

SPEE Newsletter

HOUSTON, TEXAS

NOVEMBER 1989

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Strategic Planning

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Representative
Publicity Director
Historian
Audit Guidelines
Membership Categories

Raymond D. Perry, Jr.
David D. Knepper
Herbert Poyner
Glen Harrison
Gordon H. Biescar

WELCOME NEW MEMBERS

Bradford O. Larson
Sr. Petroleum Eng.- VP
Chase Manhattan Bank
1100 Milam, Suite 2345
Houston, Texas 77002
713-751-5640

Michael H. Price
Vice President
Chase Manhattan Bank
1100 Milam, Suite 2345
Houston, Texas 77002
713-751-5610

Robin B. LeBleu
Vice President
Burlingame Engineers, Inc.
8912 S. 67th E. Avenue
Tulsa, Oklahoma 74133
918-583-2415

Jay Kent Smith
J. K. Smith Engineering Co.
P. O. Box 22323
Oklahoma City, Oklahoma 73123
405-728-3334

Donald P. Mc Court
P & M Petroleum Management
1600 Broadway, Suite 1700
Denver, Colorado 80202
303-861-2470

Curt Steven Taylor
Senior Vice President
Resource Investors Mgmt. Co.
25623 Saddlebrook Way
Katy, Texas 77450
713-229-8800

Larry T. Nelms
Petroleum Engineer
Ryder Scott Company
600 17th Street, Suite 900N
Denver, Colorado 80202
303-623-9147

Gene B. "Skip" Wiggins, III
Vice President
Atwater Consultants, Ltd.
318 Camp Street
New Orleans, Louisiana 70130
504-581-6527

EXECUTIVE SUMMARY -

- 1990 Annual Meeting will be held in Santa Fe, New Mexico on April 29, 30 and May 1.
- Bradford O. Larson, Robin B. LeBleu, Donald P. McCourt, Larry T. Nelms, Michael H. Price, Jay Ken Smith, Curt S. Taylor, and Gene "Skip" Wiggins, III are new members.
- Report from Membership Task Group.
- Peter Lynn Bauerlein, M. W. Braden, Oran R. Carter, Carl Edward Haskett, Jack Keeling, Michael Ford McKenzie, Frank John Marek, Jr., John R. Pielsticker, and Tung Zuan Vo are seeking membership.
- Director election and dues time again.

PRESIDENT'S MESSAGE

This newsletter includes a report from Gordon Biescar's Task Force on New Membership categories. As you may know, this matter has been under careful consideration over the last year or so. The addition of an Associate Member category would open our membership to qualified individuals in the financial community. These individuals have no reason to become registered engineers or certified geologists, but are recognized experts in financial and other matters that may impact the engineering evaluation process. The addition of a Junior Member category would help promote professionalism among younger engineers and would help ensure continuity of the Society as older members retire. I urge you to consider this proposal and provide written comments (both "pro" and "con") to SPEE Headquarters by the 15th of December. The SPEE Board seeks your thoughtful consideration of this matter. Please note...this matter is being placed before the membership at this time for comment only...this is not intended to be a "straw" vote or ballot. The report will be placed before the 1990 SPEE Board of Directors and, depending on member response, may become the basis for proposing one or more amendments to the Society's By-Laws at the Annual Meeting.

Regarding the Annual Meeting, please note the announcement by Chuck Brittan, who is responsible for arrangements and program. He would appreciate your suggestions on any aspect of the meeting, but especially on program topics and speakers. (713-650-6066)

Committee work in progress includes the efforts of an Ad Hoc Committee to investigate whether the SPEE should revise the standards for auditing oil and gas reserves, which was promulgated several years ago by the SPE. This committee, chaired by Glen Harrison, includes Arlen Edgar, Russ Long, Don O'Neill, John Wright, and Bob Moses (Board liaison). Also serving on the committee is Roy Devlin (Mobil), who is representing the SPE Reserves Committee.

Deal of the year!!! You may obtain an "official" SPEE seal from B. K. for only \$37.15 (the seal is reproduced in the membership directory in lieu of a "mug shot" for members who do not send a photo).

On a personal note...the "SPEE curse" is alive and well. For the last several years, most SPEE Presidents have become unemployed, either during their tenure in office or shortly after. I joined the ranks of "independent consultants" early in October, and opened an office in Houston's Main Building (713-759-1141). I would be pleased to collaborate with any SPEE member who could use some help.

Best wishes to you and your family for the holiday season (as of this writing, only 38 shopping days left until Christmas!!)

Regards,

Chap

MEMBERSHIP TASK GROUP

The report from the SPEE's Membership Task Group is summarized below. Please review this material and provide your written comments to B. K. Starbuck prior to December 15.

Background

The proposal to establish two new categories of membership has received a good deal of discussion from the membership since its presentation at the 1989 Annual Meeting and publication in the Newsletter. Reactions have been mixed and reflect a number of concerns by the membership.

Creation of additional categories has been recommended by the Long Range Planning Committee.

The purpose of SPEE as stated in Article II of the By-Laws is to:

- (1) Promote the profession of petroleum evaluation engineering
- (2) Foster scientific research
- (3) Disseminate facts to the membership and public

New classes of membership are expected to allow us to continue to serve the purposes of the Society.

Associate Member

Candidate would apply to the Society for Associate Membership and meet all qualifications of education and experience required of a Regular Member.

Registration would not be required.

A degree in Engineering or Geology would not be required; a "scientific" based degree would be required.

Associate Members would pay the annual dues as set by the Executive Committee.

Associate Members could not vote or hold office.

The aggregate number of Associate Members would not exceed 10% of the Regular Membership at the date of their election.

It would be expected that applicants for this class of membership would be reviewed carefully by the Qualifications Committee at the referral of the Executive Committee, and election would reflect outstanding qualifications by virtue of education, experience, and accomplishments as well as contribution to the science and profession.

Junior Member

A candidate would apply to the Society for Junior Membership and meet qualifications of education and experience such that he or she would be expected to qualify as a Regular Member within 5 years.

Registration would be required.

Junior Members would pay annual dues as set by the Executive Committee.

Junior Members could not vote or hold office.

The aggregate number of Junior Members would not exceed 15% of the Regular Membership at the date of their election.

Junior Members would qualify with 5 to 7 years of actual or responsible charge of evaluation experience.

Junior Members who do not apply for Member status within 5 years of election would no longer be members of the Society.

Submitted by:

Gordon H. Biescar
(713) 874-2772

NEW LOCATIONS

Eddie R. Ayres
Gruy Engineering Corporation
Vice President
400 North St. Paul, Suite 1300
Dallas, Texas 75201
(214) 720-3800

Morris A. Brown
Gruy Engineering Corporation
Executive Vice President
400 North St. Paul, Suite 1300
Dallas, Texas 75201
(214) 720-3844

Robert E. Burlingame
Burlingame Engineers
President
427 South Boston, Suite 509
Tulsa, Oklahoma 74103
(918) 583-2415

Paul R. Clevenger
Paul R. Clevenger - Owner
112 East Pecan Street
Suite 1414
San Antonio, Texas 78205
(512) 225-2696

Robert J. Cochran
Citicorp (NA)
VP - Petr. Eng.
1200 Smith St., Suite 2000
Houston, Texas 77002
(713) 654-2946

Chapman Cronquist
P. O. Box 35168
Houston, Texas 77235
(713) 759-1141

Marshall J. England
M. J. England & Assoc.
1700 Broadway, Suite 2300
Denver, Colorado 80290
(303) 837-1661

Reed W. Ferrill
Reed Ferrill & Associates
3000 Youngfield St., #388
Lakewood, Colorado 80215
(303) 231-9663

Charles M. Frick
Quintana Petroleum Corp.
Eng. Manager
P. O. Box 130348
Houston, Texas 77219-0348
(713) 651-8634

J. Curtis Grindal
Zilkha Acquisitions
1201 Louisiana, Suite 3200
Houston, Texas 77002
(713) 655-5979

Raymond S. Hansen
Raymond S. Hansen Company, Inc.
5959 West Loop South, Suite 200
Bellaire, Texas 77401
(713) 666-2096

T. Scott Hickman
T. Scott Hickman & Assoc.
President
550 West Texas Ave., Suite 950
Midland, Texas 79701
(915) 683-4391

Ralph W. Jackson
3322 Princess Lane
Dallas, Texas 75229

Randall E. King
Petrie Parkman & Co.
333 Clay Street, Suite 700
Houston, Texas 77002
(713) 650-3383

George G. Koenig
Coastal Oil & Gas Corp.
VP - Reservoir
9 Greenway Plaza, Suite 436
Houston, Texas 77046
(713) 877-7599

Robert J. Moses
British Borneo
Executive Vice President
1212 Main Street, Suite 850
Houston, Texas 77002
(713) 650-8292

P. Dwight Purtell
Tellco Petroleum Corp.
President
9 Parliament Place
Dallas, Texas 75225

John B. Ross
Benevolent Energy, Inc.
Chairman & CEO
2500 Tanglewilde, Suite 270
Houston, Texas 77063
(713) 952-6506

Jared Darby Sere
Bellwether Exploration Co.
President
1221 Lamar, Suite 1500
Houston, Texas 77010
(713) 650-1025

Ronald E. Rhodes
American Exploration Co.
Manager of Reserves
12310 Moorcreek Drive
Houston, Texas 77070
(713) 220-8242

Thomas G. Stevens
1212 Main Street, Suite 463
Houston, Texas 77002
(713) 221-0148

C. Arliss Watts
Energy/Investments
4800 Sugar Grove Blvd.
Suite 260
Stafford, Texas 77477

J. W. Wood, Jr.
Gruy Engineering Corporation
President
400 N. St. Paul, Suite 1300
Dallas, Texas 75201-6806
(214) 720-3800

IN MEMORIAM

We regret to note the passing
of:

HERBERT D. THORNTON
of Houston
who died on
September 12, 1989

SPEE HAROLD VANCE FOUNDATION, INC.

Please make your scholarship donations by separate check to "SPEE Harold Vance Foundation, Inc." and mail along with your SPEE dues.

BIOGRAPHICAL INFORMATION

POSITION 1 -

Arlen L. Edgar is an independent petroleum investor and consultant in Midland, Texas. In 1957 he received a B. S. Degree in Petroleum Engineering from the University of Texas and was selected as a Distinguished Engineering graduate of that institution in 1981. He worked for the predecessor to Amoco Corporation, a Midland consulting firm, Tipperary Corporation in Australia and Midland and was General Manager of Western States Producing Company. Since 1973 he has been self-employed. He was 1981 President of SPE, 1986 President of AIME and is currently Chairman of the SPE Foundation.

Roy C. Williamson, Jr. graduated from the University of Oklahoma with honors in 1956 with a Bachelor of Science in Petroleum Engineering and Geological Engineering. He served in the military from 1956-1958. Upon his discharge from the military he worked at Gulf Oil Corporation as a Petroleum Engineer from 1958-1967. He then went to work at Leibrock, Landreth, Campbell & Callaway (now Williamson Petroleum Consultants, Inc.) as a reservoir engineer and is currently president of that company. He is a past director of the Independent Petroleum Association of America and the Permian Basin Petroleum Association.

POSITION 2 -

Thomas F. Mehlberg received a B. S. Degree in Civil Engineering from the University of Washington in 1968. He joined Humble Oil & Refining (now Exxon) in Kingsville, Texas in 1968. After 10 years of various reservoir engineering assignments with Exxon in Texas and California, he joined Crocker National Bank. Currently, he is employed by Trust Company of the West in the evaluation of oil and gas properties for investment by pension funds. Tom has been a member of SPE since 1969 and SPEE since 1979 and has served on various committees for each organization.

Orhan M. Salman joined Security Pacific National Bank in 1977 as Chief Evaluation Engineer. Previous experience includes petroleum evaluation engineering, petroleum reservoir engineering, production and drilling engineering and management experience. He is a graduate of Ohio State University with a B. S. in mining engineering in 1948, and the University of Southern California with M. S. in Petroleum Engineering in 1950. (18 Units toward PhD). He is a member of Pi Epsilon Tau (National Petroleum Engineering Honor Society), SPEE, AAPG, and is a registered Petroleum Engineer in California, New Mexico and Texas. He is a U. S. citizen (born in Turkey in 1925).

POSITION 3 -

P. Dwight Purtell is owner and President of Tellco Petroleum Corp. and manages personal investments. He is a 1957 P. E. graduate of The University of Texas. His 32 years of experience is equally divided between industry and banking. In banking, he was with Texas Commerce, MBank, and Premier. In industry, he worked for Shamrock, Tenneco and May Petroleum, where he was Sr. Vice President of Acquisitions. He also was an owner and President of Chapco Drilling Inc. and PCH Exploration, Inc.

Gary S. Swindell received a B. S. degree in Geological Engineering from the University of Oklahoma and was employed by Enserch Exploration (formerly Lone Star Producing Company) as district engineer of the company's North Texas district until September 1980 when he formed an evaluation consulting firm. He is registered in Texas and Pennsylvania and is author of several articles and papers on the Hardeman Basin.

Return to: SPEE
Suite 925 One Allen Center
500 Dallas Street
Houston, Texas 77002

BALLOT FOR DIRECTORS

SOCIETY OF PETROLEUM EVALUATION ENGINEERS

Each Director will serve for a three year term.

Please vote for one Director for each position:

DIRECTOR
POSITION

1

ARLEN L. EDGAR

ROY C. WILLIAMSON, JR.

2

THOMAS F. MEHLBERG

ORHAN M. SALMAN

3

P. DWIGHT PURTELL

GARY S. SWINDELL

Return the Ballot to be received before December 15, 1989
be counted.

Sincerely,


Chapman Cronquist
President

NO. _____

-Over-

SPEE LEEVES

Herb Poyner will probably not miss another SPEE luncheon for fear of being pronounced dead again. At the September luncheon one of our esteemed members mentioned to Carle Sharp that Herb Poyner had passed away. Unbeknownst to Carle, the esteemed informant had gotten Herb's last name mixed up with someone else's. As you would suspect, everyone was in shock when Carle announced Herb's fate. For those who have not heard, Herb Poyner is, in fact, still alive and well!!.....Lou Powers has been busy lately. On October 11, 1989, he appeared on the Channel 8 Barbara Ford special telecast in Houston. The topic, Oil and Gas Exploration with Emphasis on the USSR, was discussed by Lou, Saleem Akhter (University of Texas Research Science Associate), and Dick Martin (Middle East consultant). Most recently Lou entertained the Gulf Coast Chapter of the AAPG with a speech concerning the oil and pricing outlook for the 1990's..... Chap Cronquist has left Gruy to work on his own - good luck, Chap!.....Fred Diggle, with First City Bank, has decided to take some time off. Maybe we will see him at the Annual Meeting!.....Scott Isaacs, age 15 - son of Bud and Kaye Isaacs - representing Littleton High School won the 1989 Scripps Howard National Spelling Bee in Washington, D. C. the last week in May. Congratulations Scott!!

NEW MEMBER APPLICATIONS

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

Peter Lynn Bauerlein
Concord Oil Company
1500 Alamo Building
San Antonio, Texas 78205

Milton William Braden
Wolverine Exploration Company
42 Bounty Road E.
Fort Worth, Texas 76132

Oran Riley Carter
Atwater Consultants, Ltd.
318 Camp Street
New Orleans, Louisiana 70130

Carl Edward Haskett
Haskett Associates
P. O. Box 131567
Tyler, Texas 75713

Richard Jackson Keeling II
Helmerich & Payne, Inc.
816 W. Baton Rouge
Broken Arrow, Oklahoma 74011

Michael Ford McKenzie
D-O-R Engineering, Inc.
P. O. Box 51707
Lafayette, Louisiana 70505

Frank John Marek, Jr.
William M. Cobb & Associates, Inc.
7822 Glenn Eagle
Dallas, Texas 75248

John Robert Pielsticker
OXY USA Inc.
P. O. Box 300
Tulsa, Oklahoma 74102

Tung Xuan Vo
Columbia Gas Development Corp.
5847 San Felipe, Suite 2600
Houston, Texas 77057

SPONSOR

Paul R. Clevenger
Thomas R. Fuller
Thomas G. Stevens

Fred Haston
Ralph E. Daniel
Barry K. Van Sandt

Gene B. Wiggins, Jr.
R. E. Heffner
John C. Miller

Forrest A. Garb
W. C. Southmayd
Henry F. Keplinger

Richard B. Banks
W. C. Southmayd
G. W. Russell

Gene B. Wiggins, Jr.
J. Darby Sere
Charles M. Frick

Gary S. Swindell
Walter Dowdle
Kenneth Ancell

R. E. Burlingame
Joe Wanenmacher
Robert Q. Bussell

Amiel David
Fred Diggle
Walter Jensen

CHAPTER NEWS

LOCAL CHAPTER OFFICERS

DALLAS

Chairman Gary S. Swindell
Vice Chairman Eddy Ray Ayres
Secretary Treasurer Earl Krieg

DENVER

Chairman Robert J. Doubek
Vice Chairman John D. Haley
Secretary Treasurer Reed Ferrill

HOUSTON

Chairman Carle F. Sharp, Jr.
Vice Chairman Paul Kurth
Secretary Treasurer Fred Diggle

TULSA

Chairman Richard B. Banks
Vice Chairman Dwayne Godsey
Secretary Treasurer James M. McUSIC

DALLAS

The Dallas Chapter continues to meet the third Thursday of each month at the downtown Petroleum Club. Recent speakers have included Randy Neal, President of DPCA, on future developments in economics software; a travel film by Ray Marr and coalbed methane developments.

The chapter is active in planning the Dallas Energy Council's Energy Symposium in January, a sequel to last year's highly successful meeting. The symposium emphasizes interdisciplinary subjects and will include papers on environmental regulation, marketing and price trends, gas reserves, and international exploration, among many others. C. Glenn Harrison is a member of the planning committee.

Chapter Chairman, Gary Swindell, has been developing a database of field studies and papers from all over the United States, and it presently references more than 2500 such studies. The Dallas Chapter is planning to make this database available to other SPEE members, possibly in early 1990. We would like to know of similar projects other members or chapters might have that could be contributed to this work. Please contact Gary Swindell at (214) 987-9478.

We are also formulating a proposed study of severance and ad valorem taxes for all producing states and would like to work with other chapters once a plan can be presented to the SPEE Board of Directors.

DENVER

The speaker for the October 24th meeting was Mr. Tom Petrie of Petrie Parkman & Company. He spoke on A Capital Market Prospective for Energy Investing in the 90's. Approximately 25 members and their guests were in attendance.

New officers for 1990 are as follows:

Chairman	-	John D. (Jack) Haley
Vice Chairman/ Program	-	Reed Ferrill
Secretary/Treasurer	-	Doug Lang
Membership Chairman	-	Walter A. King

HOUSTON

A reminder that the Houston Chapter will hold its regular monthly meeting on December 6th and that it is time to elect local chapter officers for 1990. The nominating committee is hard at work selecting a slate of candidates. Plan to attend and vote for your choice.

The speaker for the December 6th meeting will be Keith Dowling, a Vice President of Powers Petroleum Consultants. Keith will present his recent study of Natural Gas Supply and Demand till the year 2000. He will discuss factors that affect supply and demand and the relationship of future rig count to deliverability.

TULSA

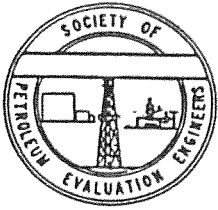
At the September meeting Dewey Barlett, Jr. spoke on the Department of Energy's National Energy Strategy Hearings held in Tulsa in connection with the Conference of State Legislators.

John Nikkel, President of Unit Corp. will speak on "The Future of the Gas Industry in Oklahoma at the November meeting.

SPEE plans to establish an active chapter in the New Orleans area and is seeking qualified applicants for membership. Any interested parties are encouraged to contact the Local Membership Chairman listed below for additional information:

Skip Wiggins
Atwater Consultants, Ltd.
318 Camp Street
New Orleans, Louisiana 70130
(504) 581-6527

Editor - David Knepper
(713) 893-9614



ONE ALLEN CENTER
SUITE 925
500 DALLAS STREET
HOUSTON, TEXAS 77002

**DUES
NOTICE
INCLUDED**

1990 ANNUAL MEETING

Mark your calendar! The Annual Meeting will be held April 29th, April 30th and May 1, 1990, in Santa Fe, New Mexico. More information and registration details will be provided early next year. In the meantime, please let Chuck Brittan know of any topic ideas that you have at (713) 650-6066. Let's shoot for the best turnout that we have ever had, in a City with a splendid mountain setting and a unique cultural heritage.