

**ST. MARY LAND & EXPLORATION COMPANY**  
**CHARTER OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE**  
**OF THE BOARD OF DIRECTORS**

**Adopted by the Board of Directors on January 23, 2003**

**I. Purpose**

The Nominating and Corporate Governance Committee is appointed by the Board of Directors for the purposes of:

- identifying individuals qualified to become Board members;
- recommending to the Board the selection of director nominees for election at the next annual meeting of shareholders;
- recommending to the Board the selection of director nominees for each committee of the Board;
- developing and recommending to the Board a set of corporate governance guidelines for the Company; and
- oversight of the annual evaluation of the Board and management.

The Committee shall have the authority to retain at the Company's expense such consultants, advisors and counsel as the Committee deems appropriate in its sole discretion to fulfill its purpose, responsibilities and duties. In connection therewith, the Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates and shall have the sole authority to approve the search firm's fees and other retention terms. The Committee shall also have the authority to obtain such advice and assistance from internal or external legal or other advisors as it deems necessary.

**II. Composition and Meetings**

The Committee shall consist of at least three members who shall be appointed by the Board. Committee members may be removed and replaced by a majority of the independent Directors of the Board in their discretion. If a Committee Chair is not designated by the Board or is not present at a meeting, the members of the Committee may designate a Chair by majority vote of the Committee members. All members of the Committee shall be independent Directors in accordance with the rules of the New York Stock Exchange.

The Committee shall meet at least once annually and more frequently as circumstances dictate. The Committee Chair shall approve an agenda in advance of each meeting.

The Committee may form and delegate authority to subcommittees when appropriate, provided that each subcommittee is composed entirely of independent Directors and has a published subcommittee charter.

### **III. Responsibilities and Duties**

1. The Committee shall develop and recommend to the Board criteria for selecting new directors, and when vacancies occur shall identify individuals qualified to become Board members and lead any search for and recommend the selection of any new directors. The Committee shall assist the Board in overseeing the development of director succession and replacement plans.
2. The Committee shall review the contributions and qualifications of individual members of the Board, including the independence of non-management directors, and the size and composition of the Board as a whole, and recommend to the Board the selection of director nominees for election at the next annual meeting of shareholders. In connection therewith, the Committee shall review and consider any nominations for director candidates submitted by shareholders in accordance with the Company's By-Laws.
3. The Committee shall review the structure and composition of all committees of the Board, and the Committee shall develop and recommend to the Board criteria for identifying directors qualified to serve on each Board committee. Such criteria shall reflect all applicable requirements for each committee under applicable securities laws, rules and regulations and the rules of the New York Stock Exchange.
4. The Committee shall recommend to the Board the selection of directors to serve as members of each Board committee. The Committee shall review and recommend committee slates annually and shall recommend additional committee members to fill vacancies as needed.
5. The Committee shall develop and recommend to the Board corporate governance guidelines for the Company. Such corporate governance guidelines shall address director qualification standards, director responsibilities, director access to management and independent advisors, director compensation, director orientation and continuing education, management succession, and annual performance evaluations of the Board and its committees. The Committee shall review and reassess the adequacy of the corporate governance guidelines annually, or more frequently if appropriate, and recommend any proposed changes to the Board for approval. The corporate governance guidelines shall be amended as appropriate to comply with all applicable requirements of the New York Stock Exchange.
6. The Committee shall review and make recommendations with respect to any proposed changes to the Company's Certificate of Incorporation or By-Laws.

7. The Committee shall provide oversight with respect to the evaluations of the Board and management.
8. The Committee shall maintain minutes of meetings and regularly report to the Board on significant results of the activities described in this Charter.
9. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. This Charter shall be amended as appropriate to comply with all applicable requirements of the Securities and Exchange Commission and the New York Stock Exchange.
10. The Committee shall conduct and present to the Board an annual performance evaluation of the Committee.

The Committee's authority and responsibilities are as set forth in this Charter. In fulfilling its responsibilities, the Committee will rely to a significant extent on information and advice provided by management, consultants, advisors and counsel. When the Committee takes an action, it shall exercise its independent judgment on the basis of such information, advice and other appropriate factors in the best interests of the Company and its shareholders.