

## **Nominating Committee Charter**

Natural Gas Services Group, Inc. (NGS)

### **Board Structure**

The majority of the members of the Board must be independent directors. See **Exhibit A** for a definition of independence. The definition of independence will be reviewed periodically by the Nominating Committee. The Board should not exceed 9 members. Employee directors shall retire from the Board at the time they retire as employees, unless the Board wants that person to continue serving as a director.

1. **Annual Election of Directors;** As provided in NGS's by-laws, Directors are elected on a staggered basis for 3 year terms. The stagger will result in 3 classes of Directors. The classes will have near equal number of members and equal 3-year terms.
2. **Board Membership Criteria;** All candidates for outside Board positions must be independent. Candidates nominated for election or reelection to the Board of Directors should possess the following qualifications:
  - Personal characteristics:
    - a) highest personal and professional ethics, integrity and values;
    - b) an inquiring and independent mind; and
    - c) practical wisdom and mature judgment.
    - d) broad training and experience in business.
  - Expertise that is useful to NGS and complementary to the background and experience of other Board members.
  - Willingness to devote the required amount of time to carrying out the duties and responsibilities of Board membership.
  - Commitment to serve on the Board for several years to develop knowledge about NGS principal operations.
  - Willingness to represent the best interests of all stockholders and objectively appraise management performance.
  - Involved in activities and interests that do not create a conflict with the Director's responsibilities to NGS and its stockholders.
3. **Process for the Selection of New Directors.** The Board is responsible for filling vacancies on the Board that may occur between annual meetings of stockholders. By resolution passed at the Dec. 20<sup>th</sup>, 2005 BOD meeting the Board delegated to the Nominating Committee the duty of selecting and recommending prospective nominees to the Board for approval. The Nominating Committee considers suggestions of candidates for Board membership made by current Committee and Board members, NGS management, and stockholders. A stockholder who wishes to recommend a prospective candidate should notify NGS' Corporate Secretary, as described in our proxy statement. The Nominating Committee also considers whether to nominate persons put forward by stockholders pursuant to NGS' by-laws relating to stockholder nominations. The Committee determines whether it will carry out a full evaluation of the candidate. This

determination is based on the information provided to the Committee by the person recommending the prospective candidate. The Committee then evaluates the candidate and determines whether to interview the candidate. The Committee will carry out such an interview. Once the evaluation and interview are completed, the Committee nominates the candidate and forwards the nomination to the Board of Directors. The Board appoints, or nominates the candidate(s), as the case may be.

4. **Director Tenure;** The Nominating Committee, in consultation with the CEO, will review each Director's continuation on the Board annually in making its recommendation to the Board concerning his or her nomination for election or reelection as a Director. There are no term limits on Directors' service.
5. **Director Retirement;** It is the policy of the Board that each outside Director shall retire from the Board immediately prior to the annual meeting of stockholders following his or her eightieth birthday. Employee Directors shall retire at the time of their retirement from NGS unless continued service as a Director is approved by the Board.

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