

**XTO ENERGY INC.**  
**COMPENSATION COMMITTEE CHARTER**  
**(as amended through February 15, 2005)**

**I. Purpose**

The primary purpose of the Compensation Committee is: (i) to assist the Board of Directors in discharging its responsibilities in respect of compensation of the Company's executive officers; and (ii) to produce an annual report for inclusion in the Company's proxy statement on executive compensation.

**II. Organization**

The Compensation Committee shall consist of three or more directors, each of whom shall satisfy the applicable independence requirements of the New York Stock Exchange and any other regulatory requirements.

Committee members shall be elected annually at the meeting of the Board immediately following the annual stockholder's meeting and shall serve until their resignation, retirement, removal or election of a successor by the Board. The Committee's chair shall be designated by the full Board or, if it does not do so, the Committee members shall elect a chair by vote of a majority of the full Committee.

The Committee may form and delegate authority to subcommittees when appropriate.

**III. Structure and Meetings**

The chair of the Compensation Committee will preside at each meeting of the Committee and, in consultation with the other members of the Committee, shall set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. It is expected that the Committee will meet at least twice annually. The chair will ensure that the agenda for each meeting is circulated in advance of the meeting. The chair will submit periodic reports of the Committee's work and findings to the Board.

**IV. Goals and Responsibilities**

The Compensation Committee shall have the power and authority of the Board to perform the following duties and to fulfill the following responsibilities:

- a. review and approve corporate goals relevant to the compensation of the Chief Executive Officer and the President, evaluate the performance of the Chief Executive Officer and the President in light of these goals and objectives and set the compensation of the Chief Executive Officer and the President based on this evaluation;

- b. review and approve compensation, including incentive compensation and equity-based compensation, for executive officers not covered by Item IV.a. above, and review the compensation of other officers of the Company;
- c. produce an annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations;
- d. administer the compensation plans under which it has been granted administrative responsibility in a manner consistent with the terms of such plans, including as applicable, making recommendations to the Board with respect to incentive-compensation plans and equity-based plans, including new plans or amendments to existing plans, establishing criteria for the granting of awards under equity-based plans and reviewing and approving the granting of awards in accordance with such criteria to the Company's Chief Executive Officer, President and executive officers and, except to the extent the Committee has delegated authority to an executive committee, review and approve awards to all other officers and key employees;
- e. review and approve executive employment agreements;
- f. determine the Company's policy with respect to the application of Internal Revenue Code Section 162(m);
- g. develop plans for managerial succession of the Company;
- h. review major organizational and staffing matters;
- i. annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval; and
- j. perform any other activities consistent with this Charter, the Company's Bylaws and governing law as the Committee or the Board deem appropriate.

## **V. Performance Evaluation**

The Compensation Committee shall conduct an annual performance evaluation.

## **VI. Committee Resources**

The Compensation Committee shall have the authority to obtain advice and seek assistance from internal and external legal, accounting and other advisors or compensation consultants. The Committee shall determine the extent of funding necessary for the payment of compensation to any consultant retained to advise the Committee.

## **VII. Disclosure of Charter**

This Charter will be made available to the Company's website at [www.xtoenergy.com](http://www.xtoenergy.com).