

## *President's Letter*

In opening, I would like to congratulate Vice President **Jennifer Fitzgerald** for organising an exceptional Annual Meeting in Carlsbad, California in June. We had a very good turnout this year, due, I believe, to the location and the outstanding technical sessions and short courses. There were three well-attended and excellent short courses and the technical sessions were both varied and insightful. An innovation, and a highlight, for this year was a “fireside chat” from the CEO and a Board member of Anadarko on changing a company’s culture and the role of new technology. I would like to thank all the presenters for their time and commitment to our professional education.

The social events and the Gala Dinner and Awards Banquet were well attended and enjoyed by all. Congratulations to **Brent Hale, Tom Collier, Joe Young** and Past President **Floyd Siegle** for their awards of service to SPEE, and especially to **John Wright** for receiving an Honorary Lifetime Membership for his contributions and ongoing commitment to the Society’s cause over many years. The full citations are presented at the end of this article. The Gala Dinner closed with an exhilarating speed painting show by Dan Dunn. Dan’s paintings were auctioned in the room and the exceptional figure of \$16,500 was raised for the SPEE scholarship funds. I’d like to thank Jennifer for her imagination, drive and organisation of this year’s meeting and also Debbie Suter for her commitment and effort working behind the scenes. Further information on the Annual Meeting can be found later in this newsletter and also on the SPEE website.

During my Business presentation at the opening of the technical sessions I gave an overview of the status of the Society and the outlook. Our finances are in good shape on the back of a profitable year in 2017 due to a successful Annual Meeting and strong training and publications revenue. Annual dues cover some 60% of the Society’s G&A costs and so the financial health of the society is dependent on revenue contributions from publications, our training programme and a profitable annual meeting. The Board intends to continue investing in the development of Monographs. The release of an update of

Monograph 2 (Fair Market Value) is scheduled for later this year to be followed by Monograph 5 (Type Wells) planned for 2020. If you have any views on topics for possible future Monographs please do step forward; talk to your Chapter officers, any Board member or contact me directly with your suggestions.

The balance of SPEE National’s bank account at end-2017 stood at \$478,000. There is a further \$200,000 held in bank accounts of the individual Chapters. I am also delighted that close to \$30,000 has been contributed in 2018 to the SPEE scholarship funds by SPEE International from the Annual Meeting auction and the Dallas Chapter earlier this year.

On the recommendation of Chair **Rod Sidle** and the members of the Reserves Definition Committee, the latest version of PRMS was approved at the Board meeting in Carlsbad. Rod and his team have worked tirelessly to ensure that SPEE’s views and interests have been shared with the sister societies during the drafting process. PRMS has since been released and can be downloaded directly from the SPEE website. The Board was also briefed on the status of the update to the Canadian Oil and Gas Evaluation Handbook (COGEH). Responsibility for the drafting and distribution of COGEH, which was originally issued in 2002 lies with the Calgary Chapter of SPEE. It is expected that the new version of COGEH will be released early in August. The new version will be available in digital format on a subscription basis on the SPEE Calgary website at <https://www.speecanada.org/shop/>.

It has been ten years since the Ethics Monograph was last completed. Since then much has changed in the world. There has been a major blowout, an explosive growth in unconventional production in North America and a near meltdown in financial markets. Ethics principles have not changed materially



# 2018 Officers and Directors

## Executive Committee

President..... Simon McDonald (Europe)  
Vice President..... Jennifer Fitzgerald (Houston)  
Secretary-Treasurer..... Robert Green (Midland)  
Past-President..... Floyd Siegle (Calgary)

## Directors

Charles Boyette (Dallas) Steve Hendrickson (Houston)  
Andrew Forcina (Denver) Mark Ireland (Europe)  
Rhonda Gathers (Denver) Attila Szabo (Calgary)  
Anna Hardesty (Houston) Paul Taylor (Europe)  
Joe Young (Dallas)

## Bylaws Committees

Chair of Past Presidents' Council..... Rick Krenek  
Qualifications..... Neal Howard  
Committee: Steve Blair, Mark Reeves, Danilo Bandiziol and Claudio Virues  
Nominating..... Floyd Siegle  
Grievance..... David Gold  
Committee: Dan Olds  
Reserves Definitions..... Rod Sidle  
Committee: Dave Elliott, John Etherington, Martin Hubbig, Russ Long, John Ritter,  
Rawdon Seager, John Seidle and Tim Smith

## Individual Appointments

Ethics..... Tom Collier  
Evaluation Parameters Survey..... Steve Hendrickson  
Fair Market Value..... Russ Long and Dee Patterson  
Internet..... Rhonda Gathers and Mike White  
Membership..... Andrew Forcina  
Newsletter Coordinator..... Richard J. Miller  
Communications..... George Schaefer  
Production Tax Summary and University Interface..... Marshall Watson  
Recommended Evaluation Practices..... Daniel R. Olds  
Annual Meeting Advance Planning..... Tim Smith  
Professional Registration..... Marcus Snyder  
Monograph 3 - Evaluation of Resource Plays..... Russell K. Hall  
Monograph 4 - Unconventional Developed Reserves..... John P. Seidle  
Monograph 5-Type Curves..... Gary Gonzenbach  
Technical Training..... Joe Young  
SPE OGRC Oil and Gas Reserves Committee Observer..... Ron Harrell  
COGEH (Canadian Oil and Gas Evaluation Handbook)..... Floyd Williams  
UNECE Expert Group on Resource Classification..... Dominique Salacz

# Chapter Officers - 2018

## Asia-Pacific - Chapter in Formation

Chairman – Antony Corrie-Keilig

## Calgary

Chairman – Mike Verney  
Vice Chairman – Larry Petropoulos  
Secretary – Tim Freeborn  
Treasurer – Gary Metcalfe  
Membership – Claudio Virues

## California

Chairman - Brad DeWitt  
Vice Chairman – Rick Finken  
Secretary-Treasurer - Tom Walker  
Membership - John Davis

## Central Texas

Chairman –  
Vice Chairman –  
Secretary – Charles Price  
Treasurer – Gary Gonzenbach  
Membership –

## Dallas

Chairman - Jacob Walker  
Vice Chairman – Brenda Brown  
Treasurer - Tad Fielder  
Secretary - Christina Hilton  
Membership –

## Denver

Chairman – Steve Gardner  
Vice Chairman - Mike Flanigan  
Secretary-Treasurer – Robert Schutzius  
Membership - Zack Warren

## Europe

Chairman – Danilo Bandiziol  
Vice Chairman – Dominique Salacz  
Secretary-Treasurer – Joel Turnbull  
Membership – John Baillie

## Houston

Chairman – Tosin Famurewa  
Vice Chairman – Ed Butler  
Secretary-Treasurer – Lucas Smith  
Program Chairman – Ali Porbandarwala

## Midland

Chairman – Robert Green  
Vice Chairman –  
Secretary-Treasurer – Gail Hankinson  
Membership – Russell Hall

## Northern Rockies

Chairman – Rick Vine  
Vice Chairman – Leo Giangiacomo  
Secretary/Treasurer – Tom Hohn  
Membership – Joe Sinner

## Oklahoma City

Chairman – Aaron Anderson  
Vice Chairman -  
Secretary - Bruce Heath  
Treasurer - Steve Blair  
Membership - Don Jacks

## Tulsa

Chairman - Phil Schenewerk  
Vice Chairman -  
Secretary-Treasurer - Laura Stauffer  
Membership Chairman -



20333 State Highway 249, Suite 200  
Houston, Texas 77070  
Office: 832.972.7733  
Toll Free: 800.651.1639  
www.spee.org

Admin Asst  
Debbie Suter  
debbie@spee.org

Web Admin  
Kyle Fitzgerald  
fitz@fitz.family

Financial  
Lisa Poletti  
lisa@spee.org

Newsletter Editor  
Diane Pollard  
dpollard@austin.rr.com

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in this period, but the context in which they are practised has. The Ethics Committee, chaired by Tom Collier, has prepared an update of the Ethics Monograph, providing a refresh of ethics guidance. Given the speed of change of society and technology, the Committee intends to review the Monograph annually and update if and when required. The new Monograph will shortly be available in hard copy format for a nominal fee via Amazon and IngramSpark. The committee is currently preparing a one-hour PowerPoint presentation which will be available on the SPEE website for those Chapters interested in providing ethics training using their own members. Watch for announcements on the website.

The Board has considered future plans for distribution of the newsletter. This quarterly report is part of the history and fabric of the SPEE. Copies dating back to 1986 can be downloaded from the website. We know that the arrival of the newsletter by post in hard copy format is valued by many of our members. On the other hand, for others receipt of a hard copy is less relevant. Our members outside North America do not receive their copies until one to two weeks after posting. The printing and postage cost amounts to almost \$20,000 each year, which is a significant fraction of the Society's G&A costs.

After careful consideration the Board has therefore decided that this will be the last newsletter that is distributed by post. The next copy will be distributed by email. There will be no change to the newsletter's content or schedule, and the Board is delighted that **Richard Miller** will continue in his role as coordinator of its compilation, ably assisted by Diane Pollard and Debbie Suter.

I am delighted to welcome **Peter Stephenson** and **Simon Whitaker** who have now joined as new members of the Asia Pacific Chapter in Formation. I plan to be in Perth, Australia in September and am looking forward to meeting the existing and prospective members and discussing plans to bring the Chapter into full formation.

Finally, please don't forget the Petroleum Evaluation Software Symposium which will be held in Houston on Wednesday, 17 October. It promises to be an event not to be missed. Information and registration can be found on the SPEE website.

For those of you who attended the Annual Meeting, I want to thank you for coming. Sarah and I had a most enjoyable time catching up with old friends and making new ones. We are already looking forward with anticipation to next year at Lake Louise. It is such an iconic location. I know that **Robert Green**, next year's Vice President, already has some exciting new ideas for our education and entertainment.

For those of you who come regularly to the Annual Meeting, I look forward to seeing you there. For those who have not been for a while, or before, please do consider coming next year. It is such an enriching event, both from a professional development as well as a social and fun perspective. The dates for your diary

are 8th to 11th June 2019. We have secured outstanding rates from the historic Fairmont Chateau Lake Louise and I expect many of you may wish to take advantage of these discounted rates to extend your stay for up to three nights before or after the meeting. A link to the hotel booking site will be opened soon and we will be advising when this occurs (if not already done by the time you receive this newsletter). Robert expects demand for these "shoulder rooms" in particular will be high so get your booking in early. Although we have blocked rooms for the meeting dates, avoid this year's issue of no room availability for late bookers by booking early.

I hope you all enjoy the rest of the Summer - or in the case of our new members in Australia and also our South American members, I anticipate you will be looking forward to Spring!

**Simon McDonald**  
SPEE 2018 President

## 2018 SPEE AWARDS

### Service Award for Brent Hale

For service as Chairman of the Parameter Survey Committee, author to Monograph 4 and past Board member of the SPEE.

### Service Award for Tom Collier

For long-standing service as Chairman of the Ethics Committee and contributor to the Ethics page of the SPEE Newsletter.

### Service Award for Joe Young

For service as Chairman of the Technical Training Committee responsible for the highly successful Monograph 4 classes.

### Floyd Siegel - Past President's Award

In recognition of Outstanding Contribution as the 2017 President of the Society of Petroleum Evaluation Engineers and past Chairman of the Calgary Chapter.

### Honorary Lifetime Membership for Dr. John Wright

For dedicated service as a member of the Society for over 30 years, as a past member of the Board of Directors, Chairman of the Denver Chapter, presenter of numerous technical papers of the highest professionalism, an early instigator and past Technical Chair of the Economics Software Symposium, co-chair of the committee for the Recommended Practice for Economics Evaluation document and currently a contributor to the preparation of Monograph 5. John exemplifies the model member of SPEE; a selfless volunteer, technically excellent, well-connected in the industry and a mentor to numerous young engineers.



# Chapter News

## Calgary

A consolidated version of the latest draft of the Canadian Oil and Gas Evaluation Handbook has been submitted to the review committee. In addition, a technical editor has been hired to review the document.

Changes to officers:

Mike Verney – Chairman  
Larry Petropoulos – Vice Chairman  
Gary D. Metcalfe – Treasurer  
Tim Freeborn – Secretary  
Keith Braaten – Past Chairman

Meetings - 3rd Tuesday of each month except June, July and August.  
Membership - 57

## California

Membership - 15

## Central Texas

Membership – 27

## Dallas

The Dallas Chapter returns from Summer Break and plans our first meeting of the 2018-19 season for September 6. On November 8, we plan to hold our annual Ethics meeting, which will be a joint event with the Dallas SPE chapter. Speakers and topics for both meetings will be announced.

New Chapter Officers 2018-2019

Chairman – Jake Walker  
Vice Chairman – Brenda Brown  
Treasurer – Tad Fielder  
Secretary – Christina Hilton  
Membership –

Meetings – Bimonthly from September through May at the Brookhaven College Geotechnology Institute. Membership – 70

## Denver

On July 11, the Denver Chapter held its third quarterly luncheon meeting of 2018 with 44 in attendance – 27 members and 17 guests. Mr. Craig R. Maginness, Principal of ExIn Global Strategies and Adjunct Professor, Johnson & Wales University, presented Engineering Ethics, the Law and



Program Chairman Mike Flanigan (R.) presents Mr. Craig R. Maginness (L.) with a speaker's gift.

Human Consequences – A Framework for Making Better Ethical Decisions in a World of Conflicting Demands and Differing Agendas. As an adjunct professor at Johnson & Wales University, he teaches business ethics in the MBA program through the school's College of Business, as well as other classes in international business strategy and operations in the University's undergraduate management program. In his presentation, Craig covered examples where laws and ethics, generally synchronous, may not be precisely parallel. He covered scenarios where the accepted course of action may be legal but unethical, and correspondingly, illegal but ethical – while in both instances holding public safety paramount. He concluded his presentation with group discussion on several additional select scenarios replete with slippery slopes.

Offered annually, this luncheon meeting is designed to meet the requirements of various state licensing boards (as well as the SPEE annual renewal requirement) for one hour of ethics study.

Meetings – 2nd Wednesday of first month of each quarter – Denver Athletic Club – The New Petroleum Club. Membership – 64

## Europe

Since May, the Europe Chapter Meeting held one additional meeting in London at the October's Gallery, on June 20th, 2018. The meeting was attended by 16 members and non-members. The guest speaker for the evening was Richard Norris of Helios Investment Partners. The talk for the meeting was *Why your next oil project won't get funded but why it should*.

The talk covered the reasons why, according to the speaker, the market is currently encountering difficulties in finding in-

vestors for oil and gas development projects: due to the image of the oil industry in the public opinion, the biased pricing of assets that privileges cash flow over reserves and resources and the poor return on investment in the past years.

The talk further elaborated on why investing in oil and gas project should still be considered attractive, because of the likelihood of oil price increasing again within the next five years, linked to tension in the supply (the limited excess production capacity of OPEC and Russia; the lack of NOCs and IOCs megaprojects investment decisions in the last years; the difficulties that LTO will have to keep up the current growth rate) associated to a continuous growth of the demand.

The talk generated an interesting discussion around the table on the present and future of the oil industry and the evolution of the oil price.

Richard's presentation was followed by a discussion over two hypothetical case studies which were developed by Joel Turnbull (and presented by Danilo in Joel's absence):

- the first one was related to the booking of reserves or contingent resources for a compression project that was, according to the FDP, "likely to be done" after seven years, but not decided yet;
- the second one was related to the definition of the economic limit in a SEC booking, in a field with a leased FPSO.

For the first time we tested a remote participation via skype for business; three attendees were connected remotely. The attempt was successful, even if we had some communication issues (the system stopped sharing the presentation, the sound was good during the presentation, but poor during the discussion). We'll try and improve the system in the coming meetings.

The Europe Chapter is planning on holding two additional meetings during the course of 2018, in September and November-December.

Chairman:	Danilo Bandiziol
Vice Chairman:	Dominique Salacz
Secretary/Treasurer:	Joel Turnbull
Membership:	John Baillie
Past Chairman:	Paul Taylor

*Meetings - Four per year. Membership - 36*

## Houston

The Houston Chapter returns from summer break on September 5 with Dr. David Nordt, Managing Director of Engineering, PNC Corporate Bank speaking on "The Importance of an Oil & Gas Hedging Strategy and a Golf Analogy".

*Meetings - 1st Wednesday of each month except June, July and August - Houston Petroleum Club. Membership - 175*

## Midland

The Midland Chapter meetings are scheduled bimonthly starting in January on the 2nd Wednesday of the month. They are held at the Petroleum Club of Midland at 11:30 AM and feature a sit-down plate served luncheon. The meetings are open to non-members to reach out to the technical community and attract new members.

The chapter continues to use the SPEE web-site for online registration and payment.

*Meetings - 2nd Wednesday odd months - Midland Petroleum Club. Membership - 24*

## Northern Rockies

*Membership - 13*

## Oklahoma City

*Meetings - Every odd-numbered month. Membership - 19*

## Tulsa

*Meetings - Four times yearly - Summit Club. Membership - 21*



**PLAN  
AHEAD**

**SPEE Annual Meetings**

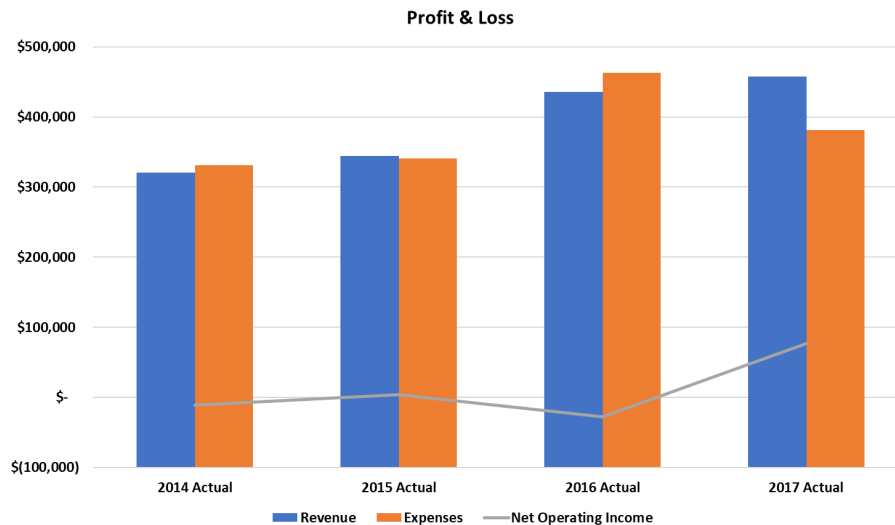
**June 8-11, 2019 Alberta, Canada  
Fairmont Chateau Lake Louise**

**June 13-16, 2020 Newport, Rhode Island  
Gurney's Newport Resort & Marina**

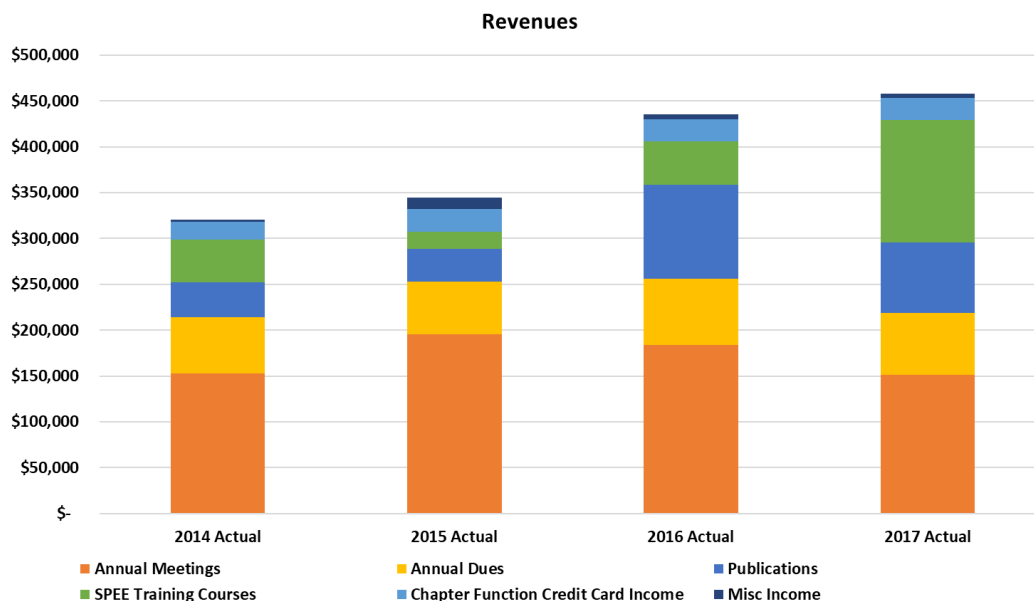
# Financial Report

I am pleased to provide a financial summary for SPEE National. The Society continues to remain financially healthy. Revenue of SPEE National in 2017 was \$459,672 and the Expenses were \$383,395, giving a Net Profit of \$76,277. Cash assets held by SPEE National at the end of 2017 in checking and money market accounts plus CDs total \$478,923. Local Chapters held an additional \$203,354 cash in their accounts, giving a total cash asset of the SPEE of \$682,277.

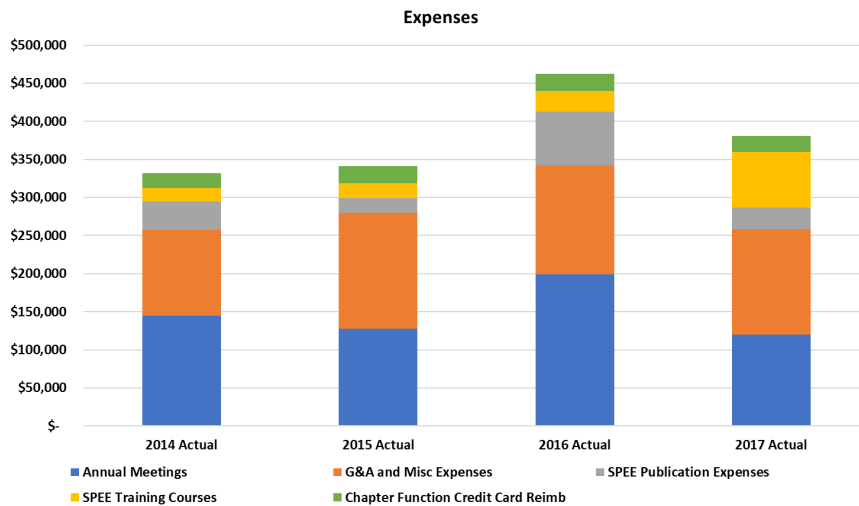
The chart below shows the financial performance of SPEE National for 2014 through 2017. Overall, the Society had been operating at a loss for a few years. However, 2017 was a very successful year for the organization, resulting in a profit in large part due to an active training program. A profit of \$19,000 is budgeted for 2018. SPEE National's cash balance is project to stand at approximately \$498,000 at the end of 2018.



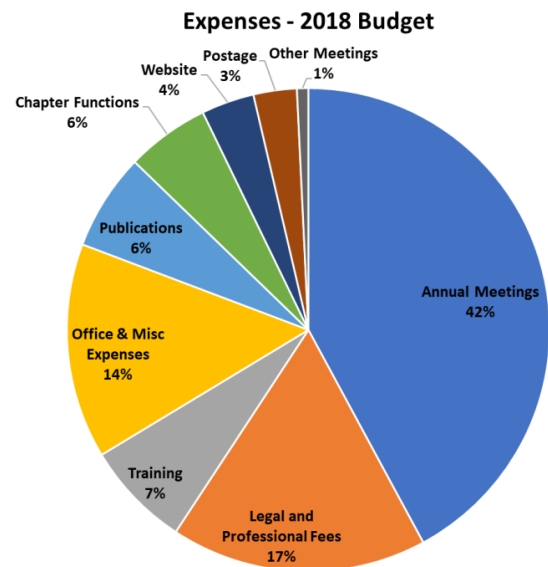
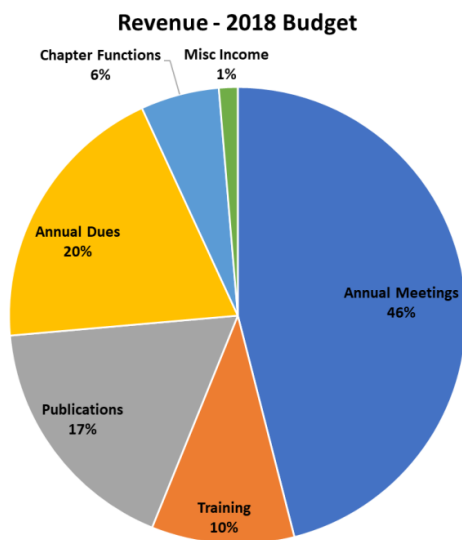
The charts below summarize the principal sources of revenue and expenses over the last several years. Dues have declined in recent years but are projected to increase in 2018 associated with the recent increased annual dues rate. The membership has been largely static at 560 members. The increased revenue in 2017 is associated with a very active training program associated with Monograph 4. Additionally, there were decreased expenses in 2017 associated with Annual Meetings, partially due to a final 2017 Annual Meeting payment that will be made in 2018 and lower advanced payments for upcoming meetings.



The G&A costs of the Society have increased over the last several years but are projected to stabilize to approximately \$150k for 2018. Office Rental and Secretarial/Bookkeeping Fees have risen in the past few years as the Society now has dedicated office facilities and has invested in its administrative and financial framework. Other costs have remained reasonably stable in recent years.



The charts below summarize the relative contributions of revenue and expense categories for the 2018 budget. Publications and Training continue to represent a significant contribution to total annual revenue. Monograph 4 has already achieved 86% of its forecast budget with on-going work to plan additional courses later in 2018.



The SPEE has come through three years of poor financial performance with strong turnaround results for 2017. Performance for 2018 is forecast to be strong as well. The 2018 Annual Meeting strong attendance resulted in an additional \$43,460 revenue which increases the annual budget profit to \$62,460. However, the turnaround highlights the importance of many SPEE initiatives to help increase the Society’s revenue. The Society will continue our investment in additional Monograph publications. An update of Monograph 2 is in preparation and a committee has begun work on Monograph 5, which will focus on type well profiles. A vibrant and current Monograph portfolio should allow us to continue to develop and increase our Training activities. If you have any questions or need additional information, please feel free to contact me or President Simon McDonald directly.

Robert Green, 2018 Secretary / Treasurer – [speetreasurer@spee.org](mailto:speetreasurer@spee.org)





## 55<sup>th</sup> Annual Conference

Park Hyatt Aviara, Carlsbad ~ June 2-5, 2018

### 2018 Annual Meeting Summary

I want to personally thank everyone who attended this year's Annual Meeting. I hope that you each enjoyed your time as much as I did. We had an action-packed four days, filled with technical sessions, short courses, group and guest activities, social events and the Monday evening Gala Dinner and Awards Banquet. The conference was held at the beautiful **Park Hyatt Aviara Resort** in Carlsbad, California, located on the natural Batiquitos Lagoon and just minutes away from the Pacific Ocean.



The broad theme for this year's conference was **"Embracing the Tides of Change."** The strength of the technical presentations at each Annual Meeting is a tribute to SPEE's mission to provide professional growth for evaluation specialists. I hope you all agree that this year was no different. Thanks to each of the presenters for the technical sessions. Our President **Simon McDonald** began Monday morning with an overview of the current state of SPEE. **Steve Hendrickson**, Survey Parameters Committee Chair, provided insight to the results of this year's survey. If you weren't able to join us at the conference, be sure to visit the SPEE website to order your copy of the survey results. **Jorge Faz**, building on lifelong lessons learned from his grandmother, gave an engaging and entertaining ethics presentation. Monday morning closed with a fireside chat by **Al Walker**, CEO of Anadarko, and **Sean Gourley**, CEO of Primer and Member of Anadarko Board of Directors. A unique opportunity to participate in an exchange of thoughts for what it takes to change a company's culture and the role of technology, in particular, the grassroots effort to build from the bottom up a new culture that makes technology a part of a company's DNA.

The technical sessions continued Tuesday morning, beginning with reserves regulations and definitions. **Rod Sidle** began the day providing insight and his perspectives of the PRMS update. The 2018 update of PRMS is now finalized and available for download on the SPEE website. Next, we heard from **Doug Wright** regarding the on-going efforts and focus areas for the 2018 update of COGEH. **Craig Burns** from the Alberta Securities Commission discussed commerciality and the quantification of probability of development. **Gary Gonzenbach** provided an introduction and overview of the on-going efforts for Monograph 5, a practical guide to type well profiles. We closed the technical sessions with **Creties Jenkins** and his presentation about how to avoid squandering billions while appraising unconventional reservoirs.





## *55<sup>th</sup> Annual Conference*

*Park Hyatt Aviara, Carlsbad ~ June 2-5, 2018*

In addition to the technical sessions, this year's Annual Meeting included three insightful short courses, all of which were well attended. **Jim Gouveia** and **Bertrand Groulx** started the conference with a full-day course focused on the application of Statistics, Uncertainty and Aggregation Principles. Attendees next had the opportunity to spend the day at the Sunday short course with **John Hodgin** from the U.S. Securities and Exchange Commission gaining an in-depth perspective on the SEC reserve reporting requirements. I'm proud to say that this full-day short course was a first for SPEE, and a very beneficial opportunity for the many who attended. This year's final short course, taught by **David Fulford**, focused on utilization of the Transient Hyperbolic Model to forecast unconventional low-permeability wells.

The pinnacle social event of this year's Annual Meeting was the Gala Dinner and Awards Banquet. The exciting evening included food and drinks with time to catch up with great friends. As I prepared for this year's meeting, I reached out to several of our distinguished members asking them to share their thoughts, stories and insights. I want to thank each of them for taking the time to share so much. I hope you all enjoyed the walk down memory lane. What I found most interesting were the common threads in their comments. In particular the exact phrasing that was shared by almost all is that they consider active participation in SPEE to be an honor and privilege. As many of them noted, and I hope you would agree, SPEE members as a group are some of the smartest, warmest and most generous professionals. I know that many of us continue to engage in this organization for the opportunity to be surrounded by people smarter than ourselves. Although we don't expect anything in return, we ultimately get back so much more than we give.

Simon McDonald had the pleasure of presenting several awards to our membership. Congratulations to **Brent Hale**, **Tom Collier**, **Joe Young**, and **Past President Floyd Siegle** for their awards of service to SPEE. We also recognized the many contributions and ongoing commitment by **John Wright** with an Honorary Lifetime Membership. The evening featured a unique entertainment experience, performed by speed painter Dan Dunn, culminating in a live auction to generate donations for our various scholarship funds. It is my absolute pleasure to announce that we raised **\$16,500** for our scholarship funds! A big thank you to **Marshall** and **Angela Watson**, our very skilled auctioneers. A great evening was had by all and a lot of money was raised for a good cause.

Thank you to all who attended this year's conference. And thank you for the generous contributions from our many sponsors. Your continued support of the SPEE allows us to deliver on new and existing initiatives at the core of our mission. And I would be remiss if I didn't thank **Debbie Suter** for all of her help and hard work. It was my honor and pleasure to serve as this year's Annual Meeting Chairman. And I am looking forward to seeing you all again soon.

**Jennifer Fitzgerald**, 2018 Vice President





# 55<sup>th</sup> Annual Conference

Park Hyatt Aviara, Carlsbad ~ June 2-5, 2018







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# 55<sup>th</sup> Annual Conference

Park Hyatt Aviara, Carlsbad ~ June 2-5, 2018





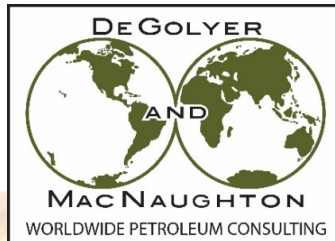


# 55<sup>th</sup> Annual Conference

Park Hyatt Aviara, Carlsbad ~ June 2-5, 2018

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## THE ETHICS COLUMN

### What Would Abuelita Do? And Other Adventures: A Three-Course Column

Have you ever been to one of those restaurants that brings out seven or eight courses over the course of the meal? As each arrives, you think, "Seriously? Is this all? The menu said salad but there are only three leaves, half a grape tomato and a line of some kind of dressing." You are sure you paid too much for too little, until the dessert course arrives and you are not sure you can eat another thing. This month's column will be three tiny courses. I hope they leave you both satisfied and wanting just a little more.

#### First Course

For our ethics seminar this year we had a wonderful talk by Jorge Faz complete with audience participation, electronic survey results revealed in real time, dynamic speaking (Jorge is just one of those speakers), and just a touch of grandma. Grandma? Exactly. One the insights that Jorge brought out was the simple fact that many aspects of ethics are intuitive. When he referenced his grandmother's sayings it occurred to me that Jorge was revealing an understanding of things as they really are. The extra gloss that we tend to apply to our actions to help us feel better about our behavior was simply absent. Perhaps age does this for us. Whatever the source, I think that the ability to look directly into our own actions and motivations is an essential characteristic of sound ethics. You might want to ask yourself, "What would abuelita do?"<sup>1</sup> Said another way, you might consider a planned course of action in the light of a person who had no vested interest in the outcome, but had a significant interest in your good name and reputation.

#### Second Course

As Chair of the ethics committee I spend a little time looking at articles relating to people whose ethical compass has been demagnetized. Once their activities come to light, we look at them first to make sure that no members of SPEE are involved (so far none have involved our membership) as well as for lessons learned. Charles Gleeson scans the newspapers and brings them to our attention. Thanks, Charles!

The "usual" (if there is a usual type of misbehavior) involves misleading investors and misappropriating investment funds. This past week, a different type of effort caught Charles' eye. In this case, a company has been exploring for oil and gas in Israel for the last decade completely without success. It has spent on the order of \$170 million dollars of investors' money over that time period. The SEC is investigating them for fraud. The theory of the government case seems to be that the management team should basically know better. They have been drawing mid – low six figure salaries this entire time.

I am not sure what to make of this. I can see a case where the management team is playing on the sensitivities of faithful Jews, enthusiastic Zionists, and Israeli patriots. They earn reasonably good livings while investors have no real chance of a return. On the other hand, I think of the development of the Barnett Shale in the United States. Didn't George Mitchell spend over a decade unlocking this unconventional resource and in the process begin what has become the renaissance of our industry? In the end, I think it comes to the motivations of the management team involved. The SEC will need some pretty clever investigators to sleuth this one out.

#### Third Course

I will close with a few words on ethics training for our chapters. At the annual meeting, the Board of Directors approved an ethics program that can be used by SPEE chapters for their own ethics training needs. The program will consist of a PowerPoint slide deck and with accompanying presenter's notes. Should the chapters be interested in supplying bound copies of the Ethics Paper, those will be available through Amazon in both North America and Europe for a nominal fee (currently around five dollars in the U.S., slightly more in the U.K or in the eurozone). I look forward to finalizing this service to our membership.

There we have it, a three-course column. I hope you found something of interest in one of them!

**Tom Collier**  
Chair, SPEE Ethics Committee

<sup>1</sup> *Abuelita* is a Spanish term of endearment derived for the word *abuela* which means grandmother. Within the family setting it is used literally, but outside of the family setting it is a term used for any woman past a certain age. As I have heard it used, it is a very welcoming term and it implies a great respect to the life experience of the one to whom it is directed. I know that English is the predominant language of our membership, but this word in its native context was simply too perfect to pass up.



# Welcome New Members

## Asia Pacific-Chapter in Formation

**Stephenson, Peter**                      **Member No. 954**  
Partner, Reservoir Engineering and Resource Evaluation  
Consultant  
RISC Advisory Pty Ltd  
Level 2, 1138 Hay St.  
West Perth 6005  
Western Australia  
peter.stephenson@riscadvisory.com

**Whitaker, Simon**                      **Member No. 955**  
Partner  
RISC Advisory Pty Ltd  
Level 2, 1138 Hay St.  
West Perth 6005  
Western Australia  
simon.whitaker@riscadvisory.com

## Central Texas

**Brooker, Todd**                      **Member No. 946**  
President  
Cawley, Gillespie & Associates  
13840 Briarwick Dr, Suite 100  
Austin, TX 78729  
tb@cgaus.com

## Dallas Chapter

**Kazmann, Colter**                      **Member No. 947**  
Engineering Manager  
LaRoche Petroleum Consultants  
2435 N. Central Expressway, Suite 1500  
Dallas, TX 70580  
ckazmann@larocheltd.com

**Liss, Margo**                      **Member No. 949**  
Staff Geologist  
DeGolyer and MacNaughton  
5001 Spring Valley Road, Suite 800 East  
Dallas, TX 75244  
mliss@demac.com

## Europe Chapter

**Spriggs, Andrew**                      **Member No. 951**  
Managing Director  
Rockflow Resources Ltd  
1 Bernay House, Lower Street  
Haslemere, Surrey GU27 1RQ  
United Kingdom  
andy.spriggs@rockflow.com

## Houston Chapter

**Klingbeil, Markus**                      **Member No. 948**  
Senior Resource Consultant Americas  
Shell Oil Company  
150 North Dairy Ashford  
Houston, TX 77079  
m.klingbeil@shell.com

**Pettegrew, Jared**                      **Member No. 950**  
Reservoir Engineer in Shell, Aera Joint Venture  
Shell Oil Company  
150 N. Dairy Ashford  
Houston, TX 77094  
jared.pettegrew@shell.com

**White, Piper (Associate)** **Member No. 953**  
Occidental Petroleum Corporation  
Sr. Reservoir Engineer  
Corporate Strategic Business Development  
5 Greenway Plaza, Suite 110  
Houston, TX 77046  
piper\_white@oxy.com

## Northern Rockies Chapter

**Vanderhoef, Christian (Associate)** **Member No. 952**  
Engineer  
Gene R. George & Associates  
177 Scott Dr.  
Sheridan, WY 82801  
christianv@gga-inc.com

# Membership Applicants

The following member applicants have been processed by the Qualifications Committee. The by-laws require that names be presented to the membership for at least 30 days as a pre-membership requirement. Any member with an objection should address the objection to the Executive Committee (see by-laws regarding other important details) since the applications have already passed through the Qualifications Committee.

APPLICANT	SPONSOR	APPLICANT	SPONSOR
<b>Beam, Kyle</b> President Oil and Gas Advisors, LLC 909 Logan St PHD Denver, CO 80203	Emily Miller Patrick Ash Douglas York	<b>Dordoni, Federico</b> Assistant Division Manager DeGolyer and MacNaughton 5001 Spring Valley Road, Suite 800 East Dallas, TX 75244	Thomas Pence Charles Boyette John Wallace
<b>Bormann, Stephanie</b> Senior Reservoir Engineer QEP Resources, Inc. 1050 17th St, Ste 800 Denver, CO 80265	Andrew Forcina Marc Schutt Robert Schutzius	<b>Ward, Gavin</b> General Manager-UK RISC (UK) Limited Rex House, 4-12 Regent Street London SW1Y 4RF United Kingdom	Simon McDonald Antony Corrie-Kellig Adam Law

## 2018 Petroleum Evaluation Software Symposium

You are invited to participate in the 2018 Petroleum Evaluation Software Symposium. The basis for the symposium will be "Current Challenges and Future of Evaluation Software" and will include industry speakers, vendor presentations and a user survey.

Watch the SPEE website for more information. Hope to see you there!

### Registration and Symposium Details:

When: Wednesday, October 17, 2018 from 8:00 AM to 5:00 PM

Where: Doubletree by Hilton  
 Houston Greenway Plaza  
 6 Greenway Plaza  
 Houston, TX 77046

### For additional information:

Contact Charles Boyette or Joe Young

