

ENDEAVOUR INTERNATIONAL CORPORATION

COMPENSATION COMMITTEE CHARTER

Purpose

This charter governs the operations of the Compensation Committee (the “Committee”) of Endeavour International Corporation (the “Company”). The Committee is appointed by the Board of Directors to discharge the Board’s responsibilities relating to compensation of the Company’s executive officers. The Committee has overall responsibility for reviewing, evaluating and approving the Company’s executive officer compensation arrangements, plans and policies. The Committee is also responsible for producing an annual report on executive compensation for inclusion in the Company’s proxy statement and for performing such other functions as the Board may assign to the Committee from time to time.

Composition

The Governance and Nominating Committee of the Board shall nominate and the Board shall appoint at least two members to the Committee. The members shall each meet the independence standards provided for by law and applicable stock exchange rules. The members of the Committee may be removed and replaced by a majority vote of the Board.

Meetings

The Committee shall meet as often as necessary to carry out its responsibilities. Reports of the actions of the Committee shall be made to the Board.

Committee Authority and Responsibilities

The Committee is delegated all authority of the Board as may be required or appropriate to fulfill the purposes of the Committee. Without limiting the generality of the preceding statement, the Committee shall have authority, and is entrusted with the responsibility, to take the following actions:

1. *Compensation Consultant.* The Committee shall have the sole authority to decide whether to retain any compensation consultant to assist in the evaluation of executive officer compensation and shall have sole authority to approve any such consultant’s fees and other retention terms. The Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors and the sole authority to approve the payment of the advisor’s fees and other

retention items. All fees and other retention items for compensation consultants and internal or external legal, accounting or other advisors shall be paid by the Company.

2. *Chief Executive Officers.* The Committee shall approve corporate goals and objectives relevant to the compensation of the Chief Executive Officers. The Committee shall review and evaluate the performance of the Chief Executive Officers in light of the approved goals and objectives. The Committee shall have the sole authority to approve to the extent the Committee determines necessary or appropriate the following compensation items based on such evaluation: (a) annual base salary level, (b) annual incentive opportunity level, (c) long-term incentive opportunity level, (d) employment agreements and severance arrangements and (e) any special or supplemental benefits. The Committee shall annually review its evaluation of the performance and approved compensation of the Chief Executive Officers with such officers.

3. *Executive Officers.* The committee shall annually review and have the sole authority to approve to the extent the Committee determines necessary or appropriate for the executive officers of the Company (a) annual base salary level, (b) annual incentive opportunity level, (c) long-term incentive opportunity level, (d) employment agreements and severance arrangements and (e) any special or supplemental benefits. For the purposes of this Charter, the “executive officers” of the Company shall be deemed to be those officers who are subject to the reporting requirements of §16 of the Securities Exchange Act.

4. *Compensation and Benefit Plans.* The Committee shall make recommendations to the Board with respect to the terms of and the pool of benefits available under all compensation plans of the Company. The Committee shall have the sole authority to appoint and remove any plan trustees, to appoint and remove members of any plan administrative committees and to appoint and remove any plan administrators.

5. *Ratification Required by the Board and the Shareholders.* Any action, including, but not limited to, the adoption or amendment of any compensation plan, that is required by law or regulation to be submitted to the shareholders of the Company for approval shall be presented as a recommendation to the full Board and approved by the full Board prior to its submission to the shareholders.

6. *Succession Planning.* The Committee shall maintain a succession plan for emergency and expected succession of the Chief Executive Officers and work with the Board to evaluate potential successors to the Chief Executive Officers and other executive officers of the Company.

7. *Other Powers.* The Committee shall review such other matters within the scope of its responsibilities as the Committee shall determine from time to time, and make such recommendations to the Board with respect thereto as the Committee deems appropriate.

8. *Annual Report.* The Committee shall produce an annual report on executive compensation for inclusion in the Company's proxy statement.

9. *Competitive Compensation Position.* The Committee shall annually review market data to assess the Company's competitive position for each component of compensation for executive officers (especially base salary, annual incentives, long-term incentives, and supplemental executive benefit programs) by reviewing market data for appropriate peer companies.

10. *Charter Review.* The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee shall annually review its own performance by distributing to its members a written self-assessment. The results of such self-assessment shall be presented to the Board of Directors at its next meeting.