

SOCIETY OF PETROLEUM ENGINEERS

CONSTITUTION of the Society of Petroleum Engineers (SPE) Drilling Systems Automation Technical Section (DSATS)

The SPE DSATS was created to facilitate and promote best practices and knowledge on the automation of drilling systems for the benefit of all entities in well construction.

Article I – Section Name

The name of this Section is the Drilling Systems Automation Technical Section (DSATS) of the Society of Petroleum Engineers (SPE).

Article II – Section Purpose

The purpose of this Section is to facilitate the development and implementation of drilling systems automation by ensuring it is appropriately represented in the Society's activities. These activities include Advanced Technology Workshops, Forum Series meetings, the Distinguished Lecturer program, technical sessions at conferences, specifically organized symposiums with key conferences, effective liaison with other players in the field and appropriate publicity in journals such as the JPT. The Section will support initiatives to communicate the technology, standardize its nomenclature, develop common industry solutions and help define its value proposition. In addition, the Section will identify and disseminate lessons learned and best practices associated with the accelerated uptake of Drilling Systems Automation and, if appropriate, facilitate the development of recommended practices and standards.

The Drilling Systems Automation Technical Section shall be self-governing within the limitations of the SPE Bylaws and the policies established by the SPE Board of Directors.

Article III – Jurisdiction

The jurisdiction of this Section will encompass the subject of systems automation of well construction. The scope of "systems automation" includes all processes, technologies and competencies including planning through execution as well as downhole and surface operations for the drilling industry. It explicitly includes the drilling phase, but also the completions, work over and P&A phases of well delivery, which are directly affected by the drilled wellbore.

Article IV – Membership

Any member or student member of the Society of Petroleum Engineers in good standing with interest in the subject may be a member of the Section. The member must initiate and complete the membership process.

Article V – Organization

The section shall be organized with officers assigned responsibilities for section activities, board members assigned responsibilities to oversee the direction of the section, and section sub committees tasked to undertake specific actions that deliver the purpose of the section.

Section I – Officers

The officers [Officers] of this Section shall be a Chair, a Deputy Chair, a Secretary, a Treasurer, a Deputy Treasurer, five (5) Program Chairs by Region as defined in the Bylaws, a Chair for University Relations, a Communications Chair, and a Deputy Communications Chair (Webmaster). Each of these officers shall be elected annually. All officers must be members in good standing of the Section and the SPE at the time of their election.

Subcommittee chairs shall also be Officers and are responsible for guiding and developing their subject area. Recruiting members/contributors to the Subcommittee are the responsibility of the subcommittee chairs in cooperation with the Chair, Deputy Chair and Communications Chair. Subcommittee chairs will develop and maintain a charter for their subcommittees, coordinate meetings of their subcommittees, and report progress to the Section Officers and Directors on a regular basis in accordance with the By-Laws.

Section II – Board

A section Board of Directors [Directors] shall be composed of six other members of this section and the Section Chair (total of seven). The Board shall oversee the direction of the section, monitor the performance of the Officers, and represent the Membership in ensuring the Officers deliver value to the Section Membership. The Board has the right to request underperforming Officers to vacate their roles in favor of an alternative who will be appointed by the Directors for the duration of the vacating officer's outstanding election period; underperformance will be judged by a vote in favor by five members of the seven-member Board of Directors.

Section III – Emeritus Board

Directors Emeritus (Director Emeritus) shall serve as advisors to the Directors and have no voting rights.

A Director Emeritus shall be entitled to receive all written notices and information which are provided to the Directors and to attend board meetings, general meetings and any other events of the Section without paying any fees for such attendance.

In order to be considered for designation as a Director Emeritus, a person must be (a) a former member of the board of directors or section officer in good standing for at least 3 years, or (b) have played a significant and industry recognized role in systems automation.

Section IV – Elections and Appointments

The Chair, with the approval of the Directors, shall appoint each year a Nominating Committee led by one Director and composed of a minimum of two additional active members of the Section (not Officers), to canvass the members of the section to determine those qualified to serve as Officers and Directors. The nominating committee shall develop nominations for each Officer position, each Director position and any Director Emeritus position by identifying the best candidates from current incumbents (not term limited) and current section membership that meet position requirements. Officers and Directors who are deemed to have failed to regularly participate in Section activities expected from them shall not be re-nominated.

The list of nominations shall be provided to the Chair for review and subsequent distribution to the section members at least 30 (thirty) days prior to the annual Section Meeting at the IADC/SPE Annual (Spring) Drilling Conference. Section members will be notified of the nominations submitted by the nominating committee and be given the opportunity to submit additional nominations. If no additional nominations are received within the requested period, the Officers, Directors and Directors Emeritus stand elected. If additional nominations are received, a vote for those positions with more than one nominee will occur at the annual meeting of the Section. A solicitation will be sent to members by e-mail asking for proxy votes at least 30 (thirty) days prior to this meeting which the Chair will be obliged to vote as directed by the e-mail responses. Nominees will be elected through a majority vote by registered Section members present at the meeting. Officers and Directors shall take office immediately following the meeting at which they were elected. The Secretary shall publish and distribute an announcement of all Officers and Directors who were elected, as part of minutes of the meeting, or separately.

A vacancy in any Officer role or any Director role occurring between annual elections shall be filled by appointment by the Chair approved by the Directors for the duration of that election cycle.

The Chair may appoint subcommittee chairs with the approval of members of the Board of Directors. Subcommittee chairs, must be members in good standing of the Section and the Society at the time of their election, and are subject to the same rules and conditions as other officers of the section, except election.

The Chair may create Liaison Roles to liaise with other specifically defined related organizations and appoint an individual to those roles with the approval of an additional four members of the Board of Directors. Appointees to Liaison Roles must be members in good standing of the Section and the Society at the time of their appointment.

Section IV – Terms of Office

Notwithstanding the requirement for annual elections, there shall be a term limit of three years for any Officer of this Section. However, a member who has served 3 years in one position is eligible to serve a term in another position as an Officer of the Section or as a Director of the board.

The term limit on Members of the Board (Directors) shall be 5 years. Directors may rejoin the board through the nominations process after a hiatus from the Board of 2 years.

Article VI – Powers

Chair: call meetings, chair meetings, direct the formation of sub committees, and other actions necessary to carry out the purpose of the Section.

Deputy Chair: act in the capacity of Chair at any time Chair delegates to the Deputy Chair or at any time the Chair is unable to act as confirmed by the Directors.

Treasurer & Deputy Treasurer: Open, close and administer bank accounts on behalf of the section as well as bank accounts on behalf of any subcommittee that is raising its own funds and disbursing its own payments (Joint Industry Projects) under its own charter.

Secretary: publish and distribute an announcement of all Officers and Directors who were elected, as part of minutes of the meeting, or separately.

Article VII – Governing Rules

SPE DSATS shall act in accordance with the governing rules of the Society of Petroleum Engineers (SPE). In circumstances where the governing rules are not clear, the Chair of DSATS shall seek advice and guidance from the relevant representative of SPE. The Chair shall make a recommendation to the (Board of) Directors for a vote on such guidance.

Article VIII – Funds

This Section will maintain a bank account (the General Fund) and receive or disburse from the General Fund as necessary, under the direction of the Treasurer with approval of the Section Officers and Board of Directors. Expenditure of funds from the General Fund must be approved by a majority vote of the Officers and the Board of Directors for amounts in excess of \$2,000. Amounts less than this, if they are considered costs associated with normal operations of the section, can be approved jointly by the Chair and the Treasurer, or the Deputy-Chair and Treasurer in the Chair's absence, and must be reported at the next committee meeting. Normal operations of the section shall include planning and conducting meetings, such as DSATS symposia, seminars and workshops.

The Section may also maintain individual bank accounts for specifically funded initiatives such as sub-committees, Joint Industry Project (JIP's), and similar needs that are maintained separate from the DSATS General Fund. Payments on behalf of these funded initiatives are subject to the rules under which these initiatives were established and the terms under which they invoiced for the funds.

Article IX – Meetings

The annual meeting of the Section for the election of Officers and Directors shall be held close to or coincident with the SPE/IADC Drilling Conference.

Board meetings shall be held monthly, and attended (virtually) by the Officers and Directors. The Chair may invite other experts relevant to the topics at hand.

Other ordinary meetings of the Section shall be held as directed by the Chair. The Secretary or Communications Chair shall notify, by e-mail, web posting, postal card or other convenient means, each member in good standing and other interested parties of forthcoming meetings that are open to DSATS members.

To encourage the ethos of open technology transfer, the Section specifically will encourage participation by non-Section members in its open meetings.

Special decision-making meetings or meetings of the Officers to consider important business or discussions that cannot be scheduled at regular meetings may be called by the Chair.

Costs for planning and conducting meetings shall be borne by the Section.

Article X – Quorum

The minimum number of members of the section, Officers, Directors that must be present and / or vote by remote means at any of its meetings or on any issues to make the proceedings of that meeting / vote valid shall be as follows

- General Meeting – 25 members of SPE DSATS
- Officer and Director Meeting / Constitution approvals – 75% of the Officers and Directors holding positions (excludes counting vacant positions)
- Board approvals - 100% of listed Directors holding positions (excludes vacant positions)
- Approvals of By-Laws - 75% of the Officers and Directors holding positions (excludes vacant positions)

Article XI – Procedures

Section I – Adoption and Ratification of By-Laws

An 80% vote by a quorum of the Officers and Directors of DSATS can adopt any changes to the By-Laws and ratify any actions under the By-Laws.

Section II – Amending the Constitution

Amending the Constitution is a two-step process; step 1 is adoption and ratification of the proposed changes by an 80% vote in favor by a quorum of the Officers and Directors and step 2 approval of these ratified changes by a simple majority vote of the received votes by members of the Section invited by SPE to vote based on their registered membership of DSATS (no quorum requirements).

Section III – Officer and / or Director Approvals

A simple majority of the required quorum will approve all actions outside of adoption of By-Laws and Constitution.

Section IV – Minutes of Meeting

A simple majority vote of those present at the meeting after corrections have been submitted and reviewed.

Section V – Recording all votes

Secretary shall record all votes in a document showing the issue being voted upon, numbers for and numbers against, outcome under this Constitution and record same with SPE Technical Section Liaison, SPE DSATS and have the webmaster publish on the section website.,

Article XII - Technical Decisions and Recommendations

The section may constitute a decision-making committee or use the Officers and Directors as the decision-making committee. The role of this committee will be to approve the creation of subcommittees to examine specific technical topics. This decision-making committee is empowered to vote to accept or reject the findings of such subcommittees.

The forgoing was approved by the process articulated in the prior constitution by a vote of the membership on day month year [Date]. Signed Chair:

Final for Section Vote