

NATURAL GAS SERVICES GROUP, INC.

Charter of the Compensation Committee of the Board of Directors

Adopted September 12, 2014

GENERAL

The Board of Directors (the “*Board*”) of Natural Gas Services Group, Inc. (the “*Company*”) has constituted and established a compensation committee (the “*Committee*”) with authority, responsibility and specific duties as described in this Charter. The primary purpose of the Committee shall be to:

- Fix, from time to time the salaries of the executive officers of the Company and grant such bonuses and awards pursuant to the Company’s compensation plans, or otherwise, to the Company’s Chief Executive Officer and other senior executive officers of the Company (collectively, “*Executive Officers*”) as it deems appropriate;
- Establish, or recommend the establishment of, compensation plans for officers and employees of the Company as it deems appropriate; and
- Oversee the general compensation policies and employee benefits of the Company.

POWERS

The Committee shall have the resources and the authority necessary to discharge its duties and responsibilities. The Committee, in its sole discretion, may draw on the expertise of management and the corporate staff and, if it deems appropriate, retain outside counsel, accountants and other experts or advisors to assist the Committee with its duties.

In addition, the Committee shall have sole authority, at the Company’s expense, to retain, oversee and terminate any compensation consultant, which may include outside counsel, outside accountants and other experts or advisors or consultants, who assist in the evaluation of the compensation of the Chief Executive Officer or senior executive officers, including sole authority to approve such compensation consultant’s or expert’s fees and other retention terms. The Committee shall consider the relevant independence factors set forth in the listing standards and rules of the New York Stock Exchange (“*NYSE*”), as well as any other relevant factors, when determining whether to retain any compensation consultant.

COMPOSITION OF THE COMPENSATION COMMITTEE

The Committee shall consist of not fewer than two directors, as determined from time to time by the Board. Each member of the Committee shall be qualified to serve on the Committee pursuant to the requirements of the NYSE and any additional requirements that the Board deems

appropriate. Members of the Committee shall also qualify as “non-employee directors” within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended. To the extent the Company is subject to Section 162(m) of the Internal Revenue Code of 1986, as amended (the “**IRC**”), or other applicable law, rule or regulation, members of the Committee shall also qualify as “outside directors” within the meaning of Section 162(m). Members will be appointed, and may be removed, by the Board in accordance with the Bylaws of the Company.

Committee members shall serve for such term or terms as the Board may determine. The Board may appoint a Chair of the Committee, provided that if the Board does not so designate a Chair, the members of the Committee, by a majority vote, may designate a Chair. The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate; *provided, however*, that (A) no subcommittee shall consist of fewer than two members, (B) the subcommittees are composed entirely of directors satisfying the foregoing independence standards and (C) the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or NYSE listing standard to be exercised by the Committee as a whole.

Any vacancy on the Committee shall be filled by majority vote of the Board at the next meeting of the Board following the occurrence of the vacancy. No member of the Committee shall be removed except by majority vote of the Board.

RESPONSIBILITIES

In addition to any other responsibilities and common recurring activities which may be properly assigned to the Committee by the Board, the Committee shall have the following authorities and responsibilities:

A. Review and approve corporate goals and objectives relevant to the compensation of the Executive Officers; evaluate the Executive Officers’ performance at least annually in light of those goals and objectives; and determine the Executive Officers’ compensation level based on this evaluation. In determining the long-term incentive component of the Executive Officers’ compensation, the Committee may consider the Company’s performance and other relevant metrics, the value of similar incentive awards to executive officers at comparable companies and such other factors as the Committee deems appropriate and in the best interest of the Company. Nothing in this Charter should be construed as precluding discussion of the Executive Officers’ compensation with the Board generally.

B. Fix the (i) annual base salary level, (ii) annual incentive compensation, (iii) long-term incentive compensation, (iv) employment, severance and change-in-control agreements, if any, and (v) any other compensation, ongoing perquisites or special benefit items, in each case, pursuant to the Company’s compensation plans or otherwise, to the Executive Officers.

C. Periodically assess the competitiveness of compensation levels and practices applicable to the Executive Officers and approve an appropriate peer group for

this purpose.

D. Grant stock options and other stock and stock-based awards to the Company's officers, employees and others when permitted to do so by the terms of the Company's compensation plans; *provided, however*, that the Committee may delegate to one or more 'Named Executive Officers', or 'NEO', of the Company the authority to make grants and awards of stock rights or options to any officer of the Company that is not a NEO under such of the Company's incentive-compensation or other equity-based plans as the Committee deems appropriate and in accordance with the terms of such plans.

E. Establish, or recommend to the Board the establishment of, compensation plans for officers and employees of the Company as it deems appropriate.

F. Review and approve the Company's compensation and employee benefit programs, including review and approval of Company incentive-compensation plans that are not equity-based and review and recommendation to the Board for approval or modification of any such plans of the Company. In reviewing such compensation and benefits policies, the Committee may consider the recruitment, development, promotion, retention and compensation of Executive Officers and other employees of the Company and any other factors that it deems appropriate. The Committee shall report the results of such review and any action it takes with respect to the Company's compensation and benefits policies to the Board.

G. Review the Company's compensation disclosures in its annual proxy statement and its Annual Report on Form 10-K filed with the SEC, review and discuss with the Company's senior management the Company's Compensation Discussion and Analysis ("*CD&A*") and make a recommendation to the Board whether such compensation disclosures and CD&A should be disclosed in the Company's Annual Report on Form 10-K or annual proxy statement filed with the SEC, as applicable.

H. Produce the Compensation Committee Report as required by Item 407(e)(5) of Regulation S-K for inclusion in the Company's proxy statement or Annual Report on Form 10-K, as applicable, in accordance with applicable rules and regulations.

I. Consider the results of the most recent shareholder advisory vote on the compensation of the Company's named executive officers ("*say-on-pay*") in connection with the Committee's determinations and recommendations regarding the Company's executive compensation policies and practices, make recommendations to the Board concerning the frequency of say-on-pay votes and, as the Committee determines, in its sole discretion, is appropriate, be responsible for shareholder engagement and outreach on compensation matters.

J. Recommend to the Board the establishment of compensation policies and philosophies.

K. Meet regularly and at such times as may be determined by the Committee or its chairperson, and report regularly to the Board, provided that in no event shall the Committee meet less than once each calendar year.

L. Recommend to the Board non-employee director compensation.

M. Delegate any of its responsibilities to a subcommittee comprised of one or more members of the Committee when it deems appropriate and in the best interests of the Company.

N. Review whether the general compensation policies and practices of the Company pose risks that are reasonably likely to have a material adverse effect on the Company and make recommendations to the Board to reduce any such risks when the Committee deems appropriate.

O. Approve employment agreements and separation packages and severance benefits for Executive Officers.

P. Establish and administer clawback/recoupment policies of the Company and periodically review and revise such policies when the Committee deems appropriate.

Q. To the extent appropriate and in the best interest of shareholders, as determined by the Committee in its sole discretion, structure compensation in a manner that maximizes tax deductibility.

The Committee may fix bonuses and stock and non-stock awards, with or without ratification by the Board, to the extent the Committee deems it necessary that it, rather than the Board, do so in order to qualify such compensation under Section 162(m) of the Code or comply with the provisions of a compensation program approved by the Company's shareholders.

ROLE OF THE CHIEF EXECUTIVE OFFICER

The Committee shall consider the CEO's recommendations to the Committee regarding the Company's compensation and employee benefit plans and practices, including its executive compensation plans, and its incentive compensation and equity-based plans with respect to the Executive Officers.

ANNUAL EVALUATION

The Committee shall conduct a self-evaluation of its performance at least annually. The Committee shall report to the Board or such committee of the Board as the Board may designate the results of its evaluation.

REVIEW AND AMENDMENT

The Committee shall review and reassess the adequacy of this Charter periodically and recommend any proposed changes to the Board for approval. This Charter may be amended only by the Board.

PROCEDURES

The Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this Charter. The chairperson of the Committee, in consultation with the other Committee members, shall determine the frequency and length of the Committee meetings and shall set meeting agendas consistent with this Charter. Meetings to determine the compensation of the Chief Executive Officer must be held in executive session of the Committee. Meetings to determine the compensation of any officer of the Company, other than the Chief Executive Officer, may be attended by the Chief Executive Officer, but the Chief Executive Officer may not vote on these matters. A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum.