



BY-LAWS OF THE WEST HOUSTON ASSOCIATION OF PROFESSIONAL LANDMEN

ARTICLE I

NAME

The name shall be "West Houston Association of Professional Landmen".

ARTICLE II

LOCATION

The sites of the Headquarters of the Association shall be in the area west of the Loop 610 in the City of Houston, County of Harris, and State of Texas.

ARTICLE III

PURPOSE

The purpose of the Association shall be:

- (1) Educational
- (2) Social

ARTICLE IV

MEMBERSHIP

Membership in this Association shall be open to all Landmen predominately engaged in professional landwork relating to the oil, gas and mineral industries.

A "Landman" (regardless of title) is defined as a person regularly and primarily responsible for the negotiation, acquisition, divestment and management of interest in oil, gas and/or any other mineral estates in land. It shall not include abstractors, attorneys in oil and gas work, lease records and other persons working directly with land departments but not qualifying as professional Landmen, government persons involved in mineral or energy industry work, persons in education involved with petroleum land management courses and other persons, whose primary occupation is related to work of professional Landmen in the performance of their duties, such as Geologists, Geophysicists, Engineers, Draftsmen, clerical personnel and employment consultants. As to membership and otherwise, any references in these By-Laws to a Landman or other individual in any capacity shall include both male and female genders.

Eligibility for membership, approval of classification and the acceptance of any applicant therefore shall be determined by not less than three (3) members of a five (5) member Membership Committee, four (4) of whom shall be appointed by the President, and such committee to include the President and be approved by the Board of Directors. All questions relating to the maintenance of membership within the Association shall be determined by the entire Membership Committee.

A. Membership in WHAPL shall consist of the following classifications:

1) Active Membership

- (a) Active Membership in the Association shall be available to professional Landmen who are regularly and primarily responsible for the negotiation, acquisition, divestment and management of interest in oil, gas and/or any other mineral estates in land. This includes people employed as a Landman and those engaged in rendering professional services as Landmen on an Independent basis. It would include those dealing with oil and gas, coal or other minerals.
- (b) An Active Member shall have a minimum of three (3) years of active experience as a Landman and the recommendation of at least three (3) active members who know the applicant.
- (c) Except as otherwise provided for herein, only Active Members may hold office, chair committees, vote in Association affairs or sponsor membership applications.
- (d) Active Membership shall be available for any person who is a Certified Professional Landman or a Registered Professional Landman, as defined by the American Association of Professional Landmen.

2) Associate Membership

- (a) Associate Membership in the Association to those persons otherwise qualifying as Active Members with less than three (3) years active experience as a Landman in the mineral and/or energy industries; and Attorneys, Geologists, Geophysicists and Engineers predominately engaged in work relating to the oil, gas and mineral industries.
- (b) Upon qualification for Active Membership, an Associate Member shall submit a written application and recommendations as provided for in Article IV, Paragraph 1 (b).

3) Retired Membership

- (a) Retired Membership in the Association shall be available to those persons who are permanently retired. It will pertain to all Landmen who formerly qualified as Active Members. The dues for those qualifying as Retired Members shall be \$20.00 annually.

4) Student Membership

- (a) Student Membership in the Association shall be available to those students who are actively engaged in the pursuit of academic careers, primarily in Petroleum Land Management. They shall be required to offer proof of their current academic status. The dues for those qualifying as Student Members shall be \$20.00 annually.
- (b) Student Membership shall be renewable annually upon confirmation of current enrollment status and eligibility shall terminate upon graduation or termination of enrollment.

B. Misconduct of Members

Any question of alleged misconduct of a member shall include, but not be limited to:

- (a) Violation of any provisions of WHAPL’s Code of Ethics, or any rule, regulation or order adopted pursuant thereto;
- (b) Aiding or abetting any unauthorized use of the title “Certified Professional Landman” (CPL), “Certified Professional Landman/Environmental Site Assessor” (CPL/ESA), “Registered Professional Landman” (RPL), “Registered Landman” (RL), “P. Land” (Canada) or any other certification by WHAPL or AAPL or other professional association or misrepresentation of membership therein, or misrepresentation of professional or academic degrees or certifications;
- (c) Any act or conduct which causes disrespect for or lack of confidence in the member to act professionally as a Landman.

ARTICLE V

MEETINGS

The meetings of the organization shall be:

- (1) Regular Meetings – may be held each month, at such time and place as may be designated by the Board of Directors, a minimum of six (6) meetings to be held each calendar year.
- (2) Special Meetings – may be called by the Board of Directors at any time the affairs of the Association necessitate such a meeting be held. Notice may be by mail, electronic mail and/or telephone.

ARTICLE VI

OFFICERS AND DUTIES

- 1) The officers of the Association shall be:
 - (a) President
 - (b) Vice President
 - (c) Treasurer
 - (d) Secretary
- 2) Duties of the President of the Association shall be:
 - (a) To preside at all regular and special meetings.
 - (b) To appoint all committees
 - (c) To be the Chairman of the Board of Directors and an Ex-Officio member of all other committees.
 - (d) If a member of AAPL, to be an Ex-Officio member of the AAPL Board of Directors, and in the absence of the duly appointed Regional Director, shall have a full voice and vote in the affairs coming before AAPL.
- 3) Duties of the Vice President of the Association shall be:
 - (a) In the permanent or temporary absence of the President, succeed to all the powers and duties of the Office of the Board of Directors.
- 4) Duties of the Treasurer of the Association shall be:

- (a) To collect all dues and assessments from all members of the Association and maintain accurate records thereof.
 - (b) To pay all expenses of the Association when such payment shall have been first fully authorized by the Board of Directors.
 - (c) To prepare financial statements correctly reflecting the financial condition of the Association at any time when so directed by the Board of Directors.
 - (d) To be a member of the Board of Directors.
- 5) Duties of the Secretary of the Association shall be:
- (a) To keep a true and accurate record and minutes of all regular and special meetings.
 - (b) To assist the presiding officer at all regular and special meetings thereof.
 - (c) To be a member of the Board of Directors.

ARTICLE VII

ELECTION OF OFFICERS, DIRECTORS AND APPOINTMENT OF REGIONAL DIRECTOR

- 1) The election of Officers and Directors shall be held at the regular meeting during the month of June each year.
- 2) The Officers and Directors shall be members of the Association and shall be elected by a majority of the members present and voting at such election.
- 3) The terms of the office for the Officers and Directors of the Association shall be for a period of twelve (12) calendar months from the first day of July each year, provided however, that all Officers and Directors shall serve until such time as their respective successors have been duly elected.
- 4) If any office other than the Presidency is vacated, it shall be the duty of the Board of Directors to appoint an Active Member to fill such vacancy for the unexpired term.
- 5) At least thirty (30) days prior to the election of Officers and Directors, the Board of Directors shall submit to the Active Members present at a regular meeting eight (8) candidates willing to serve on a Nominating Committee. The membership will then elect five (5) of these candidates to serve on the Nominating Committee whose duty it shall be to report back a slate (one candidate for each office) of Officers and Directors to the Association for consideration at the forthcoming election. In addition, no member of the Nominating Committee shall stand for election while serving on the Nominating Committee.
- 6) At least ten (10) days prior to a meeting called for the election of Officers and Directors, the President shall cause a notice to be sent to all Active Members of the Association setting forth the date, time and location of the election of Officers and Directors as well as the slate proposed by the Nominating Committee. At the election meeting, additional nominations may be made from the floor.
- 7) During a year in which the term of the Regional AAPL Director expires in accordance with the AAPL By-Laws, the Board of Directors shall appoint a successor Regional AAPL Director to serve for the terms referenced below in Article VIII, Paragraph 2. The appointment of the Regional AAPL Director shall be made by the Board of Directors at least sixty (60) days prior to the election of Officers and Directors meeting held in the corresponding year. The name of the appointed Regional AAPL Director shall be

included in the notice sent to all Active Members which is referenced above in the Article VII, Paragraph 6. The appointment of the Regional AAPL Director shall be confirmed by a majority of the members present and voting at the election meeting herein mentioned.

ARTICLE VIII

BOARD OF DIRECTORS

- 1) The Board of Directors shall consist of the duly elected officers, the Immediate Past President and two (2) other members of the Association, in good standing, who are Active Members to be elected as Directors at the same time and in the same manner as prescribed for the election of Officers. The two (2) elected members of the Board of Directors shall not be outgoing officers.
- 2) The two (2) elected Directors shall serve for a period of twelve (12) calendar months, the same to run concurrently with that of the officers of the Association, provided however, that the Regional AAPL Director shall serve two (2) consecutive terms coinciding with the effective election date of the AAPL Officers and Directors.
- 3) Five (5) members of the Board of Directors shall complete a quorum for the transaction of all business regularly coming before it.
- 4) Duties of the Board of Directors of the Association shall be:
 - (a) To approve the appointment of a five (5) person Membership Committee as provided for in Article IV hereof;
 - (b) To have a general supervision of the finances of the Association;
 - (c) To plan the programs of the regular meetings and/or to suggest to the President the appointment of special entertainment committees;
 - (d) To call special meetings.
- 5) Duties of the Regional AAPL Director shall be:
 - (a) To be a member in good standing of the American Association of Professional Landmen;
 - (b) Represent the Association in accordance with the By-Laws of AAPL and to cast any ballots that may be required to reflect the desires and directions of the majority of the Association's membership on matters upon which they have voted;
 - (c) To be an Ex-Officio member of this Association's Board of Directors, and in the absence of any one of both of the Directors, have a full voice and vote in affairs coming before this Association;
 - (d) To furnish a Quarterly Report to this Association on the issues being considered by AAPL at this Quarterly Board of Directors Meeting and how such issues may affect this Association.

ARTICLE IX

CODE OF ETHICS

WHAPL's Code of Ethics shall be the basis of conduct, business principals and ideals for its members, and it shall be understood that conduct of any WHAPL member inconsistent with the provisions set forth in this Article shall

be considered unethical and said individual's membership status shall be subject to review for disciplinary action. WHAPL's Code of Ethics includes the Standards of Practice and Preamble at the end of Article IX.

In the area of human endeavor involving trading under competitive conditions, ethical standards for fair and honest dealing can be made increasingly meaningful by an association organized and dedicated not only to the definition, maintenance and enforcement of such standards, but to the improvement and education of its members as set out in the Standards of Practice. Such is the objective of WHAPL, and such is its public trust.

- 1) It shall be the duty of the Landman at all times to promote and, in a fair and honest manner, represent the industry to the public at large with the view of establishing and maintaining good will between the industry and the public and among industry parties. The Landman, in his dealings with landowners, industry parties and others outside the industry, shall conduct himself in a manner consistent with fairness and honesty, such as to maintain the respect of the public.
- 2) Competition among those engaged in the mineral and energy industries shall be kept at a high level with careful adherence to established rules of honesty and courtesy. A Landman shall not betray his partner's, employer's or client's trust by directly turning confidential information to personal gain. The Landman shall exercise the utmost good faith and loyalty to his employer or client and shall not act adversely or engage in any enterprise in conflict with the interest of his employer or client. Further, the Landman shall act in good faith in dealings with industry associates. The Landman shall represent others only in his areas of expertise and shall not represent himself to be skilled in professional areas in which he is not professionally qualified.

STANDARDS OF PRACTICE

WEST HOUSTON ASSOCIATION OF PROFESSIONAL LANDMEN

The By-Laws for the West Houston Association of Professional Landmen (WHAPL) provides that a Code of Ethics has been established "to inspire and maintain a high standard of professional conduct" for the members of WHAPL. This Code of Ethics is the basis of conduct, business principles and ideals for WHAPL members. This standard of professional conduct and these guiding principles and ideals mandated by the Code of Ethics within WHAPL's By-Laws are summarized as follows:

- 1) Fair and honest dealing with landowners, industry associates and the general public so as to preserve the highest integrity of the profession (Article IX, Section 1);
- 2) Adherence to a high standard of conduct in fulfilling his fiduciary duties to a principal (Article IX, Section 2);
- 3) Avoiding business activity which may conflict with the interest of his employer or client or result in the unauthorized disclosure of misuse of confidential information (Article IX, Section 2);
- 4) Performance of professional services in a competent manner (Article IX, Section 2);
- 5) Adherence to any provisions to the By-Laws, Code of Ethics, or any rule, regulation, or order pursuant thereto (Article IV, Section C);
- 6) Avoiding the aiding or abetting of any unauthorized use of the title "Certified Professional Landman" (CPL), "Certified Professional Landman/Environmental Site Assessor" (CPL/ESA), "Registered Professional Landman" (RPL), "Registered Landman" (RL), "P. Land" (Canada) or any other certification

by WHAPL or AAPL or other professional association or misrepresentation of membership therein, or misrepresentation of professional of academic degrees or certifications (Article IV, Section C); and

- 7) Avoiding any act or conduct which causes disrespect for or lack of confidence in the member to act professionally as a Landman (Article IV, Section C).

The masculine gender used herein shall refer to both men and women Landmen. (*References are to the applicable Article and Section of the AAPL By-Laws.)

PREAMBLE

Under all is the land. Upon its wise utilization and widely allocated ownership depend on the survival and growth of free institutions and of our civilization. The Code of Ethics shall be the basis of conduct, business principals and ideals for the members of the West Houston Association of Professional Landmen (WHAPL).

In the area of human endeavor involving trading under competitive conditions, ethical standards for fair and honest dealing can be made increasingly meaningful by an association organized and dedicated not only to the definition, maintenance and enforcement of such standards, but to the improvement and education of its members. Such is the objective of WHAPL, and such is its public trust.

Such standards impose obligations beyond those of ordinary trading. They impose grave social responsibility and a duty to which the Landman should dedicate himself. A Landman, therefore, is zealous to maintain and improve the standards of his calling and shares with his fellow Landmen a common responsibility for its integrity and honor.

The term Landman has come to connote competency, fairness, integrity and moral conduct in business relations. No inducement of profit and no instruction from clients can ever justify departure from these ideals.

In order to inform the members of the specific conduct, business principals and ideals mandated by the Code of Ethics, WHAPL has adopted the following Standards of Practice, and every member shall conduct his business in accordance therewith:

- 1) In justice to those who place their interest in his care, a Landman shall be informed regarding laws, proposed legislation, governmental regulations, public policies and current market conditions in his area of represented expertise, in order to be in a position to advise his employer or client properly (D, E).* (*References are to the foregoing summary of the standards of professional conduct and guiding principles and ideals mandated by the Code of Ethics and WHAPL By-Laws).
- 2) It is the duty of the Landman to protect the members of the public with whom he deals against fraud, misrepresentation and unethical practices. He shall eliminate any practices which could be damaging to the public or bring discredit to the petroleum, mining or environmental industries.
- 3) In accepting employment, the Landman pledges himself to protect and promote the interests of his employer or client. This obligation of absolute fidelity to the employer's or client's interest is primary, but it does not relieve the Landman of his obligation to treat fairly all parties to any transaction, or act in an ethical manner (A, B).
- 4) The Landman shall not accept compensation from more than one principal for providing the same service, nor accept compensation from more than one party to a transaction, without the full knowledge of all principals or parties to the transaction (B, C).

- 5) The Landman shall not deny equal professional services to any person for reasons of race, creed, sex or country of national origin. The Landman shall not be a party to any plan or agreement to discriminate against a person or persons on the basis of race, creed, sex or country of national origin (A, G).
- 6) A Landman shall provide a level of competent service in keeping with the standards of practice in those fields in which a Landman customarily engages. The Landman shall not represent himself to be skilled in nor shall he engage in professional areas in which he is not qualified, such as the practice of law, geology, engineering or other disciplines (D).
- 7) The Landman shall not undertake to provide professional services concerning a property or a transaction where he has a present or contemplated interest, unless such interest is specifically disclosed to all affected parties (C).
- 8) The Landman shall not acquire for himself or others an interest in property which he is called upon to purchase for his principal, employer or client without the consent of said principal, employer or client. He shall disclose his interest in the area which might be in conflict with his principal, employer or client. In leasing any property or negotiating for the sale of any block of leases, including lands owned by himself or in which he has an interest, a Landman shall reveal the facts of his ownership or interest to the potential buyer (C).
- 9) If a Landman is charged with unethical practice or is asked to present evidence in any disciplinary proceeding or investigation or has direct knowledge of apparent unethical conduct of another member, he shall place all pertinent facts before the property authority of WHAPL €.
- 10) The Landman shall not accept any commission, rebate, interest, overriding royalty or other profit on transactions made for an employer or client without the employer's or client's knowledge and consent (B).
- 11) The Landman shall assure that monies coming into his possession in trust for other persons, such as escrows, advances for expenses, fee advances, and other like items, are properly accounted for and administered in a manner approved by his employer or client (B).
- 12) The Landman shall avoid business activity which may conflict with the interest of his employer or client or result in the unauthorized disclosure or misuse of confidential information (C).
- 13) The Landman shall at all times present an accurate representation in his advertising and disclosure to the public (A).
- 14) The Landman shall not aid or abet the unauthorized use of the title "Certified Professional Landman" (CPL), "Certified Professional Landman/Environmental Site Assessor" (CPL/ESA), "Registered Professional Landman" (RPL), "Registered Landman" (RL), "P.Land" (Canada) or any other certification by WHAPL or AAPL or other professional association or misrepresentation of membership therein, or misrepresentation of academic degrees or certification.

- 15) The Landman shall not participate in conduct which causes him to be convicted, adjudged or otherwise recorded as guilty by any court of competent jurisdiction of any felony, any offense involving fraud as an essential element, or other serious crime.

ARTICLE X

DUES, ASSESSMENTS AND TERMINATION OF MEMBERSHIP

- 1) The annual dues assessed all members shall be set by the Board of Directors, payable annually in advance. Payments of dues may be suspended, when the Board of Directors finds that such payment is not necessary for the proper financing of the Association for the period suspending.
- 2) The fiscal year shall begin July 1.
- 3) Special assessments may be made and will be effective only upon being passed by a vote of three-fourths (3/4) majority of the active members of the Association present and voting at any regular or special meetings, provided that written notice of such meeting and the special assessment proposed shall have been mailed to all active members at least one (1) week prior to such meeting.

TERMINATION OF MEMBERSHIP

- 1) Any member who has not paid his dues by September 1 of the current year shall be dropped from the rolls of the Association and if such person wishes to again become a member of the Association, he must make application for new membership.
- 2) Any Active or Associate member who ceases to pay dues or meet the definition of Landman as defined in Article IV may be subject to termination as a member of this organization. It shall be the responsibility of the Membership Committee to give written notice by Certified Mail to said party's address last known to the Association that said party's membership is being terminated in accordance with Article IV and such party shall have thirty (30) days from the date said letter is mailed within which to satisfy the Committee that said party's membership shall not be terminated. Unless reinstated by the Membership Committee, said membership will automatically be terminated thirty (30) days from the date of written notice or at the expiration of the current fiscal year if dues have been paid, whichever is the latter date. Any Active or Associate member who is guilty of violating the Code of Ethics of AAPL is subject to automatic expulsion.

ARTICLE XI

PARLIMENTARY RULES

Roberts Rules of Order, Revised, shall control at the regular and special meetings of the Association.

ARTICLE XII

INDEMNIFICATION

- (1) Each person who acts as a Director, Officer or Committee Member of WHAPL shall be indemnified by WHAPL against any costs, expenses and liabilities which may be imposed upon or reasonably incurred by such person in connection with any civil or criminal action, suit or proceeding in which such person may be named as a party defendant by reason of any action alleged to have been taken or omitted by such person acting in any such capacity; provided, that in any case the right for indemnification herein provided shall not extend to any costs, expenses or liabilities imposed upon or incurred by any Director, Officer or Committee Member of WHAPL in relation to matters as to which such person shall be finally adjudged to be liable for negligence or misconduct in the performance of such person's duties as Director, Officer or Committee Member or to any sum paid by such person to WHAPL in settlement of any action, suit or proceeding based on such person's alleged dereliction of duty, unless settlement thereof or a plea of nolo contendere (or other plea of substantially the same import and effect) in the opinion of counsel of WHAPL appears to be in the interest of WHAPL, or the court in which the suit was brought shall determine upon application, that despite the adjudication, but in view of all the circumstances, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.
- (2) WHAPL may pay in advance any expenses (including attorney's fees) which may be subject to indemnification, if the Board of Directors has authorized specific payment and the person receiving the payment undertakes in writing to repay, unless it is ultimately determined that such person is entitled to indemnification by WHAPL under this provision
- (3) The indemnification provided by this section shall not be exclusive of any other rights to which such person may be entitled by law, WHAPL By-Laws, agreement, vote of Directors or otherwise.

ARTICLE XIII

AMENDMENT OF BY-LAWS

These By-Laws may be changed or amended only by a vote of three fourths (3/4) majority of the Active Members of the Association present and voting at any regular or special meetings, provided that written notice of the proposed changes or amendments shall have been mailed or communicated to all Active Members at least one (1) week prior to such meeting.