

TRI-VALLEY CORPORATION

AMENDED AND RESTATED CHARTER OF THE COMPENSATION COMMITTEE

(As adopted on April 25, 2011)

I. *ADOPTION OF CHARTER*

The Board of Directors (the “**Board**”) of Tri-Valley Corporation (the “**Company**”) has adopted this Amended and Restated Charter of the Compensation Committee of the Board (the “**Committee**”), effective as of the date first indicated above.

II. *MEMBERSHIP*

The Committee shall consist of at least two directors. Each member of the Committee shall be independent in accordance with the independence requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the applicable rules and regulations promulgated thereunder by the Securities and Exchange Commission (“**SEC**”), as well as the rules and listing requirements of the principal stock exchange on which the Company’s common stock is listed or approved for quotation.

At least two members of the Committee must qualify as "non-employee directors" for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and as "outside directors" for the purposes of Section 162(m) of the Internal Revenue Code, as amended.

The members of the Committee shall be appointed by the Board. Candidates to fill subsequent vacancies shall be recommended by the Nominating and Corporate Governance Committee of the Board and thereafter appointed by the Board. The members of the Committee shall serve for such term or terms as the Board may determine or until earlier resignation or death. The Board may remove any member from the Committee at any time with or without cause.

III. *PURPOSE*

The purpose of the Committee is to carry out the responsibilities delegated by the Board relating to the review and determination of executive compensation.

The Committee shall have the following authority and responsibilities:

a. To review and recommend annually the corporate goals and objectives applicable to the compensation of the principal executive officer (“**PEO**”), evaluate at least annually the PEO's performance in light of those goals and objectives, and determine and recommend the PEO's compensation level based on this evaluation. The Committee's decisions regarding performance goals and objectives and the compensation of the PEO are to be reviewed and ratified by the Company's full board of directors.

- b. To make recommendations to the Board regarding the compensation of all other executive officers.
- c. To review, and make recommendations to the Board regarding, incentive compensation plans and equity-based plans, as applicable.
- d. To administer the Company's incentive compensation plans and equity-based plans, except as reserved or otherwise delegated by the Board, as applicable.
- e. If required, to produce an annual report on executive compensation (the “**Compensation Committee Report**”) stating whether the Committee reviewed the Compensation Discussion and Analysis prepared by management and discussed the Compensation Discussion and Analysis with management, and whether, based on such review and discussions, the Committee recommended to the Board that such Compensation Discussion and Analysis be included in the Company’s annual proxy statement and/or annual report on Form 10-K filed with the SEC, as well as any other disclosure required in accordance with applicable laws, rules, regulations and listing standards.
- f. To review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, to review and discuss the relationship between risk management policies and practices and compensation, and to evaluate compensation policies and practices that could mitigate any such risk.
- g. To make recommendations to the Board regarding director compensation.

IV. *OUTSIDE ADVISORS*

The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of a compensation consultant as necessary to assist with the execution of its duties and responsibilities as set forth in this Charter. The Committee shall set the compensation, and oversee the work, of the compensation consultant. The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of outside counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Committee shall set the compensation, and oversee the work, of its outside counsel and other advisors. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its compensation consultants, outside counsel and any other advisors.

The compensation consultant, outside counsel and any other advisors retained by the Committee shall be independent in accordance with the independence requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the applicable rules and regulations promulgated thereunder by the SEC.

V. *STRUCTURE AND OPERATIONS*

Unless a Chairman is elected by the full Board, the members of the Committee shall designate a Chairman of the Committee by the majority vote of the full Committee

membership. In the event of a tie vote on any issue, the Chairman's vote shall decide the issue. The Chairman of the Committee will chair all regular sessions of the Committee and set agendas for Committee meetings.

The Committee shall meet as often as it deems necessary. The Committee shall take written minutes of its meetings and activities and submit such minutes to the recording secretary of the Company for filing. The Chair of the Committee shall report to the Board following meetings of the Committee and as otherwise requested by the Chairman of the Board.

The Committee shall be governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

The Committee may invite such members of management to its meetings as it deems appropriate. However, the Committee shall meet regularly without such members present, and in all cases the PEO and any other such officers shall not be present at meetings at which their compensation or performance is discussed or determined.

VI. *DELEGATION OF AUTHORITY*

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.

VII. *PERFORMANCE EVALUATION*

The Committee shall perform a periodic review and evaluation of the performance of the Committee and its members, including by reviewing the compliance of the Committee with this Charter. In addition, the Committee shall review and reassess periodically the adequacy of this Charter and recommend to the Board any improvements to this Charter that the Committee considers necessary or valuable. The Committee shall conduct such evaluations and reviews in such manner, and at such times, as it deems appropriate.

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