

INDEPENDENT OIL PRODUCERS ASSOCIATION
(TRI-STATE), INC.

1989 REVISIONS TO

B Y L A W S

ARTICLE I. NAME

The name of this Association is Independent Oil Producers Association (Tri-State) Inc., (also known as "IOPA"). This Association was organized under the provisions of the "General Not for Profit Corporation Act" of the State of Illinois, on July 17, 1943, effective January 1, 1944, and incorporated in Indiana (now the "State of Incorporation") on July 28, 1955.

ARTICLE II. PURPOSES AND OBJECTIVES

The purposes and objectives for which this Association is organized are:

To provide an agency through which independent producers of oil and gas, mineral and royalty owners and persons obtaining revenue from the production of oil and gas in the Illinois Basin may protect, preserve and advance their common interests and be represented in any matters affecting their interests; and

To provide a forum for discussion of industry problems affecting the members of the Association and their interests; to establish and promote good will and harmony among the diversified interest, represented by its members, and to gather and disseminate information concerning matters pertaining to the oil industry in the Illinois Basin.

ARTICLE III. OFFICE

The principal office of the Association shall be located in Evansville, Indiana, until otherwise established by order of the Board of Directors of the Association. The address of the registered offices of the Association, which may (but need not) be identical with that of the principal office, may be changed from time to time by the Board of Directors.

ARTICLE IV. MEMBERSHIP

Section 1. QUALIFICATIONS OF MEMBERS. All individuals, partnerships or corporations who are independent producers of oil in the states of Illinois, Indiana and Kentucky or who have other qualified interests in oil production, are eligible to become members of this Association, as set forth in Section 2 of this Article.

Section 2. CLASSES OF MEMBERSHIP.

The classes of membership and the qualifications and rights of the members of each class of membership in the Association shall be as follows:

A. ACTIVE MEMBERS. Voting members shall be required to be independent producers of oil or gas in the Illinois Basin or to have other qualifying interests in oil or gas production, or to have been nominated by corporate members who have such interests in oil and gas. Corporate members shall be entitled to nominate one voting member, up to a maximum of five (5) voting members, for each multiple of the minimum individual dues paid by such corporate member during the current fiscal year.

B. ASSOCIATE MEMBERS. Associate or non-voting memberships shall be available to any other person who has any income based upon oil production, or to integrated producers of oil or gas who also own facilities for the refining, transportation or marketing of oil or gas.

c. VOTES. Each Voting member shall have the right to cast one vote on all matters pertaining to the business of the Association at any general or special meeting of the membership.

D. ASSOCIATE MEMBERS. Associate members shall have no right to cast any votes at any meeting of the membership, but shall have the right to attend all general or special meetings of the membership, Associate members shall not be entitled to any distribution of assets on dissolution of the corporation.

Section 3. TERMINATION OF MEMBERSHIP. Retention of membership by the members of this Association shall be dependent upon prompt payment of all dues and assessments for all classes of membership of this Association as determined and fixed by the Board of Directors and with full compliance with the laws of the State of Incorporation and the Bylaws of this Association. Upon termination of the membership of any member herein, by action of the Board of Directors, such member shall thereby ipso facto forfeit all right and interest in the Association, including any and all right to participate in its affairs (and specifically the right to serve as a Director), and to participate in the distribution of assets of the Association in the event of dissolution thereof.

IOPA Bylaws
Page One

ARTICLE IV. MEMBERSHIP (continued)

Section 4. HONORARY MEMBERS. Any person of good character and standing who has rendered distinguished service for the benefit of this organization or in the interests of the independent petroleum industry, may become an honorary member without privilege of vote and without obligation of payment of dues. Election to such honorary membership shall be made by the Board of Directors.

Section 5. MEMBERSHIP CARDS. Membership cards shall be issued to any member upon his written request, and shall be duly signed by the Treasurer.

Section 6. NOMINATING COMMITTEE. The Nominating Committee shall be composed of the last three past Presidents who are willing to serve, plus

the three Vice Presidents. The Nominating Committee shall be responsible for submitting a slate for the election of Directors at the annual membership meeting, and a slate for the election of officers at the meeting of the Directors following the annual membership meeting. The Nominating Committee shall also submit suggestions for replacements for Officers and Directors who are unable to serve for the full term of their offices. The quorum for a meeting of the Nominating Committee shall be four (4) members; Provided, that such quorum shall include at least one member from each of the states of Illinois, Indiana and Kentucky; and Provided, further, that meetings may be held by telephone conference call; and Provided, further, that the slate agreed upon at any meeting at which a quorum is not present may be submitted for approval if approved or ratified by at least four members of the committee, including at least one member from each of said states.

Section 7. OTHER STANDING OR SPECIAL COMMITTEES. The President shall have the power to designate such standing or special committees as he deems necessary to protect and further the interests, and objectives of the Association and its members. All committee members shall be voting members of the Association.

ARTICLE V. MEETINGS OF THE MEMBERSHIP

Section 1. ANNUAL MEMBERSHIP MEETING. The annual meeting of the membership shall be held on the third Friday in April of each year, or on such later date (but prior to December 1) and at such place and time as the President shall specify in a notice to the membership complying with the provisions of Section 3 of this Article V, for the purpose of electing Directors and for the transaction of such other business as may properly come before the meeting. If the election of Directors shall not be held at the annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be.

All members shall have the privilege of participation in discussion of all matters coming before annual or special meetings of the membership, but the right to vote upon any and all questions is expressly limited to voting members.

Voting may be by vocal vote on the call of the roll of the members, or by written ballot if required by vote of a majority of the voting members present; but if there be no objection by any member, any vote may be taken by voice vote or standing vote after non-voting members have been segregated.

Section 2. SPECIAL MEETINGS. Special meetings of the membership may be called by the President, by the Board of Directors or by one-third or more of all voting members of the Association.

Section 3. NOTICE OF MEETINGS. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose, or purposes, for which the meeting is called, shall be delivered not less than five, or not more than forty days before the date of meeting, either personally or by mail, or at the direction of the

President, or the Secretary, or the Officer or persons calling the meeting, to each member entitled to vote at such meetings. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the Association, with postage thereon prepaid.

Section 4. MEMBERSHIP LIST. The Treasurer shall keep at the office of the Association a full and complete record, giving the names and addresses of each class of members of the Association.

Section 5. QUORUM. Fifteen (15) members shall constitute and be deemed a quorum for the transaction of all business properly to come before any regular or special meeting for which proper notice has been given; Provided, however, that the members present may, by majority vote, defer the transaction of business until there are present at the meeting that percentage of the voting members which is specified in the resolution adopted for such purpose; but Provided further, that such quorum may not be fixed at more than 51% of the total number of voting members of the Association.

Section 6. PROXIES. Any member of the Association may vote by proxy if not personally present at any meeting, and proxies may be in the form of a written proxy or by telegram addressed to the Secretary of the Association, specifying in the latter case the meeting at which the proxy is authorized to act. Written proxies, as distinguished from telegraphic proxies, may be for a particular meeting, or for a particular period of time, or for all meetings until revoked in writing by notice to the Secretary of the Association.

IOPA Bylaws
Page Two

ARTICLE VI. DIRECTORS

Section 1. GENERAL POWERS. The business and affairs of the Association shall be managed by its Board of Directors.

Section 2. NUMBER, TENURE AND QUALIFICATIONS. The number of Directors of the Association shall not be less than eleven (11) nor more than sixty (60). Each Director shall hold office for a term of one year and until his successor is elected and qualified.

Section 3. REGULAR MEETINGS. A regular meeting of the Board of Directors shall be held without notice other than this Bylaw, immediately after and at the same place as the annual meeting of the members. The Board of Directors may provide, by resolution, a time and place for the holding of additional regular meetings without other notice than such resolution.

Section 4. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the President or of at least ten percent (10%) of the Directors. The person or persons authorized to call special meetings of the Board of Directors may fix the time and place of the holding of such special meeting.

Section 5. NOTICE. Notice of any special meeting shall be given at least twenty-four hours previous thereto by written notice delivered personally or mailed to each Director at his business or residence address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. Any director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the purpose of nor the business to be transacted at any regular or special meeting of the Board of Directors need be specified in the waiver of notice of such meeting.

Section 6. QUORUM. Twenty-five percent (25%) of the members of the Board of Directors shall constitute a quorum for the transaction of business of at any meeting of the Board of Directors; but a lesser number may adjourn any meeting to a specific date if a quorum be not present.

Section 7. MANNER OF ACTING. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 8. VACANCIES. In the event a vacancy in the Board of Directors shall occur by reason of resignation or death, such vacancy may be filled by the Board of Directors by the appointment of a replacement who shall serve until the next general or special membership meeting. If no successor be elected at such succeeding meeting, the Director appointed shall serve for the unexpired term of his predecessor.

ARTICLE VII. OFFICERS

Section 1. NUMBER. The officers of the Association shall be a President, three (3) Vice Presidents, one of whom shall reside in Illinois, another in Indiana, and the third in Kentucky, a Secretary, a Treasurer, and such additional executive officers and assistant officers as the Board of Directors or these Bylaws may from time to time authorize. All Vice Presidents shall be equal in rank and in the absence or incapacity of the President, the Vice President residing in the state of residence of the President shall serve as Acting President, and shall have all of the duties and powers of the President, until the President resumes his duties.

Section 2. ELECTION AND TERM OF OFFICE. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual membership meeting. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as may be convenient. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each Officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall resign or shall have been removed in the manner hereinafter provided.

Section 3. EXECUTIVE COMMITTEE. The Executive Committee shall consist of the current officers of the Association, and all past Presidents of the Association who agree to serve in such capacity. The Executive Committee shall carry on business of the Association arising between meetings of the Board of Directors. Notice of meetings of the Executive Committee shall be given to all Directors, and any Director who elects to attend any meeting of the Executive Committee shall be authorized to vote on any issue submitted to the Executive Committee, and to submit any issue to the Executive Committee. A quorum of the Executive Committee shall consist of a majority of its membership. It shall maintain full minutes of its procedures and shall submit copies of same to the Board of Directors.

IOPA Bylaws
Page Three

ARTICLE VII. OFFICERS (continued)

Section 4. REMOVAL. Any Officer, agent or employee elected or appointed by the board of Directors may be removed by the Board of Directors whenever, in its judgment, the best interests of the Association would be served thereby; but such removal shall be without prejudice to the contract rights, if any, of the persons so removed.

Section 5. VACANCIES. Any vacancy in any office because of death, resignation, removal, disqualifications or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 6. PRESIDENT. The President shall be the principal executive officer of the Association and shall supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the members and of the Board of Directors, approve the records thereof, countersign all checks issued by the Treasurer and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 7. VICE PRESIDENTS. In addition to acting as Acting President, as provided in section 1 of this Article VII, any Vice President shall perform such other duties as from time to time may be assigned to him by the President or the Board of Directors. Each Vice President shall serve as the liaison officer between this Association and any state or local organizations representing the oil industry in the state in which he resides.

Section 8. THE SECRETARY. The Secretary shall keep the minutes of meetings of the membership of the Association, of the Board of Directors, and of the Executive Committee. He shall be custodian of the corporate records and of the seal of the Association and see that the said seal is affixed to documents only in accordance with authorization of the Board of Directors or the Executive Committee. He shall in general perform those duties which shall from time to time be assigned to him by the President, the Board of Directors or the Executive Committee.

Section 9. THE TREASURER. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association. He shall receive and give receipts for moneys due and payable to the Association from any source whatsoever. He shall maintain the financial records of the Association, which shall be audited as directed by the Board of Directors. The Treasurer shall give such bond for the faithful discharge of his duties as shall be determined by the Board of Directors.

The Treasurer shall also maintain a roster of the names, addresses and status of dues payment of all Members, and shall be responsible for giving such notices to Directors and members as shall be required by these Bylaws or the laws of any state. He shall issue such statements reflecting dues or assessments payable, and perform such other duties, as the President, the Board of Directors or the Executive Committee shall from time to time shall direct.

Section 10. COMPENSATION OF OFFICERS. The compensation of any officer of the Association shall be fixed by the Board of Directors to reflect full-time or part-time service.

ARTICLE VIII. CONTRACTS LOANS. CHECKS AND DEPOSITS

Section 1. CONTRACTS. The Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association; and such authority may be general or confined to specific instances.

Section 2. LOANS. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. LOANS TO OFFICERS AND DIRECTORS PROHIBITED. No loans shall be made by the Association to its officers or Directors. Directors who vote for or assent to the making of any loan to an officer or Director, and any officer or director assisting in the making of such loan, shall be jointly and severally liable to the Association for the amount of such loan until the repayment thereof.

Section 4. CHECKS. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association, and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 5. DEPOSITS. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories, or invested in Certificates of Deposit or such other conservative income producing funds, as the Board of Directors may direct.

Section 6. ADDITIONAL EXPENDITURES. The Board of Directors may, from time to time, direct the use and expenditure of the funds of the Association in any manner they shall deem advisable and proper in promoting the

interest, or welfare of the members of the Association or for the welfare of the independent petroleum industry.

IOPA Bylaws
Page Four

ARTICLE IX. MISCELLANEOUS

Section 1. STOCK. The Association shall not have or issue shares of stock.

Section 2. DIVIDENDS. No dividends shall be paid and no part of the income of the Association shall be distributed to its members, Directors or Officers; Provided however, that the Association may pay compensation in a reasonable amount, to be fixed by the Directors, to members, Officers or Directors for services rendered and may make distribution upon dissolution as hereinafter provided.

Section 3. FISCAL YEAR. The fiscal year of the Association shall be upon a calendar year basis, beginning the first day of January of each calendar year and ending on the thirty-first day of December of each such year.

Section 4. SEAL. The Board of Directors shall provide a corporation seal, which shall be in form of a circle and have inscribed thereon the name of the Association and the words, "Corporate Seal" and the name of the State of Incorporation.

Section 5. WAIVER OF NOTICE. Whenever any notice whatever is required to be given under the provisions of these By-Laws or under the provisions of the Articles of Incorporation, or under any provisions of the statutes of the State of Incorporation, waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE X. DISSOLUTION AND DISTRIBUTING OF ASSETS.

Section 1. METHOD OF DISSOLUTION. The Association may be dissolved by vote of two-thirds (2/3) of all of the Directors, or by vote of the majority of the membership.

Section 2. DISTRIBUTION OF ASSETS. In the event of the dissolution of Association, all assets of the Association shall be applied and distributed as follows:

A. All liabilities and obligations of the Association shall be paid, satisfied and discharged, or adequate provisions shall be made therefor.

B. Distribution out of the remaining assets of the Association may be made to such organizations of independent oil producers as shall be directed by vote of two thirds (2/3) or all of the Directors, or by vote of the majority of the membership.

C. All remaining assets of the Association shall be sold and converted into cash and upon said conversion, the officers, acting under authority and by direction of the Board of Directors, shall distribute such partial or total cash assets to the voting members of the Association, upon a pro rata basis, based upon the respective contribution or dues payment made by such voting member during the five (5) fiscal years preceding the year in which such dissolution shall occur. Associate members shall not be entitled to any distribution of assets on the dissolution of the corporation.

ARTICLE XI. AMENDMENT OF BYLAWS

The Bylaws of the Association may be altered, amended or repealed:

A. By the vote of two-thirds (2/3) of the Directors present at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for that purpose; or

B. At any regular meeting of the membership or any special meeting of the membership called for such purpose, by the vote of the majority of the voting members of the Association or by the vote of two-thirds (2/3) of the members present at such meeting, whichever is the lesser.

C. The written notice of any special meeting of the Board of Directors or of the membership called for the purpose of altering, amending or repealing any Bylaws shall include the text of the proposed amendment, alteration or repeal of the Bylaws.

Bylaws of IOPA
Page five