



COMPENSATION COMMITTEE CHARTER

As of January 26, 2005

Burlington Resources Inc.
Compensation Committee Charter

Organization

The Board of Directors shall designate annually a Compensation Committee comprised of three or more Directors, who may be removed by the Board of Directors in its discretion. The members of the Compensation Committee shall be “independent” as determined in accordance with the laws, rules and regulations of the New York Stock Exchange, and shall comply with all other applicable laws, rules, regulations and requirements. The Compensation Committee shall report regularly to the Board of Directors.

A Chairman of the Compensation Committee shall be elected annually by the Board of Directors.

Purpose

The purpose of the Compensation Committee is to have direct responsibility to (1) review and approve corporate goals and objectives relevant to executive officer compensation (including the CEO), evaluate the executive officers’ performance in light of those goals and objectives, and determine and approve (or recommend to the independent members of the Board of Directors) the executive officers’ compensation level based on their evaluation; (2) make recommendations to the Board of Directors, as appropriate, with respect to incentive-compensation and equity-based plans; and (3) produce a Compensation Committee report on executive officer compensation. For purposes of this Charter, the term “executive officer” shall have the same meaning specified for the term “officer” in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended.

Meetings

The Compensation Committee shall meet as often as it deems necessary or appropriate to carry out its responsibilities and may, in its sole discretion, form and delegate authority to sub-committees (comprised only of Compensation Committee members) in furtherance of such responsibilities. Meetings of the Compensation Committee shall be called by the Chairman of the Compensation Committee, the Chairman of the Board or the President of the Company. All such meetings shall be held pursuant to the By-Laws of the Company with regard to notice and waiver thereof, and written minutes of each such meeting shall be duly filed in the Company’s records.

Powers and Responsibilities

The Compensation Committee shall:

- (1) Review, at least annually, the Company’s compensation strategy to ensure that (a) executive officers are rewarded in a manner consistent with such strategy, internal equity considerations, competitive practices, applicable legal and regulatory

requirements and their contributions to Company growth, financial and operating performance, and (b) the executive compensation strategy supports the Company's objectives and shareholder interests.

- (2) Review and approve corporate goals and objectives relevant to compensation, and evaluate the performance of the Company's executive officers, including the Chief Executive Officer (the "CEO"), in light of these goals and objectives. With respect to incentive compensation, the Compensation Committee shall determine and approve the CEO's and other executive officers' incentive compensation level based on this evaluation and other factors the Compensation Committee deems to be relevant. With respect to the incentive compensation of the CEO, the Compensation Committee's evaluation should include, without limitation, the Company's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the CEO in past years. With respect to base salary compensation, the Compensation Committee shall either determine and approve or recommend to the independent members of the Board of Directors (as directed by the Board of Directors) base salary compensation levels for executive officers based on this evaluation and other factors the Compensation Committee deems to be relevant. The Compensation Committee shall also review and approve the terms on which any such compensation may be deferred.
- (3) Prepare an annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable laws, rules and regulations.
- (4) Make recommendations to the Board of Directors with respect to the amount and manner of payment of cash compensation for non-employee members of the Board of Directors, the terms and awards of any stock-based compensation or other programs for such members of the Board of Directors and the terms on which any such compensation may be deferred.
- (5) Review and make recommendations to the Board of Directors, as appropriate, with respect to the Company's incentive compensation plans and equity-based plans subject, where required, to shareholder approval, and administer such plans.
- (6) Approve grants of stock or stock options to individuals eligible for such grants (including grants in compliance with Rule 16b-3 promulgated under the Exchange Act to individuals who are subject to Section 16 of the Exchange Act). The Compensation Committee may delegate to the CEO the authority, subject to any limitations determined by the Compensation Committee, to grant options to employees of the Company or any subsidiary of the Company who are not directors or officers of the Company.
- (7) Review and monitor the pension and retirement plans of the Company.
- (8) Review and monitor stock ownership guidelines.

Additional Powers and Responsibilities

The Compensation Committee shall have the authority to engage and obtain advice and assistance from advisors, including independent or outside legal counsel. The Compensation Committee shall have the sole authority to approve the fees and other retention terms of any such engagement, as it determines is necessary or appropriate to carry out its duties. If a compensation consultant is to assist in the evaluation of director, CEO or executive officer compensation, the Compensation Committee shall have sole authority to retain and/or terminate the compensation consulting firm. All related fees and costs of such advisors shall be paid promptly by the Company in accordance with its normal business practices.

The Compensation Committee shall, on an annual basis, review and reassess the adequacy of this Charter and conduct an evaluation of the Compensation Committee's own performance during such past year.

The Compensation Committee shall perform such other activities as the Compensation Committee or the Board of Directors may from time to time deem necessary or appropriate.