

PERMIAN ASSOCIATION OF LEASE AND TITLE ANALYSTS
BY-LAWS

(As Amended 1-1-2003)
(As Amended 1-1-2004)
(As Amended 12-20-2007)
(As Amended 10-21-2014)
(As Amended 8-13-2015)
(As Amended 12-4-2015; Effective 1-31-2016)
(As Amended Effective 07-01-2016)

ARTICLE I. NAME

The name of the organization shall be the "Permian Association of Lease and Title Analysts, Inc." hereinafter referred to as "PALTA." PALTA is a non-profit corporation organized and existing under the laws of the State of Texas.

ARTICLE II. LOCATION

PALTA shall maintain headquarters in Midland, Texas, the place of incorporation, or at such other place as may be designated from time to time by the Board of Directors.

ARTICLE III. DEFINITIONS

- A. LEASE AND/OR TITLE ANALYST WORK shall mean the actual performance or supervision of the review, administration and/or maintenance of oil, gas, mineral or surface estate documents including, but not limited to, Oil, Gas and Mineral Leases, Surface Leases, Letter Agreements, Joint Operating Agreements, Assignments, Unitization Documents, Division Orders and other such instruments particular to the oil and gas industry.
- B. LEASE AND/OR TITLE ANALYST shall mean a person whose primary source of income is obtained by performing Lease and/or Title Analyst Work.
- C. MEMBER shall mean a member in good standing, defined as: (a) Member who has paid membership dues for the current year; and (b) Member who has no outstanding amounts due PALTA, e.g., luncheon/seminar fees; and (3) Member who is in compliance with all aspects of the NALTA and PALTA Codes of Ethics. Members in good standing shall be entitled to participate in the activities of PALTA and entitled to the rights and privileges of membership.

ARTICLE IV. PURPOSE

The purpose of PALTA shall be:

- A. To serve as a professional organization representing men and women engaged in lease and title analyst work for the energy industries.

- B. To further the education and knowledge, and to enhance the professionalism of the Lease and Title Analyst.
- C. To promote more effective public relations, thereby increasing communication among industry firms, their associated personnel and the public with whom the Lease and Title Analyst is involved.
- D. To advance the status and professional recognition of the Lease and Title Analyst within the energy industries.
- E. To promote fellowship and networking amongst colleagues.

ARTICLE V. CODE OF ETHICS

PALTA shall abide by the Code of Ethics set out in the By-Laws of the National Association of Lease and Title Analysts (NALTA) and the PALTA Code of Ethics set forth herein. These provisions shall be the basis of conduct, business principles and ideals for the Members of PALTA and it shall be understood that the conduct of any Member of PALTA inconsistent with these provisions shall be considered unethical, and said individual's membership status shall be subject to review for possible disciplinary action as prescribed in Article VI of these By-Laws.

It is the goal of PALTA to promote, maintain and enforce high standards of professional conduct and fair and honest dealings on the part of each PALTA Member within the industry. It is the desire of PALTA to continually improve and educate its Members so that they maintain such high standards and principles, as set out herein below.

- A. Members shall adhere to any and all provisions of the By-Laws, Code of Ethics and any rule, regulation, or order adopted by PALTA.
- B. Members shall avoid engaging in any act or conduct which causes disrespect for or a lack of confidence in PALTA or its Members.
- C. It shall be the duty of Members 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.
- D. In their professional dealings, Members shall conduct themselves in a manner consistent with fairness and honesty to maintain the respect of the public.
- E. Competition among those engaged in the energy industry shall be kept at a high level with careful adherence to established rules of honesty, fairness and courtesy. Members shall not betray their employer or client's trust by directly turning confidential information into personal gain.
- F. Members shall exercise the utmost good faith and loyalty to their employer or client and shall not act adversely or engage in any enterprise in conflict with the interest of their employer or client.
- G. Members shall represent to others their area of expertise and shall not represent themselves to be skilled in professional areas in which they are not qualified.

- H. Any Member charged with unethical conduct or asked to present evidence in any disciplinary proceedings or investigation shall place all pertinent facts before the PALTA Ethics Committee Chair.
- I. Members shall not participate in conduct which might cause them 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 any other serious crime.

ARTICLE VI. ETHICS & GRIEVANCE COMMITTEE

PALTA shall provide for an Ethics and Grievance Committee to be responsible for upholding the ethical standards of PALTA and NALTA. The President of PALTA shall appoint, with prior Board approval, an Ethics Chairman who will follow the disciplinary guidelines and procedures as set forth below. The appointed Ethics Chairman shall not be a member of the PALTA Board of Directors.

- A. Anyone filing a formal complaint against another Member shall have the right to address and be heard by the Ethics & Grievance Committee, as shall the Member who is the subject of the complaint.
- B. The Ethics & Grievance Committee shall have the authority to recommend any disciplinary action to the Board of Directors, who will administer any disciplinary action deemed necessary. However, that action will only be applicable to this organization and would in no way be made public unless required by law to do so.
- C. Further disciplinary action shall follow the guidelines and procedures set out in Robert's Rules of Order Newly Revised.
- D. After the conclusion of the hearing, the Ethics & Grievance Committee shall consider and vote to sustain or dismiss the charges. By a majority vote of those present, the Ethics & Grievance Committee shall decide what, if any disciplinary action should be taken. Appropriate disciplinary action includes, but is not limited to, censure or formal reprimand, acceptance of resignation, suspension, expulsion, exclusion from Board or committee positions, or any combination thereof. After the vote, the Chair shall notify both the Member in question and the Board of Directors of their decision, and the Committee shall submit a report to the Board of Directors.
- E. As soon as possible after submission of the Ethics & Grievance Committee's report, a determination will be made by a majority vote of the Board of Directors as to the appropriate disciplinary action.
- F. At the termination of any suspension period, an individual's membership may be reinstated under the following conditions: (1) A signed statement shall be furnished by the individual stating that during the period of suspension, the individual has fully complied with the PALTA Code of Ethics as though the individual had been a member thereof; and (2) payment of current dues shall be made.

ARTICLE VII. MEMBERSHIP

All Members must agree to adhere to the NALTA and PALTA Code of Ethics.

Eligibility for membership and the acceptance of any applicant thereof shall be governed by majority vote of the Membership Committee on or before January 31 of each year. Membership status may be amended throughout the year and submitted to the Secretary.

By a majority vote of the Board of Directors, an individual's membership in PALTA may be suspended or terminated for failure to maintain eligibility requirements or violation of the NALTA or PALTA Code of Ethics, as set forth in Article VI herein.

Individual membership shall further be premised on the following:

A. ACTIVE MEMBERSHIP

Active Membership shall be open to any applicant directly, primarily and regularly engaged in Lease and/or Title Analyst Work for a cumulative period of not less than three (3) years performed within the past five (5) years at the time of application. Applicants with a bachelor's degree shall be given one year of credit toward this three-year requirement.

Active Members shall be eligible to vote, to hold office and to chair a committee.

B. ASSOCIATE MEMBERSHIP

Associate Membership shall be open to any applicant having been directly, primarily and regularly engaged in Lease and/or Title Analyst Work for a cumulative period of less than three (3) years out of the past five (5) years at the time of application.

Associate Members shall enjoy all the privileges of an Active Member except the right to hold office and to chair a committee.

C. AFFILIATE MEMBERSHIP

Affiliate Membership shall be open to any applicant in the petroleum industry interested in PALTA but not directly, primarily and/or regularly engaged in Lease and/or Title Analyst Work.

Affiliate Members shall enjoy all the privileges of PALTA except the right to vote, to hold office and to chair a committee.

D. LIFE MEMBERSHIP

Life Membership shall be conferred upon those persons whom the Board of Directors feels have rendered outstanding service to PALTA or made noteworthy contributions toward the establishment of Lease and/or Title Analyst Work as a profession. Life Membership Members will pay dues equal to one-half of those paid by Active Members.

Life Members shall be eligible to vote, to hold office and to chair a committee.

E. RETIRED LIFE MEMBERSHIP

Retired Life Membership shall be open to:

1. Any applicant who is at least fifty-five (55) years of age, has at least ten (10) years active experience in Lease and/or Title Analyst Work, is fully retired from same; and
2. Has been an Active Member for the five (5) consecutive years immediately preceding the submission of an application for Retired Life Membership status.

Retired Life Membership may be conferred upon application to and approval by the Board of Directors. Retired Life Members will pay dues equal to one-half of those paid by Active Members, and shall be entitled to all of the rights and privileges of an Active Member.

Retired Life Members shall be eligible to vote, to hold office and to chair a committee.

ARTICLE VIII. MEMBERSHIP MEETINGS

A. The membership meetings of PALTA shall be:

1. Regular; or
2. Special

B. Regular Membership Meetings shall be held at such day, time and place as may be designated by the Board of Directors; provided, however, that a minimum of six (6) Regular Meetings shall be held during each calendar year. Administration of the affairs of PALTA may be conducted at any Regular or Special Meeting that has been duly convened.

1. Notice of a Regular Meeting shall be delivered not less than ten (10) days or more than thirty (30) days prior to the date of the meeting.

C. Special Membership Meetings may be held at any time the affairs of PALTA necessitate such a meeting be held. Special meetings may be called by the President or by a majority vote of the Board of Directors, it being provided that the notice may be by mail, email, or telephone, not less than five (5) working days before the meeting.

D. The members in attendance shall constitute a quorum at a membership meeting of PALTA.

Life Membership shall be conferred upon those persons whom the Board of Directors feels have rendered outstanding service to PALTA or made noteworthy contributions toward the establishment of Lease and/or Title Analyst Work as a profession. Life Membership Members will pay dues equal to one-half of those paid by Active Members.

Life Members shall be eligible to vote, to hold office and to chair a committee.

ARTICLE IX. OFFICERS' AND DIRECTORS' DUTIES

A. Beginning January 1, 2004, eligibility for a Board of Directors position requires at least one (1) year of Active Membership in PALTA. The Officers and Directors of PALTA shall be:

1. President
2. First Vice-President
3. Second Vice-President
4. Secretary
5. Treasurer
6. Directors (3)
7. NALTA Liaison
8. Certification Liaison
9. Board Advisor/Past President

B. The duties of the Board of Directors shall be:

1. To administer the affairs of PALTA.
2. To have general supervision of the finances of PALTA and approval of expenditures.

C. Meeting of Board of Directors:

1. All members of the Board of Directors are required to attend the regularly scheduled Board meetings. Failure to attend three (3) or more regular Board meetings may result in dismissal from the Board. Dismissal of a Board member will be decided by a majority vote of the Board.
2. Special meetings of the Board of Directors may be held at any time the affairs of PALTA necessitate such a meeting be held. Special board meetings may be called by the President or by a majority vote of the Board of Directors, it being provided that the notice to Board Members may be by mail, e-mail or by telephone, and not less than two (2) working days before the meeting unless the situation requires immediate action.
3. Five (5) members of the Board of Directors shall constitute a quorum for the transaction of all business coming before the PALTA Board.
4. Upon compliance with the notice requirements of this Article, a meeting of the Board of Directors may be conducted in person or by means of conference telephone or similar communications equipment if all persons participating in the meeting can hear one another.
5. Board members shall not receive any compensation for their services as Officers or Directors.

D. Officers & Directors

1. The President of PALTA shall:
 - a. Serve as a member of the Board of Directors.
 - b. Have previously served on the PALTA Board of Directors for a full term.
 - c. Preside at all Regular and Special Meetings.
 - d. Appoint Standing Committee Chairs with prior Board approval.
 - e. Direct the activities of PALTA in accordance with its By-Laws and the instructions of the Board of Directors to achieve PALTA's objectives.
 - f. Act as Chair of the Board of Directors in a non-voting capacity, except in the event of a tie vote among the members of the Board representing a quorum.
 - g. Serve as an ex-officio member of all committees except the Ethics and Nomination Committees.
 - h. Serve as spokesperson for PALTA on all matters pertaining to the public.
 - i. Be authorized to sign checks for the payment of expenses of PALTA in accordance with the Standing Rules. Any check over the amount of \$250.00 must have prior Board approval.
 - j. Sign all contracts binding PALTA unless the Board has delegated authority.
2. The First Vice President of PALTA shall:
 - a. Serve as a member of the Board of Directors.
 - b. During the absence of the President, succeed to all powers and duties of the President.
 - c. Serve as Chair of the Program Committee, and be responsible for providing programs for all Regular Membership Meetings.
 - d. Be authorized to sign checks for the payment of expenses of PALTA in accordance with the Standing Rules. Any check over the amount of \$250.00 must have prior Board approval.
3. The Second Vice President of PALTA shall:
 - a. Serve as a member of the Board of Directors.

- b. During the absence of the President and First Vice President, succeed to all powers and duties of the President.
 - c. Serve as Chair of the Publicity Committee and be responsible for all publicity for PALTA.
 - d. Oversee all online processes, including the maintenance and updating of the PALTA website and online publication of the PALTA Membership Directory.
4. The Secretary of PALTA shall:
- a. Serve as a member of the Board of Directors.
 - b. Serve as Chair of the Membership Committee and work with the Membership Committee to determine and verify the eligibility status of each applicant by January 31 of each year.
 - c. Keep an accurate record of minutes of all Regular and Special Membership Meetings and of all meetings of the Board of Directors and distribute minutes and reports in a timely manner.
 - e. Maintain the attendance and membership rolls and handle the general communications between the Board of Directors and the membership at large.
 - f. Handle PALTA correspondence and respond to queries sent to info@texaspalta.org.
 - g. Maintain an updated membership list and provide eligible membership information for ballots.
5. The Treasurer of PALTA shall:
- a. Serve as a member of the Board of Directors.
 - b. Prepare and maintain the annual budget.
 - c. Maintain accurate and organized evidence of all monetary transactions.
 - d. Collect and deposit all monies on PALTA's behalf.
 - e. Pay all expenses of PALTA and be authorized to sign checks in accordance with the Standing Rules. Any check over the amount of \$250.00 must have prior Board approval. Checks are to be signed by two of three authorized Officers, being the President, First Vice President and Treasurer.
 - f. Prepare financial statements correctly reflecting the financial condition of PALTA monthly or at any time when directed by the President. Prepare all tax reporting documentation for the current year before May 15.

6. There shall be three (3) Directors of PALTA, who shall:
 - a. Serve as members of the Board of Directors.
 - b. Serve as Chair(s) of Committees and/or committee members as necessary.
 - c. Serve on the Member of the Year Committee.
 - d. Coordinate Board of Directors meetings.
 - e. Prepare the monthly Newsletter to be distributed to the membership by Secretary.
 - f. Maintain the Job Board.
 - g. Take photographs at membership meetings and annual events.

7. The Board Advisor/Past President of PALTA shall:
 - a. Serve as a member of and advisor to the Board of Directors.
 - b. Be the immediate past President of PALTA.
 - c. Serve as Chair of the Seminar Committee and organize the annual PALTA seminar.

8. The NALTA Liaison shall:
 - a. Serve as a member of both the PALTA Board of Directors and the NALTA Board of Directors.
 - b. Be appointed PALTA's current President with prior approval of the Board of Directors to serve as a Director on the PALTA and NALTA Boards of Directors for one year, with the appointments being effective upon the date of installation to the NALTA Board of Directors at the NALTA Annual Conference.
 - c. Serve as PALTA's liaison for all NALTA-related matters.
 - d. Communicate NALTA updates to the PALTA membership and Board of Directors.
 - e. Attend meetings of the National Association of Lease and Title Analysts as a representative of the PALTA membership.
 - f. Handle the general communications between the local and national organizations.

9. The Certification Liaison shall:
 - a. Serve as a member of the Board of Directors.
 - b. Hold the distinction of CPLTA.

- c. Be appointed by the President with prior approval of the Board of Directors.
- d. Maintain records on all active local chapter CPLTAs and their dates of certification.
- e. Schedule and organize CPLTA reviews and tests for the local chapter.
- f. Promote certification of Lease and Title Analysts at the local Chapter through NALTA's Certified Professional Lease and Title Analyst Program (CPLTA Program).
- g. Coordinate with the NALTA Certification Director to ensure that all opportunities to earn recertification credits (e.g., monthly meetings of PALTA and PBADDOA, conferences, etc.) are included on NALTA's certification website so that CPLTAs may track their credits. Prepare a summary by December 31 of each year, setting forth the number of recertification credits submitted to the website by each PALTA member who is a CPLTA.

ARTICLE X. ELECTION OF OFFICERS AND DIRECTORS

- A. The election of Officers and Directors shall occur in November of each year. The Board of Directors will determine when and how voting is to be conducted. Election shall be by majority of the votes cast.
- B. An Active Member may be recognized and placed on the ballot as a candidate for only one office or directorship per year. Should a Member be nominated for more than one (1) office or directorship, the Member must make a decision as to which office candidacy shall be posted.
 - 1. Any Active Member who was previously appointed or elected as an Officer or Director of either NALTA or PALTA, but failed to complete their term for any reason other than a medical or family emergency may not be placed on the ballot as a candidate for office or directorship for three years without prior majority approval of the current Board of Directors.
- C. Nominations must be received by the Nomination Committee by October 15 of each year. The Nomination Committee shall prepare and distribute ballots to the membership by November 1. The Nomination Committee shall make every effort to nominate at least one (1) person for each office. The ballots shall provide space for write-in candidates.
- D. All Members in good standing may vote with the exception of Affiliate Members. The records maintained by the Secretary shall determine the eligibility of any member to vote, hold office, or chair a committee. Election shall be by majority of the votes cast.
- E. The President shall appoint two (2) Active Members to serve with the Chair of the Election Committee for the purpose of recording and certifying the results of the election. The results of the election shall be certified to the Board of Directors at a Special Meeting held at the earliest opportunity. The Board shall announce the results to the membership at the next regularly scheduled meeting.

- F. In the event of unusual circumstances where clarification is required relative to the election of Officers and/or Directors, the Election Committee will be the governing body.
- G. The election ballots shall be held until the elected Officers and Directors have been installed, then disposed of at the direction of the President.

ARTICLE XI. TERMS OF OFFICE

- A. Newly elected Officers and Directors shall be installed in January of each year, and shall take office immediately after installation with the exception of the NALTA Liaison. The NALTA Liaison will be installed to the PALTA Board after the NALTA Annual Conference.
- B. The term of office for Officers and Directors of PALTA shall be for a period of twelve (12) calendar months, beginning on the first day of installation and ending with the next year's installation of successor Officers and Directors. The NALTA Liaison's term shall run for 12 calendar months, from the date of his/her installation to the NALTA Board of Directors and ending with the next year's NALTA Liaison installation to the NALTA Board of Directors. Beginning in January of 2017, each outgoing Officer and Director shall be available to his/her successor in an advisory capacity until April 30th of each year.
- C. A vacancy on the Board of Directors of any office other than the President or Past President, caused by resignation, ineligibility of membership or inability to fulfill the functions of office as defined herein or otherwise, may be filled either: (1) by appointment at the next Regular Meeting of the Board of Directors by a majority vote of Directors then in office, though less than a quorum; or (2) by election at a Special Meeting of Members called for that purpose.
 - 1. In the event the office of President is vacated, the First Vice President shall automatically succeed to the President's office, and the Board of Directors shall thereafter appoint an alternate to fulfill the office of First Vice President as provided above.
 - 2. The Board Advisor/Past President is not an elected position, but an automatic Board position. If the immediate Past President is unable to fulfill the position, then the incoming President, with prior Board approval, may appoint a Past President as successor. The Board may also elect to proceed without a Board Advisor.

ARTICLE XII. REMOVAL

Any Officer or Director may be removed from office at any time with just cause on the affirmative vote of a majority of the regular Members, whenever, in their judgment, the best interests of PALTA will be served thereby.

ARTICLE XIII. COMMITTEES

- A. The President shall appoint, with prior Board approval, Chairs for the following standing committees, each to serve for one (1) year or until their successors are appointed:
 - 1. Ethics & Grievances

2. Election
 3. Nomination
- B. The Nomination Committee shall consist of all members of the Board of Directors. The President shall recommend a Chair for Board approval at least sixty (60) days prior to the election of Officers.
 - C. Other non-standing, or special committees may from time to time be established by the Board of Directors, with such functions and powers as the Board can lawfully delegate and to the extent provided for in the resolution(s) creating such committee(s).
 - D. At all committee meetings a simple majority of the committee's members shall constitute a quorum for the transaction of business.
 - E. Vacancies on standing committees shall be filled by majority vote of the Board of Directors at any regular or special meeting of the Board of Directors.
 - F. The Board of Directors may by majority vote revoke any such appointments and make new appointments.

ARTICLE XIV. DUES AND ASSESSMENTS

- A. The fiscal year of PALTA shall begin January 1st of each year.
- B. The membership year shall run from January through December. The annual dues assessed on all Members shall be determined by the Board of Directors. Annual dues are payable on or before January 31 of each year. Late payment(s) will be considered on a case-by-case basis.
- C. Special assessments may be made and will be effective only upon being passed by an affirmative vote of a majority of the responses received from PALTA Members.
- D. Dues or special assessments shall not be refundable to any member for any purpose.

ARTICLE XV. PARLIAMENTARY RULES

Roberts' Rules of Order Newly Revised shall control at any Regular or Special Meeting unless suspended by the President or presiding officer with approval by a majority of the Members present.

ARTICLE XVI. AUDITS

The Board shall appoint a committee comprised of three (3) Active Members to audit the prior year financial records of PALTA, such audit to be conducted annually during the month of January, prior to the installation of new officers.

ARTICLE XVII. PRESERVATION OF CORPORATE PURPOSE

No part of the property of the corporation shall ever inure to the benefit of any Officer, Director or employee of the corporation or of any individual having any personal or private interest in its activities, nor shall any Officer, Director, employee or individual receive or be lawfully entitled to receive any benefit from the operations of the corporation except reasonable compensation for services rendered in carrying out any of its purposes or as a proper beneficiary thereof. All members of the Board of Directors shall avoid even the appearance of impropriety.

The corporation shall not engage in, and none of its funds nor properties shall be devoted to, any activities or transactions which would cause the corporation to lose its status as a tax exempt organization under the provisions of the Internal Revenue Code; and the use, directly or indirectly, of any part of the corporation's funds or properties in any such activities is hereby expressly prohibited.

ARTICLE XVIII. DISSOLUTION

In the event of the dissolution of the corporation by lapse of time or otherwise, any funds or properties of any sort, real, personal or mixed, or rights thereto then owned by the corporation, or to which it may then be entitled, shall not be transferred to private ownership, but shall be charged with a charitable public trust, and thereafter shall be administered and applied to public charitable purposes by a trustee or trustees to be selected by the Board of Directors.

ARTICLE XIX. AMENDMENT OF BY-LAWS

The Board of Directors must approve by a majority vote any proposed amendments and will determine when and how the voting by the membership is to be conducted. Once the Board has approved the proposed amendment(s), it shall issue notice to the eligible voting Members of PALTA at least fifteen (15) days prior to the vote. Notice shall include the verbatim language of the proposed amendment(s), the manner in which voting on the proposed amendment(s) shall be performed and the date voting on the proposed amendment(s) shall take place. Amendments to the By-Laws will then be considered binding if and when approved by the majority of the Members responding.