

## CSI COMPRESSCO LP

### CHARTER OF THE CONFLICTS COMMITTEE OF THE BOARD OF DIRECTORS OF CSI COMPRESSCO GP INC. (Adopted as of April 19, 2012)

The Board of Directors (the “*Board*”) of CSI Compressco GP Inc. (the “*General Partner*”), the general partner of CSI Compressco LP (the “*Partnership*”), has established the Conflicts Committee of the Board (the “*Committee*”) with authority, responsibility and specific duties as described in this Conflicts Committee Charter (this “*Charter*”), and in the Amended and Restated Agreement of Limited Partnership of the Partnership, as may be amended from time to time (the “*Partnership Agreement*”). Capitalized terms not otherwise defined herein shall have the meanings given such terms in the Partnership Agreement.

The purposes of the Committee are to:

- A. As requested by the Board, review and evaluate any potential conflicts of interest between the General Partner or any of its Affiliates, on the one hand, and the Partnership, any Group Member or any Partner, on the other hand; and
- B. Carry out any other duties delegated by the Board that relate to potential conflicts of interest between the General Partner or any of its Affiliates, on the one hand, and the Partnership, any Group Member or any Partner, on the other hand.

#### **I. Membership**

The Committee shall be composed entirely of one or more directors (i) who are not: (a) officers or employees of the General Partner, (b) officers, directors or employees of any Affiliate of the General Partner (other than Group Members) or (c) holders of any ownership interest in the General Partner or any of its Affiliates, including any Group Member, other than Common Units, or securities exercisable, convertible into or exchangeable for Common Units and (ii) who also meet the independence standards required of directors who serve on an audit committee of a board of directors established by the Securities Exchange Act of 1934 and the rules and regulations of the Securities and Exchange Commission thereunder and by the NASDAQ Stock Market LLC.

The members of the Committee and its Chairman shall be selected annually by the Board and shall serve at the direction of the Board. Any vacancy on the Committee shall be filled by, and any member of the Committee may be removed by, an affirmative vote of a majority of the Board. If a Chairman is not designated by the Board or present at a meeting, the Committee may designate a Chairman by majority vote of the Committee members then in office.

#### **II. Authority and Responsibilities**

With respect to all matters delegated to it by the Board, the Committee shall act on an informed basis, in good faith, and in the honest belief that any action taken by the Committee is in the best

interests of the Partnership. In the Committee's determination of what is "fair and reasonable" to the Partnership and in connection with the Committee's resolution of any conflict of interest (whether actual or perceived), the Committee is authorized to consider, among other things:

- The relative interests of any party to such conflict, agreement, transaction or situation and the benefits and burdens relating to such interest;
- Any customary or accepted industry practices and any customary or historical dealings with a particular Person;
- Any applicable generally accepted accounting practices or principles; and
- Such additional factors as the Committee determines in its sole discretion to be relevant, reasonable or appropriate under the circumstances.

With respect to any contribution of assets to the Partnership in exchange for limited partner interests in the Partnership ("***Partnership Interests***"), the Committee, in determining whether the appropriate number of Partnership Interests are being issued, may take into account, among other things, the fair market value of the assets, the impact on distributable cash flows and distribution coverage, the liquidated and contingent liabilities assumed, the tax basis in the assets, and such other factors as the Committee deems relevant, reasonable or appropriate under the circumstances.

**A. *Authority***

The Committee is delegated all authority of the Board as may be required or advisable to fulfill the purposes of the Committee. The Committee has the authority to engage consultants, attorneys, independent accountants and other service providers (together, "***Consultants***," and each a "***Consultant***") to assist in the evaluation of conflicts matters. The Committee shall have sole authority to retain and terminate any such Consultants, including sole authority to approve the Consultant's fees and other retention terms.

**B. *Responsibilities***

The Committee shall have the following responsibilities:

1. The Board may seek approval by the Committee of any resolution of a conflict of interest between the General Partner or any of its Affiliates, on the one hand, and the Partnership, any Group Member or any Partner, on the other hand. The Committee shall report the results of its consideration of any such conflict of interest to the Board.
2. As requested by the Board, the Committee is authorized to review, evaluate and approve any potential conflicts of interest between the General Partner or any of its Affiliates, on the one hand, and the Partnership, any Group Member or any Partner, on the other hand. Any such approval shall be deemed to be a Special Approval of such matter and no other action of the Board shall be required to approve such matter.

3. The Committee shall report the results of its consideration of any such conflict of interest to the Board.

### III. Procedures

- A. **Meetings.** The Committee shall meet at the call of its Chairman or two or more members of the Committee. The Committee shall meet as frequently as circumstances dictate. Meetings of the Committee may be in person, by conference call or by unanimous written consent, in accordance with the General Partner's Bylaws (as amended from time to time). Meetings of the Committee shall be held at such time and place, and upon such notice, as its Chairman may from time to time determine. The Committee shall keep such records of its meetings as it deems appropriate.

Meetings may, at the discretion of the Committee, include non-independent directors, members of the Partnership's management, independent advisors and consultants or any other persons whose presence the Committee believes to be necessary or appropriate. Those in attendance may observe meetings of the Committee, but shall not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event shall not be entitled to vote. Notwithstanding the foregoing, the Committee may also exclude from its meetings any persons it deems appropriate, including, but not limited to, any director who is not a member of the Committee.

- B. **Quorum and Approval.** A majority of the Committee's members shall constitute a quorum. The Committee shall act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Committee may also act by unanimous written consent in lieu of a meeting.
- C. **Rules.** The Committee may determine additional rules and procedures, including designation of a Chair pro tempore in the absence of its Chairman and designation of a secretary of the Committee at any meeting thereof.
- D. **Reports.** The Committee shall maintain minutes of its meetings and make regular oral or written reports to the Board, directly or through its Chairman, of its actions and any recommendations to the Board.
- E. **Review of Charter.** Each year, the Committee shall review the need for changes in this Charter and recommend any proposed changes to the Board for approval.
- F. **Performance Review.** Each year, the Committee shall review and evaluate its own performance and shall submit itself to a review and evaluation by the Board.
- G. **Fees; Reimbursement of Expenses.** Each member of the Committee as well as the Chairman shall be paid the fee set by the Board for his or her services as a member, or Chairman, as the case may be, of the Committee. Committee members, including the Chairman, will be reimbursed for all reasonable expenses incurred in connection with their duties as Committee members or as Chairman.

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*While the Committee members have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the Committee members, except to the extent otherwise provided under applicable federal or state law.*