



Completion Engineering Association Charter

Article I (Name, Purposes, and Objectives)

The name of this organization is the Completion Engineering Association. The purposes and objectives of the Association are to advance the state-of-the-art of well completion technology by providing a forum for:

1. The presentation of proposals for completion-related projects sponsored by Members of the Association for participation by Members and non-Members alike.
2. Exploring the levels of interest of Members in potential completion related problems to aid in developing future industry sponsored projects.
3. Advising academic organizations and other industry groups of the needs and interests of Members.
4. This organization is not organized for profit or organized to engage in an activity ordinarily carried on for profit. No part of any net earnings of this organization shall inure to the benefit of, or be distributed to, its members, trustees, officers or other private persons; provided however, that the Association shall be authorized and empowered to reimburse its members, trustees, officers or other private persons for reasonable expenses incurred by these persons in furtherance of the purpose for which the Association was organized.

Article II (Membership)

1. **MEMBER:** Any individual, firm, partnership, association or corporation engaged in the production of oil and gas may become a Member of the Association by
 - (a) paying the then current Initial Fee,
 - (b) accepting this Charter,
 - (c) appointing a Representative and an Alternate Representative who shall have the power and authority to represent such Member in all matters relating to the Association and
 - (d) paying a pro rata share of the routine expenses of the Association as determined by the Advisory Committee.

Any such Representative of Alternate Representative may be replaced at any time by the particular Member. Memberships may not be transferred. A Membership shall continue so long as the Member complies with the terms and provisions hereto and continues to pay its share of fees and assessments as provided for herein.

2. **INITIAL FEE FOR MEMBERS:** Members joining the Association on or before October 6, 1988, shall pay one time, an Initial Fee of Five Hundred Dollars (\$500.00 U.S.). After October 6, 1988, the one time Initial Fee for new Members joining the Association shall be established annually by the Advisory Committee.

3. **ASSOCIATE MEMBER:** Any individual, firm, partnership, association, university, college, or other organization associated with the oil and gas industry or interested in completion engineering may become an Associate Member of the CEA by
 - (a) paying the then current Initial Fee for Associate Members,
 - (b) accepting this Charter,
 - (c) appointing a Representative and an Alternate Representative with the intent of staying abreast of the Association's activities via meetings and correspondence,
 - (d) paying a pro rata share of the routine expenses of the Association as determined by the Advisory Committee.



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Any such Representative or Alternate Representative may be replaced at any time by the particular Associate Member Organization. An Associate Membership shall continue so long as the Associate Member complies with the terms and provisions hereto and continues to pay its share of fees and assessments as provided for herein. An Associate Member shall have no voting rights nor be able to sponsor Completion Discussion Items or CEA Project Proposals. The intent of this level of membership is to allow those companies not directly engaged in the production of oil and/or gas to participate in meetings and to stay abreast of the Association's activities via the normal correspondence flow to the Membership.

4. INITIAL FEE FOR ASSOCIATE MEMBERS: Associate Members joining the Association on or before December 31, 1991, shall pay one time, an Initial Fee of Two Hundred Dollars (\$200.00 U.S.). After December 31, 1991, the one time Initial Fee for new Associate Members joining the Association shall be established annually by the Advisory Committee. As of May 4, 2001, the one time Initial Fee for new Associate Members joining the Association was established to be \$250.00.

Article III (Organization)

1. OFFICERS: The officers of the Association shall consist of a Chairman, Vice-Chairman, and Secretary-Treasurer. Candidates shall be a Representative or an Alternate Representative nominated by a Nominating Committee of at least three (3) Member representatives selected by the Chairman at least sixty (60) days prior to the Annual Meeting. Additional candidates may be nominated from the floor. Officers shall be elected by majority vote of the Members present and voting at the Annual Meeting and shall take office on the first day of the following calendar year. Their term of office shall be for two (2) years or until the next set of officers takes office, unless earlier removed for cause by vote representing at least eighty percent (80%) of all of the Members.

a) The Chairman shall preside at and conduct meetings of the Association and appoint such task forces, special and standing committees as he deems necessary and advisable to carry out the purposes and objectives of the Association. The Chairman may appoint individuals to such task forces or committees or he may invite Members to furnish individuals to serve on such task forces and committees.

b) The Vice-Chairman shall act in the absence of the Chairman.

c) The Secretary-Treasurer shall prepare and distribute a meeting agenda prior to each meeting of the Association or any committee or task force, maintain the minutes, records, and files of the Association, pay routine expenses as authorized by the Advisory Committee by checks drawn on the account of the Association, file financial and tax forms with appropriate governmental agencies as needed, and furnish at least an annual accounting statement to the Membership.

2. CHAPTERS: A chapter of the Association may be formed with the approval of the Membership. The approved resolution creating the chapter shall constitute the Charter of the chapter and define the chapter and its scope. No chapter shall have the power to obligate the Association. The Charter of the chapter may be modified or revoked by the Membership.

a) The chapter charter shall include provision for a Chapter Chairman, whose responsibilities and authority are as follows:

1) Schedule and conduct chapter meetings, and otherwise direct chapter activities.

2) Represent the chapter with the Association.



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- 3) Approve chapter expenditures within the currently approved annual budget and chapter reserve.
- 4) Submit a written accounting of chapter expenditures and financial status to the Association Chairman and Secretary-Treasurer, along with a proposed annual budget and chapter reserve for the next annual period. These shall be submitted two weeks prior to the Association Annual meeting.
- b) Procedures for the election of the Chapter Chairman and any other chapter officers shall be included in the chapter charter. The Association Chairman shall have the power to appoint a temporary Chapter Chairman unless an acting Chapter Chairman is otherwise provided.
- c) Each Association Member may name one Chapter Representative and one Alternate Chapter Representative for each active Association chapter. These Representatives may be either different or the same as the Association representatives.

3. ADVISORY COMMITTEE: In addition to the various task forces (and committees) which the Chairman is authorized to appoint, there shall be an Advisory Committee. No Member or Associate Member shall have more than one representative on the Advisory Committee.

- a) Advisory Committee Members shall be as follows:
 - 1) One shall be the current Chairman of the Association who shall also be the Chairman of the Advisory Committee.
 - 2) One shall be the current Vice-Chairman of the Association who shall also be Vice-Chairman of the Advisory Committee.
 - 3) One shall be the current Secretary-Treasurer of the Association who shall also be the Secretary-Treasurer of the Advisory Committee.
 - 4) Six (6) shall be elected from Member or Associate Member Representatives or Alternate Representatives by the Membership. A maximum of three (3) Advisory Committee members shall be elected from Associate Member Representatives or Alternate Representatives. The tenure of office of these committee members shall be concurrent with the Association officers unless earlier removed by a vote representing at least eighty percent (80%) of all the Members.
 - 5) Each current Chapter Chairman.
 - 6) At the completion of the normal term, the outgoing Chairman shall serve as an additional member of the Advisory Committee for a period of two years. (Note this was a revision to the Original CEA Charter, approved June 14, 1990.)
- b) Duties of the Advisory Committee shall include the following:
 - 1) Provide advice and consultation to the Chairman with respect to the performance of his duties in meeting the purposes and objectives of the Association.
 - 2) Establish guidelines and procedures for the submittal of programs and/or projects to be considered by the Association.
 - 3) Establish the current Initial Fee at the first meeting of each calendar year and administer the expenditure of funds as set forth in Article VI of the Charter. Such Initial 'Fee shall not exceed an amount approved by a vote of two-thirds (2/3) of the voting Members of the Association.
 - 4) Elect interim replacements for officers of the Association or Members of the Advisory Committee who resign or are removed prior to the completion of their term of office. Such interim replacements shall hold office until the next regularly elected officers take office.



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- 5) Such other duties as may be authorized by the Association.
- c) Six or more members of the Advisory Committee shall constitute a quorum. All actions of the Advisory Committee shall be approved by the votes of a majority of members present at a meeting at which a quorum is obtained; or in the absence of a quorum, by the votes of a majority of all the members of the Advisory Committee.
- d) The Advisory Committee may act, within its scope of authority, without a convened meeting by telephone, telex, or letter.

Article IV (Rights of Members and Associate Members)

1. The right of each Member and Associate Member of the Association to act individually and independently concerning any matter within the scope of the Association's activities shall not be impaired or restricted by the action of the Association. Each Member and Associate Member shall have the right individually to take such action as it deems advisable, whether or not such action conflicts with the action of the Association. Such individual action shall not purport to represent action of the Association.
2. Association business will be conducted on a non-confidential basis.
3. At reasonable times upon reasonable notice, each Member shall have access to and the right to inspect for any proper purpose the books and records of the Association and to make copies or extracts thereof.
4. Any Member or Associate Member may withdraw from the Association by giving notice in writing to the current chairman of the Association, and such party shall not be liable for any costs or expenses incurred subsequent to receipt of such notice of withdrawal by the Secretary-Treasurer. However, such party shall continue to be liable for its proportionate part of all costs and expenses incurred or committed to prior to Association receipt of notice of withdrawal. Such party shall not be entitled to a refund of all or any portion of the initial fee or any annual fee.

Article V (Conduct of Business)

1. Except as otherwise specifically provided herein, all matters coming before the Association shall be decided by the vote of a majority of the total voting Members present.
2. Prior to the conduct of business at a meeting of the Association, a quorum of at least fifty- percent (50%) of the Members must be present, but a lesser number may adjourn the meeting. Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment notwithstanding the departure of Members leaving less than a quorum. Each Member present shall be entitled to one vote. A Member may issue a written power of proxy to one of its employees to exercise in person. No other form of proxy shall be permitted.
 - a) If a quorum is not present, the attending Members at a regular Association meeting may direct that a mail ballot be conducted on a proposal of Association business.
3. By direction of the Chairman, the Advisory Committee, or as provided in Article V.2.a., a vote of all of the Members may be taken by mail or telex but requests for such mail or telex votes must be accompanied by as much notice and supporting information as the time and circumstances will reasonably permit. If a majority of all of the Members approve any matter by vote taken by mail or telex, the matter shall be considered as approved the same as if voted on in a meeting of the Association.



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The Secretary-Treasurer shall promptly advise the Members of the results of all such mail or telex votes and any action taken pursuant thereto.

4. This Charter may be amended by affirmative vote of at least seventy-five percent (75%) of all of the Members.

5. The Association shall not itself participate in joint industry projects. Each Member or Associate Member who participates in a joint industry project presented by the Association hereby agrees to indemnify, defend, and hold harmless, the Association and the Association's Members/Associate Members who are not participants in such project of and from any liability of any kind whatsoever in any way resulting from any contract, agreement, understanding, or dealing in connection with such projects, which indemnity and obligations shall survive the withdrawal or expulsion of the Member/Associate Member from the Association.

Article VI (Funding)

1. Funding will be the responsibility of the Advisory Committee through an annual budgeting process, which anticipates routine and incidental administrative expenses. Such funds shall be raised by equal assessments to the Members and Associate Members.

2. The annual budget for the coming year shall be presented to the Membership for approval by majority vote at the Annual Meeting. The budget will include anticipated expenditures and revenues, and will state the proposed Annual Fee.

a) The Annual Budget shall include provision for chapter budgets and reserves for Membership approval. Once approved, these funds shall be transferred to the Chapter, and may be disbursed under the authority of the Chapter Chairman.

3. If additional funds are required by the Association during the year due to increased expenditures, needs and/or a decrease in the membership count, an updated budget will be submitted for approval by a majority vote of the Members. Such approved funding not covered by the Annual Fee may be acquired by assessment of the Members and Associate Members. The Association or its officers are prohibited from making commitments that would exceed the approved budget and reserves. The Annual Fee shall be in addition to the one time Initial Fee.

4. No Member or Associate Member is required to pay any annual fee or assessment that has not been approved by a majority vote of all members.

5. If additional funds are required by a chapter during the year, these may be approved by the Advisory Committee, but in no event exceeding the authority in paragraph 3 of this Article. The Advisory Committee shall advise the Membership of such action at the next Regular Association meeting.

Article VII (Meetings)

The Association will meet as often as deemed necessary by the Chairman or Advisory Committee to carry out the purposes and objectives of the Association. In any event, however, no less than one (1) meeting shall be held in any calendar year, the Annual Meeting. Written notice of any meeting will be given at least fourteen (14) days prior to such meeting unless a shorter notice is unavoidable. All notices shall contain the



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reason for the meeting, the date, place, and time it is to be held, and an agenda of the items proposed to be considered.

Article VIII (Payment Delinquency)

In the event a Member or Associate Member has not paid any assessment within ninety (90) days after receipt of billing from the Secretary-Treasurer, the account of such Member or Associate Member shall be considered delinquent. At the expiration of ninety (90) days, after receipt of billing from the Secretary-Treasurer, the Secretary-Treasurer shall mail notice of delinquency to such Member or Associate Member by Registered or Certified Mail. In the event the Secretary-Treasurer has not received payment within thirty (30) days after the mailing of notice of delinquency, such Member or Associate Member shall be dropped automatically from the Membership as of the end of such thirty (30) day period. Such Member or Associate Member, however, shall continue to be liable for its obligations accrued prior to such termination of its Membership.

Article IX (Dissolution)

1. This Association may be dissolved upon the affirmative vote of at least seventy-five percent (75%) of all the Members.

2. Upon the dissolution of the Association, the Advisory Committee shall, after paying or making provision for the payment of all of the liabilities of the Association, dispose of all of the assets of the Association to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501 (c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the Advisory Committee shall determine. Any such assets not so disposed of shall be disposed of by the appropriate court of the county in which the principal office of the Association is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

Article X (Effective Date)

1. The effective date of this Charter shall be October 6, 1988.

2. The effective date of any amendment to this Charter shall be the date such amendment is approved by the Members in accordance with the provisions of Article V, unless some other effective date is provided by the amendment.

This Charter is hereby approved and accepted as amended this 3rd day of May 2001.



Completion Engineering Association Charter

REPRESENTATIVE:

MEMBER:

<input type="checkbox"/>	_____	SIGNATURE
<input type="checkbox"/>	_____	PRINTED NAME
<input type="checkbox"/>	_____	COMPANY
<input type="checkbox"/>	_____	MAILING ADDRESS
<input type="checkbox"/>	_____	CITY, STATE, AND ZIP
<input type="checkbox"/>	_____	PHONE NUMBER
<input type="checkbox"/>	_____	FAX NUMBER
<input type="checkbox"/>	_____	E-MAIL

ASSOCIATE MEMBER:

<input type="checkbox"/>	_____	SIGNATURE
<input type="checkbox"/>	_____	PRINTED NAME
<input type="checkbox"/>	_____	COMPANY
<input type="checkbox"/>	_____	MAILING ADDRESS
<input type="checkbox"/>	_____	CITY, STATE, AND ZIP
<input type="checkbox"/>	_____	PHONE NUMBER
<input type="checkbox"/>	_____	FAX NUMBER
<input type="checkbox"/>	_____	E-MAIL

ALTERNATE REPRESENTATIVE:

MEMBER:

<input type="checkbox"/>	_____	SIGNATURE
<input type="checkbox"/>	_____	PRINTED NAME
<input type="checkbox"/>	_____	COMPANY
<input type="checkbox"/>	_____	MAILING ADDRESS
<input type="checkbox"/>	_____	CITY, STATE, AND ZIP
<input type="checkbox"/>	_____	PHONE NUMBER
<input type="checkbox"/>	_____	FAX NUMBER
<input type="checkbox"/>	_____	E-MAIL

ASSOCIATE MEMBER:

<input type="checkbox"/>	_____	SIGNATURE
<input type="checkbox"/>	_____	PRINTED NAME
<input type="checkbox"/>	_____	COMPANY
<input type="checkbox"/>	_____	MAILING ADDRESS
<input type="checkbox"/>	_____	CITY, STATE, AND ZIP
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<input type="checkbox"/>	_____	FAX NUMBER
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