



SPEE NEWSLETTER

Houston, Texas

February 1993

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Past President

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PRESIDENT'S MESSAGE

This will be my final column as SPEE President. It has truly been an honor to serve in this capacity and to have the opportunity of visiting with so many of you at the Annual Meeting and at Chapter Meetings during 1992. One of my goals for 1992 was to visit each chapter in the Society. This was accomplished, along with visitation in two areas prospective for chapter establishment (Oklahoma City and Calgary). The Oklahoma City Chapter has now been formed, and plans in Calgary are well underway. One of the recompenses of the chapter visits is witnessing the high level of enthusiasm and participation in local activities. It is also interesting to observe that each chapter has its own "personality."

On the left side of this page is a listing of the Society's 1993 officers elected at the recent Board meeting. Also shown are the directors serving this year. Gratitude for extraordinary service is expressed to the Board members who have just completed their terms of service; Directors **Tom Mehlberg** and **Dwight Purtell**, plus **Chuck Brittan** who performed so ably in holding all of the offices from Secretary-Treasurer through Past President. A hearty welcome is offered to new directors **Harry Gaston** and **Russ Long** (both from Houston) and **Curtis Phillips** from Oklahoma City.

Publicized in this newsletter are two important 1993 events. One is the Society of Petroleum Engineers bi-annual Hydrocarbon Economics and Evaluation Symposium to be held in Dallas March 29th and 30th. As was done in 1991, SPEE will host a continental breakfast on Tuesday, March 30th. The second event of note is, of course, the SPEE Annual Meeting scheduled for June 20-22. You are encouraged to mark both events on your calendar and begin making plans to attend.

Also shown herein are current Society membership statistics. **Rick Garza** has done yeoman service as Membership Chairman, continuing to build on the solid base established by predecessor **Fred Haston**. The continued expansion of our membership during these difficult times is nothing short of extraordinary. How many other petroleum-related organizations currently exhibiting membership growth can you name?

1993 promises to be an interesting year, albeit one for which predictions are difficult. Following is an excerpt from *Forbes Magazine* (December 23rd issue) which sums up the current situation quite well.

"At this juncture I don't want to indulge in any forecast. Why? Because there are so many crosscurrents at work and so many important uncertainties ahead that I find it impossible to reach any definite conclusion as to how things are likely to go during the next 12 months."

At this point you're probably thinking "so what else is new?" Actually, a bit of trickery is involved. The article was not published on December 23, 1992, but 1922 - 70 years ago (written by B.C. Forbes himself). This shows that there really isn't much new under the sun. Possibly these words also will accurately describe the matters in 2062.

On that philosophical note I'll say "adios" and hope our paths cross in 1993.

Regards,
Arlen L. Edgar

ATTENTION!!

The SPEE Annual meeting is to be held one hour outside of San Francisco in the beautiful Napa Valley at Silverado Resort, June 20-22, 1993. Wine country tours, picnics art galleries, shopping and renewing friendships. More details to follow!

WELCOME NEW MEMBERS

J. Stephen Bausch
AA Production, Inc.
2807 74th Street
Lubbock, Texas 79423
(806) 748-8512

Larry Connor
Ryder Scott Company
1100 Milam, Suite 3200
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(713) 651-9191

Stuart Lee Filler
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Houston, Texas 77042
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James Albert Glanzer
Freeport-McMoran Oil & Gas Co.
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New Orleans, Louisiana 70112
(504) 582-4510

G. Michael Harper
Harper & Associates, Inc.
307 West 7th Street, Suite 905
Fort Worth, Texas 76102
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H. Michael Heisey
Heisey Ventures, Inc.
20727 Stone Mountain Lane
Houston, Texas 77073
(713) 268-7111

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Williamson Petroleum Cons.
1010 Lamar, Suite 1000
Houston, Texas 77002
(713) 750-7210

John Bradley Juneau
Zilkha Energy Company
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Houston, Texas 77002
(713) 655-5924

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Golden Colorado 80401
(303) 277-1629

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Oklahoma City, Oklahoma 73112
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Texas Energy Sources, Inc.
P.O. Box 9515
Midland, Texas 79708
(915) 683-1814

Daniel L. Wilson
Platt, Sparks & Associates
925-A Capital of Texas Hwy.
Austin, Texas 78746
(512) 327-6930

NEW CHAPTERS

The Oklahoma City Chapter of SPEE has now been officially organized, making it the seventh local chapter. This milestone was achieved thanks to the membership recruiting efforts by **Chuck Massey** and **Curtis Phillips**. Chuck is a former member of the SPEE Board of Directors and is Chairman of the Production Tax Survey published annually by SPEE. Curtis begins a three year term on the Board in 1993.

In November, 1992, **David Tutt** organized a meeting of current and prospective members of SPEE. The purpose was to assess the viability of establishing a chapter of SPEE in Calgary. **Arlen Edgar**, 1992 SPEE President, made remarks introducing the Society and the benefits of belonging. Of the approximately 26 in attendance, some 20 were prospective members. Subsequent events indicate considerable interest in increasing the Calgary membership and establishing a chapter.

MEMBERSHIP STATISTICS

Current membership as of 2-1-93 397
Applications being processed 22

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CHAPTER OFFICERS AND MEETING INFORMATION

DALLAS

Chairman: **Frank Marek**
 Vice Chairman: **Edward P. Miesch**
 Secretary/Treasurer: **William D. Anderson**
 Meets: Petroleum Club
 3rd Thursday
 11:45 A.M.

DENVER

Chairman: **Walt King**
 Vice Chairman/Program: **Tom Reagan**
 Secretary/Treasurer: **Allan Heinle**
 Membership: **Dave O. Cox**
 Meets: Various locations
 3rd Wednesday of first month of
 each quarter
 11:45 A.M.

HOUSTON

Chairman: **Rick Riseden**
 Vice Chairman: **Emmett Wassell**
 Secretary/Treasurer: **Ray Garcia**
 Program Chairman: **Allen Barron**
 Meets: Petroleum Club
 1st Wednesday
 11:30 A.M.

NEW ORLEANS

Chairman: **Gene B. Wiggins III**
 Vice Chairman/Program: **Max Maxwell**
 Secretary/Treasurer: **Denton Copeland**
 Membership: **Rene G. Daigre, Jr.**
 Meets: Petroleum Club
 3rd Wednesday
 11:30 A.M.

MIDLAND

Chairman: **David G. Griffin**
 Vice Chairman: **Joe Neal**
 Secretary/Treasurer: **Jack Black**
 Membership: **Joel Castello**
 Meets: Bi-Monthly

TULSA

Chairman: **Leroy England**
 Vice Chairman/Membership: **Randal Maxwell**
 Vice Chairman/Program: **Bob Pielsticker**
 Secretary/Treasurer: **Bill Southmayd**
 Meets: Oliver's Restaurant
 1st Tuesday
 11:30 A.M.

CHAPTER NEWS

DALLAS

The chapter held a meeting on October 22 at the Energy Club. **Mr. Alton Smith** with McAndrew & Associates spoke to the group about options for exploration capital in the 1990's. The meeting was attended by sixteen members and guests.

The November meeting of the SPEE Dallas chapter was held on November 19 at the Petroleum Club. Nineteen members and guests enjoyed an interesting presentation on the state of technology in the C.I.S. by **Brian Ausburn**. Mr. Ausburn is with J.R. Butler & Company in Houston.

The chapter did not meet in December or January. The next meeting is scheduled for February 18, 1993. The speaker will be **Mr. Daniel Johnston** of Daniel Johnston & Co., Inc. Mr. Johnston has extensive international experience and will speak on the topic of international production sharing agreements.

DENVER

Our 4th Quarter, 1992 meeting was held on October 21, 1992 at the Board Room of the Colorado National Bank. Attending were 22 members and guests. The speaker was **Conley P. Smith**, owner of Conley P. Smith, Oil Producer. Mr. Smith spoke on "The Alternative Minimum Tax and Its Effect on the Value of Producing Properties."

Our January Meeting was held at 11:30 a.m. on January 20, 1993 at the Board Room of the Colorado National Bank. The subject was "Have Your Table Manners Gone Out To Lunch?" The speaker was **Red Fouts**, Division Manager for Food Services of Colorado National Bank and Board Member of International Food Service Executives Association.

In April, **Allan Heinle** will moderate our yearly round table discussion of ethical issues.

HOUSTON

Election of Houston Chapter officers for the 1993 year was held at the December 2 meeting. The following slate of officers will serve:

Chairman - **Rick Riseden**
 Vice Chairman - **Emmett Wassell**
 Secretary/Treasurer - **Ray Garcia**
 Program Chairman - **Allen Barron**

Joe M. Hawkins, ResTech, was the speaker and presented a talk on "Predicting Unknown Water Levels and Quantifying the Uncertainties."

SPEE member, **Brian Ausburn**, President of J.R. Butler and Company was the speaker at the January 6 meeting. He discussed "Recent Experiences in the Orenburg Region, Russia."

The February meeting had a panel discussion on "Expert Witness in Oil and Gas Matters." The panel consisted of **Judge Wyatt Heard**, **Ron Harrell** of Ryder Scott and **Barry K. Van Sandt**. There were approximately 60 members and guests in attendance at this interesting meeting.

MIDLAND

Officers elected for 1993 were as follows:

Chairman - **David G. Griffin**
 Vice-Chairman - **Joe Neal**
 Secretary/Treasurer - **Jack Black**
 Membership - **Joel Castello**

Meetings are scheduled every other month. In February, **Mr. Joel S. Castello**, President of NCI Enterprises, gave a talk entitled "A Review of 3-D Seismic Activity in Scurry County, Texas." NCI specializes in 3 -D exploration and producing property acquisition primarily in West Texas area of the Permian Basin.

The Chapter now has a total of 29 members with 2 applications pending. The next regularly scheduled meeting is April 6, 1993.

NEW ORLEANS

Guest speaker for the November 18th meeting was **Mr. Bill Harris**, Director of Internal Audit for Freeport-McMoran, Inc. who spoke on the accounting concept of "book value" as it relates to the purchase and sale of oil and gas properties. **Mr. Patrick S. Neale**, Geology Supervisor for Chevron Corporation's Bay Marchand Profit Center, presented a talk at the December 16th meeting entitled "Modern Technology in an Old Area -Bay Marchand Field Revisited." A roundtable discussion was conducted at the January 20th meeting on the topic of "Professional Ethics in Petroleum Property Evaluation."

The New Orleans Chapter currently has 14 members, with four applicants awaiting membership approval. The chapter meets at the Petroleum Club on the 3rd Wednesday of each month at 11:30 a.m. with no meetings during June, July and August.

TULSA

The Tulsa Chapter of SPEE meets monthly on the first Tuesday of each month. In October the luncheon meeting had **Mike Baker** of ONG discussing Opportunities In Using CNG and in November there was an open forum with attendees invited to present their ideas, opinions and problems concerning Oil and gas appraisals for open discussion.

In December there was a special dinner meeting with **Richard Spears** of Spears and Associates presented a program on Recent Travels in Russia.

The Tulsa Chapter has elected a new slate of officers for 1993. They are as follows:

President - **Leroy England**
 Vice President (Programs) - **Randal Maxwell**
 Vice President (Membership) - **Bob Pielsticker**
 Secretary/Treasurer - **Bill Southmayd**

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SPEE WELCOMING COFFEE

@

SPE's HEES SYMPOSIUM

7:00 to 8:00 AM

Tuesday, March 30, 1993

SPEE MEMBERS ARE HOSTS

If you are not on the roster of SPE to receive the mailing regarding the Symposium, please contact B.K. for a brochure pertinent to the conference.

COMEDY CORNER

A banker called an oilman to the office to review his loans.

"We loaned you a million dollars to revive your wells, and they went dry," he said. "Coulda been worse," the oilman replied.

"Then we loaned you another million dollars to drill new wells and they all turned out to be dry holes." "Coulda been worse," the oilman replied.

"Then we loaned you another million dollars to buy new drilling equipment, and it all broke down." "Coulda been worse," he said again.

"I'm tired of hearing that!" snapped the banker. "How could it have been worse?"

The oilman replied, "Coulda been my money."

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