

NUEVO ENERGY COMPANY

Charter of the Nominating and Governance Committee of the Board of Directors

The Nominating and Governance Committee Charter (the “Charter”) sets forth the purpose and membership requirements of the Nominating and Governance Committee (the “Committee”) of the Board of Directors (the “Board”) and establishes the authority and responsibilities delegated to it by the Board.

1. Purpose

The Committee exists to assist the Board in the identification of individuals qualified to become members of the Board and to make recommendations to the Board regarding the nominees for director in connection with the Company’s annual meeting of stockholders. The Committee also has the responsibility for developing and recommending to the Board the Company’s Corporate Governance Policy, recommending any modifications or amendments thereto and taking a leadership role in shaping the Company’s corporate governance.

2. Qualifications of Members

2.1. Composition

The Committee shall consist of three (3) or more members of the Board. Annually, or more often if vacancies occur, the Chairman shall make recommendations to the Board as to the composition of the Committee. The full Board shall designate members of the Committee and its Chairman and shall select only qualified, independent directors to serve on the Committee.

2.2. Independence

Each member of the Committee shall be independent. To be “independent,” a director may not have a relationship with the Company or its management or a private interest in the Company that in any way may interfere with the exercise of such director’s independence from the Company and its management. In addition, each member of the Committee must meet the independence requirements of the New York Stock Exchange and applicable state and federal law, including the rules and regulations of the SEC, including the following requirements:

2.2.1. No director qualifies as “independent” unless the Board affirmatively determines that the director has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with

the Company), other than such director's capacity as a member of the Board, the Committee or any other Board committee.

- 2.2.2.** No director who is a former employee of the Company or any affiliate of the Company shall be considered "independent" until five years after such employment has ended. A director that was employed by a former parent or predecessor of the Company shall not be considered "independent" until five years after the relationship between the Company and the former parent or predecessor has ended.
- 2.2.3.** No director who is, or in the past five years has been, affiliated with or employed by a present or former External Auditor of the Company (or present or former external auditor of any of the Company's affiliates) shall be considered "independent" until five years after the end of either the affiliation or the auditing relationship.
- 2.2.4.** No director shall be considered "independent" if such director is, or in the past five years has been, employed by any company for which any officer of the Company serves or served as a member of its compensation committee (or, in the absence of a compensation committee, the board committee performing equivalent functions, or, in the absence of such committee, the board of directors) during the time that such director is or was so employed.
- 2.2.5.** Directors with immediate family members in the categories described in Section 2.2.2, 2.2.3 and 2.2.4 are likewise subject to the applicable five-year "cooling off" provisions of those Sections for purposes of determining "independence." However, employment of an immediate family member of a director in a non-officer position (as defined with reference to Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended, or any successor rule) does not preclude the Board from determining that such director is "independent." The term "immediate family member" includes a person's spouse, parents, children, siblings, mother and father-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than such person's employees) who shares such person's home.

The determination as to each Committee member's independence, including any basis for the Board's determination that a relationship is not material, shall be disclosed in the Company's proxy statement prepared in connection with its annual meeting of stockholders.

3. Meetings

3.1. Periodic Meetings

The Committee shall meet at least twice annually. Special meetings shall be called from time to time, as the circumstances dictate in the judgment of the Board or the Committee.

3.2. Minutes

Minutes of each meeting of the Committee shall be kept to document the discharge by the Committee of its responsibilities and a copy thereof shall be sent to the members of the Board.

3.3. Quorum

A quorum shall consist of at least one-half of the Committee's membership, but no fewer than two persons. All action taken by the Committee shall be deemed approved on the vote of a majority of its members. However, nominations for directors that are submitted to the Board must be approved by the two-thirds vote of the standing members of the Committee.

3.4. Action by Unanimous Written Consent

Unless otherwise restricted by the Certificate of Incorporation or the Bylaws of the Company, any action required or permitted to be taken at any meeting of the Committee may be taken without a meeting, if all members of the Committee, consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the Committee.

4. Board and Committee Matters

4.1. Nominee Criteria and Qualifications

The Committee shall consider the personal characteristics and core competencies as set out in the corporate governance principles when evaluating persons to be nominated for election to the Board, taking into account the composition of the Board as a whole. In addition, the Committee shall consider a candidate's qualification as "independent," as well as a candidate's depth of experience and availability, the balance of the business interest and experience of the incumbent or nominated directors, and the need for any required expertise on the Board or one of its committees. With respect to incumbent members of the Board, the Committee shall also consider the performance of the incumbent director.

4.2. Identification of Candidates to be Presented to Shareholders

The Committee shall identify and recruit candidates to serve on the Board of Directors. Prior to the annual meeting, a slate of candidates shall be recommended to the Board as qualified persons to be nominated for election or re-election as directors. In connection therewith, the Committee shall consider suggestions for Board nominees submitted by shareholders in accordance with the notice provisions and procedures set forth in the Company's organization documents. The Committee shall consider recommendations by the CEO who shall be included in the process on a non-voting basis.

4.3. Consultant

The Committee shall have the authority to retain, at the Company's expense, a search firm as it deems necessary to fulfill its responsibilities. The Committee shall have sole authority to approve any such search firm's fees and other terms of retention.

4.4. Matters Effecting Directors

The Committee shall evaluate the Company's policies relating to the recruitment of directors, including compensation and director and officer's insurance, as well as indemnification protections provided in the Company's organizational documents, and make recommendations to the Board or any appropriate Board committee regarding such matters.

4.5. Board Composition and Structure

The Committee shall review and make recommendations to the Board regarding Board composition and structure, including among other matters: recommending the term of office for directors, whether or not the Board should be classified according to terms and the advisability of shareholder protection plans.

4.6. Orientation and Education

The Committee shall oversee a director orientation and may recommend continuing education for all new directors and, to the extent deemed necessary by the Committee, for incumbent directors.

4.7. Subcommittees

The Committee may delegate authority and responsibilities to subcommittees as it deems proper.

5. Executive Officer Matters

5.1. Management Succession

The Committee shall receive periodically from the CEO recommendations regarding the CEO's successor, the development of other executive talent and the executive management needs of the Company.

5.2. CEO Succession

The Committee shall recommend to the Board a successor to the CEO when a vacancy occurs.

5.3. Appointment of Officers

The Committee shall review the CEO's appointment of SEC reporting officers ("SEC reporting officers" are those officers that file Forms 3 and 4 with the SEC under Section 16 of the Securities Exchange Act of 1934) and make recommendations to the Board with respect to such persons to be elected officers by the Board and review any proposed personnel changes involving such officers.

6. Corporate Governance Oversight

6.1. Corporate Governance Policies

The Committee shall periodically review the Company's policies and programs in such areas as: Code of Business Conduct and Ethics, Charitable Contributions, Corporate Communications Policy, and Political Action/Legislative Affairs. The Committee shall periodically review the corporate governance principles to determine if changes are required.

The Committee shall also make recommendations to the Board with respect to any changes, amendments and modifications that the Committee deems desirable.

7. Reports and Assessments

7.1. Board Reports

The Chairman will report from time to time to the Board on Committee actions and on the fulfillment of the Committee's responsibilities under this Charter.

7.2. Committee Self-Assessment

The Committee shall annually review and make a self-assessment of its performance, which shall include eliciting input from management, the Board and the General Counsel on the performance of the Committee.

7.3. Assessment of Board

The Committee shall annually develop and oversee an assessment of the full Board by collecting comments and evaluations for each director and any other constituents the Committee deems relevant to such assessment.