



September 12, 1988

TO ALL MEMBERS
THE SOCIETY OF PETROLEUM EVALUATION ENGINEERS

Dear Members:

Those who attended the Annual SPEE Convention in June at Keystone can look back at having participated in a very successful and thought stimulating meeting. I wish to again compliment Chap Cronquist on arranging what I consider the best meeting to date. For those who were not able to attend we are making available copies of many of the papers presented. To place your order, please see the section within.

As summer vacations have ended, it is time to fit those 1988 projects we have planned before the year end rush begins. Even though many projects had come to a halt during the summer, the Guidelines for the Preparation of Reserve Estimates were finalized and published as Monogram I in August. Also, a white paper on Preparation of Reserve Estimate and Evaluation Reports has been completed and will be submitted for publication to the Oil & Gas Journal later this month.

Luncheon meetings are planned for late September or early October for both New Orleans and Midland to stimulate interest among prospective Society members. The objective is to increase the membership in both cities to at least ten so that local chapters can be formed. Recommendations of qualified prospective applicants in those cities would be appreciated.

At the October 4th Executive Committee meeting scheduled for Houston, the location for the 1989 Convention will be chosen so that everyone can commence making early plans to attend. Our objectives for the 1989 Convention is to have it be the best attended convention yet. Any additional items that any member desires to have addressed by the Executive Committee should be submitted a committee member as soon as possible.

Sincerely,

Robert J. Moses
President, 1988

MINUTES OF SPEE BOARD MEETING
June 12, 1988
Keystone, Colorado

The meeting was called to order by President, Bob Moses, at 3:30 p.m. Present were:

Bob Moses, President
Chap Cronquist, Vice President
Vaughn Scanland, Secretary-Treasurer
Scott Hickman, Past President
Bob Cochran, Director
Amiel David, Director
Larry Martin, Director
Charles Massey, Director
Carle Sharp, Director
Walt Wright, Director

Also in attendance were various committee chairmen, local chapter chairmen, and interested members.

The minutes of the January 28, 1988 meeting of the Board of Directors were approved as presented.

The financial report was presented by Vaughn Scanland, Secretary-Treasurer:

Cash Balance June 9, 1988	\$36,478
Estimated Outstanding Expenses (Primarily Annual Meeting)	<u>15,146</u>
Balance (approximate)	\$21,300

Bob Moses, President, reported that:

- o an underlying theme of 1988 will be to achieve broader exposure for SPEE.
- o committee restructuring continues and that information on new goals and objectives will be published soon.
- o membership is growing but involvement by members is not.
- o the Evaluation Parameters survey has been published and is available from the SPEE office (free on request to members, \$20 for non-members).

Committee reports were presented either in writing or verbally by committee heads in attendance.

- o Grievance (Jerry Sherrod and Sam Singer) - no activity to report.
- o Qualifications (Buddy Sipes) - 25 new applications received since 1/1/88 of which 7 approved and forwarded to executive committee, 2 returned to applicant with advise to seek waiver of required qualification, 4 in committee, 1 rejected, 1 withdrawn by applicant and 10 incomplete.
 - draft of simplified application form was submitted for board approval.
- o Membership (Fred Haston)
 - membership chairman has been appointed in each local chapter and in Los Angeles, Midland and New Orleans.
 - Goals are to enroll members from all major engineering firms and to build up Los Angeles and Denver.
- o Strategic Planning (Charles Milner) - received 159 responses to questionnaire on annual meeting.
- o Publication (Cam Sternberg, Editor; Carle Sharp, Publisher) proposed a News of Members section in newsletter.
- o Evaluation Parameters (Charles Brittan) - 1988 survey published, 50 sent to members, 29 to non-members.
- o Public Affairs (Sam Singer) - members have been appointed in all significant geographical locations (see committee roster for members' names).
- o Publicity (David Knepper) - notice of annual meeting appeared in all major industry publications. Speaker Bureau in operation by September.
- o Engineering Registration (Ed Barsachs) reported that in May, 1987 Principals and Practice Exam 57% of 2120 examinees passed.
- o Report Standards (Chuck Massey). Chairman expressed concern about liability aspects of having "Standards" published in SPEE name. After full discussion, Board approved a resolution that a "White Paper" on report standards be prepared and that the Executive Committee be authorized to cause its publication in one or more of the trade journals (not SPEJ).

- o Local Section By-laws (Gordon Biscar). Plan is to have a draft set of by-laws for Executive Committee review by end of summer.
- o Reserve Definition Guidelines (Barry Van Zandt). Draft about complete. Will be circulated for comment soon.
- o Continuing Education (Tom Stevens). Survey indicates SPEE sponsored continuing education to be impractical and unpopular. Recommends tabling for now.
- o Historian (Herb Poyner). In the process of identifying significant events through discussions with past President.
- o Local Chapters - Houston, Dallas and Tulsa all report regular monthly meetings with good attendance.

Old Business:

- o Speakers' bureau and pamphlet by September.
- o Vaughn Scanland reported to the board on the status of and reasons for filing current and past information returns with IRS. Report indicated that filing was required because of "gross receipts" level of society. Failure to file earlier years reports could be basis for penalties, but Executive Committee believes the fact that the officers present and past relied on the advice of a hired CPA would be sufficient to avoid such penalties.
- o Scott Hickman reported on the 1988 Economic Parameters Survey.

New Business:

- o Resolution to allow the Executive Committee to impose a late fee for membership renewed after January 1, 1988 was moved, seconded and approved after full discussion.
- o Resolution clarifying that dues waiver for members 65 and older applies to members who are 65 prior to year for which dues are waived was moved, seconded and approved after full discussion.
- o After full discussion it was determined that the sense of the Board is to write a technical paper for presentation at the 1989 SPE Evaluation Symposium on the subject of the Evaluation Parameters Survey. Scott Hickman was appointed chairman of the ad hoc committee charged with writing the paper.

NEW LOCATIONS

Diggle, Frederick J., III
First City Nat'l. Bank - FCT 6
P. O. Box 2557
Houston, Texas 77252
(713) 658-5842

Frank, Ronald D.
12700 Park Central Drive
Suite 1408
Dallas, Texas 75382
(214) 788-1591

Golden, Albert C.
Golden Engineering Inc.
700 Louisiana
Suite 1600
Houston, Texas 77002
(713) 659-8801

Hester, L. Vance
6068 S. Elizabeth Way
Littleton, Colorado 80121

Lang, J. Douglas
4025 Field Drive
Wheat Ridge, Colorado 80033
(303) 292-3446

Long, D. R.
Long Consultants, Inc.
1100 Milam, Suite 2380
Houston, Texas 77002
(713) 650-6828

Mannon, Robert W.
Mannon Associates, Inc.
3888 State Street
2nd Floor
Santa Barbara, California 93105
(805) 682-8480

Moredock, S. K., Jr.
Petroleum Engineer
MCorp Plaza, Suite 4920
Houston, Texas 77002
(713) 650-6677

*Parkans, Sidney A.
2030 Post Oak Blvd., Suite 1770
Houston, Texas 77056-4403
(713) 960-8207

*Standley, Milton H.
P. O. Box 659
Livingston, Texas 77351
(409) 566-5007

Swindell, Gary S.
4600 Greenville Ave.
Suite 253
Dallas, Texas 75206
(214) 987-9478

*Wiesendanger, Elliot S.
1200 Smith Street
Suite 2100
Houston, Texas 77002
(713) 654-2916

Wilson, Connie L.
6333 Halifax Road
Fort Worth, Texas 76116

Zeid, Marvin C.
P. O. Box 19945
Houston, Texas 77225
(713) 757-7033

*Telephone number change only

Pursuant to Article IV, Section 1 of the By-Laws, the following applicants have been reviewed and approved for membership in the Society of Petroleum Evaluation Engineers. The names, along with the names of their sponsors, are being presented to the membership of the Society.

"If no objection is received within 30 days, the applicant shall be notified of his election".

Applicant

Eddie Ray Ayres
Gruy Engineering Corporation
222 W. Las Colinas Blvd.
Irving, Texas 75039

Rebecca R. Dykes
Gruy Engineering Corporation
909 Fannin, Suite 1090
Houston, Texas 77010

Frederick E. Ferris
Continental Illinois National Bank
231 S. LaSalle St.
Chicago, Illinois 60697

Fred Lynn Goldsberry
Zapata Exploration Company
P. O. Box 4240
Houston, Texas 77210-4240

Charles Glenn Harrison
Wells Fargo Bank
12222 Merit Dr., Suite 1180
Dallas, Texas 75251-2211

Allan R. Heinle
621 17th St., Suite 730
Denver, Colorado 80293

George A. Stovall
Three Riverway, Suite 470
Houston, Texas 77056

Sponsors

J. W. Wood, Jr.
M. A. Brown
W. E. Lamoreaux

H. J. Gruy
George R. Donaldson
James R. Hartsock

Waived by Executive Comm.
after industry qualifi-
cation check.

J. Donald Clark
Dion Cole
Kenneth Ancell

Randall E. King
John N. Black
Robert J. Cochran

Robert L. Magnie
Norman W. Adams, Jr.
David Evans

Charles P. Milner
Harry Gaston
C. A. Watts

- o It was proposed that the by-laws be amended to include some level of participation in Annual Meetings as a requirement for membership. After full discussion, the subject was tabled. The Executive Committee will review.
- o Leo Schrider's application for membership in the Society was rejected for failure to meet registration requirements. Applicant appealed to Board for a waiver. On full discussion, decision on this waiver was deferred until next meeting of the board..

There being no further business to come before the Board, on motion duly made and seconded, the meeting was adjourned.



Bob Moses presented Hank Gruy the Lifetime Membership Award at the Annual Meeting in Keystone, Colorado.

LOCAL NEWS

Tulsa Chapter

The Tulsa Chapter of SPEE is a small but active group with 26 members. We meet the first Monday of each month except August for a luncheon meeting. Our programs are usually a talk by some individual on a topic relating to petroleum economics or evaluation. We meet at a local club and go through a buffet line for a fixed charge. Everyone pays a sum slightly higher than the fixed fee to pay for the speaker's lunch and pay other miscellaneous costs. The meeting attendance has averaged 13 including guests for the past 1½ years. This is relatively good considering our membership total of 26. The 1988 officers are:

Chairman - Foley Wright
Secretary - Leroy England
Treasurer - Bob Bussell
Program Chairman - Don Staires
Membership Chairman - Dick Banks

Houston Chapter

The Houston Chapter meets at the Petroleum Club of Houston and on October 12, 1988 the speaker will be SPEE member Tom Mehlberg, Sr. V. P. and Chief Petroleum Engineer, Trust Company of the West. Tom will discuss transactions especially as relates to engineering.

On November 2, J. Don Clark will be the speaker and will discuss a case study geothermal project.

Dallas Chapter

The Dallas Chapter will meet on October 20, 1988 at the Energy Club, 8080 North Central at 11:45 A.M.. The speaker will be John Wood with the U. S. Department of Energy. Mr. Wood will discuss the 1987 U. S. Reserve Study.

Denver Chapter

The Denver Chapter meets the third Wednesday of each month.

ANNOUNCEMENTS

COPIES OF PAPERS GIVEN AT KEYSTONE MEETING AVAILABLE

The following papers, given at the SPEE Annual Meeting in June have been assembled into a booklet and are available for \$15.00 for the set.

- Glenn Carson - "The Effect of Federal Banking Regulations on Oil and Gas Production Lending"
(Complete Paper)
- Douglas Cole - "International Energy Banking: How, Why, and When"
(Complete Paper)
- Lawrence Crowley - "Natural Gas: Is There a Revival Underway?"
(Slides)
- John Fontenot - "Measurement While Drilling for Formation Evaluation, Today and Tomorrow"
(Complete Paper)
- Charles Ramsey - "Role of the Investment Banker in Oil and Gas Transactions"
(Notes)
- William Strevig - "Market Value of Properties Based on Transactions"
(Notes)

If you would like to have a set please mail a check for \$15.00 payable to SPEE to B. K. Starbuck at 925 One Allen Center, Houston, Texas 77002.

SIPES has extended an invitation to SPEE members to attend a half day seminar entitled: "Oil and Gas Microcomputer Applications for the Beginner".

Date: November 3, 1988
Place: Exxon Auditorium
Speaker: L. David Gossett
Jupiter Microsystems
Time: 1:00 P.M.

This beginner course is designed to expose the unacquainted with microcomputers to the resources available to them. It is planned that this course will be the first of a series of seminars which will advance in depth as they address the use of microcomputers in exploration and production. A list of references and information will be provided so that those participating will be able to make better informed choices about their own computer hardware and software needs and increase their confidence in starting their own "computer project".

The seminar was highly acclaimed when presented at the SIPES national convention in Wichita. The price of the seminar is \$35.00. Prior registration is required. To register checks should be made out to "SIPES, HOUSTON CHAPTER" and sent along with your full name, address, and phone number to: SIPES Seminar, 500 Dallas, Suite 925, Houston, Texas 77002" before October 18, 1988.