

**LA CORTEZ ENERGY, INC
PROCEDURES FOR IDENTIFYING AND
EVALUATING CANDIDATES TO FILL VACANCIES FOR DIRECTOR**

**(AS APPROVED BY THE NOMINATING AND CORPORATE GOVERNANCE
COMMITTEE OF THE BOARD OF DIRECTORS ON DECEMBER 6, 2010)**

1. The Nominating and Corporate Governance Committee (the “Committee”) of the Board of Directors (the “Board”) of La Cortez Energy, Inc. (the “Company”) will observe the following procedures in identifying and evaluating candidates for filling vacancies to the Company’s Board.
2. The Company is of the view that the continuing service of qualified incumbents promotes stability and continuity in the board room, contributing to the Board’s ability to work as a collective body, while giving the Company the benefit of the familiarity and insight into the Company’s affairs that its directors have accumulated during their tenure. Accordingly, the process of the Committee for identifying nominees shall reflect the Company’s practice of re-nominating incumbent directors who continue to satisfy the Committee’s criteria for membership on the Board, whom the Committee believes continue to make important contributions to the Board and who consent to continue their service on the Board.
3. Consistent with this policy, in considering candidates for election at annual meetings of stockholders, the Committee will first determine the incumbent directors whose terms expire at the upcoming meeting and who wish to continue their service on the Board.
4. The Committee will evaluate the qualifications and performance of the incumbent directors that desire to continue their service. In particular, as to each such incumbent director, the Committee will—
 - consider if the director continues to satisfy the minimum qualifications for director candidates adopted by the Committee;
 - review the assessments of the performance of the director during the preceding term made by the Committee; and
 - determine whether there exist any special, countervailing considerations against re-nomination of the director.
5. If the Committee determines that—
 - an incumbent director consenting to re-nomination continues to be qualified and has satisfactorily performed his or her duties as director during the preceding term; and
 - there exist no reasons, including considerations relating to the composition and functional needs of the Board as a whole, why in the Committee’s view the incumbent should not be re-nominated,

then the Committee will, absent special circumstances, propose the incumbent director for re-election.

6. The Committee will identify and evaluate new candidates for election to the Board where there is no qualified and available incumbent, including for the purpose of filling vacancies arising by reason of the resignation, retirement, removal, death or disability of an incumbent director or a decision of the directors to expand the size of the Board.
7. The Committee will solicit recommendations for nominees from persons that the Committee believes are likely to be familiar with qualified candidates. These persons may include members of the Board, including members of the Committee, and management of the Company. The Committee may also determine to engage a professional search firm to assist in identifying qualified candidates.
8. As to each recommended candidate that the Committee believes merits serious consideration, the Committee will collect as much information (including soliciting views from other directors and the Company's management and having one or more Committee member interview each such candidate) regarding each candidate as it deems necessary or appropriate in order to make an informed decision with respect to such candidate.
9. It is appropriate for the Committee, in its discretion, to solicit the views of the Chief Executive Officer, other members of the Company's senior management and other members of the Board regarding the qualifications and suitability of candidates to be nominated as directors.
10. In its discretion, the Committee may designate one or more of its members (or the entire Committee) to interview any proposed candidate.
11. Based on all available information and relevant considerations, the Committee will select a candidate who, in the view of the Committee, is most suited for membership on the Board.
12. In making its selection, the Company will evaluate candidates proposed by shareholders under criteria similar to the evaluation of other candidates, except that the Committee may consider, as one of the factors in its evaluation of shareholder recommended nominees, the size and duration of the interest of the recommending shareholder or shareholder group in the equity of the Company. This consideration may also include how long the recommending shareholder intends to continue holding its equity interest in the Company and any relationships between the shareholder and the Company, the nominee, other entities and/or other shareholders.
13. The Committee shall maintain appropriate records regarding its process of identifying and evaluating candidates for election to the Board.