

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): December 11, 2009 (December 9, 2009)

Magellan Petroleum Corporation

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

1-5507

(Commission File Number)

06-0842255

(IRS Employer Identification No.)

7 Custom House Street, Portland, ME

(Address of Principal Executive Offices)

04101

(Zip Code)

860-293-2006

(Registrant's Telephone Number, Including Area Code)

10 Columbus Boulevard, Hartford, CT 06106

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01 Other Events***Company Press Release***

On December 10, 2009, the Company issued a press release announcing the voting results of shareholders at the 2009 Annual Meeting of Shareholders held on December 9, 2009 in Orlando, FL. A copy of the Company's press release is filed herewith as Exhibit 99.1 and is hereby incorporated by reference.

Annual Meeting Presentations to Shareholders

At the Annual Meeting, Mr. Hastings, the Company's President and Chief Executive Officer, made a slide presentation to shareholders about the Company's results for the fiscal year ended June 30, 2009, the Company's planned operations and strategic objectives and plans. A copy of the Company's Annual Meeting slide presentation is attached hereto as Exhibit 99.2 and is hereby incorporated by reference. The Company will post a copy of this slide presentations on its corporate website, www.magellanpetroleum.com in the near future.

Expansion of Responsibilities of the Compensation Committee and Adoption of Revised Committee Charter

On December 9, 2009, the Compensation Committee of the Board recommended to the Board, and the full Board approved, the delegation of formal director nomination and corporate governance duties to the Committee, the adoption of a revised written charter for the Committee and the renaming of the Committee as the "Compensation, Nominating and Governance Committee", consistent with the requirements of the listing rules of the Nasdaq Stock Market, Inc. A copy of the revised charter of the Compensation, Nominating and Governance Committee is attached hereto as Exhibit 99.3 and is hereby incorporated by reference. The Company will post a copy of the Committee's revised Charter on its corporate website, www.magellanpetroleum.com in the near future.

Item 9.01 Financial Statements and Exhibits***(d) Exhibits.***

The following documents are included as exhibits as follows:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Company press release, dated December 10, 2009.
99.2	Annual Meeting Presentation to Shareholders, December 9, 2009.
99.3	Charter of the Compensation, Nominating and Governance Committee, effective as of December 9, 2009.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

MAGELLAN PETROLEUM CORPORATION

By: /S/ DANIEL J. SAMELA

Name: **Daniel J. Samela**

Title: **Chief Financial Officer,
Chief Accounting Officer and Treasurer**

Dated: December 11, 2009

EXHIBIT INDEX

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**MAGELLAN PETROLEUM CORPORATION
ANNOUNCES VOTING RESULTS OF 2009
ANNUAL MEETING OF SHAREHOLDERS**

PORTLAND, Maine, December 10, 2009 — Magellan Petroleum Corporation (NASDAQ: MPET) (ASX: MGN) announced that the Company held its 2009 annual meeting of shareholders on December 9, 2009, in Orlando, Florida. At the Annual Meeting, the Company's shareholders overwhelmingly voted to re-elect Donald V. Basso and Robert J. Mollah to the Company's Board of Directors, to hold office for a term of three years expiring with the 2012 Annual Meeting of Shareholders, and to ratify the appointment of Deloitte & Touche LLP as the Company's independent auditors for the fiscal year ending June 30, 2010.

* * * * *

For further information, please contact:

William H. Hastings, President and CEO of Magellan, (207) 619-8501
Daniel J. Samela, Chief Financial Officer of Magellan, at (207) 619-8502

Forward- Looking Statements

Statements in this press release which are not historical in nature are intended to be, and are hereby identified as, forward looking statements for purposes of the "Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995. The Company cautions readers that forward looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward looking statements. Among these risks and uncertainties are pricing and production levels from the properties in which the Company has interests and the extent of the recoverable reserves at those properties. In addition, the Company has a large number of exploration permits and faces the risk that any wells drilled may fail to encounter hydrocarbons in commercially recoverable quantities. The Company undertakes no obligation to update or revise forward-looking statements, whether as a result of new information, future events, or otherwise.



William H. Hastings
December, 2009

Annual Meeting Review

Key Elements of the past year
Recent Developments
Near-Term Value, Business Potential

Forward-Looking Statements

Except for historical information, this presentation contains forward looking statements and information with respect to net reserve valuations and sums, gas sales in Australia and its valuation, oil development projects, expense reduction plans and other potential development projects, exploration and drilling plans. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied from such information.

The United States Securities and Exchange Commission (SEC) permits oil and gas filings with the SEC to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. Investors are urged to consider closely the disclosures in Magellan's periodic filings with the SEC available from us at the company's website www.magellanpetroleum.com

Earnings Profile

Earnings Comparison

2009 Fiscal Year versus 2008 Fiscal Year

Financial Comparison

	000s Q1 FY 2010	000s FY 2009	000s FY 2008
Summary figures			
Revenue	\$ 8,879	\$ 28,191	\$ 40,895
Pre Tax Operating Income	\$ (599)	\$ 2,863	\$ 5,439
Pre Tax Operating Income before non-operating charges	\$ 1,941 ***		
Net Income	\$ (1,297)	\$ 665	\$ (8,892)
Cash Flow from Operations	\$ 1,997	\$ 9,239	\$ 5,496
Cash and cash equivalents (end of period)	\$ 44,784	\$ 35,686	\$ 36,323
Market Capitalization	\$ 70,316 **	\$ 46,065	\$ 67,230

* Includes ATOTax Settlement and Interest

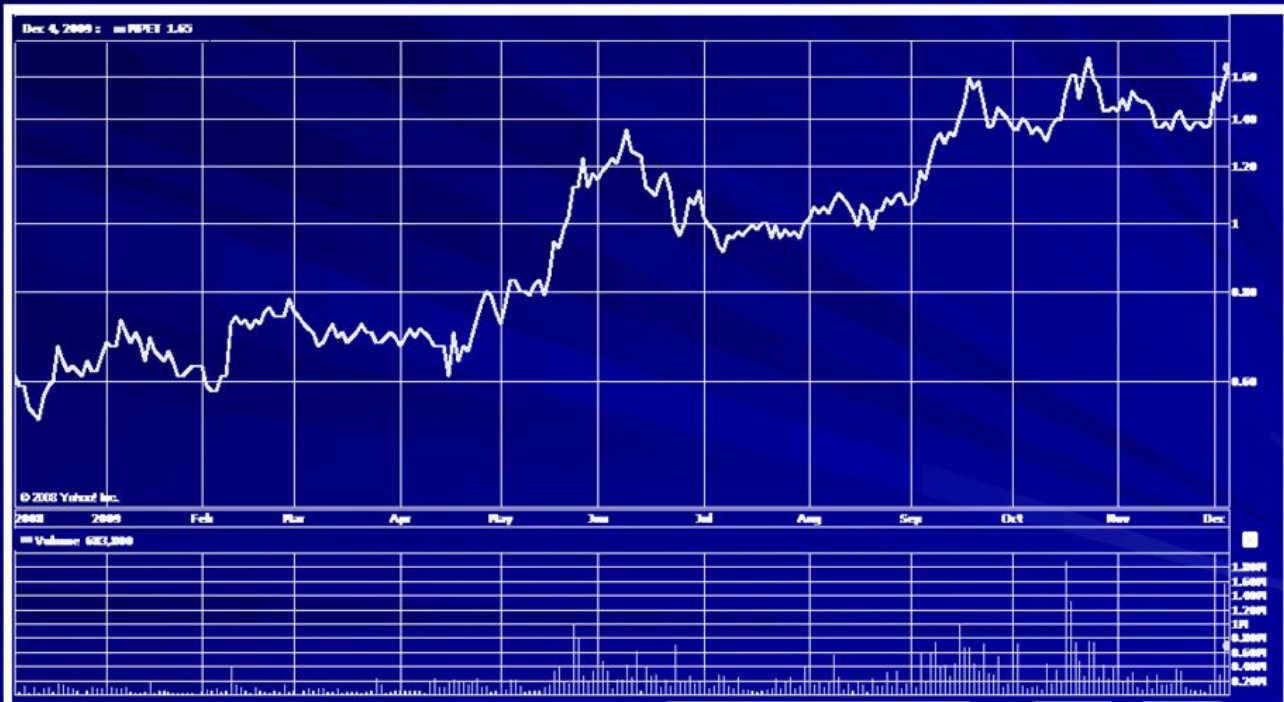
** As of 08Dec, market cap is \$90.8 million. Market cap basis does not include 4.347 million warrants

*** (\$1.4) million warrant revaluation, (\$1.0) million employee termination, (\$0.44) million PIPE closing, (\$1.0) million exchange loss on US dollaraccounts at MPAL (offset to US equity account), \$1.3 million gain on sale of equity investment

Share Price Performance

175% annual increase year-on-year

But much work remains



Recent Developments

• New Ventures

❖ Acquired oil field for \$7/bbl (proven developed)

- **Initial entry into North America**

Poplar Dome, Roosevelt, Co., Montana - 800 mmbbl OOIP (original oil in-place)

23,000 acres of structural closure (36 square miles)

Multiple pay zones (Judith River (gas), Tyler (oil), Charles (oil), Bakken (oil), Nisku (oil), and Red River (oil))

Cumulative oil recoveries to-date total to 7% of oil in-place

- **Measured infill development planned along with Bakken farm-out**

❖ Sold* Australian Cooper Basin fields for \$31/bbl (proven developed)

* = subject to actual closing completion

- **A\$ 9.7 million less fees and adjustments - A\$9.4 million net or US\$ 8.7 million**

- **Somewhat fragmented interest better held by Partners**

- **Five separate buyers**

- **Proceeds to be redeployed elsewhere in Australia or in US**

❖ Equity Investing

- **\$2.1 million gain on position in strategic Company, now sold**

Fit with strategic plan, but withdrew based on execution delay, further transactions planned

Other, similar activity contemplated

Recent Developments

- **New Ventures** (cont.)

- ◆ **Completed Methanol Evaluation Heads of Agreement and Supply Exclusivity Agreement**

- **Major Methanol Player**

- Actively discussing logistics, plant construction, offshore gathering

- **Submitted Application/Bid on attractive offshore gas lead in recent Australian bid round.**

- ◆ **Entered negotiations toward major acquisition of offshore gas supply**

- **Substantive reserves to feed Methanol and other developments**

Recent Developments

- **Operations**

- ◆ **Australia - Expense Reduction program initiated**

- **Operator budget draft suggesting 30% reduction in-hand**
- **Discussing Basin-wide efficiencies and synergy to achieve further expense reduction**

- ◆ **Montana – Infill and Commercial programs targeted**

- **Contingent Infill sites** (several sites available subject to initial well performance)
- **Utilization of Railroad and direct sales to area Refineries**
- **Third Party gathering of oil in addition to equity volumes** (Elm Coulee – Bakken)
- **Natural Gas tie-in discussions: Northern Border Pipeline** (4 miles away)

- ◆ **Montana – CO2 pilot study initiated**

- **Partner discussions**
- **Reservoir review, study of miscible pressure versus max reservoir pressure**
- **Commercial discussions ongoing**

Recent Developments

- **Development**

- **Mereneie redevelopment on the docket**

- **Up to 350 million barrels OOIP** (original oil in-place) - **low recovery to-date**
- **Underdrilled western field segment**
- **Planning now for longer-term, new development effort**
- **Investment in gas injection & lift operations to increase oil production**
- **Considering investment in propane + extraction plant.**

- **Two-well program in UK planned – early 2010**

- **Markwells Wood pad complete, targeting Q1 2010**
- **Actual date is a function of the Operator plan – Northern Petroleum**
- **License has “must-complete” drilling end date in the coming year**







Challenges

- **Australia**

- ◆ **Area Gas Sales flow beyond 2010**

- **Gas sales under a new Mereenie Sales Agreement (MSA5) to Power and Water - Darwin**
- **Discussions continue on ways to ensure supply diversity and supplement Blacktip**
- **Blacktip forecast (most recent update) to be fully operational around 15th December, 2009**

- ◆ **Revenue / Expense matching**

- **Significant oil remains at Mereenie, but when can the investment be made given gas delivery uncertainty?**
 - Oil flow can increase with natural gas injection
 - Oil flow can increase with gas lift operations
 - Propane can now be extracted if gas doesn't flow
 - Western Mereenie can be developed strategically
 - Do we lower or increase expense?
 - Should we invest for more gas sales?

Challenges

- **United Kingdom**

- **Prospective well schedule**

- **Two sites targeting 1 mmbbls each (net 400,000 each)**
- **Contrast Montana, where there are multiple drill site targets**
- **Well spud date discussions with Northern - exceptionally protracted.**

- **Reservoir properties** (formation may be low-permeability - tight)

- **North America**

- **Reservoir properties**

- **High water cut and produced water management – deep edge water drive**
- **Reservoir temperature**
- **Reservoir wettability**
- **Surface marketing (oil pipeline capacity and quality caps)**



Significant CO2 Emissions

Oil Reservoirs amenable to CO2 flooding

Magellan Business Model

Atlantic America Oil

Develop overlooked oil fields utilizing Tertiary methods (incl CO2 sequestration & flooding)

Data SIO, NOAA, U.S. Navy, NGA, GEBCO
US Dept of State Geographer
© 2009 Europa Technologies
© 2009 Tele Atlas

43°27'38.24" N 116°23'31.99" W elev 4766 ft

Eye alt 5719.84 mi

Methanol is the "Ethanol" of China. It is used as vehicle fuel supplements there by Government order.

Methanol Needed

US\$12 per mmbtu equivalent delivered
Correlated to oil

Magellan Business Model

Pacific

Develop "discovered" resource for Asia

Redevelop underdrilled, existing assets

Closest Supply

Reserves Available

Entry costs from US\$.05/mcf and up
(proven undeveloped)

LNG and Methanol technologies usable

Image NASA
Image © 2008 TerraMetrics
Image © 2008 DigitalGlobe

3°43'53.34" N 126°17'11.96" E

Eye alt 5725.38 mi

Strategic Overview

- **Plan – Pacific**

- ◆ **Acquire & develop significant natural gas into Asia**

- **Mechanism is Methanol**

- Heads of Agreement and Exclusivity signed with major Methanol player

- Methanol is a significant CO2 sink

- Methanol is a fuel substitute in China – used as Ethanol is in America

- M85 for trucks, buses and similar

- M10 for regular fuel usage

- Dimethyl Ether as propane system augmentation

- ◆ **Restructure and redevelop existing fields**

- **Effort ongoing**

- Synergistic solution for the Amadeus Basin operations

- Augment existing oil production (gas injection & lift, well reconfiguration)

- Begin stripping propane +

- Drill west end of Mereenie oil field and connect Dingo

- AFE for seismic work at Mereenie approved with 3D to follow on

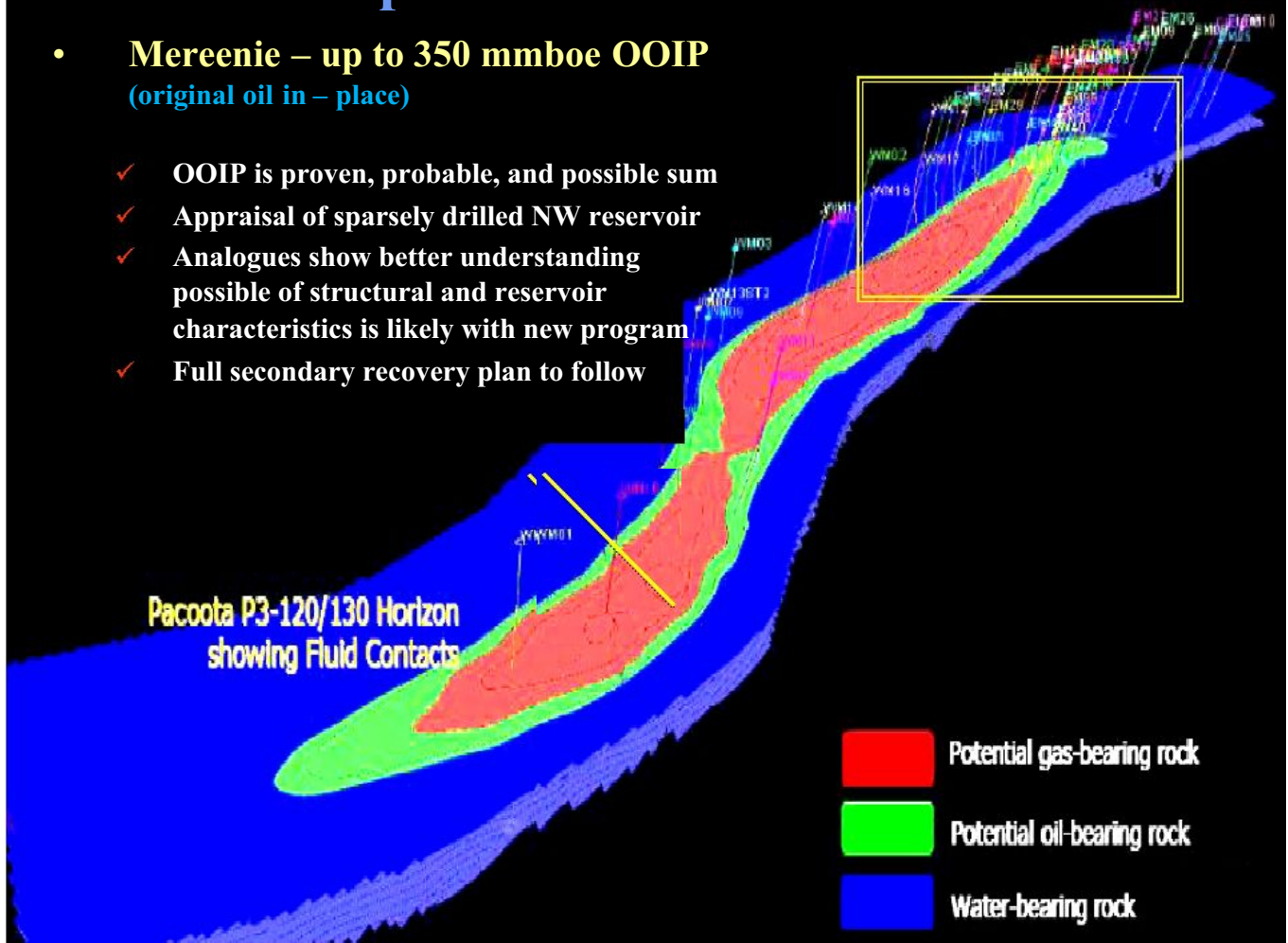
- Increased oil recover (IOR) project 98% complete

- Major oil development project AFE issued by Operator

Recent Developments

- **Mereenie – up to 350 mmboe OOIP**
(original oil in – place)

- ✓ OOIP is proven, probable, and possible sum
- ✓ Appraisal of sparsely drilled NW reservoir
- ✓ Analogues show better understanding possible of structural and reservoir characteristics is likely with new program
- ✓ Full secondary recovery plan to follow





Strategic Overview

- **Plan – America**

- ◆ **Redevelop overlooked domestic oil fields**

- **Build infill, development and CO2 injection/sequestration partnerships**

800 mmboe OOIP (original oil in-place) structure Montana

Multiple oil pay zones (Tyler, Charles A, B, C, Bakken, Nisku, Red River)

Existing infrastructure for both Oil and gas are present within the Unit

Northern Border (Gas), Bridger and Enbridge (Oil)

BN Railroad is also adjacent

Examine additional fields amenable to CO2/Infill programs

Montana, North Dakota, Saskatchewan

Develop Bakken Strategy

23,000 ac of Bakken



Magellan Business Model

Atlantic America Oil

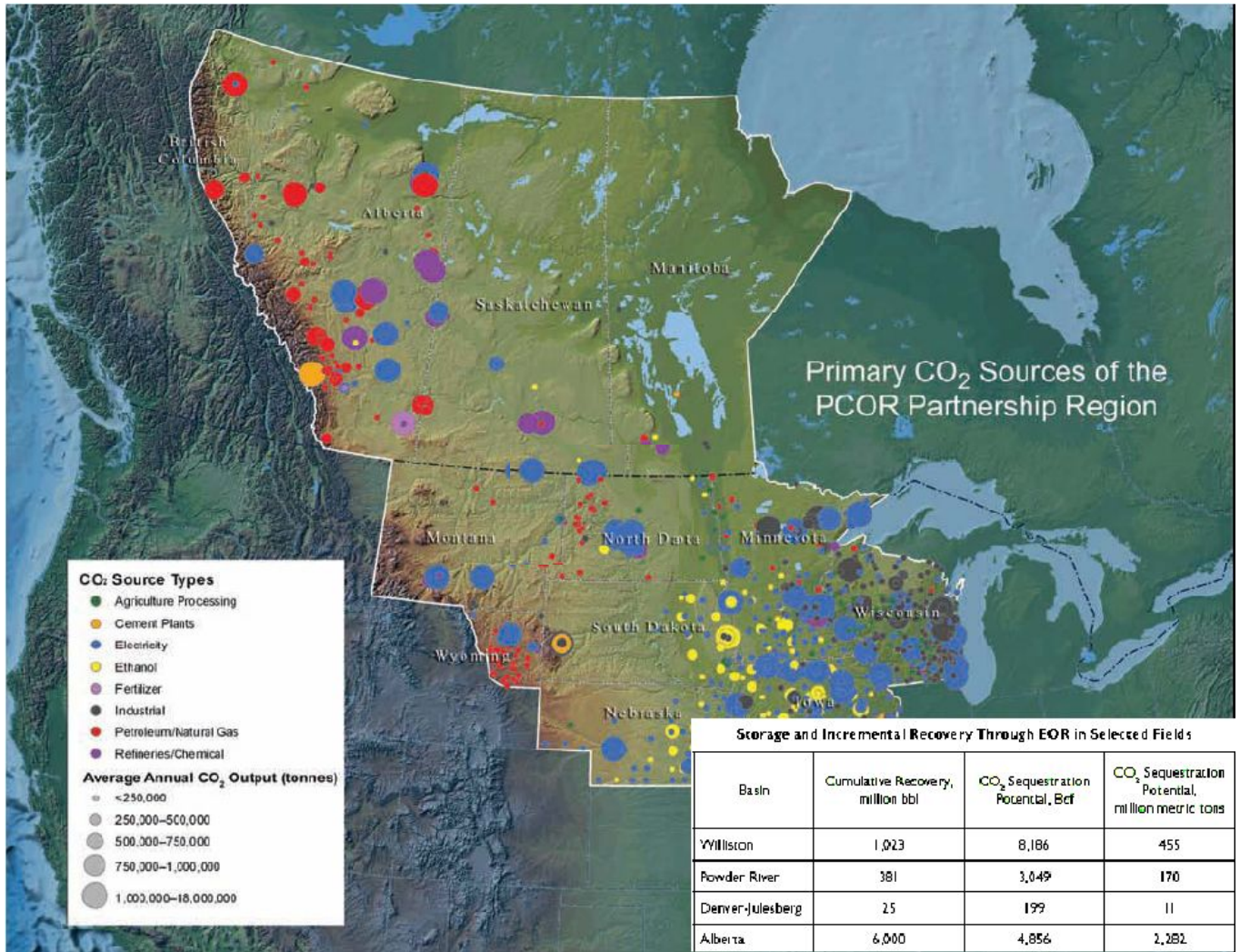
Data SIO, NOAA, U.S. Navy, NGA, GEBCO
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43°27'33.24" N 116°23'31.99" W elev 4766 ft

©2009 Google
Eye alt 5719.84 mi



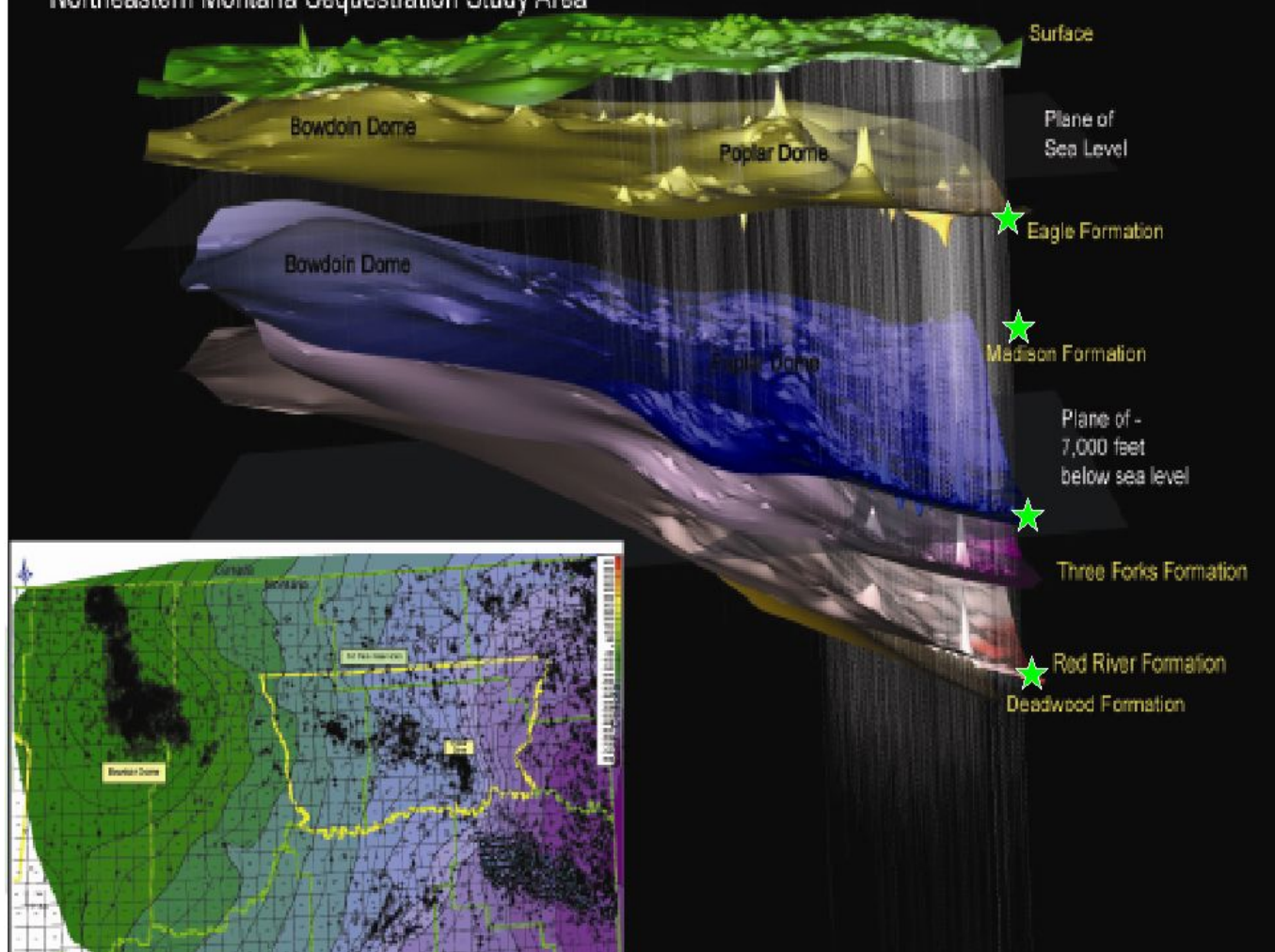
✓ **Poplar Fields, Montana**

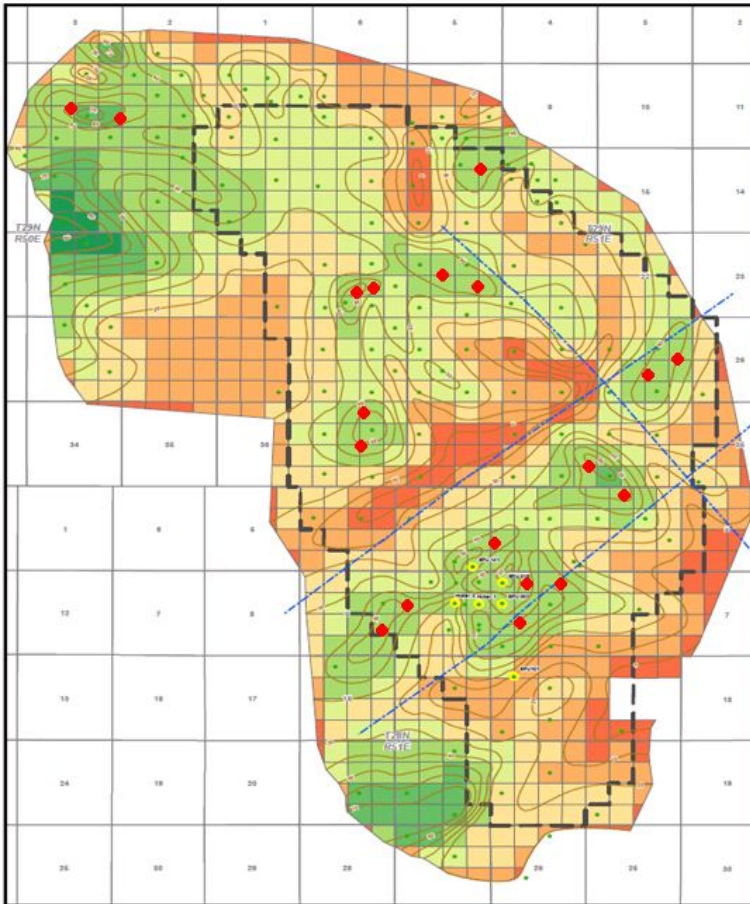
- **Potential infill development in multiple horizons**
- **Tertiary and flood (CO₂) possibilities in fractured complex**
- **CO₂ sequestration under Canadian Kyoto-driven programs**





Northeastern Montana Sequestration Study Area





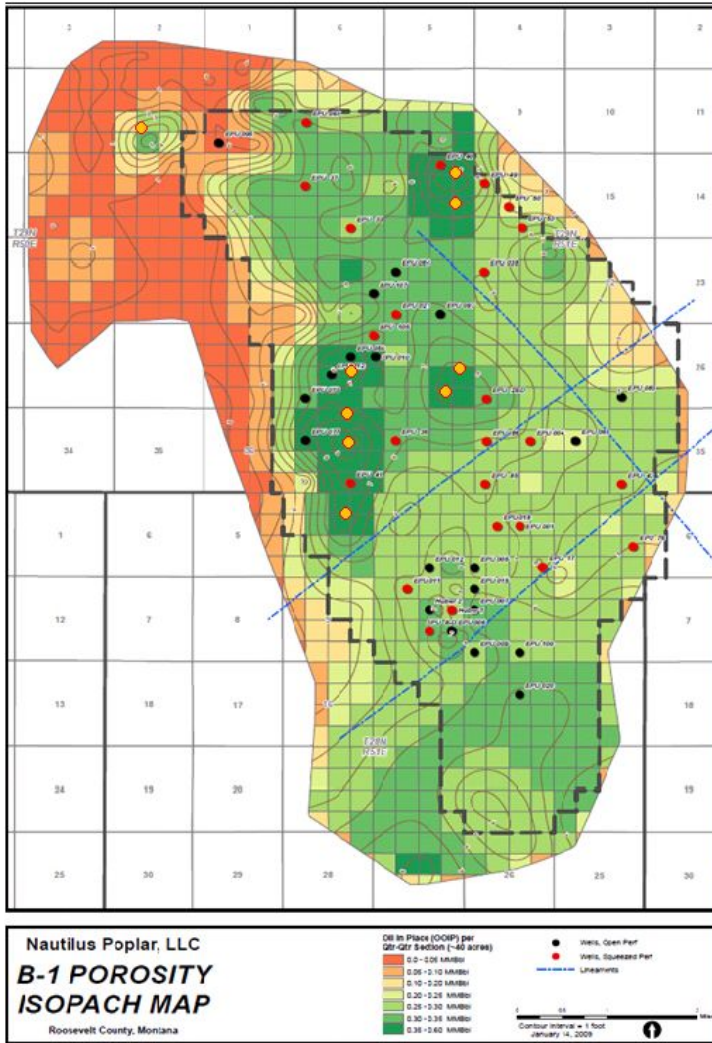
- Tyler Sand Isopach (Poplar)

Example infill possibilities

Subject to well performance of initial drill plan

Orange = calculated swept reservoirs

Green shades = calculated unswept reservoirs ranging from 1 to 2.5 mmbbls in place per Qtr-Qtr section



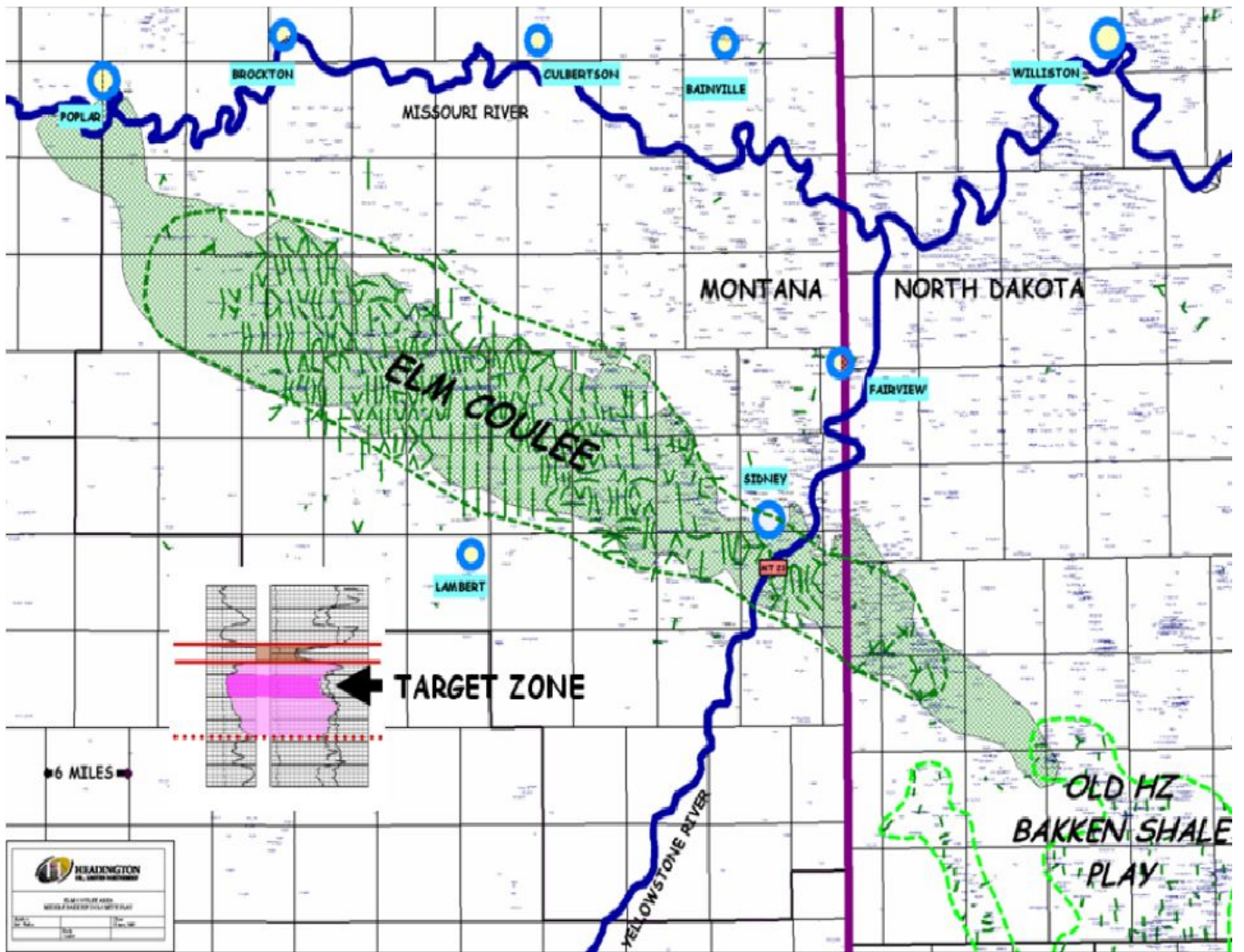
- Charles B-1 Sand Isopach(Poplar)

Example infill possibilities

Subject to well performance of initial drill plan

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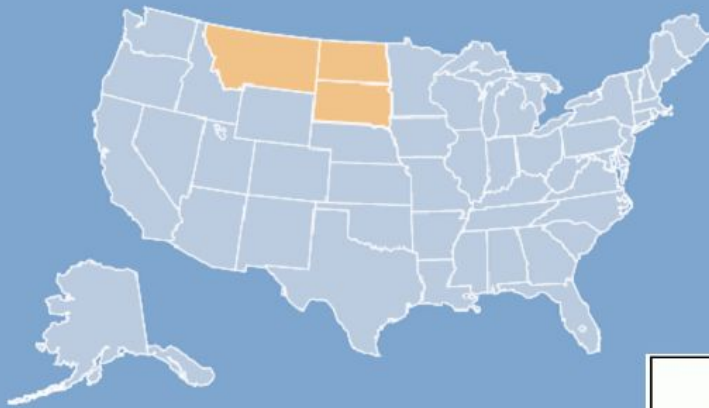


HALLIBURTON SERVICES
A CH2M HILL COMPANY

ELM COULEE AND
MIDDLE MISSOURI VALLEY PLAY

Scale: 1" = 6 Miles
Date: 10/1/08
Sheet: 1 of 1

BASIN ORIENTED STRATEGIES FOR CO₂ ENHANCED OIL RECOVERY: WILLISTON BASIN



Prepared for
U.S. Department of Energy
Office of Fossil Energy – Office of Oil and Natural Gas

Prepared by
Advanced Resources International

February 2006

Table 12. Williston Basin Oil Reservoirs Screened Amenable to CO₂-EOR

Basin	Field	Formation
Montana	CABIN CREEK	INTERLAKE + RED RIVER + STNY MTN
Montana	CORAL CREEK	RED RIVER
Montana	OUT BANK	MADISON
Montana	ELK BASIN	EMBAR - TENSLEEP
Montana	ELK BASIN	MADISON
Montana	ELM CREEK	BARREN SHALE
Montana	FLAT LAKE	RATCLIFFE
Montana	LITTLE BEAVER	RED RIVER
Montana	LITTLE BEAVER	RED RIVER EAST
Montana	LOOKOUT BUTTE	INTERLAKE & RED RIVER
Montana	LOOKOUT BUTTE	INTERLAKE & RED RIVER EAST
Montana	MONDAK WEST	ALL
Montana	PENNEL	RED RIVER + STONY MOUNTAIN
Montana	PINE	INTERLAKE + RED RIVER + STNY MTN
Montana	POPLAR EAST	MADISON - CHARLES
Montana	SIOUX PASS	RED RIVER C
Montana	SIOUX PASS-NORTH	RED RIVER
Montana	SUMATRA	TYLER

5.4 CALCULATING MINIMUM MISCIBILITY PRESSURE. The miscibility of a reservoir's oil with injected CO₂ is a function of pressure, temperature and the composition of the reservoir's oil. The study's approach to estimating whether a reservoir's oil will be miscible with CO₂, given fixed temperature and oil composition, was to determine whether the reservoir would hold sufficient pressure to attain miscibility. Where oil composition data was missing, a correlation was used for translating the reservoir's oil gravity to oil composition.

To determine the minimum miscibility pressure (MMP) for any given reservoir, the study used the Cronquist correlation, Figure 9. This formulation determines MMP based on reservoir temperature and the molecular weight (MW) of the pentanes and heavier fractions of the reservoir oil, without considering the mole percent of methane. The Cronquist correlation is set forth below:

$$MMP = 15.988^{\circ}T (0.744206 + 0.0011038^{\circ}MW C_{5+})$$

Correlation for CO₂ Minimum Pressure as a Function of Temperature
(Mungan, N., Carbon Dioxide Flooding Fundamentals, 1981)

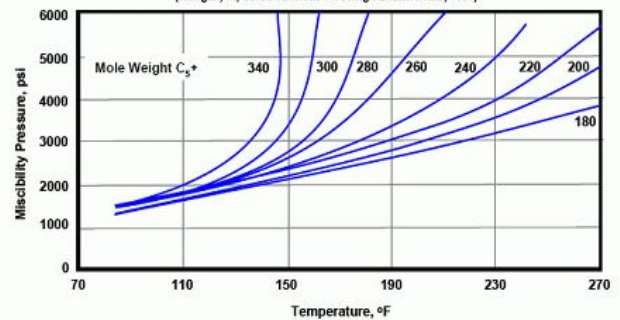
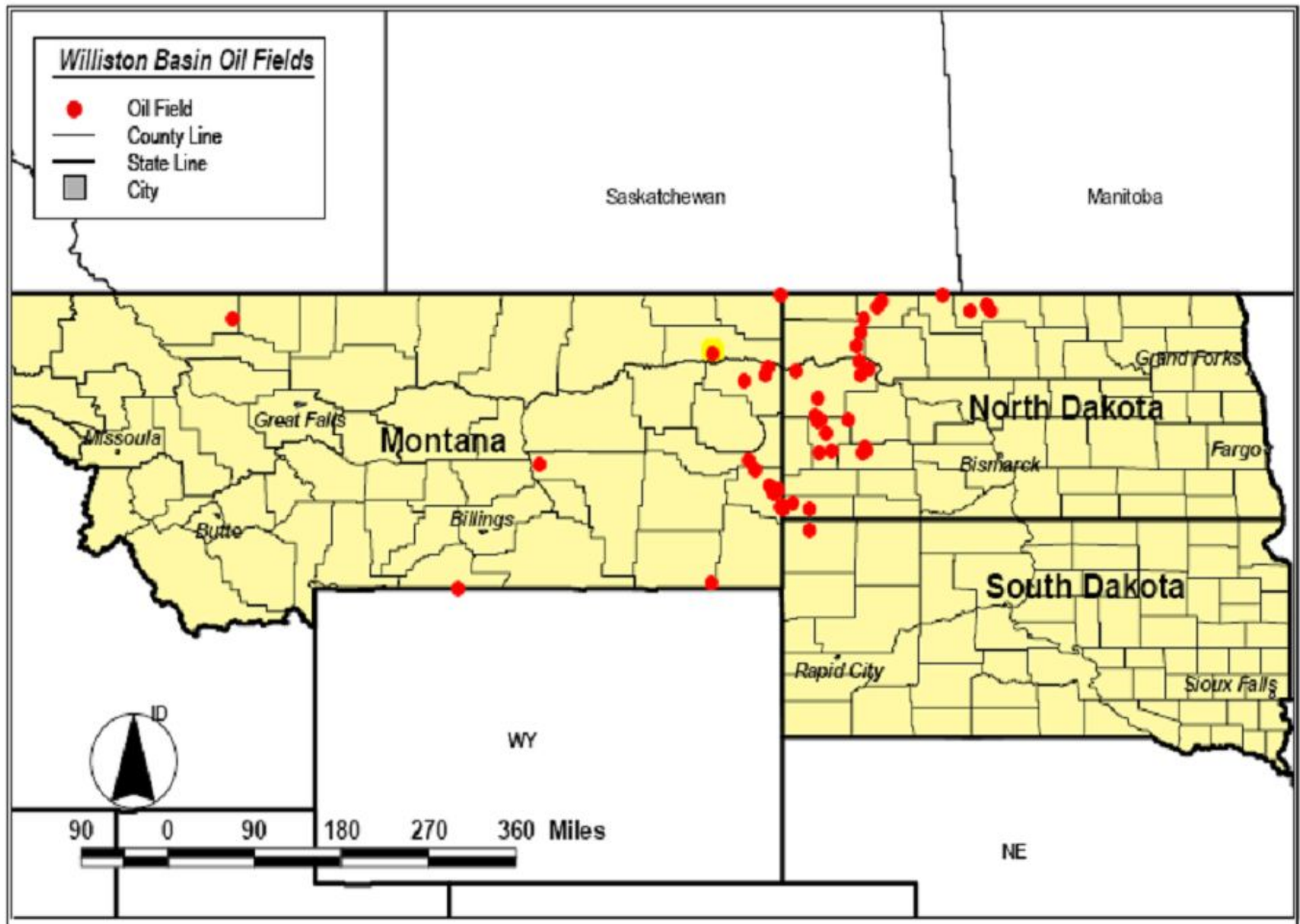


Figure 2. Location of Major Williston Basin Region Oil Fields that Screen for CO₂-EOR





Sask-Montana CCS Project Overview & IPAC-CO2

Wyoming CO2 Conference

24 June 2009

Jim Bryant
IPAC-CO2 USA
jim.bryant@ipac-co2.com

 UNIVERSITY OF
REGINA  IPAC CO2 

Saskatchewan-Montana Project
Current Partners

 Government of
Saskatchewan

 SaskPower

 IPAC
CO2

 UNIVERSITY OF
REGINA

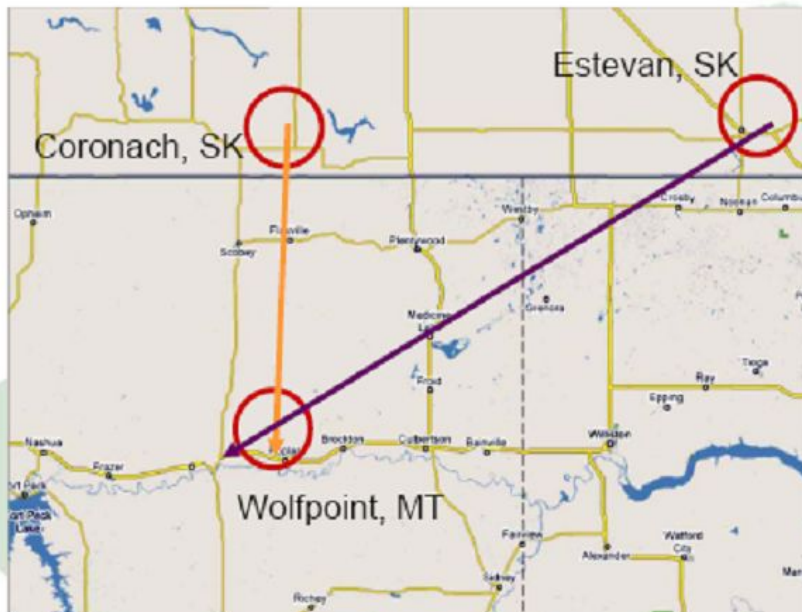
 CIC Crown Investments Corporation
of Saskatchewan

 M
MONTANA
STATE UNIVERSITY





Project Region



The underground pipeline attached to the capture unit at an existing SaskPower plant will deliver CO₂ from Saskatchewan to a geological storage site in northeastern Montana on the northwestern flank of the Williston Basin.

Two possible SaskPower coal-fired plants are being considered as sites for the capture/reference plant in southern Saskatchewan: Coronach or Estevan lignite-fired units.

Methanol is the "Ethanol" of China. It is used as vehicle fuel supplements there by Government order.

Methanol Needed

US\$12 per mmbtu equivalent delivered
Correlated to oil

Magellan Business Model

Pacific

Develop "discovered" resource for China

Redevelop underdrilled, existing assets

Closest Supply

Reserves Available

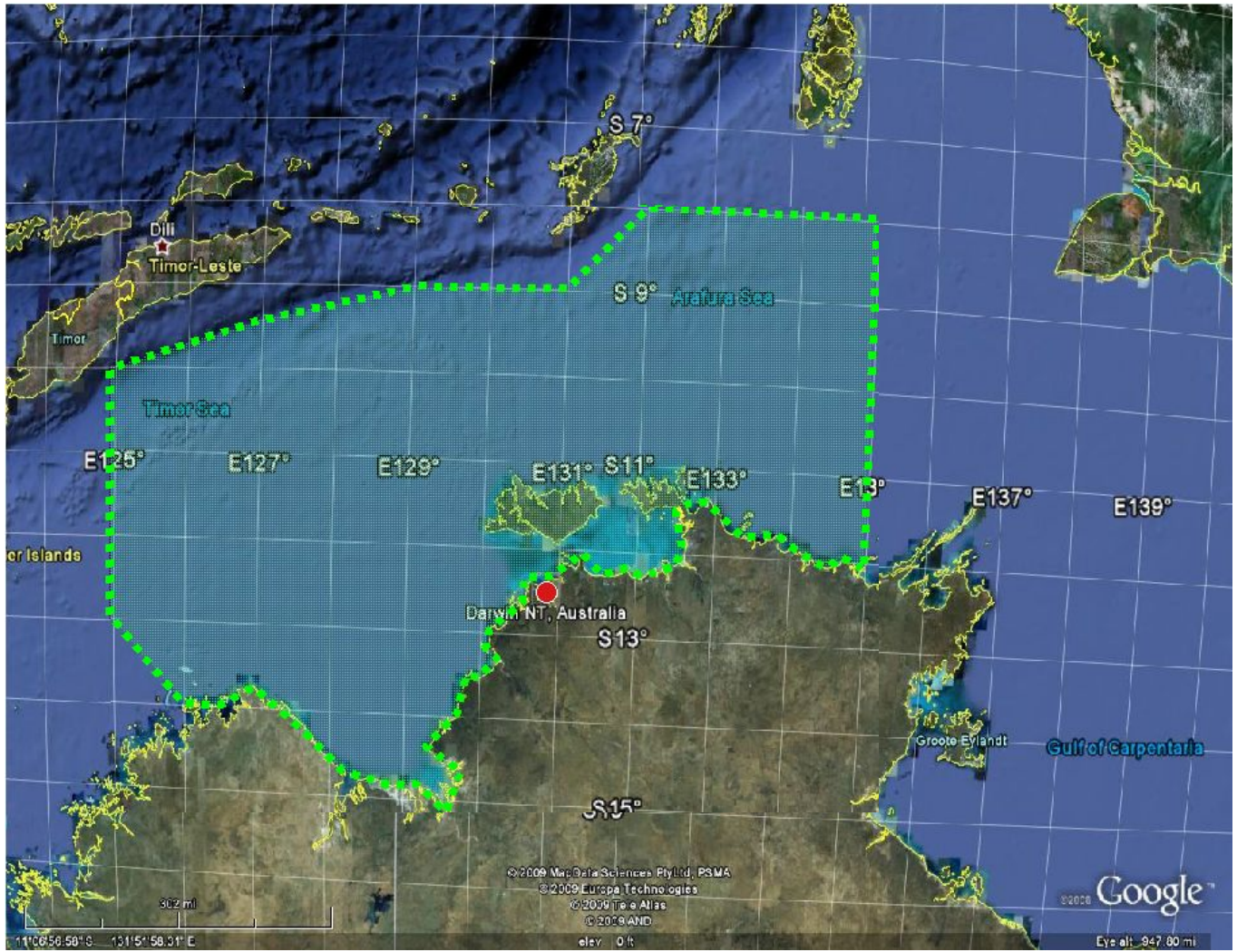
Entry costs from US\$.05/mcf and up
(proven /possible undeveloped)

LNG and Methanol technologies usable

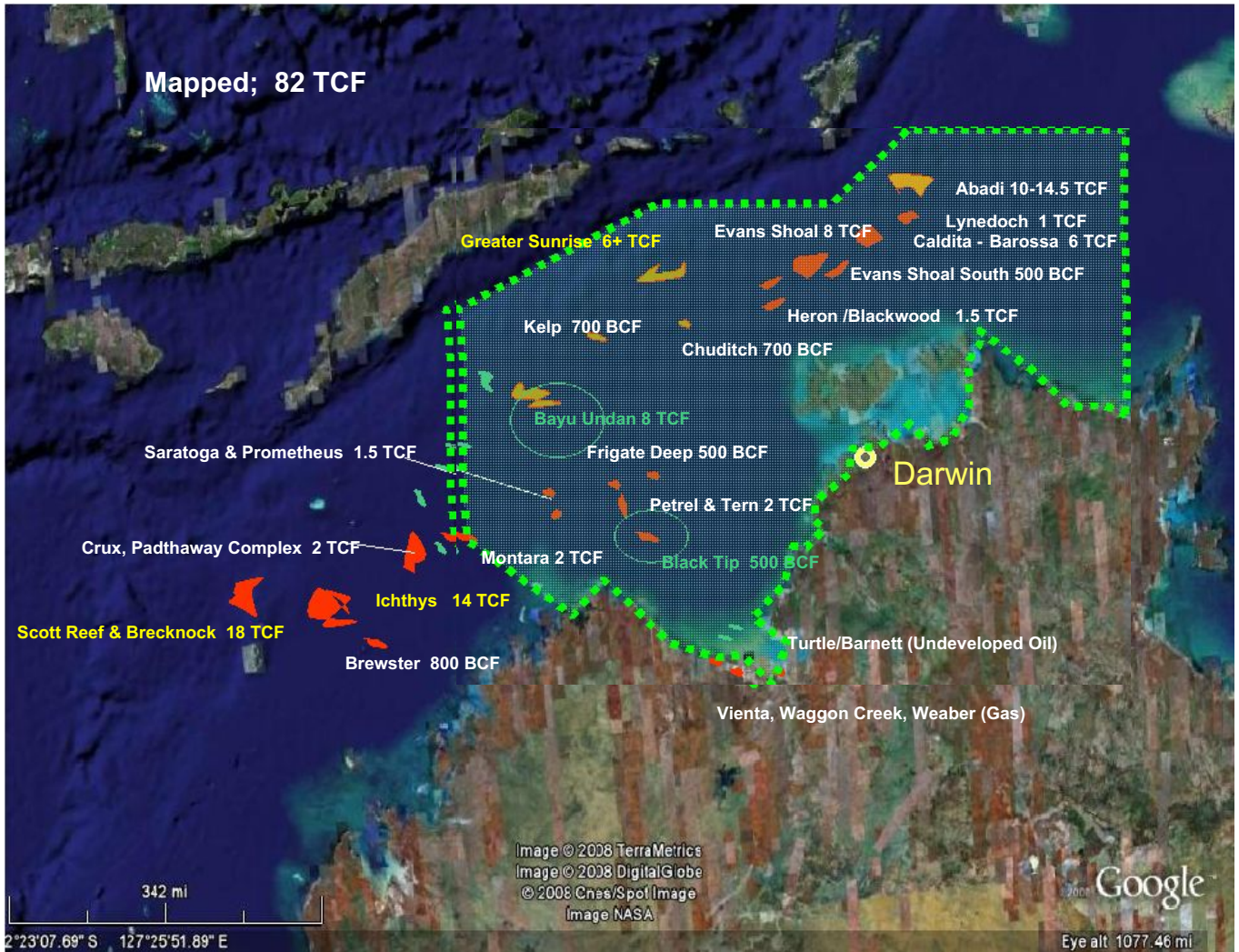
Image NASA
Image © 2008 TerraMetrics
Image © 2008 DigitalGlobe

3°43'53.34" N 126°17'11.96" E

Eye alt 5725.38 mi



Mapped; 82 TCF





Pulling it all together

Business Potential

- **Opportunities & Value**

- ◆ **Expense Reduction & Restructuring effort**

- **Existing fields**
- **Significant impact**
- **Consolidation may require additional capital**

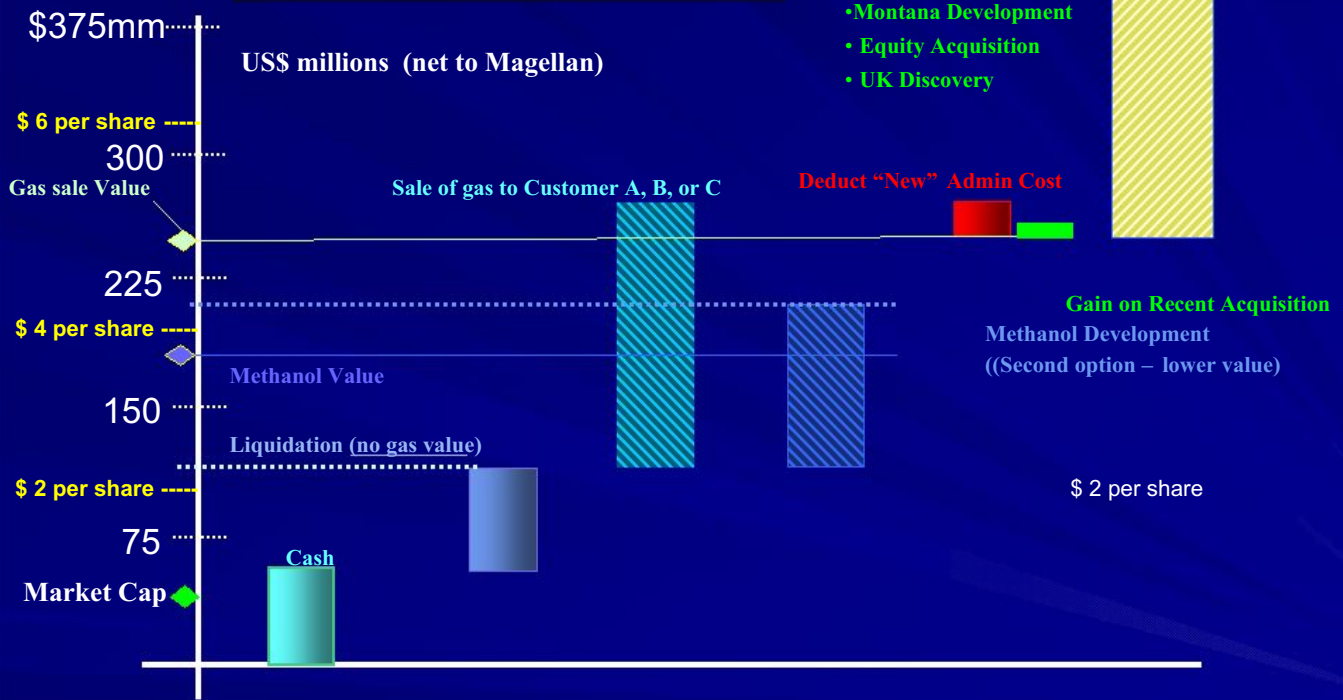
- ◆ **New Ventures**

- **Entry into material, proven but undeveloped fields offshore North Australia**
- **Development of new reserves in currently owned oil field**
- **Position in the Pacific Methanol growth trade**

- ◆ **Equity Valuations**

- **Value with further investment(s) in undercapitalized small cap entities**
- **Small-cap valuations at below \$3/boe**
- **Share –based acquisition(s)**
- **In North America and Australia**

Cash Position and Valuation



Note : Each module represents results of Excel economic evaluation

Magellan Petroleum
7 Custom House Street, Level 3
Portland, Maine 04101



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**COMPENSATION, NOMINATING AND GOVERNANCE
COMMITTEE CHARTER**

This Charter of the Compensation, Nominating and Governance Committee (the "Committee") was originally adopted by the Board of Directors (the "Board") of Magellan Petroleum Corporation (the "Company") on May 27, 2009, and amended and restated on December 9, 2009.

This Charter is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Certificate of Incorporation and Bylaws, it is not intended to establish by its own force any legally binding obligations.

I. Purposes

The Committee shall serve the following purposes:

Compensation Matters – (i) assisting the Board in oversight of the Company's executive compensation policies and practices, including (A) determining and recommending to the Board for its approval the compensation of the Company's Chief Executive Officer ("CEO") and the Company's other executive officers, (B) reviewing and recommending to the Board for its approval management incentive compensation policies and programs, and exercising discretion in the administration of such programs, and (C) reviewing and recommending to the Board for its approval equity compensation programs for directors, officers, employees and consultants, and exercising discretion in the administration of such programs; and (ii) annually preparing the report of the Committee required by the rules of the U.S. Securities and Exchange Commission ("SEC").

Governance and Nominating Matters – (i) identifying, screening and reviewing individuals qualified to serve as directors and recommending to the Board candidates for nomination for election at the annual meeting of shareholders or to fill Board vacancies; (ii) overseeing the Company's policies and procedures for the receipt of shareholder suggestions regarding Board composition and recommendations of candidates or nominations by the Board; and (iii) reviewing on a regular basis the overall corporate governance of the Company and recommending improvements when necessary.

In serving its purposes, the Committee is empowered to: (i) inquire into any matter it considers appropriate to carry out its responsibilities, with access to all books, records, facilities and personnel of the Company; and (ii) retain outside consultants or other

advisors to assist it in carrying out its activities. The Company shall provide adequate resources to support the Committee's activities, including compensation of the Committee's consultants and other advisors. The Committee shall have the authority to retain, compensate, direct, oversee and terminate outside consultants or other advisors hired to assist the Committee, who shall be accountable ultimately to the Committee. The Committee shall have any additional powers and authorities vested in it by stock options, restricted stock, incentive and other compensation plans of the Company, including the Company's 1998 Stock Incentive Plan.

II. Committee Membership

The Committee shall consist of three or more members of the Board, each of whom the Board shall determine to be "independent" in accordance with applicable rules of the Nasdaq Stock Market, Inc. ("Nasdaq"). In addition, no director may serve unless he or she (i) is a "Non-Employee Director" for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and (ii) satisfies the requirements of an "outside director" for purposes of Section 162(m) of the Internal Revenue Code.

Committee members shall continue to be members as long as they remain directors and until their successors as committee members are elected and qualified or until their earlier death, incapacity, resignation or removal. Any member of the Committee may be removed by the Board, with or without cause, at any time. The Chairman shall be appointed from among the Committee members by, and serve at the pleasure of, the Board. The Chairman shall preside at meetings of the Committee and shall have authority to convene meetings, set meeting agendas and determine the Committee's information needs, except as otherwise provided by action of the Committee. In the absence of the Chairman at a duly convened meeting, the Committee shall select a temporary substitute from among its members to serve as chair of the meeting.

III. Committee Meetings and Organization

The Committee shall meet on a regularly-scheduled basis at least annually, or more frequently as circumstances dictate, establish its own schedule of meetings and rules of procedure and maintain minutes or other records of Committee meetings and activities. To the extent practicable, the meeting agenda, draft minutes from the prior meeting and supporting materials shall be provided to members of the Committee prior to each meeting to allow time for review. The Committee shall meet at least annually with the CEO and any other corporate officers the Board and Committee deem appropriate to discuss and review the performance criteria and compensation levels of key executives.

The operations of the Committee shall be subject to the provisions of the Company's Certificate of Incorporation and Bylaws, as each shall be in effect from time to time. The Committee is authorized and empowered to adopt its own rules of procedure not inconsistent with (a) any provision of this Charter; (b) any provision of the Certificate of Incorporation or Bylaws or (c) the laws of the state of Delaware or any other applicable law. The Committee shall keep minutes of each meeting, which shall be approved by the Committee members and shall be given to the corporate Secretary for filing with the corporate records. The Committee shall also submit the minutes of all meetings of the Committee to, or discuss the matters discussed at each Committee meeting with, the full Board. The Chairman shall report to the Board from time to time and as requested by the Board.

IV. Key Responsibilities

The following responsibilities are set forth as a guide for fulfilling the Committee's purposes, with the understanding that the Committee's activities may diverge as appropriate given the circumstances. The Committee is authorized to carry out these activities and other actions reasonably related to the Committee's purposes or assigned by the Board from time to time.

To fulfill the purposes set forth in Section I above, the Committee shall have the following responsibilities:

Compensation Matters

1. recommend to the Board for its approval the objectives of the Company's management compensation programs and its basic compensation policies;
2. review and recommend to the Board for its approval corporate goals and objectives relevant to the compensation of the Company's executive officers, including annual and long-term performance goals and objectives;
3. review and recommend to the Board for its approval any employment agreements, severance arrangements, retirement arrangements, change in control agreements and provisions, and any special or supplemental benefits with respect to any executive officer or other member of senior management;
4. evaluate at least annually the performance of the Company's executive officers against corporate goals and objectives identified by the Board and such other factors as the Committee deems relevant, and, based on this evaluation, determine and recommend to the Board for its approval the compensation (including any awards under any equity-based compensation or non-equity-based incentive compensation plan of the Company and any material perquisites) for the executive officers based on this evaluation;
5. determine and recommend to the Board for its approval the compensation level (including any incentive awards under any equity-based compensation or non-equity-based incentive compensation plan of the Company and any material perquisites) for members of senior management of the Company (other than executive officers) as the Committee or the Board may from time to time determine to be appropriate;
6. review on a periodic basis the Company's management compensation programs, including any management incentive compensation plans as well as plans and policies pertaining to perquisites, to determine whether they are appropriate, properly coordinated and achieve their intended purposes, and recommend to the Board for its approval any appropriate modifications or new plans, programs or policies;
7. review, approve and recommend to the Board for its approval the adoption of any equity-based compensation plan for employees of or consultants to the Company and any modifications of any such plan; administer such plans (including the 1998 Stock Incentive Plan) as provided by the terms thereof, including authorizing all awards made pursuant to such plans, and monitor compliance by management with such rules, policies and guidelines for the issuance of awards pursuant to such plans as the Committee or the Board may establish;
8. review, approve and recommend to the Board for its approval the adoption of any non-equity-based incentive compensation plan for employees of or consultants to the Company and any modification of any such plan and review at least annually the awards made pursuant to such plans;

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9. review, approve and recommend to the Board for its approval the adoption of any employee retirement plan, and any other material employee benefit plan, and any material modifications of any such plans;
 10. review and discuss with management the Company's Compensation Discussion and Analysis disclosure required by SEC regulations and determine whether to recommend to the Board that it be included in the Company's Annual Report on Form 10-K and proxy statement on Schedule 14A or information statement on Schedule 14C, as applicable;
 11. prepare the report of the Committee required to be included in the Company's Annual Report on Form 10-K and proxy statement on Schedule 14A or information statement on Schedule 14C, as applicable, in accordance with applicable SEC rules and regulations;
 12. review the form and amount of director compensation at least annually, and make recommendations thereon to the Board for its approval;
 13. monitor compliance of directors and executive officers with the Company's program of required stock ownership;

Corporate Governance and Nominating Committee Matters

1. develop and recommend to the Board the criteria for membership on the Board and identify, screen and review individuals qualified to serve as directors, based on such membership criteria.
Candidates shall be evaluated for, among other things, the following criteria: their integrity, independence under Nasdaq listing standards, diversity of experience, including service as a director or executive with other entities engaged in the oil and gas business, leadership skills and the ability to exercise sound judgment. The Committee will also consider, for incumbent directors, their Board and committee meeting attendance and performance and length of Board service;
2. conduct the appropriate and necessary inquiries into the backgrounds and qualifications of possible candidates;
3. establish policies and procedures relating to consideration of Board nominee candidates recommended by shareholders and review candidates recommended by shareholders;
4. recommend to the Board candidates for: (i) nomination for election or re-election by the shareholders; and (ii) any Board vacancies that are to be filled by the Board subject to any rights regarding the selection of directors by the holders, if any, of shares of the Company's capital stock and any other contractual or other commitments of the Company;
5. review annually with the Board the composition of the Board as a whole, including whether the Board reflects the appropriate balance of independence, sound judgment, business specialization, technical skills, diversity and other desired qualities;
6. review and recommend to the Board adoption of governance policies and principles for the Company, periodically review such governance policies and procedures, and submit any recommended changes for approval by the Board;

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7. consider questions of possible conflicts of interest of Board members and of our senior executives;
 8. review annually the relationships between directors, the Company and members of management and recommend to the Board whether each director qualifies as “independent” under all applicable SEC, Nasdaq and other independence rules;
 9. monitor and recommend the functions of the various committees of the Board, make recommendations on the structure and organization of Board meetings and recommend members of the Board for service on the standing committees of the Board;
 10. design, with input from management, an appropriate orientation program for new directors and identify appropriate director development and continuing education opportunities;
 11. Review and make recommendations to the Board regarding shareholder proposals for the Company’s proxy materials or for consideration by shareholders at annual or special shareholder meetings;
 12. coordinate and oversee the annual self-evaluation of the role and performance of the Board, its committees, members and management in the governance of the Company; and
 13. review on a periodic basis, and as necessary when specific issues arise, relations with the Company’s shareholders and advise the Board on policies to further effective communications with such shareholders, which may include meetings between directors and significant shareholders from time to time and other communication opportunities.

General

1. conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
2. review and reassess the adequacy of this Charter annually, and recommend to the Board amendments as the Committee deems appropriate; and
3. report regularly to the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board requests.