

## **COMPENSATION COMMITTEE CHARTER**

### **ROSETTA RESOURCES INC.**

This Compensation Committee Charter adopted by the Board shall be effective August 1, 2005 and may be amended from time to time at the discretion of the Board.

#### **Purpose**

The Compensation Committee will assist the Board of Directors of Rosetta Resources Inc. (the "Company") in discharging its responsibilities relating to compensation of the Company's executive officers and the members of the Board. The Compensation Committee has overall responsibility for approval, evaluation and oversight of all compensation plans, policies and programs of the Company.

The Compensation Committee is also responsible for producing an annual Compensation Committee Report, discussed below, on executive compensation for inclusion in the Company's proxy statement.

#### **Committee Membership**

The Compensation Committee shall consist of no fewer than three members, all of whom shall meet the independence requirements of the NASDAQ National Market rules and other applicable law. The Board shall appoint the members of the Compensation Committee. The Board shall also have the power to replace any of the members of the Compensation Committee.

#### **Committee Authority and Responsibilities**

1. The Compensation Committee shall have the sole authority to retain and terminate any compensation consultant who may assist in the evaluation of senior executive compensation and shall have sole authority to approve the consultant's fees and other retention terms. The Compensation Committee shall also have authority to obtain advice and assistance from internal or external human resources, legal, accounting or other advisors.
2. The Compensation Committee shall annually review and make recommendations to the Board with respect to general compensation policies of the Company with respect to all officers and other key executives and directors.
3. The Compensation Committee shall annually review and approve, for the senior executives of the Company, (a) the annual base salary level, (b) the award of stock options, (c) awards under other incentive compensation plans and equity-based plans, (d) employment agreements, severance arrangements, and change in control agreements/provisions, in each case as, when and if appropriate, and (e) any special or supplemental benefits.
4. The Compensation Committee shall annually review and approve the corporate goals and objectives relevant to the compensation of the senior executives, shall evaluate the senior executives' performance in light of these goals and objectives, and shall recommend to the Board the compensation levels based on this evaluation.
5. The Compensation Committee may form and delegate authority to subcommittees when appropriate.
6. The Compensation Committee shall make regular reports to the Board.

7. The Compensation Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Compensation Committee shall annually review its own performance.

### **Compensation Committee Report**

The Compensation Committee shall prepare a Compensation Committee Report (the "Report") to be included in the Company's proxy statement for its annual stockholders meeting. The Report shall contain the disclosure required by Schedule 14A under the Securities Exchange Act of 1934, as amended, and such other disclosure as may be required by law. At a minimum, the Report shall contain the following:

1. Disclosure of the Compensation Committee's compensation policies applicable to the senior executives, including the specific relationship of corporate performance to executive compensation, with respect to compensation reported for the last completed fiscal year.
2. Discussion of the Compensation Committee's bases for the Company's compensation reported for the last completed fiscal year, including the factors and criteria upon which the Chief Executive Officer's compensation was based. The Committee shall include a specific discussion of the relationship of the Company's performance to the Chief Executive Officer's compensation for the last completed fiscal year, describing each measure of the Company's performance, whether qualitative or quantitative, on which the Chief Executive Officer's compensation was based.

The required disclosure shall be made over the name of each member of the Committee. If the Board modified or rejected in any material way any action or recommendation by the Committee with respect to such decisions in the last completed fiscal year, the disclosure must so indicate and explain the reasons for the Board's actions, and be made over the names of all members of the Board.