

NATURAL GAS SERVICES GROUP INC
Form 8-K
March 29, 2017

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the

Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): March 23, 2017

NATURAL GAS SERVICES GROUP, INC.

(Exact Name of Registrant as Specified in Charter)

Colorado	1-31398	75-2811855
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

508 West Wall Street, Suite 550
Midland, TX 79701

(Address of Principal Executive Offices)

(432) 262-2700

(Registrant's Telephone Number, Including Area Code)

N/A

(Former Name or Former Address if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b)).
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c)).

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On March 23, 2017, our Compensation Committee considered equity compensation matters in connection with 2016 financial and operational results, and in connection therewith granted restricted stock awards totaling 40,000 shares of common stock under our 2009 Restricted Stock/Unit Plan, as amended (the “Plan”) to two of our executive officers based upon the closing price of our common stock on March 23, 2017 of \$25.05 per share. The following table summarizes the restricted stock award grants made to the executive officers.

Name	Dollar Value of the Award	Number of Restricted Shares Awarded
James R. Hazlett, Vice President - Technical Services	\$501,000	20,000
G. Larry Lawrence, Chief Financial Officer	\$501,000	20,000

The restricted shares are subject to a three year vesting requirement pursuant to which the award will vest in one-third annual increments beginning on the first anniversary of the grant date. All of the restricted shares are subject to acceleration (an “Acceleration Event”) and will immediately vest in the case of (i) death, disability, or retirement of the recipient employee, or (ii) a change of control in the Company, as set forth in the Restricted Stock Plan.

Also on March 23, 2017, our Board of Directors made its annual grant of restricted stock awards to our independent directors under our Independent Director Compensation Policy. Under the policy, the independent directors receive an annual award of restricted shares based upon a review of equity award values paid by other public companies in the Company's peer group and the Company's market and financial performance in comparison to such peer group companies. For 2017, based upon the Company's 2016 performance compared to its peer group, the Compensation Committee recommended and the Board approved an equity award value of \$100,000 in restricted stock. In connection therewith, each of our four independent directors was granted for 2017 the amount of 3,992 shares of restricted stock pursuant to the Plan, based upon the closing price of \$25.05 per share as of March 23, 2017. Each award vests in quarterly installments of 998 shares beginning on March 31, 2018, although each award is also subject to accelerated vesting upon an Acceleration Event.

In addition, the Board approved an increase to the independent director's annual cash retainer from \$45,000 to \$50,000.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NATURAL GAS SERVICES GROUP, INC.

Dated: March 29, 2017

By: /s/ Stephen C. Taylor

Stephen C. Taylor, President & Chief Executive Officer