

# SPEE Newsletter

HOUSTON, TEXAS

June 1990

## OFFICERS

President	M. Vaughn Scanland
Vice President	Charles L. Brittan
Secretary-Treasurer	Arlen L. Edgar
Past President	Chapman Cronquist

## DIRECTORS

Richard B. Banks  
 Robert J. Cochran  
 Robert J. Doubek  
 Larry A. Martin  
 Charles G. Massey  
 Tom Mehlberg  
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## COMMITTEE CHAIRMEN

Membership	Fred M. Haston, Jr.
Public Affairs	Sam Singer
Grievance	Gerald Sherrod
Qualifications	Don Horton
Publications	David D. Knepper
Reserve Definition Guidelines	Gary Swindell
Eval. Parameters Survey	Charles L. Brittan
Strategic Planning	Charles M. Frick

## INDIVIDUAL APPOINTMENTS

Engineering Legislation Representative	Raymond D. Perry, Jr.
Publicity Director	David D. Knepper
Historian	Herbert Poyner
Audit Guidelines	Glen Harrison
Membership Categories	Gordon H. Biescar

## EXECUTIVE SUMMARY -

1. President's Message
2. Guidelines Copyright "Official"
3. Board of Directors Meeting Minutes
4. By-Law Change Ballot

## PRESIDENT'S MESSAGE

It is my feeling, and one that I think is shared by almost everyone that attended, that the 1990 Annual Meeting in Santa Fe was an unqualified success. In the words of one not unbiased functionary, "we hit a home run". Even without the hyperbole, the numbers speak for themselves; seventy-eight members registered, twenty non or prospective members registered, and approximately one hundred and ninety attendees at the social functions. The only negative, and probably important only to the golf and tennis crowd, was the windy weather. It was tough to keep balls on either green or court but all survived. Those who stayed over for a day or two were treated to a late spring snowfall. In summary, thanks to Chuck Brittan for an outstanding meeting and to B. K. Starbuck for fitting all of the pieces together.

There have been no substantive discussions as yet regarding the location of next year's meeting. The IPAA Spring meeting is in San Diego, so a location in Southern California likely will be considered. If you have any thoughts, ideas, or suggestions, please pass them on to either me, Chuck Brittan, or Arlen Edgar.

The minutes of the last Board of Directors meeting are included in this newsletter and I would refer you to them for details of the meeting and the various committee reports. One item of business that I think deserves some additional comment was the discussion of ways to increase sales and distribution of "Monograph I - Guidelines for Application of the Definitions for Oil and Gas Reserves". This SPEE publication is marketed by the SPE book service (\$10 for SPE members, \$15 for others). The desire to expand sales is not so much economic (we have about recovered our publication costs) but one of creating favorable publicity for the Society. Monograph I is an important reference and I believe that its wide dissemination serves us well. The Board voted to give a "manufacturer's rebate" to purchasers of ten or more volumes of Monograph I of \$3 each to induce members to buy and distribute copies to clients, bankers, and other constituents. Send your proof of purchase to B. K. and your rebate will be forthcoming.

One other step to increase circulation of Monograph I that has been discussed is to send free copies to the faculties of the various Petroleum Engineering Departments. Please send me or B.K. names and addresses of appropriate individual faculty members and we will see that they receive a copy.

Finally, but most importantly, the members attending the annual meeting approved a By-Law revision creating a Junior Member classification for the Society. As provided in the By-Laws, the entire membership now has the right to vote on the question by written ballot. That ballot is included in this newsletter and I urge you to return it right away.

The arguments for creating this additional membership category include: the aging of our present membership, the relatively small population from which to recruit new members, and the desire to "get a hold of" younger professionals during their more formative years. The equally valid arguments against the proposal include: the strength of the Society is its stringent entrance requirements, why dilute that strength, particularly when we are having a great deal of success currently in recruiting new younger members (see Membership Committee report in the Minutes). I urge you to vote your conscience and let's get on with our business.

Vaughn Scanland

## REMINDER!!!!

If you have not paid 1990 dues, you should do so right away to avoid the additional surcharge.

B. K. Starbuck and the SPEE office have relocated to 1201 Louisiana, Suite 312, Houston, Texas 77002. The telephone number remains the same - 713-651-1639. Please mark you records.

# SPEE LEEVES

It seems that we have some real travelers in our Society - David Knepper just returned from Hawaii, Larry A. Martin from Russia and Vaughn Scanland is in Norway at the present time.

Red L. Oliver has retired as President of Greenbrier Operating Company, but will remain with the company as Chief Executive Officer.

Everett Deschner has been promoted by Santa Fe Energy Resources, Inc. to the position of Vice President, Engineering and Evaluation.

## NEW LOCATIONS

**L. R. Brammer**  
333 Texas Ave., Suite 1325  
Shreveport, Louisiana 71101  
318-429-2345

**A. R. Briggs**  
A. R. Briggs & Associates  
P. O. Box 3248  
Amarillo, Texas 79116-3248

**Walter L. Dowdle**  
Dowdle Fairchild & Ancell  
1155 Dairy Ashford, Suite 206  
Houston, Texas 77079  
713-497-8990

**William Hurst**  
6445 Brompton Road  
Houston, Texas 77005  
713-668-1181

**John B. Ross**  
Benevolent Energy, Inc  
13710 Perthshire  
Houston, Texas 77079  
713-932-8909

**Fred L. Oliver**  
4625 Greenville Avenue  
Suite 205  
Dallas, Texas 75206

**Ronald L. Thompson**  
R. L. Thompson Engineering  
10150 Halsey  
Lenexa, Kansas 66215  
\*913-888-5839

\*Telephone \* & Company  
Name Change Only

### GUIDELINES COPYRIGHT "OFFICIAL"

Finally, after four tries and over a year, we have received the official copyright approval on "Monograph I, Guidelines for Application of the Definitions for Oil and Gas Reserves" for SPEE!! Members of the Committee during preparation of these Guidelines were Barry K. Van Sandt, Chairman, Chapman Cronquist, T. Scott Hickman, Robert O. Hubbell, Eddie J. Hudson, Larry A. Martin, Charles P. Milner, D. Raymond Perry, Jr., and J. W. Wood, Jr.

Gary Swindell was recently appointed Chairman of a new Standing Committee on Reserve Definition Guidelines. Barry Van Sandt and Chuck Massey are also serving on the committee.

## CHAPTER MEETING INFORMATION

### DALLAS

Chairman: Eddie Ayres  
Vice Chairman: Gary Swindell  
Secretary/  
Treasurer: Glenn Harrison  
Meets: Petroleum Club  
3rd Thursday  
11:45 A.M.

### DENVER

Chairman: Jack Haley  
Vice Chairman/  
Program: Reed Ferrill  
Secretary/  
Treasurer: Doug Lang  
Membership: Walter A. King  
Meets: 3rd Wed. of 1st Mo.  
of each quarter  
Coopers & Lybrand  
Conference Room  
11:45 A.M.

### HOUSTON

Chairman: Paul Kurth/  
Andy Merryman  
Vice Chairman: Chuck Frick  
Secretary/  
Treasurer: Rick Carter  
Meets: Petroleum Club  
1st Wednesday  
11:30 A.M.

### TULSA

Chairman: Don Staires  
Secretary: G. W. Russell  
Treasurer: Robin LeBleu  
Meets: Harvard Club  
1st Tuesday  
11:30 A.M.

## CHAPTER NEWS

### DALLAS

The Dallas Chapter has enjoyed steady attendance at its monthly lunch meetings. The May meeting had over forty attendees to hear Charlie Graham's talk on "Update on Horizontal Drilling in the Chalk".

The Chapter meets on the third Thursday of each month, except for summer months. The next meeting is scheduled for September 20, 1990, where Field Roebuck will give his presentation on "Statistical Estimation of Reserves in Mature Areas."

### DENVER

John R. Schuler spoke on "Risk Analysis in Property Evaluation" at our April 18, 1990 meeting. Also, we discussed the effect on petroleum property evaluation of federal requirements for certification of real estate appraisers. Colorado's proposed legislation excludes the mineral industries.

Jim Ramsay continues to make progress in his stroke recovery. He has transferred his office to his home.

Our next quarterly meeting will be on July 18 in the Coopers & Lybrand conference room.

### TULSA

Donald H. Staires, President of the Tulsa Chapter spoke at the May 8, 1990 meeting. His topic was "1990 SPEE Annual Meeting - Santa Fe".

The Chapter meets at the Harvard Club on the first Tuesday of the month.

### MIDLAND

Currently, there are nine SPEE members in good standing located in Midland. An informal meeting of these members was held on May 15, 1990; six were in attendance.

A list of 46 prospective SPEE members living in Midland was developed. These candidates were assigned to various attendees at the meeting for the purpose of direct membership recruitment.

By means of the local membership effort or a transfer of a prospective member whose application is going before the SPEE membership soon, it is anticipated that the 10th Midland member will be secured in the very near future. All nine current members have signed the application for establishing a Midland Chapter. As soon as Chapter is formed, by-monthly Chapter meetings will be held on a September - May schedule.

Another meeting is scheduled for June 26, 1990, to review membership recruiting efforts and the Chapter application status.

EDITOR - DAVID KNEPPER 713/739-0312

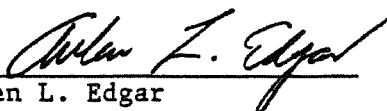
- Names of nine members in Midland have been secured on the Chapter application form. It is expected that a 10th member will be approved in the near future so that the application can be submitted for approval.
- A discussion was held concerning discounting the price of Monograph I. The purposes would be to increase sales and to improve distribution and use. SPE discouraged discounting of volumes sold via their book order department because of the nature of their procedural, accounting and book order systems. It was suggested that attendees at the bi-annual SPE HEE Symposium represent a large customer base. Upon motion made and seconded, it was decided that a volume discount of \$3.00 per copy would be offered to purchasers of 10 copies or more of Monograph I.
- A discussion was held concerning the SPEE By-Laws references to the Canons of Ethics for Engineers as adopted by the Engineers Council for Professional Development. It has been proposed that such be replaced by the Code of Ethics for Engineers promulgated by ABET or AAES. It was decided that task force should be formed to study this matter and make appropriate recommendations to the Board.

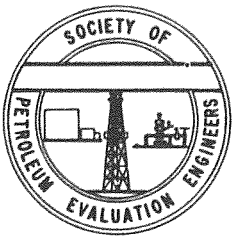
#### NEW BUSINESS

- Arlen Edgar reviewed a preliminary list of speakers and topics for the 1991 Annual Meeting. It was suggested that the 1991 SPE HEE Symposium might be a source of ideas. Those in attendance were asked to submit additional possibilities.
- It was suggested that local SPEE Chapters could serve an active role in processing membership applications. The concensus was that Chapter Officers and Directors should aid in securing sponsors and assuring that application and sponsor forms are processed and submitted in timely fashion.
- Coopers and Lybrand (C&L) conducted an opinion survey regarding the SEC versus SPE/SPEE definitions of proved reserves for improved recovery projects. A majority of respondents favored the SPE/SPEE definition and felt that SEC should adopt same. It was generally agreed by the Board that an effort should be made to induce the SEC to make the change. C&L plans to submit the survey results to the SEC.

There being no further bsuiness, the meeting was adjourned at 5:00 p.m.

Respectfully submitted,

  
Arlen L. Edgar  
Secretary-Treasurer



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