

# **PRESIDING INDEPENDENT DIRECTOR CHARTER**

Adopted on March 24, 2007

- 1. Purpose.** Petroleum Development Corporation values having a designated Presiding Independent Director (“PID”) who has specific roles and responsibilities including convening meetings of the Independent Directors. The PID position is created to assure that the Board of Directors (the “Board”) maintains its independence from the Company’s management, to provide leadership at independent directors’ executive sessions and in other work, to promote director dialogue in and out of meetings, and to ensure that the responsibilities of the board are clearly understood by both the Board and management, and that the roles between Board and company management responsibilities are respected.
- 2. Responsibilities of the Presiding Independent Director.**
  - 2.1. Chair Board Meetings.** Preside at all meetings of the Board at which the Board Chair is not present.
  - 2.2. Call and Preside at Independent Directors Meetings.** Call and chair executive and special meetings of all independent directors without management present to give Directors an opportunity to fully and frankly discuss issues and provide feedback.
  - 2.3. Provide CEO Feedback.** Advise the Chief Executive Officer of all appropriate feedback from the executive session including any recommended actions to be taken, as well as any issues or concerns raised by the independent directors.
  - 2.4. Ensure Director Feedback Flow.** Hold one-on-one meeting discussions with individual directors on a regular basis regarding any aspect of Board operations, performance or company matters to include being available to discuss any pertinent issue raised by a board member and to address issues where raised.
  - 2.5. Ensure Company Information.** Ensure the appropriate flow of relevant information to the Board and review the adequacy and timing of materials provided to the Board including requests for additional specific information or analysis that is necessary or appropriate for the independent directors to effectively and responsibly perform their duties.
  - 2.6. Ensure Appropriate Balance and Focus.** Assist the Board in its understanding of the roles between the Board and management so that the Board does not try to fulfill management’s responsibilities and management respects the Board’s responsibilities.
  - 2.7. Be Liaison with Board Chair.** Serve as principal liaison between the independent directors and the Board Chair on Board-wide business and management issues and advise the Board Chair of independent directors concerns as appropriate.
  - 2.8. Be Liaison with Independent Directors.** Be available to other independent directors to discuss any concerns that they might have about the performance of the company or the actions or activities of the Company’s management and to relay those concerns to the independent directors and full Board where appropriate.
  - 2.9. Conduct Exit Interviews.** Conduct exit interviews with resigning senior executives, where appropriate and provide feedback to independent directors.
  - 2.10. Assist with Board Meeting Schedule.** Work with the Board Chair to develop a schedule of meeting dates for the Board on an annual basis.

- 2.11. Assist with Board Agendas.** Work with the Board Chair on the development of Board meeting agendas, with the authority to add items to agendas or change the order of issues to be considered to help the Board and the independent directors fulfill their responsibilities.
- 2.12. Engage Advisors.** Recommend to the Board and independent directors the retention of outside advisors or consultants as necessary for the consideration of Board wide issues.
- 2.13. Participate in External Communication.** Be available, when requested, and as appropriate, for consultation and direct communication with shareholders to discuss any concerns and, as appropriate, represent as warranted, the Board with others such as special groups, government representatives or community organizations.
- 3.0 Selection of the Presiding Independent Director.** On an annual basis, the independent directors shall elect a Presiding Independent Director who will have the roles and responsibilities as above outlined. The Board Chair will preside at the meeting where the election is held, and the new Presiding Independent Director shall be elected by a majority of the independent directors attending the meeting. There are no term limits regarding the Presiding Independent Director position.
- 4.0 Vacancies.** If there is an opening in the position of Presiding Independent Director, an election shall be held at the next meeting of the independent directors in the same fashion as the normal election, and the new Presiding Independent Director shall serve in that position until the need for electing a new Presiding Independent Director occurs.
- 5.0 Retention of Advisors and Counsel.** The PID shall have the authority, in his or her sole discretion, to obtain advice and assistance from, and to retain at the Company's expense, such independent or outside legal counsel, accounting or other advisors and experts as the independent directors determine necessary or appropriate to carry out the PID's duties, and in connection therewith to receive appropriate funding from the Company.
- 6.0 Determine Administrative Expenses.** The PID shall have the resources and authority to discharge his or her responsibilities. The PID working with the independent directors shall have the authority to determine the level and cost of separate administrative support necessary or appropriate in carrying out his or her duties, with the Company bearing such costs.
- 7.0 Required Participation of Employees.** The PID shall have unrestricted access to the Company's employees, independent auditors, and outside counsel and may require any employee of the Company or representative of the Company's independent auditors or outside counsel to attend meetings of the independent directors or to meet with any independent director or representative of the PID's counsel, advisors, or experts.
- 8.0 Evaluation of the PID.** The independent directors shall, on an annual basis as part of the overall evaluation process, evaluate the performance of the PID and provide appropriate feedback as warranted.