

**CHARTER
OF
THE COMPENSATION AND HUMAN RESOURCES COMMITTEE
OF
THE BOARD OF DIRECTORS**

1. Purpose and General Responsibilities

The purpose of the Compensation and Human Resources Committee (“Committee”) of the Board of Directors (the “Board”) of Atwood Oceanics, Inc. is to assist the Board in fulfilling its oversight responsibilities regarding the compensation of directors, officers, and employees of Atwood Oceanics, Inc. and its subsidiaries (collectively, the “Company”).

To perform this function, the Committee shall have the authority to perform the specific duties enumerated in this Charter and, upon the direction or approval of the Board, to undertake other activities on behalf of the Board. The Committee is authorized to request reports on matters related to its authority, its duties as described in this Charter and on any subject that it deems related to its responsibilities. All employees of the Company shall cooperate as requested by the Chairman of the Committee. The Committee shall recommend to the Board any extensions or changes in the authority or duties of the Committee that it deems appropriate.

The Committee’s primary responsibilities include:

- Approving (i) compensation of executive officers of the Company (other than the Chief Executive Officer) and (ii) both long and short term incentive compensation and equity-based plans for all employees of the Company;
- Recommending to the Board the compensation of directors who are not officers of the Company;
- Reviewing and approving Company goals and objectives relevant to Chief Executive Officer compensation, evaluating the Chief Executive Officer’s performance in light of those goals and objectives, and making recommendations to the independent directors regarding the Chief Executive Officer’s compensation level based on this evaluation;
- Reviewing and discussing with management the Company’s compensation policies and practices in order to produce the Company’s Compensation Discussion and Analysis (“CD&A”) and the related executive compensation information to be included in the Company’s annual report on Form 10-K and annual proxy statement and producing the Compensation and Human Resources Committee report on executive officer compensation as required by the Securities and Exchange Commission (“SEC”) to be included in the Company’s annual proxy statement or annual report on Form 10-K filed with the SEC;
- Reviewing the Company’s incentive compensation arrangements to determine whether they encourage excessive risk-taking; and
- Performing such general oversight and investigation functions related to Company compensation inherent to the responsibilities designated herein or set forth in future resolutions of the Board.

The authority of the Committee with respect to any future stock incentive plans of the Company may be limited by the provisions of such plans as adopted by the Board and approved by the shareholders of the Company.

2. Membership and Organization

The Committee shall have a Chairman appointed by the Board. The Committee shall consist of that number of directors as the Board shall determine from time to time, such number not to be less than three members. The members of the Committee shall be appointed by the Board, each of whom shall serve at the discretion of the Board. It is the intention of the Board that all members of the Committee shall be independent as required by Section 10C(a) of the Securities Exchange Act of 1934, the New York Stock Exchange, any relevant rules and regulations promulgated by the SEC, and as determined by the Board in its business judgment. It is the intention of the Board that no member of the Committee shall have a relationship to the Company that may interfere with the exercise of their independent judgment. It is the intention of the Board that the members of the Committee shall be “non-employee directors” as that term is defined under SEC Rule 16b-3 and “outside directors” as that term is defined for the purposes of Section 162(m) of the Internal Revenue Code.

The Committee may delegate its authority to a subcommittee or subcommittees, consisting of one or more members of the Committee as it deems appropriate. The Committee shall promptly inform the Board of the actions taken or issues discussed at its meetings. This will generally take place at the Board meeting following a Committee meeting.

3. Meeting Attendance and Minutes

The Committee shall meet at such times as the Chairman of the Committee shall designate and notice of such meetings shall be given to Committee members in accordance with the manner set forth in the Second Amended and Restated By-Laws of Atwood Oceanics, Inc., as amended, in which notices of meetings of the Board are given. One-third of the Committee, but not less than two members, shall constitute a quorum for the transaction of business. Unless the Committee by resolution determines otherwise, any action required or permitted to be taken by the Committee may be taken without a meeting if all members of the Committee consent thereto in writing and the writing or writings are filed with the minutes of the proceedings of the Committee. As necessary or desirable, the Chairman of the Committee may require that any members of management be present at meetings of the Committee. Members of the Committee may participate in a meeting through the use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another, and such participation shall constitute presence in person at such meeting.

The Committee shall report to the Board periodically or as required by the nature of its duties on all of its activities and shall make such recommendations to the Board as the Committee decides are appropriate.

4. Responsibilities and Duties

Compensation Committee Charter

The Committee shall review this Charter periodically, but at least annually, for adequacy and recommend to the Board any necessary changes.

Chief Executive Officer Performance and Compensation

The Compensation Committee shall conduct annual reviews of the performance of the Company's Chief Executive Officer and make recommendations to the independent directors regarding the Chief Executive Officer's compensation level based on this evaluation.

Employee and Management Compensation

The Committee shall review the Company's salaried and management compensation practices, including the methodologies for setting employee and officer salaries, and shall fix the salary and other compensation of all executive officers of the Company (other than the Chief Executive Officer).

Compensation Plans and Programs

The Committee shall approve, and recommend standards for, the Company's compensation programs and plans. Notwithstanding the foregoing, Committee approval shall not be required with respect to the terms of broad-based employee pension and welfare benefit plans (within the meaning of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")), including benefit plans that are not limited to officers of the Company and are intended to qualify for the "top-hat" exemption from Title I of ERISA.

Director Compensation

The Committee shall review non-employee director compensation for service on the Board and Board committees at least once a year and recommend the compensation for non-employee directors, as well as any changes, to the Board.

Stock Incentive Plans

The Committee shall administer the Company's stock incentive plans and other compensation plans and programs in accordance with the responsibilities assigned to the Committee under any and all such plans. The Committee shall have the authority to authorize the issuance of the Company's common stock, stock options and other awards pursuant to the provisions of the Company's compensation and benefits plans.

Risk Assessment

The Committee shall review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, and review and discuss at least annually the relationship between risk management policies and practices and compensation, and evaluate compensation policies and practices that could mitigate any such risk.

5. Advisors; Funding

The Committee shall have the authority to select, retain, obtain the advice of and terminate any compensation consultant, outside counsel and other advisors (collectively, "Compensation Advisors") as it shall deem appropriate, in its sole discretion. The Committee shall have the sole authority to approve the fees and other retention terms, and

oversee the work, of its Compensation Advisors. In retaining or seeking advice from any such Compensation Advisor, the Committee shall take into consideration all factors relevant to such Compensation Advisor's independence from management, including the factors specified in Section 303A.05(c)(iv) of the New York Stock Exchange ("NYSE") Listed Company Manual (as amended effective July 1, 2013) and any other factors regarding independence required by applicable rules and regulations of the NYSE or SEC. In addition, the Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K promulgated by the SEC. Notwithstanding the foregoing, the Committee may retain, or receive advice from, Compensation Advisors that are not independent, provided that the Committee has considered such Compensation Advisor's independence as required under applicable rules and regulations. The Committee shall not be required to assess the independence of any Compensation Advisor that is an in-house counsel or that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the Compensation Advisor, and about which the Compensation Advisor does not provide advice. The Committee shall not be required to implement or act consistently with the advice or recommendations of any Compensation Advisor, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in the fulfillment of its duties and responsibilities under this Charter.

The Company shall provide appropriate funding, as determined by the Committee, for payment of reasonable compensation to any Compensation Advisor, and ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

6. Performance Review

The Committee shall conduct an annual evaluation of the performance of its duties under this Charter and shall present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it deems appropriate.

The Committee's responsibilities and powers as delegated by the Board are set forth in this Charter. The Committee relies to a significant extent on information and advice provided by management and independent advisors. Whenever the Committee takes an action, it exercises its independent judgment on an informed basis that the action is in the best interests of the Company and its shareholders.

Revised and adopted on March 7, 2013.