

Current Regulations of the Southeastern Ohio Oil & Gas Association

ARTICLE I - NAME

The name of this organization (the "Association") shall be:
SOUTHEASTERN OIL & GAS ASSOCIATION.

ARTICLE II - PURPOSE

The purpose of this organization shall be:

1. To protect, promote, foster, and advance the common interest of those engaged in the oil and gas industry.
2. To protect the oil and gas industry against unfair and unjust burdens and regulations.
3. To collect and disseminate pertinent data and information.
4. To foster safe industry operations and protection of the environment.
5. To promote better exploration, drilling, completion, and operating practices.
6. To conserve crude oil and natural gas and prevent waste thereof, including the conservation of the capital required to develop reserves and produce crude oil and natural gas.
7. To protect the correlative rights of all those involved in industry operations.
8. Generally, to do all things permitted by law and exercise all authority within the purpose stated in its articles or incidental thereto.

The Association is not organized for pecuniary profit and shall not declare dividends or other financial distribution to members. In the event of dissolution of the Association all assets shall be converted to cash and distributed to organizations of a charitable or educational nature.

ARTICLE III - MEMBERSHIP

SECTION 1. The Association shall have five classes of membership as follows:

1. Producers
2. Contractors, Allied Industries, and Professionals
3. Associates
4. Royalty and Non-Operating Investors
5. Honorary
6. Student/Friend of the Industry

Membership in the Association is not transferrable and is non-assignable.

SECTION 2. Each individual holding membership shall pay dues in accordance with the classification of membership and rate assigned to such classification. The membership rate for each classification shall be determined by a majority vote of the Board of Trustees. Dues are payable directly to the Association annually in advance; or, as otherwise

determined by the Board of Trustees.

- (1) PRODUCERS:** those who prospect, develop, and produce oil and natural gas.
- (2) CONTRACTORS:** those who independently provide services to producers in drilling for gas or oil and maintaining or abandoning oil and gas wells.
- (3) ALLIED INDUSTRIES:** those whose businesses, such as services and supply companies, oil and gas transmission companies, truckers, sales representatives, banks, purchasers of oil and gas, refineries, and non-producing gas utility companies.
- (4) PROFESSIONALS:** those who serve the industry in a professional capacity such as attorneys, landmen, surveyors, consulting geologists, engineers, and geophysicists.
- (5) ASSOCIATES:** those who are employees of paid members in the Producer, Contractor, Professional, or Allied Industries Classifications.
- (6) ROYALTY OWNERS:** anyone whose only interest in the oil and gas industry is ownership of non-operating royalty interests.
- (7) NON-OPERATING INVESTOR:** anyone whose only interest in the oil and gas industry is ownership of non-operating working interests.
- (8) HONORARY:** those who are chosen by the Board of Trustees for membership in the Association on the basis of their service to the Association and the industry.
- (9) STUDENT:** those who are actively furthering their education, on a full-time basis, in any secondary, college, graduate, or vocational school. An individual's membership in this category shall be limited to no more than seven renewals or eight years.
- (10) FRIEND OF THE INDUSTRY:** those interested in the industry but not directly involved, including hotels and local governments.

Students and Friends of the Industry may not vote, hold office, or direct any Association activity, but otherwise may have privileges within the Association as may be determined by the Board.

SECTION 3. Voting members will be Producers, Contractors, Allied Industries, Professionals, Associates, and Honorary. Any voting member may be represented and vote at any meeting in person or by properly authorized proxy or ballot mailed to the Executive Secretary or presented at the meeting by a duly authorized representative.

SECTION 4. The Association shall keep a membership book containing the name and addresses of each member, the date of admission to

membership, and the class of membership.

SECTION 5. The Association may issue certificates evidencing membership in the Southeastern Ohio Oil & Gas Association, but it shall not issue certificates for shares.

SECTION 7. In the event of the termination of membership for any cause, such fact of that termination and the date of termination shall be recorded in the membership records.

SECTION 8. All rights and privileges of a member in the Association and in the Association's property shall cease on the termination of that member's membership.

ARTICLE IV - BOARD OF TRUSTEES

SECTION 1. There shall be a Board of Trustees of not more than twenty (20) nor less than twelve (12) members to be elected as hereinafter provided. At least 55% of the Trustees shall be elected from those engaged in the production of oil and gas, called "PRODUCERS" or ASSOCIATES of PRODUCERS, as defined in Article III, section 2. The term of each Trustee shall be three (3) years, which shall commence on the first day of January and shall continue until the first meeting following the date of the election.

SECTION 2. Except where the law, the articles, or the regulations require that action be otherwise authorized or taken, all of the authority of the Association shall be exercised by its Trustees. For their own government, Trustees may adopt resolutions not inconsistent with the articles or the regulations.

SECTION 3. The Board of Trustees shall have the power to do any act or thing which it may deem to be in the best interests of the Association including to a) appoint persons to any newly-created Trustee positions, b) appoint persons to any vacant but unexpired Trustee term and c) reduce the size of the board by declining to appoint persons to any vacant Trustee positions.

SECTION 4. In discharging his or her duties, a Trustee may, when acting in good faith, rely upon the books and records of the Association and upon financial statements or written reports prepared by an officer or employee of the Association in charge of accounts or certified by a public accountant or firm of public accountants.

SECTION 5. The Board of Trustees shall hold monthly meetings and such special meetings as it may deem necessary. Those Board Members attending a regularly scheduled Board Meeting shall constitute a quorum for the conduct of routine business. For special Meetings, 60% of the members of the Board shall constitute a quorum. The Board may adopt policies permitting Trustees to attend meetings by electronic means,

including by way of telephone conference or internet video conference.

SECTION 6. Special meetings of the Trustees may be called by the President, Vice President, or any three Trustees. In lieu of calling a special meeting, the President may call a vote of the Trustees by “reply all” to an electronic communication (including email), provided that the vote does involve the expenditure of more than \$1,000.00.

SECTION 7. Written notice of the time and place of the special meeting of the Board of Trustees shall be given to each Trustee either by personal delivery, telephone, mail, email, text, or instant messenger at least two (2) days before the meeting, which notice need not specify the purpose of the meeting.

SECTION 8. Written notice of the time and place of the regular meeting of the Board of Trustees is not necessary. Unless otherwise established by the Trustees, the regular meeting shall be held on the second Wednesday of the month.

SECTION 9. The out-going President of the Association whose term has expired shall become an ex-officio member of the board Trustees for a 3-year term with full voting rights.

SECTION 10. Any Trustee may be removed from office for cause or for neglect or refusal to perform his duties by a three-fourths (3/4) vote of the Trustees in attendance at any lawful meeting. Unexcused absence from (3) consecutive meetings shall constitute neglect.

ARTICLE V - OFFICERS AND THEIR POWERS AND DUTIES

SECTION 1. The officers of the Association shall consist of a President, Vice President, Treasurer, Secretary, and an Executive Secretary.

SECTION 2. “President” The President shall preside at all meetings of the Association and as President shall be the Chairman of the Executive committee and a member ex-officio of all Association committees. As the executive head of the Association, he or she shall execute the will of the Association and the Board of Trustees. The President shall appoint all committee Chairmen subject to approval of the Board of Trustees. During the absence or disability, or in the event of the death of the President, the Vice President shall exercise all the powers and discharge all the duties of the President.

SECTION 3. “Vice President” The Vice President shall exercise the duties of the President during the absence, disability, or death of the President.

SECTION 4. “Treasurer” The Treasurer shall supervise the custody of all monies belonging to the Association, and he or she shall designate the depository of the same. He or she shall sign all checks drawn against the

funds for duly authorized and approved expenditures and shall be solely responsible for signing all salary and expense checks, except that in his or her absence or in the event he or she is incapacitated the President shall perform his duty. He or she shall, upon ceasing to hold office, surrender to his or her successor in office, or to such other person as shall be designated by the Board of Trustees, all monies, books, papers, and other property of the Association under his or her control. Whether or not bonding will be required of the Treasurer shall be at the discretion of the Board of Trustees. The Treasurer shall, in cooperation with the Executive Secretary, ensure maintenance of adequate records so that the current status is known at all times regarding payment of dues applicable to each member.

SECTION 5. "Secretary" The Secretary shall be custodian of the records of the Association. The secretary of the Association shall see that all paid employees and the Treasurer of the Association shall be bonded at all times in such amount as specified by the Board of Trustees.

SECTION 6. "Executive Secretary" The Executive Secretary shall keep full and accurate records of all transactions of the Association, conducting the correspondence relating to his or her department. He or she shall be the representative of the Association in soliciting membership and shall notify members of all dues or other obligations as they become due. The Executive Secretary shall serve as Secretary ex-officio on all committees and shall exercise such other powers to further the best interest of the Association as shall be assigned to him or her by the Board of Trustees. The Executive Secretary shall provide the Secretary with a copy of all records made by him or her necessary to maintain a complete set of corporate records for the State of Ohio and the Internal Revenue Service.

SECTION 7. No officer or Trustee shall receive any compensation for his or her services except the Executive Secretary, who shall receive such compensation as the Trustees from time to time determine.

SECTION 8. All Trustees, Officers, and Members shall pay their own expenses to and from all meetings, though at times the Board of Trustees may authorize the payment of expenses incurred at a meeting for industry promotion purposes. In the event any Trustee, Officer, or Member is assigned a special task involving travel, he or she shall have his or her actual expenses paid when same has been approved by the Board of Trustees or authorized by the President.

SECTION 9. Any Officer may be removed from office for cause or for neglect or refusal to perform his or her duties by a three-fourths (3/4) vote of the Trustees in attendance at any lawful meeting. Unexcused absence from (3) consecutive meetings shall constitute neglect.

SECTION 10. A vacancy caused by failure of the Association to elect, or the death, resignation, or removal of any Officer, may be filled for the unexpired term of the Board of Trustees.

SECTION 11. Officers shall hold office for two (2) years.

ARTICLE VI - ELECTIONS

SECTION 1. The President may appoint a Nominating Committee composed of three (3) members of the Association. Any member of the Association may also submit a nomination for a position on the Board of Trustees.

SECTION 2. Members of the Board of Trustees shall be elected by secret ballot to be conducted during the annual meeting. The decision as to whether the ballot will be conducted by mail or in-person shall be reserved solely to the discretion of the Board of Trustees, such decision shall be announced to the general membership no less than sixty (60) days prior to the election.

SECTION 3. The Executive Secretary shall provide to each voting member of the Association, at least fifteen (15) days in advance, a ballot, instructions, and announcements of the date, time, and place at which the annual election meeting is to be held in Ohio.

SECTION 4. The Board of Trustees shall, at its first meeting following elections, elect the Officers of the Association. Said Officers shall be chosen from the Board of Trustees, excepting the Executive Secretary and the Treasurer, who need not be a member of the Board of Trustees.

ARTICLE VII - COMMITTEES

SECTION 1. The Board of Trustees shall have the power to designate such standing and special committees as it deems necessary to protect and further the interests, purposes, and objectives of the Association and its members. Members of such committees shall be appointed by the President, subject to the approval of the Board.

ARTICLE VIII - AMENDMENTS

SECTION 1. The regulations may be adopted, altered, amended, or repealed by a two-thirds (2/3) vote of the Members, provided the written notice of the proposed alteration, amendment, or repeal shall have been sent to members with the call for such meeting,.

ARTICLE IX - BOOKS, RECORDS OF ACCOUNTS, AND MINUTES

SECTION 1. The Association shall keep correct and complete books and records of account, together with minutes of its proceedings and of its members, Trustees, and committees.

SECTION 2. Any Trustee, person that has been a member of the Association for at least 18 months, or agent or attorney of either, for any reasonable and lawful purpose at any reasonable time, shall have the right to examine all books and records of the Association.

ARTICLE X - CALLING SPECIAL OF MEETINGS OF VOTING MEMBERS

SECTION 1. A special meeting of voting members may be called by the Trustees by action at a meeting, or a majority of Trustees acting without a meeting.

SECTION 2. A special meetings of voting members may be called by the lesser of (a) twenty percent (20%) of the voting members or (b) thirty (30) of such members.

SECTION 3. A special meeting of voting members may be held within or without this state.

ARTICLE XI - NOTICE OF MEETING

SECTION 1. Written notice stating the time and place of a meeting of voting members and the purpose or purposes for which the meeting is called shall be given either by personal delivery or by mail not less than three (3) nor more than twenty (20) days before the date of the meeting to each member entitled to the notice of the meeting. If mailed, such notice shall be addressed to the member as it appears on the records of the Association.

SECTION 2. The attendance of any member or any Trustee at any meeting without protesting the lack of adequate notice thereto, prior to or at the commencement of the meeting, shall be deemed a waiver by him or her of notice of such meeting.