

We protect confidential information. Confidential information includes proprietary information such as our trade secrets, patents, trademarks, business forecasts, marketing plans, engineering and geologic plans, ideas, concepts, designs, data and databases, records, salary information, and unpublished financial data and reports, as well as any non-public information that might be of use to competitors or harmful to us or our partners or customers if disclosed. It also includes information that partners and potential partners have entrusted to us on a confidential basis. Our personal obligation not to disclose confidential information continues even after employment ends.

## **PROTECTION AND PROPER USE OF COMPANY ASSETS**

Theft, carelessness, and waste of Company assets have a direct impact on our profitability and should be avoided. Any suspected incident of fraud or theft should be immediately reported to a supervisor or, if appropriate, a more senior manager for investigation. We carefully safeguard our confidential information. Unauthorized use or distribution of confidential information is prohibited and could also be illegal, resulting in civil or even criminal penalties.

## **REPORTING ILLEGAL OR UNETHICAL BEHAVIOR**

In order to encourage reports of illegal or unethical behavior (including violations of this Code), we keep all reports confidential and do not allow retaliation for good faith reports of possible misconduct by others.

Reports can be made by contacting the Compliance Officer, or by calling the QRI Hotline at 1-800-826-6762. In addition, reports can be made in writing to:

Compliance Officer  
Quicksilver Resources Inc.  
801 Cherry Street  
Suite 3700, Unit 19  
Fort Worth, Texas 76102  
complianceofficer@qrinc.com

It is also our duty to cooperate in internal investigations of alleged misconduct.

Please refer to the Whistleblower Policy in the corporate policy and procedure manual for more information as to how to submit a confidential, anonymous concern regarding an alleged violation of this Code.

## **INTERPRETATION**

The Compliance Officer, our Board or any committee of our Board shall have the power and authority to interpret, construe and apply the provisions of this Code both generally and as they apply to any particular potential or actual transaction, relationship or other circumstance. Any such interpretation, construction or application shall be final and binding for all purposes of this Code; provided, however, that any such interpretation, construction or application by the Compliance Officer may be reviewed and altered in any manner by our Board or any committee of our Board. Notwithstanding anything to the contrary contained in this Code, no potential or actual transaction, relationship or other circumstance determined by our Board or a committee of our Board or, in the case of individuals other than a director or executive officer of the Company, the Compliance Officer to be in or not opposed to the best interests of the Company, or otherwise not to interfere with the Company's interests, shall be deemed for purposes of this Code to pose a conflict of interest or to constitute competing with the Company.

## **WAIVERS**

Consistent with New York Stock Exchange listing requirements, only our Board or a committee of our Board may waive a provision of this Code for our executive officers or directors, and any waiver must be promptly disclosed. Waivers of this Code for any other employee may be made by the Compliance Officer or by our Board or a committee of our Board.

## **CONCLUSION**

The Company's good name and reputation depend, to a very large extent, upon you taking personal responsibility for maintaining and adhering to the policies and guidelines set forth in this Code. Your business conduct on behalf of the Company must be guided by the policies and guidelines set forth in this Code.