

RANGE RESOURCES CORP  
Form DEF 14A  
April 06, 2010

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934**

(Amendment No.    )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

**Range Resources Corporation**

(Name of registrant as specified in its charter)

(Name of person(s) filing proxy statement, if other than the registrant)

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April 6, 2010

Dear Fellow Stockholders:

On behalf of our Board of Directors, I am pleased to invite you to attend our 2010 annual meeting. The meeting will be held at our offices at 100 Throckmorton Street, Suite 1200, in Fort Worth, Texas on Wednesday, May 19, 2010 at 9:00 a.m. Central Time. The matters to be addressed at the meeting are outlined in the enclosed Notice of Annual Meeting of Stockholders and more fully described in the enclosed Proxy Statement. Our senior officers and representatives of our independent auditor will be present at the meeting to respond to questions. Our 2009 Annual Report is not included with these materials but a copy can be downloaded from our website at [www.rangeresources.com](http://www.rangeresources.com), or you may request that we mail you a copy by calling Karen Giles, our Corporate Communications Manager, at 817-869-4238.

MacKenzie Partners, Inc. has been retained to assist us in the process of obtaining your proxy. If you have any questions regarding the meeting or require assistance in voting your shares, please contact them at 800-322-2885 or call them collect at 212-929-5500. Whether or not you expect to attend the meeting, your vote is important. We urge you to vote your shares online at [www.proxyvote.com](http://www.proxyvote.com) or sign and return the enclosed proxy card at your earliest convenience to ensure that you will be represented. You may revoke your proxy at the meeting and vote your shares in person if you wish. We want to thank you in advance for your prompt response which will reduce our proxy solicitation costs.

Sincerely yours,

John H. Pinkerton

Chairman and CEO

**RANGE RESOURCES CORPORATION**

**100 Throckmorton Street, Suite 1200**

**Fort Worth, Texas 76102**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**To be held May 19, 2010**

To the Stockholders of Range Resources Corporation:

The 2010 Annual Meeting of Stockholders of Range Resources Corporation, a Delaware corporation ( Range or the Company ), will be held at our offices at 100 Throckmorton Street, Suite 1200 in Fort Worth, Texas on Thursday, May 19, 2010 at 9:00 a.m. Central Time. The purposes of the meeting, as more fully described in the attached Proxy Statement, are:

1. To elect the nine nominees named in the attached Proxy Statement to our Board of Directors, each for a term expiring at the 2011 annual meeting or when their successors are duly elected and qualified;
2. To consider and vote on a proposal to amend our Amended and Restated 2005 Equity-Based Compensation Plan to increase the number of shares of our common stock authorized to be issued under that plan by 850,000 shares;
3. To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm as of and for the fiscal year ending December 31, 2010; and
4. To transact other business properly brought before the meeting.

This notice is being sent to holders of our common stock of record at the close of business on March 26, 2010. Each such holder has the right to vote at the meeting or any adjournment or postponement. The list of stockholders entitled to vote at the meeting will be open to the examination of any stockholder for any purpose relevant to the meeting during normal business hours for ten days before the meeting at our Fort Worth offices. The list will also be available during the meeting for inspection by stockholders.

**Whether or not you plan to attend the meeting, please complete, date and sign the enclosed proxy and return it in the envelope provided or you may vote online at [www.proxyvote.com](http://www.proxyvote.com) using the control number printed on the proxy. You may revoke your proxy at any time before its exercise. If you are present at the meeting, you may withdraw your proxy and vote in person.**

BY ORDER OF THE BOARD OF DIRECTORS

David P. Poole

Corporate Secretary

April 6, 2010

Fort Worth, Texas

**RANGE RESOURCES CORPORATION**

**100 Throckmorton Street, Suite 1200**

**Fort Worth, Texas 76102**

**PROXY STATEMENT**

**Annual Meeting of Stockholders**

**May 19, 2010**

**INTRODUCTION**

The enclosed proxy is solicited on behalf of the Board of Directors of Range Resources Corporation, a Delaware corporation, for use at the 2010 Annual Meeting of Stockholders. The meeting will be held Wednesday, May 19, 2010, at 9:00 a.m. Central Time, at our offices at 100 Throckmorton Street, Suite 1200, Fort Worth, Texas 76102. The items to be considered are summarized in the Notice of Annual Meeting of Stockholders and more fully described in this Proxy Statement. This Proxy Statement and the proxy form were first mailed on or about April 6, 2010, to all holders of record of our common stock, \$.01 par value, as of March 26, 2010. Shares of our common stock represented by proxies will be voted as described below or as specified by each stockholder. Any proxy given by a stockholder may be revoked at any time before the voting by delivering a written notice to our Corporate Secretary, by executing and delivering a subsequently dated proxy or by attending the meeting, withdrawing the proxy and voting in person.

The persons named as proxies are David P. Poole and Rodney L. Waller, our Corporate Secretary and Assistant Corporate Secretary, respectively. The cost of preparing and mailing this Proxy Statement and any other related material will be paid by us. We have retained MacKenzie Partners, Inc., 105 Madison Avenue, New York, New York 10016, to assist in the solicitation of proxies. For these services, we will pay MacKenzie Partners a fee of approximately \$6,000 and reimburse it for certain out-of-pocket expenses. In addition to the solicitation of proxies by use of the mail, our directors, officers and employees may solicit proxies personally without additional compensation. We will request brokerage firms and other custodians, nominees and fiduciaries to forward our proxy solicitation material to the beneficial owners of the common stock and will reimburse them for their expenses.

**VOTING PROCEDURES**

**Voting Stock and Record Date**

Only stockholders of record of our common stock at the close of business on March 26, 2010, will be entitled to vote at the meeting. On March 26, 2010, 159,370,738 shares of common stock were outstanding. Each share entitles the holder to one vote on each matter. Stockholders do not have cumulative voting rights.

**Quorum and Adjournments**

The presence, in person or by proxy, of stockholders holding a majority of the votes eligible to be cast is necessary to constitute a quorum at the meeting. If a quorum is not present at the meeting, the holders of a majority of the common stock entitled to vote who are present or represented by proxy at the meeting have the power to adjourn the meeting without notice, other than an announcement at the meeting of the time and place of the adjourned meeting, until a quorum is present. In addition, the chairman of the meeting has the power to adjourn the meeting for any reason without notice, other than an announcement at the meeting of the time and place of the adjourned meeting, provided that a new record date is not set. At any such adjourned meeting at which a quorum is present, any business may be transacted that could have been transacted at the meeting.

### **Votes Required**

Approval of Proposal 1, since it is an uncontested election of directors, will require that more votes for a director must be cast than votes cast against the director in order for the director to be elected. In other words, each candidate for the board must receive an affirmative vote of the majority of our shares of common stock represented at the meeting in person or by proxy which actually cast a vote either for or against each candidate. Prior to 2009, Proposal 1 would have required a plurality of the votes of the holders of our shares of common stock represented at the meeting in person or by proxy and entitled to vote on the proposal; however, on February 12, 2009, our Board of Directors amended our bylaws to provide that in the case of uncontested elections of directors, a director must receive more for votes than against votes for the candidate to be elected. Under our bylaws, in the event a candidate for the board does not receive more for votes than votes against, the candidate's resignation from the Board will be considered by the Governance and Nominating Committee. To be elected in the event of a contested election of directors, a nominee will still be required to receive a plurality of the votes of the holders of shares of our common stock present in person or by proxy and entitled to vote at the meeting. Under our bylaws, as amended, an uncontested election is an election in which the number of nominees for director is not greater than the number to be elected and a contested election is an election in which the number of nominees for director is greater than the number to be elected.

Assuming a quorum is present at the meeting, approval of Proposals 2 and 3 require an affirmative vote of the majority of our shares of common stock represented at the meeting in person or by proxy and entitled to vote on the proposals.

### **Broker Non-Votes and Abstentions**

Brokers who hold shares in street name for customers are required to vote as the beneficial owners instruct. A broker non-vote occurs when a broker lacks discretionary voting power with respect to a proposal and has not received instructions from the beneficial owner (such shares are referred to as uninstructed shares). Brokers are not permitted to vote on non-discretionary items if they have not received instructions from the beneficial owners. Brokers are permitted to indicate a broker non-vote on non-discretionary items absent instructions from the beneficial owner. Abstentions and broker non-votes are treated as shares that are present for purposes of determining whether a quorum is present at the meeting. However, for purposes of determining whether a proposal is approved, abstentions and broker non-votes are tabulated separately. Abstentions will have no effect on the outcome of voting in director elections and will have the effect of votes against any other proposal requiring the affirmative vote of a majority of the shares present and entitled to vote on the proposal. Where a broker holds uninstructed shares concerning a non-discretionary item, these shares are not considered to be entitled to vote and, therefore, are not included in the denominator where the approval standard is a majority of the shares present and entitled to vote. As such, broker non-votes have a neutral effect on such proposals and broker non-votes have no effect on the outcome of the elections of directors.

Proposal 1 and Proposal 2 are considered non-discretionary items under the regulations promulgated by the New York Stock Exchange (the NYSE) and approved by the Securities and Exchange Commission (the SEC) because the proposals involve election of directors and increasing the authorized shares of common stock under our equity based compensation plan, respectively. Proposal 3 is considered a discretionary item, so we do not anticipate that any broker non-votes will be recorded.

### **Stockholders of Record**

If your shares are registered directly in your name with our transfer agent, Computershare Investor Services LLC, you are considered the stockholder of record of those shares, and these proxy materials are being sent directly to you. As the stockholder of record, you have the right to grant your voting proxy directly to us or to vote in person at the meeting.

### **Beneficial Owner**

If your shares are held in a brokerage account or by another nominee, you are considered the beneficial owner of shares held in street name, and these proxy materials are being forwarded to you together with a voting instruction card on behalf of the brokerage firm or custodian. As the beneficial owner, you have the right to instruct your broker, trustee or nominee how to vote and you are also invited to attend the annual meeting.

*Because a beneficial owner is not the stockholder of record, you may not vote these shares in person at the meeting unless you obtain a proxy from the broker, trustee or nominee that holds your shares, giving you the right to vote the shares at the meeting. Your broker, trustee or nominee has enclosed or provided voting instructions for you to use in directing the broker, trustee or nominee how to vote your shares.*

### **Voting in Person**

Shares held in your name as the stockholder of record may be voted in person at the annual meeting. Shares held beneficially in street name may be voted in person only if you obtain a proxy from the broker trustee or nominee that holds your shares giving you the right to vote the shares. Even if you plan to attend the annual meeting, we recommend that you also submit your proxy or voting instructions so that your vote will be counted if you later decide not to attend the meeting.

### **Default Voting**

A proxy that is properly completed and returned will be voted at the meeting in accordance with the instructions on the proxy. If you properly complete and return a proxy but do not indicate any voting instructions, your shares will be voted FOR all proposals listed in the Notice of Annual Meeting of Stockholders and in accordance with the discretion of the holders of the proxy with respect to any other business that may properly come before the meeting or any adjournment or postponement. If we propose to adjourn the meeting, proxy holders will vote all shares for which they have voting authority in favor of adjournment. Our Board of Directors knows of no matters other than those stated in the Notice of Annual Meeting of Stockholders and described in this Proxy Statement to be presented for consideration at the annual meeting.

### **Revocation of Proxy**

A stockholder executing and returning a proxy may revoke it at any time before it is exercised at the annual meeting by giving written notice of the revocation to our Corporate Secretary or by executing and delivering to our Corporate Secretary a later dated proxy. Attendance at the annual meeting will not be effective to revoke your proxy unless written notice of revocation has also been delivered to our Corporate Secretary before the proxy is exercised. If you hold your shares in a brokerage account or by other nominee and deliver voting instructions to the record holder of those shares, you may only revoke the voting of those shares in accordance with your instructions if the record holder revokes the original proxy as directed above and either resubmits a proxy reflecting your voting instructions or delivers to you a legal proxy giving you the right to vote the shares.

### **Voting Results**

We intend to announce preliminary voting results at the annual meeting, if possible, and to publish final results on our website and in a current report on Form 8-K within four business days after the Annual Meeting.

This Proxy Statement is dated April 6, 2010.



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**PROPOSAL 1 ELECTION OF DIRECTORS**
**Nomination and Election of Directors Nominated by the Company**

The current term of office of all our directors expires at the 2010 annual meeting. Based on the recommendation received from the Governance and Nominating Committee, our Board of Directors proposes that each of the nominees listed below, all of whom are currently serving as directors, be re-elected for a new term expiring at the 2011 annual meeting or when their successors are duly elected and qualified. Each of the nominees has agreed to serve if elected. If any one of them becomes unavailable to serve as a director, our Board of Directors may designate a substitute nominee. In that case, the persons named as proxies will vote for the substitute nominee designated by our Board of Directors. Our Board of Directors does not presently contemplate that any of the nominees will become unavailable for election.

**Information Concerning Nominees**

The following table sets forth the names of the nominees proposed by the Board of Directors for election and certain information with regard to each nominee. There is no family relationship between any of our directors and executive officers. In addition, the section following the table provides biographical information regarding each nominee and a summary of the skills and abilities that lead the Governance and Nominating Committee to conclude the nominee should be nominated to serve as a Director of the Company.

Name	Age	Held Office Since	Current Position
Charles L. Blackburn	82	2003	Director
Anthony V. Dub	60	1995	Director
V. Richard Eales	74	2001	Director, Lead Independent Director
Allen Finkelson	63	1994	Director
James M. Funk	60	2008	Director
Jonathan S. Linker	61	2002	Director
Kevin S. McCarthy	50	2005	Director
John H. Pinkerton	56	1988	Director, Chairman of the Board and Chief Executive Officer
Jeffrey L. Ventura	52	2005	Director, President and Chief Operating Officer

*Charles L. Blackburn* was first elected as a director in 2003. Mr. Blackburn has more than 40 years experience in oil and gas exploration and production serving in several executive and board positions. Previously, he served as Chairman and Chief Executive Officer of Maxus Energy Corporation from 1987 until that company's sale to YPF Sociedad Anonima in 1995. Maxus was the oil and gas producer which remained after Diamond Shamrock Corporation's spin-off of its refining and marketing operations. Mr. Blackburn joined Diamond Shamrock in 1986 as President of its exploration and production subsidiary. From 1952 through 1986, Mr. Blackburn was with Shell Oil Company, serving as Director and Executive Vice President for exploration and production for the final ten years of that period. Mr. Blackburn has previously served on the Boards of Anderson Clayton and Co. (1978-1986), King Ranch Corp. (1987-1988), Penrod Drilling Co. (1988-1991), Landmark Graphics Corp. (1992-1996) and Lone Star Technologies, Inc. (1991-2001). Mr. Blackburn received his Bachelor of Science degree in Engineering Physics from the University of Oklahoma. Mr. Blackburn has a wide breadth of experience in the exploration for and production of oil and gas reserves including his experience at Shell as Executive Vice President of Exploration and Production and his experience as the CEO and Chairman of Maxus Energy Corporation, a public oil and gas company. Mr. Blackburn has also served as the Chairman of the Company's Board. Mr. Blackburn's strong technical expertise as well as significant experience managing oil and gas companies and his service and performance as the Company's Chairman formed the basis for the Governance and Nominating Committee's conclusion that he should be nominated as a director.

*Anthony V. Dub* became a director in 1995. Mr. Dub is Chairman of Indigo Capital, LLC, a financial advisory firm based in New York. Before forming Indigo Capital in 1997, he served as an officer of Credit Suisse First Boston (CSFB). Mr. Dub joined CSFB in 1971 and was named a Managing Director in 1981. Mr. Dub led a number of departments during his 26 year career at CSFB including the Investment Banking Department. After leaving CSFB, Mr. Dub became Vice Chairman and a director of Capital IQ, Inc. until its sale to Standard & Poor's in 2004. Capital IQ is a leader in helping organizations capitalize on synergistic integration of market intelligence, institutional knowledge and relationships. Mr. Dub received a Bachelor of Arts, *magna cum laude*, from Princeton University. Mr. Dub has significant experience and expertise in the financial area and serves as the Chair of the Company's Audit Committee. Mr. Dub gained considerable financial expertise from his many years of service as an investment banker, having lead the Asset Finance, Mortgage Finance, Capital Markets and Investment Banking practices at CSFB at various points in his career. Such experience evaluating financial risks as well as his performance as Chair of the Company's Audit Committee are significant factors in the Governance and Nominating Committee's conclusion that he should be nominated as a director.

*V. Richard Eales* became a director in 2001 and was selected as Lead Independent Director in 2008. Mr. Eales has over 35 years of experience in the energy, technology and financial industries. He is currently retired, having been a financial consultant serving energy and information technology businesses from 1999 through 2002. Mr. Eales was employed by Union Pacific Resources Group Inc. from 1991 to 1999 serving as Executive Vice President from 1995 through 1999. Before 1991, Mr. Eales served in various financial capacities with Butcher & Singer and Janney Montgomery Scott, investment banking firms, as CFO of Novell, Inc., a technology company, and in the treasury department of Mobil Oil Corporation. Mr. Eales received his Bachelor of Chemical Engineering degree from Cornell University and his Master's degree in Business Administration from Stanford University. Mr. Eales serves on the Company's Audit Committee as the Audit Committee Financial expert. Mr. Eales' background includes a significant amount of experience with NYSE listed issuers and, as a result of his service as the CFO of two public companies, including an oil and gas company, he has significant experience with SEC filings required of public companies. Mr. Eales is also experienced in corporate governance matters and has been elected by the Board of Directors to serve as the Company's Lead Independent Director the past two years. Mr. Eales is a resident of Pennsylvania and has a long history of leadership with The Nature Conservancy. This experience and expertise in both public company financial reporting and corporate governance, his performance as Audit Committee financial expert and Lead Independent Director, as well as Mr. Eales' familiarity with the regulatory, political and environmental arenas in Pennsylvania, where much of the Company's exploration is currently occurring, lead the Governance and Nominating Committee to conclude that he should be nominated as a director.

*Allen Finkelson* became a director in 1994. Mr. Finkelson has been a partner at Cravath, Swaine & Moore LLP since 1977, with the exception of the period 1983 through 1985, when he was a managing director of Lehman Brothers Kuhn Loeb Incorporated. Mr. Finkelson joined Cravath, Swaine & Moore, LLP in 1971. Mr. Finkelson earned a Bachelor of Arts from St. Lawrence University and a J.D. from Columbia University School of Law. Mr. Finkelson's experience in mergers and acquisitions and corporate law brings a unique perspective to the Company's Board. Mr. Finkelson has practiced law at one of the leading law firms in the country, where he has been a partner with over 30 years of experience and significant experience with a wide range of public company transactions and other corporate issues as well as knowledge of corporate best practices as a result of his practice as a lawyer in a number of areas, including public company executive compensation and corporate governance. As a result of these skills and abilities, the Governance and Nominating Committee determined to nominate him for election to the Board.

*James M. Funk* became a director in December 2008. Mr. Funk has over 30 years of experience in the energy industry. Mr. Funk served as Sr. Vice President of Equitable Resources and President of Equitable Production Co. from June 2000 until January 2003 and has been an independent consultant and oil and gas producer since that time. Previously, Mr. Funk was employed by Shell Oil Company for 23 years in senior management and technical positions. Mr. Funk has previously served on the boards of Westport Resources (2000 to 2004) and Matador Resources Company (2003 to 2008). Mr. Funk currently serves as a Director of Superior

Energy Services, Inc., a public oil field services company headquartered in New Orleans, Louisiana and Canadian Superior Energy, Inc. Mr. Funk received an A.B. degree in Geology from Wittenberg University, a M.S. in Geology from the University of Connecticut, and a PhD in Geology from the University of Kansas. Mr. Funk is a Certified Petroleum Geologist. Mr. Funk is the newest member of the Company's Board and was selected to serve as a Director based on his strong technical experience in geology as well as his knowledge of the Appalachian basin where much of the Company's current exploration is being conducted. He has significant technical expertise in unconventional oil and gas resources and knowledge of oil and gas exploration and development generally as well as reserves determination and reporting in particular as a result of his service at Shell and Equitable Production, one of the leading companies in the Appalachian basin, where he served as President. Mr. Funk has knowledge from his service with Equitable regarding the economic environment in which the Company operates, particularly in Pennsylvania and he has a strong background in compensation policies and practices of oil and gas companies including establishing energy industry specific performance based compensation metrics. All of these skills and attributes were considered by the Board in originally selecting Mr. Funk to join the Board in December 2008 and led the Governance and Nominating Committee to nominate him for election to the Board.

*Jonathan S. Linker* became a director in 2002. Mr. Linker previously served as a director of Range from 1998 to 2000. He has been active in the energy industry for over 37 years. Mr. Linker joined First Reserve Corporation in 1988 and was a Managing Director of the firm from 1996 through 2001. Mr. Linker is currently Manager of Houston Energy Advisors LLC, an investment advisor providing management and investment services to two private equity funds. Mr. Linker has been President and a director of IDC Energy Corporation since 1987, a director and officer of Sunset Production Corporation since 1991 serving currently as Chairman, and Manager of Shelby Resources Inc., all privately-owned exploration and production companies. Mr. Linker received a Bachelor of Arts in Geology from Amherst College, a Masters in Geology from Harvard University and an MBA from Harvard Graduate School of Business Administration. Mr. Linker has extensive experience and expertise as an energy investor and his background and experience as an advisor to and participant in acquisition of oil and gas properties, growth and development of oil and gas companies and major transactions involving oil and gas companies as well as his knowledge of the oil and gas commodity markets in particular along with his experience in corporate governance, having served as a director on a number of public company boards, along with his service and performance as Chair of the Company's Governance and Nominating Committee led the Governance and Nominating Committee to nominate Mr. Linker for election to a position on the Board.

*Kevin S. McCarthy* became a director in 2005. Mr. McCarthy is Chairman, Chief Executive Officer and President of Kayne Anderson MLP Investment Company, Kayne Anderson Energy Total Return Fund, Inc. and Kayne Anderson Energy Development Company, which are each NYSE listed closed-end investment companies. Mr. McCarthy joined Kayne Anderson Capital Advisors as a Senior Managing Director in 2004 from UBS Securities LLC where he was global head of energy investment banking. In this role, he had senior responsibility for all of UBS energy investment banking activities, including direct responsibilities for securities underwriting and mergers and acquisitions in the energy industry. From 1995 to 2000, Mr. McCarthy led the energy investment banking activities of Dean Witter Reynolds and then PaineWebber Incorporated. He began his investment banking career in 1984. He is also on the board of directors of Clearwater Natural Resources, L.P., Pro Petro Services, Inc. and Direct Fuel Partners, L.P., three private energy companies. He earned a Bachelor of Arts in Economics and Geology from Amherst College and an MBA in Finance from the University of Pennsylvania's Wharton School. Mr. McCarthy's background and experience in the exploration and production business as a result of having served with UBS Securities LLC where he was global head of energy investment banking, his knowledge of the oil and gas commodity markets, his knowledge of compensation practices and risk management in oil and gas companies from his experience both as an investment banker and his management experience at Kayne Anderson where he serves as Chairman and Chief Executive Officer of four closed end investment funds with an energy focus along with his service and performance as Chair of the Company's Compensation Committee was viewed by the Governance and Nominating Committee to be of importance to the success of the Company and the basis for the nomination of Mr. McCarthy as a director.

*John H. Pinkerton*, Chairman and Chief Executive Officer and a director, became a director in 1988 and was elected Chairman of the Board of Directors in 2008. He joined Range as President in 1990 and was appointed Chief Executive Officer in 1992. Previously, Mr. Pinkerton was Senior Vice President of Snyder Oil Corporation. Before joining Snyder in 1980, Mr. Pinkerton was with Arthur Andersen. Mr. Pinkerton received his Bachelor of Arts in Business Administration from Texas Christian University and a Master's degree from the University of Texas at Arlington. Mr. Pinkerton has been in the energy industry almost his entire professional career and founded and has guided the growth of the Company for the last 30 years. Mr. Pinkerton has significant experience in the acquisition and divestiture of oil and gas properties, oil and gas hedging, risk analysis and evaluation and corporate finance and he serves in an important role of representing the Company in the industry and with state and national policymakers. The Governance and Nominating Committee, in addition to valuing the business expertise possessed by Mr. Pinkerton as a director, believes that having his perspective as the Chief Executive Officer of the Company represented among the members of the Board enhances the Board's focus on and contribution to the growth and development of the Company and is in the best interest of the Company's stockholders. Accordingly, the committee determined to nominate him for election to the Board.

*Jeffrey L. Ventura*, President and Chief Operating Officer and a director, joined Range in 2003 and became a director in 2005. Previously, Mr. Ventura served as President and Chief Operating Officer of Matador Petroleum Corporation which he joined in 1997. Before 1997, Mr. Ventura spent eight years at Maxus Energy Corporation where he managed various engineering, exploration and development operations and was responsible for coordination of engineering technology. Previously, Mr. Ventura was with Tenneco Inc., where he held various engineering and operating positions. Mr. Ventura holds a Bachelor of Science degree in Petroleum and Natural Gas Engineering from the Pennsylvania State University. Mr. Ventura is a highly experienced oil and gas business executive who has a very deep technical understanding of the development of oil and gas reserves, particularly oil and gas reserves from unconventional resources with a focus on management of finding and development costs. Additionally, Mr. Ventura has deep experience in the evaluation and reporting of oil and gas reserves, evaluation of acquisition opportunities, analysis of producing properties considered for divestiture and management and development of technical human resources. The Governance and Nominating Committee considers having the benefit of the technical management perspective provided to the Board from Mr. Ventura as a director highly desirable and beneficial to the long term growth and development of the Company since its exploration and development strategies, especially in the Marcellus Shale play, are important to stockholder value and therefore, the committee nominated Mr. Ventura as a candidate for director of the Company.

#### **Required Vote and Recommendation**

Since it is an uncontested election of directors, each nominee must receive more votes for the nominee than votes cast against the nominee in order for the nominee to be elected to the Board of Directors. Under our bylaws, in the event a candidate for the board does not receive more for votes than votes against, the candidate's resignation from the Board will be considered by the Governance and Nominating Committee. **A properly executed proxy marked Withhold authority with respect to the election of one or more of our directors will not be voted with respect to the director or directors indicated, although it will be counted for purposes of determining whether a quorum is present. Uninstructed shares are not entitled to vote on this proposal; therefore broker non-votes will not affect the outcome of this proposal. Please see the discussion above under the captions Votes Required and Broker Non-Votes and Abstentions for further details on voting procedures related to the election of directors in an uncontested election.**

**For the reasons described at the end of each biographical summary regarding each candidate which discussed the skills, qualifications and attributes that lead the Governance and Nominating Committee to recommend such persons for election to the Board, the Board of Directors recommends a vote FOR the election of each of the nominees.**

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**PROPOSAL 2 APPROVAL OF FIRST AMENDMENT**

**TO OUR AMENDED AND RESTATED 2005 EQUITY-BASED COMPENSATION PLAN**

**Proposed Amendment**

Subject to stockholder approval, our Board of Directors has approved an amendment to Section 4 of our Amended and Restated 2005 Equity-Based Compensation Plan dated June 4, 2009 (the Amended and Restated 2005 Plan ) to increase the number of shares of our common stock authorized to be issued under our Amended and Restated 2005 Plan by 850,000 shares. A complete copy of the proposed First Amendment to the Amended and Restated 2005 Plan is attached as Exhibit A. A summary description of the material features of our Amended and Restated 2005 Plan is provided below. The statements made in this Proxy Statement regarding the First Amendment to our Amended and Restated 2005 Plan should be read in conjunction with and are qualified in their entirety by reference to Exhibit A and the Amended and Restated 2005 Plan, a copy of which is available as Exhibit 10.1 to the Form 8-K filed with the SEC on June 4, 2009 and which is available through our website at [www.rangeresources.com](http://www.rangeresources.com) and is available in printed form upon request by any stockholder.

**Description of the Proposed Amendment**

Our Board of Directors has determined that, to give our Company the ability to attract and retain the executive and key employee talent necessary for our continued growth and success, the number of shares of our common stock available for issuance under our Amended and Restated 2005 Plan should be increased by 850,000 and is proposing an amendment to effect such an increase.

**Reason for the Proposed Amendment**

If the proposed amendment is approved, 850,000 additional Plan Shares (as defined in the discussion below under the caption Securities to be Offered ) will be immediately available for future awards under our Amended and Restated 2005 Plan. As of March 26, 2010, 3,082,136 shares are available for awards under our Amended and Restated 2005 Plan. As part of the approval of our Amended and Restated 2005 Plan by our stockholders in 2005, we agreed to suspend any further grants under our 1999 Stock Option Plan (the 1999 Plan ) and transfer the authorized but unissued shares in the 1999 Plan to our Amended and Restated 2005 Plan. Therefore, our Amended and Restated 2005 Plan provides that any shares related to options currently outstanding under the 1999 Plan which lapse or are forfeited will become available for issuance under our Amended and Restated 2005 Plan. If the proposed amendment is approved, the maximum number of Plan Shares (assuming none of the shares underlying options currently outstanding under the 1999 Plan lapse or are forfeited) will increase from 3,082,136 to 3,932,136 shares. On March 26, 2010, the closing price of our common stock on the NYSE was \$45.67. As of March 26, 2010, the 1999 Plan had stock option awards outstanding of 739,166 which were fully exercisable. The average exercise price of the outstanding stock option awards was \$3.55 per share, ranging from \$1.29 to \$15.52 per share. The additional 850,000 shares approved under the First Amendment will be added to the existing 4,825,000 authorized 162(m) Covered Shares (as defined in the discussion below under the caption Securities to be Offered ) approved by stockholders specifically for our Amended and Restated 2005 Plan. While our Board of Directors is cognizant of the potential dilutive effect of compensatory stock awards, it also recognizes the significant employee retention, motivational and performance benefits that are achieved from making such awards. In determining the number of additional Plan Shares that should be authorized, our Compensation Committee examined the potential dilutive effect of the additional Plan Shares.

Historically, all of our full-time employees have been granted equity awards. Our Board of Directors believes that equity-based incentives align the interests of our management, employees and stockholders and equity grants are an important element in attracting and retaining our employees. Given the intense competition for talented individuals in our industry, especially for companies with significant unconventional resource holdings and experience, our ability to offer competitive compensation packages, including those with equity-based incentives, is particularly important. It is our practice to grant options to new professionals and

executives as they are hired and to all full-time employees of the Company and its wholly owned subsidiaries (other than the employees of Oil & Gas Title Abstracting, LLC who are subject to separate compensation policies which do not include equity awards under the Amended and Restated 2005 Plan<sup>1</sup>) when the annual performance-based compensation review is completed, generally in February of each year. During 2005, 2006, 2007, 2008, 2009 and, so far during 2010, our Compensation Committee has approved the issuance of 3,057,937, 1,586,160, 1,636,543, 1,129,636, 1,665,578 and 851,858 stock options and/or stock appreciation rights ( SARs ), respectively, under our 1999 or Amended and Restated 2005 Plans. Our Compensation Committee specifically approves all equity awards to our employees.

Our Compensation Committee has considered the potential dilutive effect of equity awards by awarding SARs rather than stock options and for long-term executive compensation has awarded a combination of restricted common stock and SARs. To reduce potential dilution, our Board of Directors authorized the adoption of our Amended and Restated 2005 Plan which was approved by stockholders in May 2005. Our Amended and Restated 2005 Plan provides for the use of stock-settled SARs which our Compensation Committee has exclusively used for all awards after approval of the Amended and Restated 2005 Plan. Stock-settled SARs have a less attractive income tax effect for our employees as compared to Incentive Stock Options but are significantly less dilutive. Stock-settled SARs are less dilutive because the number of shares issued is based solely upon the appreciation over the grant price on the date of exercise of the SAR. With stock options, the full number of shares subject to grant under the option may be issued. Our Compensation Committee has further reduced the dilutive effect of SARs grants by providing for withholding of shares of our common stock to pay the payroll and income taxes associated with the SARs exercise and issuing to the participant only the number of shares of our common stock equal in value to the net appreciation over the grant price after deducting such taxes.

When SARs are granted, the full number of shares of the grant must be reserved even though when exercised the number of shares actually issued will, using reasonable assumptions as to future fair market values, be less than the number of the SARs reserved. Since the SARs have a five year term, the exercise and release of unissued reserved shares back to our Amended and Restated 2005 Plan could take up to five years after the initial grant. Given the circumstances, our Compensation Committee believes that we should request a reasonable amount of shares to be authorized each year so that our Compensation Committee can have the flexibility of granting equity awards until such time as a significant number of unissued reserved shares from SARs exercises are returned to our Amended and Restated 2005 Plan for use. As a result of use of SARs, the calculation of the burn rate will also be inflated since the maximum number of the SAR grants are counted just like a stock option that would be fully issued upon exercise. Until sufficient time has elapsed for the vesting and exercising of SARs to occur, the netting effect of unissued but reserved shares for SAR awards against each year's SAR grants will not occur, and the expected burn rate will be inflated as compared to the actual burn rate. Only when SARs are vested and are finally exercised will the reserved shares be released for future grants. SARs granted in 2005, the first year the Company replaced options with SARs, begin to expire in 2010.

To reduce the number of SARs granted, beginning in February 2006 our Compensation Committee granted a combination of stock-settled SARs and restricted stock awards to all employees whose salaries were over a certain amount (\$125,000 in 2009). Both the restricted stock awards and SARs vest over a three-year period. The Compensation Committee issued one-half the value of the awards in SARs and one-half of the awards in restricted stock based upon the fair market value of the common stock on the date of grant and the corresponding Black-Scholes-Merton model value of the SAR. Each employee was granted the option to take the value of the restricted common stock in cash or common stock. The restricted stock awards or the cash equivalent were placed in the participant's account in our deferred compensation plan. Since the employees were given the option to take common stock or the cash equivalent, the grant of stock deferred under our deferred compensation plan does not constitute an equity compensation plan for purposes of the NYSE stockholder approval rules.

<sup>1</sup> To the extent this Proxy Statement, including the Compensation Discussion and Analysis below, includes references to the Company and its subsidiaries, the references to its subsidiaries mean and include only the Company's wholly owned subsidiaries other than Oil & Gas Title Abstracting, LLC.

To further reduce dilution, our Board of Directors has authorized us to repurchase, from time to time, our common stock in the market, to satisfy the stock awards when distributed to participants pursuant to the deferred compensation plan or to fund the initial award. During 2005, we repurchased 200,550 shares of our common stock which were reissued in 2005 and 2006 for stock awards placed in the deferred compensation plan. In 2007, we repurchased 155,500 shares of our common stock which were used for equity awards in February 2008. In 2008, we repurchased 78,400 shares of our common stock which were used for equity awards in February 2009.

The awards that will be made to Eligible Persons (as defined in the discussion below under the caption "Persons Who May Participate in our Amended and Restated 2005 Plan") under our Amended and Restated 2005 Plan are subject to the discretion of the Compensation Committee and, therefore, cannot be determined with certainty at this time. As of March 26, 2010, a total of 8,453,175 SARs have been granted and 6,346,743 SARs are outstanding under our Amended and Restated 2005 Plan of which 3,548,408 SARs are currently exercisable. From July 2005 to March 26, 2010, 556,791 SAR grants have been cancelled, 1,549,641 SAR grants have been exercised with 527,499 shares of our common stock actually issued upon exercise thereby reducing the potential dilution based on the number of SARs granted by 66%. The 1,022,142 previously granted awards were restored to the number of common shares authorized to be issued under our Amended and Restated 2005 Plan. The following table set forth the SARs granted to our directors, the executive officers and other employees as of March 26, 2010. No equity awards have been granted under our Amended and Restated 2005 Plan except for SARs.

**Amended and Restated 2005 Equity-Based Compensation Plan<sup>(a)</sup>**

Name and Position	Number of SARs Granted	Average Grant Price
John H. Pinkerton, Chairman & CEO	753,330	\$ 36.65
Jeffrey L. Ventura, President & COO	471,743	\$ 38.88
Roger S. Manny, Executive Vice President & CFO	231,123	\$ 37.53
Mark D. Whitley, Senior Vice President Southwest & Engineering Technology	177,849	\$ 40.60
Ray N. Walker, Jr., Senior Vice President Marcellus Shale	83,848	\$ 34.64
Executive Group (ten persons)	2,271,907	\$ 37.15
Non-Executive Officers/Employee group (827 persons)	6,181,268	\$ 34.06
<b>Total</b>	<b>8,453,175</b>	<b>\$ 34.89</b>

- (a) Non-Employee Directors were issued 46,587 SARs at a grant price of \$41.60 at their re-election to our Board in May 2009 under the 2004 Non-Employee Director Plan.

For a table reflecting information regarding equity compensation awards outstanding and available for future grants as of December 31, 2009 and March 26, 2010, segregated between equity compensation plans approved by our stockholders and equity compensation plans not approved by our stockholders, please see the section of this Proxy Statement entitled "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters - Equity Compensation Plan Information" below.

The increase in the number of authorized shares under the Amended and Restated 2005 Plan is needed to allow our Compensation Committee to administer the Amended and Restated 2005 Plan on a long-term basis by having a sufficient number of shares available to develop a long-term compensation strategy.

#### General

Our stockholders approved the adoption of our 2005 Equity-Based Compensation Plan on May 18, 2005 at the 2005 Annual Meeting and have approved each amendment to the plan. For convenience and clarity, the plan was restated to incorporate all such amendments in June 2009. The material features of our Amended and Restated 2005 Plan are described below. With the Amended and Restated 2005 Plan, our Compensation

Committee is able to use a greater array of equity compensation alternatives in structuring compensation arrangements for our personnel including stock-settled SARs which the Compensation Committee has used since 2005 to reduce the potential dilution to our stockholders.

#### **Description of our Amended and Restated 2005 Plan**

The description of our Amended and Restated 2005 Plan set forth below is a summary of the principal features of our Amended and Restated 2005 Plan as proposed to be amended pursuant to the First Amendment, a copy of which is attached as Exhibit A. This summary is not a complete description of all of the provisions of our Amended and Restated 2005 Plan. The summary is qualified in its entirety by reference to our Amended and Restated 2005 Plan. The purpose of our Amended and Restated 2005 Plan is to provide a means to enhance the profitable growth of our Company and its subsidiaries by attracting and retaining employees, directors and consultants by providing such individuals with a means to acquire and maintain stock ownership or awards the value of which is tied to the performance of the common stock of our Company. Our Amended and Restated 2005 Plan also provides additional incentives and reward opportunities designed to strengthen such individuals concern for the welfare of our Company and their desire to remain in its employ. We will seek to achieve our Amended and Restated 2005 Plan's purpose by providing grants of (i) incentive stock options qualified as such under U.S. federal income tax laws ( Incentive Options ), (ii) stock options that do not qualify as incentive stock options ( Nonstatutory Options and, together with Incentive Options, Options ), (iii) stock appreciation rights ( SARs ), (iv) restricted stock awards ( Restricted Stock Awards ), (v) phantom stock rights ( Phantom Stock Rights ), (vi) bonus stock and awards in lieu of Company obligations ( Bonus Stock ), (vii) other stock-based awards ( Other Stock-Based Awards ), (viii) dividend equivalents ( Dividend Equivalents ), (ix) other performance awards, including annual cash incentive awards ( Annual Incentive Awards ), or (x) any combination of such awards (collectively referred to as Awards ). No Incentive Options may be granted under our Amended and Restated 2005 Plan after May 18, 2015, ten years from the date on which our Amended and Restated 2005 Plan was adopted.

Our Amended and Restated 2005 Plan, in part, is intended to qualify under the provisions of Section 422 of the Internal Revenue Code of 1986, as amended (the Code ) for Incentive Options although our Compensation Committee has not granted any Incentive Options to date. For more information, please see the discussion below under the caption Federal Tax Consequences. Our Amended and Restated 2005 Plan is not subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ( ERISA ). Our Amended and Restated 2005 Plan was effective as of May 18, 2005 (the Effective Date ).

#### **Administration of our Amended and Restated 2005 Plan**

Our Board of Directors appointed our Compensation Committee to administer our Amended and Restated 2005 Plan pursuant to its terms and all applicable state, federal, or other rules or laws, except in the event our Board of Directors chooses to take action under our Amended and Restated 2005 Plan. Unless otherwise limited by our Amended and Restated 2005 Plan, Rule 16b-3 of the Securities Exchange Act of 1934 (the Exchange Act ), or the Code, our Compensation Committee has broad discretion to administer our Amended and Restated 2005 Plan, interpret its provisions, and adopt policies for implementing the Amended and Restated 2005 Plan. This discretion includes the power to determine to whom and when Awards will be granted, determine the amount of such Awards (measured in cash, shares of our common stock, or as otherwise designated), proscribe and interpret the terms and provisions of each Award agreement (the terms of which may vary), accelerate the exercise terms of an Option, delegate duties under our Amended and Restated 2005 Plan, terminate, modify or amend any Award except as otherwise provided in the Amended and Restated 2005 Plan, and execute all other responsibilities permitted or required under our Amended and Restated 2005 Plan.

#### **Persons Who May Participate in our Amended and Restated 2005 Plan**

Any individual who provides services to the Company and its subsidiaries, including our non-employee directors and consultants (an Eligible Person ) and is designated by our Compensation Committee to receive an Award under our Amended and Restated 2005 Plan can be a Participant. An employee on leave of absence



may be considered still employed by us for determining eligibility under our Amended and Restated 2005 Plan. Any individual granted an Award which remains outstanding under our Amended and Restated 2005 Plan, including an individual who is no longer an Eligible Person, will continue to be a Participant for purposes of our Amended and Restated 2005 Plan. We currently have seven non-employee directors, ten executive officers and approximately 669 other employees of the Company's subsidiaries eligible to participate in our Amended and Restated 2005 Plan.

A Participant under our Amended and Restated 2005 Plan is eligible to receive an Award pursuant to the terms of our Amended and Restated 2005 Plan and subject to any limitations imposed by appropriate action of our Compensation Committee. No Award may be granted if the Award relates to a number of shares of our common stock which exceeds the number of shares which remain available under our Amended and Restated 2005 Plan minus the number of shares issuable in settlement of or relating to outstanding Awards. Additionally, no Awards may be granted in any fiscal year to Eligible Persons likely to be Covered Employees (as defined in the discussion below under the caption "Awards Performance Awards") in excess of 450,000 shares of our common stock with respect to stock-based Awards or \$2,500,000 with respect to Awards the value of which is not based on our common stock.

With respect to Incentive Options, a Participant must be an employee of the Company or one of its subsidiaries and, immediately before the time the Incentive Option is granted, the Participant may not own stock possessing more than 10% of the total combined voting power or value of all classes of stock of the Company or a subsidiary unless, at the time the Incentive Option is granted, the exercise price of the Incentive Option is at least 110% of the fair market value of the common stock underlying the Incentive Option and the Incentive Option is not, by its terms, exercisable after the fifth anniversary of the date of grant.

#### **Securities to be Offered**

*Shares Subject to our Amended and Restated 2005 Plan.* Our Amended and Restated 2005 Plan provides that the maximum aggregate number of shares of our common stock that may be issued pursuant to any and all Awards under our Amended and Restated 2005 Plan (subject to any adjustment due to recapitalization or reorganization permitted under our Amended and Restated 2005 Plan), before the First Amendment, will not exceed the sum of (i) 4,825,000 shares (the "162(m) Covered Shares") approved in 2005 specifically for our Amended and Restated 2005 Plan, plus (ii) 13,875,000 shares of our common stock (the number of shares of our common stock approved for issuance under the 1999 Plan), less (iii) the number of shares of our common stock issued under the 1999 Plan before the Effective Date and the number of shares issuable pursuant to awards under the 1999 Plan outstanding as of the Effective Date, plus (iv) the number of shares that become available for delivery under the 1999 Plan after the Effective Date with respect to awards that lapse or are terminated and with respect to which shares are not issued, plus (v) the 569,303 shares available for delivery under the Stroud Energy, Inc. 2005 Stock Incentive Plan (the "Stroud Shares"); provided, however, that Stroud Shares shall only be used with respect to Awards granted to an Eligible Person who either (A) is a former employee of Stroud Energy, Inc. or one of its affiliates, or (B) first became an officer or employee of (or otherwise began providing services to) the Company or any Subsidiary or first became a director of the Company after June 19, 2006 (the "Plan Shares"). The Stroud Shares were assumed by our Amended and Restated 2005 Plan as part of a merger on June 19, 2006.

As of March 26, 2010 there are 9,956,378 total shares authorized for issuance under our Amended and Restated 2005 Plan, of which (i) 527,499 shares had been issued upon the exercise of SARs, (ii) 6,346,743 shares were subject to SAR awards that had been granted and were outstanding and (iii) 3,082,136 shares were available for future awards. As of March 26, 2010, the 1999 Plan had stock option awards outstanding of 739,166 all of which were vested. The average exercise price of the outstanding stock option awards under the 1999 Plan was \$3.55 per share, ranging from \$1.29 to \$15.52 per share. Therefore, as of March 26, 2010, without giving effect to the First Amendment, the total number of shares available for issuance of awards under our Amended and Restated 2005 Plan was 3,082,136, subject to increase by the number of shares subject to the stock options

outstanding under the 1999 Plan that lapse or are terminated before exercise. If the First Amendment is approved, our Amended and Restated 2005 Plan will be amended to increase the 162(m) Covered Shares by 850,000, to an aggregate of 5,675,000 shares.

If common stock subject to any Award is not issued or transferred, or ceases to be issuable or transferable for any reason, including (but not exclusively) because an Award is forfeited, terminated, expires unexercised, is settled in cash in lieu of our common stock or is otherwise terminated without a delivery of shares to a Participant, the shares of our common stock that were subject to that Award will again be available for issue, transfer or exercise pursuant to Awards under our Amended and Restated 2005 Plan to the extent allowable by law. The common stock delivered pursuant to our Amended and Restated 2005 Plan may be authorized but unissued shares, shares held by our Company in treasury, or shares which have been reacquired by our Company including shares which have been bought in the market for the purposes of our Amended and Restated 2005 Plan. The fair market value of the common stock on a given date will be the last reported sales price as reported by the NYSE for our common stock on such date or, if no such sale takes place on such day, the average of the closing bid and asked prices for that day, or, if no such closing prices are available, the last reported sales price so reported on the last business day before the date in question. There are no fees, commissions or other charges applicable to a purchase of our common stock under our Amended and Restated 2005 Plan.

#### **Awards**

*Stock Options.* Our Compensation Committee may grant Options to Eligible Persons including (i) Incentive Options (only to employees of the Company or its subsidiaries) which comply with Section 422 of the Code and (ii) Nonstatutory Options. The exercise price of each Option granted under our Amended and Restated 2005 Plan will be stated in the Option agreement and may vary; however, such exercise price may not be less than 100% of the fair market value per share as of the date of grant. Options may be exercised as our Compensation Committee determines, but not later than ten years from the date of grant. Any Incentive Option which fails to comply with Section 422 of the Code for any reason will result in the reclassification as a Nonstatutory Option which will be exercisable as such. Our Compensation Committee will determine the methods and form of payment for the exercise price of an Option (including, in the discretion of our Compensation Committee, payment in our common stock, other Awards or other property) and the methods and forms in which common stock will be delivered to a Participant.

*SARs.* SARs may be awarded in connection with or separate from an Option. A SAR is the right to receive an amount equal to the excess of the fair market value of one share of our common stock on the date of exercise or settlement over the grant price of the SAR as determined by our Compensation Committee which may not be less than 100% of the fair market value per share as of the date of grant. SARs awarded in connection with an Option will entitle the holder, upon exercise or settlement, to surrender the related Option or portion thereof relating to the number of shares for which the SAR is exercised or settled. The surrendered Option or portion thereof will then cease to be exercisable. A SAR related to an Option is exercisable or transferable only to the extent that the related Option is exercisable or transferable. SARs granted independently of an Option will be exercisable or settled as our Compensation Committee determines. The term of an SAR will be for a period determined by our Compensation Committee but will not exceed ten years. SARs may be paid in cash, stock or a combination of cash and stock, as our Compensation Committee provides in the Award agreement governing the SAR. SARs are the only form of award granted to date by our Compensation Committee under the Amended and Restated 2005 Plan.

*Restricted Stock Awards.* A Restricted Stock Award is a grant of shares of our common stock subject to a risk of forfeiture, restrictions on transferability, and any other restrictions imposed by our Compensation Committee in its discretion. Restrictions may lapse at such times and under such circumstances as determined by our Compensation Committee. The restriction period for a Restricted Stock Award may not be less than three years unless based on the achievement of performance criteria established by our Compensation Committee, in which case the restriction period may not be less than one year. Our Compensation Committee can waive the

restriction period in the event of a participant's death, disability or retirement or a change in control. Except as otherwise provided under the terms of our Amended and Restated 2005 Plan or an Award agreement, the holder of a Restricted Stock Award may have rights as a stockholder, including the right to vote the common stock subject to the Restricted Stock Award or to receive dividends on the common stock subject to the Restricted Stock Award (subject to any mandatory reinvestment or other requirements imposed by our Compensation Committee) during the restriction period. Unless otherwise waived by our Compensation Committee, a Restricted Stock Award which is subject to forfeiture restrictions will be forfeited and reacquired by the Company upon termination of employment. As a condition of a Restricted Stock Award grant, our Compensation Committee may require or permit a Participant to elect that any cash dividends paid on a share of common stock subject to a Restricted Stock Award be automatically reinvested in additional Restricted Stock Awards or applied to the purchase of additional Awards under our Amended and Restated 2005 Plan, if such arrangements are in place. Unless otherwise determined by our Compensation Committee, common stock distributed in connection with a stock split or stock dividend, and other property distributed as a dividend, will be subject to restrictions and a risk of forfeiture to the same extent as the Restricted Stock Award with respect to which such common stock or other property has been distributed.

*Phantom Stock Rights.* Phantom Stock Rights are rights to receive our common stock, cash, or a combination of both at the end of a specified period. Our Compensation Committee may subject Phantom Stock Rights to restrictions (which may include a risk of forfeiture) to be specified in the Award agreement which may lapse at such times determined by our Compensation Committee. Phantom Stock Rights may be satisfied by delivery of our common stock, cash equal to the fair market value of the specified number of shares of our common stock covered by the Phantom Stock Rights, or any combination thereof determined by our Compensation Committee at the date of grant or thereafter. Except as otherwise provided by our Compensation Committee in the Award agreement or otherwise, Phantom Stock Rights subject to forfeiture restrictions may be forfeited upon termination of a Participant's employment before the end of the specified period. Dividend equivalents on the specified number of shares of our common stock covered by Phantom Stock Rights will be either (i) paid with respect to such Phantom Stock Rights on the dividend payment date in cash or in shares of unrestricted common stock having a fair market value equal to the amount of such dividends, or (ii) automatically deemed reinvested in additional Phantom Stock Rights, other Awards, or other investment vehicles permitted by our Compensation Committee and elected by the Participant, unless otherwise determined by our Compensation Committee on the date of grant.

*Bonus Stock and Awards in Lieu of Company Obligations.* Our Compensation Committee is authorized to grant common stock as a bonus, or to grant common stock or other Awards in lieu of obligations to pay cash or deliver other property under our Amended and Restated 2005 Plan or under other plans or compensatory arrangements, subject to any applicable provision under Section 16 of the Exchange Act. Our Compensation Committee will determine any terms and conditions applicable to grants of our common stock or other Awards, including performance criteria associated with an Award. Any grant of our common stock to an officer or employee of our Company or a subsidiary in lieu of salary or other cash compensation will be reasonable, as determined by our Compensation Committee. The Amended and Restated 2005 Plan limits the aggregate number of shares of our common stock that can be granted as bonus and other stock-based awards to 10% of the aggregate number of shares authorized under the Amended and Restated 2005 Plan (1,080,638 shares if the First Amendment is approved).

*Dividend Equivalents.* Dividend equivalents may be granted entitling a Participant to receive cash, common stock, other Awards, or other property equal in value to dividends paid with respect to a specified number of shares of our common stock, or other periodic payments at the discretion of our Compensation Committee. Dividend equivalents may be awarded on a free-standing basis or in connection with another Award. Our Compensation Committee may provide that dividend equivalents will be payable or distributed when accrued or that they will be deemed reinvested in additional common stock, Awards, or other investment vehicles. Our Compensation Committee will specify any restrictions on transferability and risks of forfeiture that are imposed upon dividend equivalents.

*Other Stock-Based Awards.* Participants may be granted, subject to applicable legal limitations and the terms of our Amended and Restated 2005 Plan and its purposes, other Awards related to our common stock (in terms of being valued, denominated, paid or otherwise defined by reference to our common stock). Such Awards may include, but are not limited to, convertible or exchangeable debt securities, other rights convertible or exchangeable into our common stock, purchase rights for our common stock, Awards with value and payment contingent upon performance of the Company or any other factors designated by our Compensation Committee, Awards valued with reference to the book value of our common stock or the value of securities of or the performance of specified subsidiaries. Our Compensation Committee will determine terms and conditions of all such Awards, including without limitation, method of delivery, consideration to be paid, the timing and methods of payment, and any performance criteria associated with an Award. Cash awards may be granted as an element of or a supplement to any Awards permitted under our Amended and Restated 2005 Plan. The Amended and Restated 2005 Plan limits the aggregate number of shares of our common stock that can be granted as bonus and other stock-based awards to 10% of the aggregate number of shares authorized under the Amended and Restated 2005 Plan (1,080,638 shares if the First Amendment is approved).

*Performance Awards.* Our Compensation Committee may designate that certain Awards granted under our Amended and Restated 2005 Plan constitute performance Awards or grant separate cash bonus Annual Incentive Awards as performance Awards. A performance Award is any Award the grant, exercise or settlement of which is subject to one or more performance standards. Additionally, performance Award also means an Annual Incentive Award granted to the chief executive officer or any other person designated by our Compensation Committee, at the time of grant of the performance Award, as likely to be one of the next four highest paid officers of the Company (a Covered Employee). One or more of the following business criteria for the Company on a consolidated basis and/or for specified subsidiaries or business or geographical units of our Company (except with respect to the total shareholder return and earnings per share criteria) shall be used by our Compensation Committee: (i) earnings per share; (ii) increase in revenues; (iii) increase in cash flow; (iv) increase in cash flow return; (v) return on net assets, return on assets, return on investment, return on capital, or return on equity; (vi) economic value added; (vii) operating margin or contribution margin; (viii) net income; net income per share; pretax earnings; pretax earnings before interest, depreciation and amortization and exploration expense; pretax operating earnings after interest expense and before incentives, service fees, and extraordinary or special items; or operating income; (ix) total stockholder return; (x) debt reduction; (xi) finding and development costs; (xii) production growth; or production growth per share; (xiii) cash flow; or cash flow per share; (xiv) reserve replacement or reserves per share growth, and (xv) any of the preceding goals determined on an absolute or relative basis or as compared to the performance of a published or special index deemed applicable by our Compensation Committee including, but not limited to, the Standard & Poor's 500 Stock Index or a group of comparable companies.

#### **Other Provisions**

*Tax Withholding.* At the discretion of our Compensation Committee and subject to conditions that our Compensation Committee may impose and applicable regulations, a Participant's tax withholding with respect to an Award may be satisfied by withholding from any payment related to an Award or by the withholding of shares of our common stock issuable pursuant to the Award based on the fair market value of the shares.

*Merger or Recapitalization.* If any change is made to our capitalization, such as a stock split, stock combination, stock dividend, exchange of shares or other recapitalization, merger or otherwise, which results in an increase or decrease in the number of outstanding shares of our common stock, appropriate adjustments will be made by our Compensation Committee in the shares subject to an Award under our Amended and Restated 2005 Plan.

*Change in Control.* Upon a change in control (as such term is defined in our Amended and Restated 2005 Plan) our Compensation Committee may, in its discretion, effect one or more of the following alternatives with respect to Options (which may vary both among different holders and different Options held by the same holder): (i) accelerate the exercisability of the Options to be exercised before a specified date, after which unexercised

Options will terminate; (ii) require the mandatory surrender to and repurchase by us of all outstanding Options; (iii) provide that the number and class of shares of our common stock covered by an Award theretofore granted be adjusted so that such Award will thereafter cover the number and class of shares of our common stock or other securities or property (including, without limitation, cash) to which the holder would have been entitled pursuant to the terms of the transaction if the holder had held the shares of our common stock subject to the Award; or (iv) make such adjustments to the Options deemed appropriate by our Compensation Committee (including no adjustment). Our Compensation Committee will make such changes as it deems appropriate in the number and price of shares of our common stock or other consideration subject to other Awards. Also, our Compensation Committee may, in its discretion, fully vest and cause all restrictions to lapse applicable to any Restricted Stock Award. Any such action may vary both among different Restricted Stock Award holders and different Restricted Stock Awards held by the same holder. Our change in control plans provide for the accelerated vesting of Awards upon a change in control.

*Amendment.* Without stockholder approval, our Board of Directors may at any time and from time to time with respect to any shares which, at the time, are not subject to Awards, suspend, discontinue, revise, or amend our Amended and Restated 2005 Plan in any respect whatsoever, and may amend any provision of our Amended and Restated 2005 Plan or any Award agreement to make our Amended and Restated 2005 Plan or the Award agreement, or both, comply with Section 16(b) of the Exchange Act and the exemptions therefrom, the Code, ERISA, or any other law, rule or regulation that may affect our Amended and Restated 2005 Plan. Such amendments are subject to stockholder approval to the extent such approval is required by any state or federal law and regulation or the rules of the NYSE. Our Board of Directors may also amend, modify, suspend or terminate our Amended and Restated 2005 Plan for the purpose of meeting or addressing any changes in other legal requirements applicable to the Company or our Amended and Restated 2005 Plan or for any other purpose permitted by law. Our Amended and Restated 2005 Plan may not be amended without stockholder approval to increase the aggregate number of shares of our common stock that may be issued under our Amended and Restated 2005 Plan. Except as provided above, no amendment, modification, suspension or termination of our Amended and Restated 2005 Plan may alter or impair Awards previously granted under our Amended and Restated 2005 Plan without the consent of the affected Participant. Further, no Award may be altered or amended, and no exchange of Awards may be affected that, in either case, would constitute the repricing of Options for the purposes of the rules of the NYSE. Our Amended and Restated 2005 Plan also provides that no Options may be granted with reload features.

*Transferability of Awards.* In accordance with rules prescribed by our Compensation Committee, our Compensation Committee may permit a person to transfer in the form of a gift, Nonstatutory Options, SARs, Phantom Stock Rights, or Restricted Stock Awards (if such Restricted Stock Award does not require the transfer of consideration by the Participant or the holder other than usual and customary service) (i) to a child (including a step or in-law relationship), grandchild, parent (including a step or in-law relationship), grandparent, spouse, former spouse, sibling (including an in-law), niece, or nephew, including adoptive relationships in any case, and any person sharing the household of a holder of such Award ( Immediate Family Members ), (ii) to a trust in which one or more Immediate Family Members have more than 50% of the beneficial interest, (iii) to a foundation in which one or more Immediate Family Members controls the management of assets (iv) to another entity in which Immediate Family Members are the only partners or (v) pursuant to a qualified domestic relations order. A SAR granted in tandem with a Nonstatutory Option will not be transferable other than in connection with the transfer of the Nonstatutory Option to which the SAR relates. Other than as described above, Awards will not be transferable other than by will or the laws of descent and distribution.

Following the transfer of any Award described above, such Awards will remain subject to the same terms and conditions as were applicable to such Awards immediately before transfer, provided that the transferee will be substituted for the transferor to the extent appropriate to enable the transferee to exercise the transferred Awards. When transferred Awards are exercised by a transferee, the common stock received as a result of the exercise may be subject to the one year holding period and other limitations on resale prescribed by Rule 144 promulgated under the Securities Act of 1933. In addition, Awards transferred by a Participant subject to the

reporting requirements of Section 16(a) of the Exchange Act to Immediate Family Members in the same household as the transferor will continue to be reportable by the transferor as indirectly owned by the transferor.

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