

Edgar Filing: PYR ENERGY CORP - Form 8-K

PYR ENERGY CORP  
Form 8-K  
September 18, 2006

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): September 12, 2006

PYR Energy Corporation

-----  
(Exact name of registrant as specified in its charter)

|   |                          |                                      |
|---|--------------------------|--------------------------------------|
| Delaware  | 001-15511                | 95-4580642                           |
| -----   | -----                    | -----                                |
| (State or other jurisdiction<br>of incorporation) | (Commission File Number) | (IRS Employer<br>Identification No.) |

1675 Broadway, Suite 2450, Denver, Colorado 80202

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(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (303) 572-8900

N/A

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(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))

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Item 1.01. Entry into a Material Definitive Agreement.

### Director Compensation

On September 12, 2006, the Compensation Committee (the "Compensation Committee") of the Board of Directors (the "Board") of PYR Energy Corporation (the "Company") authorized a non-employee director bonus of \$25,000 and annual and meeting attendance fees payable to non-employee members of the Board. The bonus was based on the extraordinary amount of time and effort expended by the non-employee directors during the preceding year.

Each director shall receive the one-time bonus in cash on September 29, 2006.

The annual retainer and meeting attendance fees shall be as set forth below beginning with the Company's most recent annual meeting of stockholders. Annual fees shall be paid in quarterly installments on the last business day of each of the Company's fiscal quarters, pro-rated for the portion of that quarter for which the director served in the position being compensated. Meeting fees shall be paid on the first business day after the subject meeting. Fees accrued as of September 12, 2006 will be paid on September 29, 2006.

For fees accruing after September 29, 2006, directors may elect to be paid annual fees, including annual and chairperson fees, in shares of the Company's common stock by giving notice to the Company's Chief Financial Officer on or before the last business day prior to the designated payment date. Payments in stock shall be valued at 90% of the last traded price for the Company's common stock on the last business day prior to the designated payment date. The stock options and any shares of common stock will be issued under the Company's 2006 Stock Incentive Plan. Stock Option Agreements will be entered into with respect to the Annual Stock Option Retainer.

| COMPENSATION   | AMOUNT   | PAYABLE TO  | PAYABLE   |
|--|--|---|---|
| Annual Retainer                                      | \$10,000   | All Directors   | Quarterly at end of fiscal quarter as director                  |
| Annual Stock Option Retainer                         | \$25,000<br>(based on Black-Scholes calculation of option value), with exercise price equal to last traded price on date of grant* | All Directors   | 25% of options exercisable at end of fiscal quarter of director |
| Board and Audit Committee Chairperson Fee Annual Fee | \$20,000   | Chairperson of Board;<br>Chairperson of Audit Committee | Quarterly at end of fiscal quarter                              |

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| COMPENSATION  | AMOUNT   | PAYABLE TO                            | PAYABLE   |
|---|----------|---------------------------------------|---|
| Compensation Committee Chairperson Fee Annual Fee                               | \$10,000 | Chairperson of Compensation Committee | Quarterly at end of fiscal quarter                |
| Board Meeting Attendance Fee (Attendance in Person)                             | \$1,000  | All Attending Directors               | For each Board Meeting (30 minutes or longer)     |
| Board Meeting Attendance Fee (Attendance via Teleconference)                    | \$500    | All Attending Directors               | For each Board Meeting (30 minutes or longer)     |
| Committee Meeting Attendance Fee (No other compensated meeting fee on same day) | \$500    | All Attending Committee Members       | For each Committee Meeting (30 minutes or longer) |
| Committee Meeting Attendance Fee (when another compensated meeting same day)    | \$250    | All Attending Committee Members       | For each Committee Meeting (30 minutes or longer) |
| Annual Stockholder Meeting Attendance Fee                                       | \$1,000  | All Attending Directors               | For Attendance at Stockholder Meeting             |

\* For 2006, date of grant shall be September 29, 2006. Thereafter, date of grant shall be date of election of director.

In addition, directors shall be reimbursed for all reasonable out-of-pocket expenses in connection with travel to and attendance at Board of Directors, Stockholders and Committee meetings.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit 10.1 2006 Stock Incentive Plan

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.

PYR Energy Corporation

Signature: /s/ Kenneth R. Berry, Jr.

Name: Kenneth R. Berry, Jr.  
Title: Chief Executive Officer

Dated: September 18, 2006