



SPEE Newsletter

Houston, Texas

October 1992

OFFICERS

President
Vice President
Secretary-Treasurer
Past President

Arlen L. Edgar
Fred M. Haston, Jr.
C. Glenn Harrison
Charles L. Brittan

DIRECTORS

Gordon H. Biescar
John D. (Jack) Haley
Donald L. Horton
Thomas F. Mehlberg
P. Dwight Purtell
David W. Tutt

COMMITTEE CHAIRMEN

Membership
Professional and Public Affairs
Grievance
Qualifications
Publications
Reserve Definition
Guidelines
Evaluation Parameters Survey
Strategic Planning

Ricardo E. Garza
Sam Singer
Gerald Sherrod
Gordon H. Biescar
David D. Knepper

Charles G. Massey
Michael A. Roberts, Jr.
Charles M. Frick

INDIVIDUAL APPOINTMENTS

Publicity Director
Historian
Liaison Representative on SPE
Oil & Gas Reserves Committee

David D. Knepper
Herbert Poyner
Chapman Cronquist

OTHERS

EDITOR **David Knepper** 893-9614
Newsletter Printer **Richard & Pat Stone**, Star-Lite Printing 530-9711
Information **B.K. Starbuck** 651-1639

IN THIS ISSUE:

PAGE No.

Officers, Directors, Committee Chairmen	1
President's Message	1
Membership	2
Chapter Meeting Info and Chapter News	3
Of Interest	4
1993 Dues Notice & Directory Information	Insert
Directory Ballot	Insert
Questionnaire	Insert

President's Message

Included with the August newsletter were ballots/questionnaires concerning three Society matters. Responses are summarized in another section of this newsletter.

Included in this edition is a listing of newly elected officers for the New Orleans Chapter, along with Chapter news; congratulations are in order to the members of our newest Chapter. Oklahoma City needs only one more member to be able to apply for Chapter status; application of the tenth member is in the works. Later this year, a specific effort will be made to secure enough members for a chapter in Calgary.

It's that time of year again (election time, that is) not just for public officials but also for SPEE directors. Enclosed is a ballot containing the names of six candidates for election of three Directors for three year terms. Thanks to the diligent efforts of the Nominating Committee, chaired by Past President Chuck Brittan, an outstanding slate of nominees has been developed and is presented by the Executive Committee for your consideration. You are urged to mark your ballots and return them to B. K. as soon as possible.

Likewise, your prompt payment of the enclosed 1993 dues statements will be appreciated. By taking the time to do so now, you will benefit yourself and the Society. You avoid late dues charges and the hassle of handling reminder notices. SPEE avoids record keeping complications and the expense and trouble of sending reminders. Dues continue to represent the vast bulk of revenues for funding SPEE's member services.

It's also time to start preparing for publication of the 1993 membership directory. We need your current employer mailing address and telephone number. With the popularity of facsimile transmission, we are including fax numbers for the first time. This is a plea for providing current photographs for the directory. A recent photo will guarantee that you will not be embarrassed by Barry Van Sandt's slide show which focused on the "most outdated picture" awards at the 1992 Annual Meeting.

Allegedly, a curse from an ancient civilization goes something like "May you live in exciting times". 1992 is proving to be an exciting time for the petroleum industry. Adding to the excitement is the presidential election, congressional legislation, firming oil prices, greatly increased gas prices, continued property sales, etc. As for me, I do not consider this excitement to be a curse but rather a stimulation. Hope the year is turning out to be satisfactory for each of you.

Regards,

Arlen L. Edgar

**1993 DUES NOTICE & DIRECTORY
INFORMATION SHEET ENCLOSED**

MEMBERSHIP

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 will be notified of his election".

APPLICANT

John Stephen Bausch
Hallwood Energy Companies
P. O. Box 378111
Denver, Colorado 80237

Larry Patrick Connor
Ryder Scott Company
1100 Milam, Suite 3200
Houston, Texas 77002

Stuart Lee Filler
Amax Oil & Gas
P. O. Box 42806
Houston, Texas 77042

James Albert Glanzer
Freeport-McMoran Oil & Gas Co.
1615 Poydras
New Orleans, Louisiana 70112

George Michael Harper
Harper Petroleum Eng. Inc.
110 W. 7th St., Suite 210
Fort Worth, Texas 76112

H. Michael Heisey
Heisey Ventures, Inc.
20727 Stone Mountain Lane
Houston, Texas 77073

Florence S. Hughes
Williamson Petroleum Cons.
1010 Lamar, Suite 1000
Houston, Texas 77002

John Bradley Juneau
Zilkha Energy Company
1201 Louisiana, Suite 3200
Houston, Texas 77002

Jack A. Krug
Questa Engineering
1010 10th Street
Golden, Colorado 80401

Fletcher Sherwood Lewis
Fletcher Lewis Engineering
5001 N. Pennsylvania, Ste. 300
Oklahoma City, Oklahoma 73112

Jerry I. Moritz
Texas Energy Sources, Inc.
P. O. Box 9515
Midland, Texas 79708

Daniel Lester Wilson
Platt, Sparks & Associates
925-A Capital of Texas Hwy.
Austin, Texas 78746

SPONSORS

Walt King
Larry Nelms
Wally O'Connell

Harry Gaston
Sam Singer
Cam Stiernberg

Harry Arber
Wally Frick
Harry E. O'Tell

Robert B. Bass
Harry Gaston
Larry Nelms

Aaron Cawley
Fred Haston
Curtis Phillips

Charles Brittan
Louis Powers
Roy Williamson

Arlen L. Edgar
William t. Shaner
Roy Williamson

William Cobb
Stephen Chicoine
Deacon Marek

Dave Cox
Wally G. O'Connell
John D. Wright

Richard Brown
Kenneth Haack
Curtis Phillips

G. W. Edwards
J. Louis Moseley
Atry Stephens

Harry Gaston
James W. Givens
Roy C. Williamson

WELCOME NEW MEMBERS

Billy Ronald Carnes
TGB, Inc.
P. O. Box 2122
Midland, Texas 79702

Jon Franklin Crawford
Consultant
1717 28th Street, Suite E
Bakersfield, California 93301

John Patrick Dielwart
Coles Gilbert Associates, Ltd.
2800, 400-3rd Ave. SW
Calgary, Alberta T2P 4H2

Walter Scott Epley
Williamson Petr. Consultants
310 West Wall Ave., Suite 1200
Midland, Texas 79701

Paul James Fouret
Randall & Dewey, Inc.
Northchase Plaza, Suite 300
14340 Torrey Chase Blvd.
Houston, Texas 77014

Charles W. Gleeson
Parker & Parsley Gas Processing
P. O. Box 3178
Midland, Texas 79702-3178

James W. Groce
Barbara Fasken
303 West Wall Ave., Suite 1900
Midland, Texas 79701

James Walter Haag
Texaco USA
P. O. Box 60252
New Orleans, Louisiana 70160

William Regis Huck
Consulting Engineer
P. O. Box 8063
Midland, Texas 79708

Richard Paul Loveless
Century Offshore Mgmt. Corp.
3900 N. Causeway Blvd.
Metairie, Louisiana 70002

Richard Ernest Martin
116 S. Timber Top Drive
The Woodlands, Texas 77380

Randal Lee Maxwell
Hudson Consultants, Inc.
1516 S. Boston, Suite 315
Tulsa, Oklahoma 74119

Douglas A. Pollak
Gaffney Cline & Associates
1819 Berryfield
Houston, Texas 77077

Kerry Alan Pollard
Don Ray George & Associates
1604 Rio Grande
Austin, Texas 78701

Juan Antonio Rosbaco
Petrolera Argentina San Jorge
Rivadavia 4785
Buenos Aires, Argentina 1424

SUMMARY OF RESPONSES TO BALLOTS/QUESTIONNAIRES MAILED WITH AUGUST, 1992 NEWSLETTER

1. Three By-Law Amendments - all were approved
2. Strategic (Long Term) Plan for the Society - 44 yes, 14 no, 1 no opinion. Included with the responses were a number of comments/ideas which should prove valuable in developing a long range plan.
3. Proposal to Publish Requirements for Recognition of Professional Engineers in Various States/Provinces/Countries -
 - (1) Interested in seeing SPEE undertake the project: 29 yes, 48 no, 2 no opinion
 - (2) Would likely purchase the publication: 29 yes, 43 no, 7 no opinion
 - (3) Would publication be of value to non-members?: 45 yes, 21 no, 13 no opinion
 - (4) Reasonable per copy charge to SPEE members - large range of numbers*
 - (5) Comments*

* Copies of specific responses are available upon request. Based upon these results, the Board will further consider this matter.

THE SOCIETY OF PETROLEUM EVALUATION ENGINEERS

PLEASE REPLY TO:

1993 MEMBERSHIP DUES

		Over Age 65
Mailed prior to December 31, 1992	\$60 _____	\$30 _____
January 1, 1993 to March 31, 1993	\$65 _____	\$35 _____
April 1, 1993 to June 30, 1993	\$70 _____	\$40 _____
July 1, 1993 to December 1, 1993	\$75 _____	\$45 _____

NOTE: Any member who is more than one year in arrears in payment of dues shall be suspended from the Society.

SPEE dues are not deductible as a charitable contribution from USA Federal income taxes.

PLEASE COMPLETE THE BOTTOM PORTION AND RETURN WITH PAYMENT PROMPTLY TO THE BELOW ADDRESS TO ENSURE PROPER CREDIT.

As this information will also be used for the 1993 SPEE Directory, please return by December 31, 1992, along with a recent black and white or color photograph.

Thank you.

Name: _____

Company: _____

Job Title: _____

Business Address: _____

City: _____ State/Province: _____ Zip: _____

Home Address: _____

City: _____ State/Province: _____ Zip: _____

Preferred Mailing Address: Home _____ Office _____

Telephone: Office: () _____
 Fax: () _____
 Home: () _____

Spouse's Name: _____

SOCIETY OF PETROLEUM EVALUATION ENGINEERS
FOR OCTOBER, 1992 NEWSLETTER
CANDIDATES FOR THREE YEAR TERMS ON BOARD OF DIRECTORS
BEGINNING JANUARY, 1993

(Listed Alphabetically)

	<u>NAME</u>	<u>EMPLOYER</u>	<u>LOCATION</u>
<input type="checkbox"/>	Harry J. Gaston, Jr.	Ryder Scott Company	Houston
<input type="checkbox"/>	Dan Russell (Russ) Long	Long Consultants, Inc.	Houston
<input type="checkbox"/>	Frank John (Deacon) Marek, Jr.	William M. Cobb & Associates	Dallas
<input type="checkbox"/>	R. Curtis Phillips	Kerr-McGee	Oklahoma City
<input type="checkbox"/>	Jon E. (Rick) Riseden	Riseden Services, Inc.	Houston
<input type="checkbox"/>	Gene B. (Skip) Wiggins, III	Atwater Consultants, Ltd.	New Orleans

Please Vote For Three Candidates Only and Return by November 6, 1992 To:

Society of Petroleum Evaluation Engineers
1201 Louisiana, Suite 312
Houston, Texas 77002

QUESTIONNAIRE

For some time, SPEE had an ad hoc Fair Market Value Committee charged with summarizing procedures, methods and definitions in use for estimating fair market value of oil and gas properties. Due to an apparent lack of interest by the SPEE membership, the Committee did not pursue the project.

Recently, several members have expressed an interest in seeing the project resumed. The Board would appreciate receiving, from the membership at large, responses to the following questions:

- (1) Should the Fair Market Value Committee pursue this project? Yes _____ No _____
- (2) Are you interested in serving on the Committee? Yes _____ No _____

Name

Please complete and return to:

Society of Petroleum Evaluation Engineers
1201 Louisiana, Suite 312
Houston, Texas 70002

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

HOUSTON

Chairman: Rick Carter
 Vice Chairman: Rick Riseden
 Secretary/Treasurer: Emmett Wassell
 Program Chairman: Ray Garcia
 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: Louis Moseley
 Vice Chairman: David G. Griffin
 Secretary/Treasurer: Rhett Gist
 Membership: Marvin Witcher
 Meets: Bi-Monthly

TULSA

Chairman: Bob Pielsticker
 Vice Chairman/Membership: Jack Keeling
 Vice Chairman/Program: Leroy England
 Secretary/Treasurer: Eddie Hudson
 Meets: Oliver's Restaurant
 1st Tuesday
 11:30 A.M.

CHAPTER NEWS

DALLAS

The chapter has elected new officers for the upcoming year. The following members will serve:

Chairman - Frank J. (Deacon) Marek
 Vice Chairman - Edward P. (Pete) Miesch
 Secretary/Treasurer - William D. Anderson

HOUSTON

Guest Speaker at the October 7 meeting was Gordon Sorrells, Sr. Vice President of First Interstate Bank of Texas who spoke on "Similarities and Differences Between Real Estate Lending and Oil and Gas Lending". Approximately 35 attended.

Scheduled speaker for the November 4 meeting is Art Smith of J. S. Herold, Inc. Election of 1993 Chapter Officers is set for December 2. The following proposed slate of candidates will be presented:

Chairman - Rick Riseden
 Vice Chairman - Emmett Wassell
 Secretary/Treasurer - Ray Garcia

Meetings will still be held on the first Wednesday of each month at the Petroleum Club.

MIDLAND

The Midland Chapter with 29 members meets bi-monthly for lunch on the first Tuesday at the Midland Petroleum Club. The August 4 meeting had SPEE member Roy Williamson, Williamson Petroleum Consultants, Inc. present a program titled: "West Siberian Basin—Why is Everybody Rushin' to Russia?"

On October 13, 1992 T. Scott Hickman, T. Scott Hickman & Associates, Inc. moderated a roundtable discussion of: "Professional Ethics in Petroleum Property Evaluation".

NEW ORLEANS

The New Orleans Chapter met on September 16th at the New Orleans Petroleum Club. Guest speaker was Max Maxwell, President of Online Resource Exchange, Inc., who spoke on the concept of portfolio management of oil and gas properties. Mr. E. Geoffrey Jeffreys will speak at the October 21st meeting concerning appraisal of oil and gas properties in conformance with the Uniform Standards of Professional Appraisal Practice ("USPAP").

The New Orleans Chapter currently has eleven members, with two applicants expected to be notified of election to membership. Four additional applicants are awaiting membership approval.

The officers for the New Orleans Chapter were elected at the August 19, 1992 meeting. The results are:

Chairman: Gene B. Wiggins III
 Vice-Chairman/Program: Max Maxwell
 Secretary/Treasurer: Denton Copeland
 Membership: Rene G. Daigre, Jr.

The chapter will meet 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 met on September 1, 1992 at Oliver's Restaurant and had a review of the 1992 Annual Meeting in Jackson Hole, Wyoming.

On Tuesday, October 6 Mike Baker, ONG, spoke to the chapter on "Opportunities in using CNG".

PROPOSED CHANGES TO OIL & GAS RESERVES DEFINITIONS

SPEE has furnished a letter to the SPE Oil and Gas Reserves Committee regarding proposed changes to the Oil & Gas Reserves Definitions. Copies may be ordered from the SPEE office. The Committee considered comments on the revised definitions draft in early October, 1992, and plans to submit a final report to the SPE Board in March, 1993.

Advertising Space Available
For Additional Information

Contact: B.K. Starbuck
(713) 651-1639

ADVERTISING RATES

BC Cards - \$25.00
Half Page Ad - \$50.00
Full Page Ad - \$100.00

★ OF INTEREST ★

Past President and Grandpa Chuck Brittan proudly announces the arrival of a granddaughter born to his daughter in Sacramento, California. Incredibly, this is Chuck's third grandchild.

B. K. received the card printed below with a note from Charles Milner which said - "My wife had the gray cards made for me - the color matches my beard and 'professional' activities reflect my current specialties."

Sound like Charlie and Edwina are really enjoying life in Santa Fe.

Charles P. Milner
Wine and Food Connoisseur

626 Paseo de la Loma
Santa Fe, NM 87501
(505) 986-8426

3217 Smoky Ridge
Austin, TX 78730
(512) 346-8603

GARAGE SALE

DAVID KNEPPER is looking for potential waterflood prospects in the \$10 million price range. David can be contacted at (713) 586-7191.

ATTENTION!!!

The next newsletter will come out in mid-January. Please have chapter news, Garage Sale info, etc. in to B. K. by January 1, 1993.

IN MEMORIUM

We regret to note the passing of:

Sam D. Morrow, Jr.
of Houston, Texas

who died on July 3, 1992

FINALLY!!!!!!

An integrated Economics and Interactive Graphics System that does it all:

FORECASTING AND EVALUATION SYSTEM (FES):

System input is managed through a screen-oriented facility that includes full screen input, cursor or mouse movement and pop up windows including access to other system files from the property record. And all data items are checked at the moment of input or when the record is stored in order to assure data integrity.

All calculations in FES are performed monthly; hence, FES can guarantee rigorous calculation of ROR at the lease level and at subtotal and grand total levels. Also FES calculates rigorous payouts and economic limits. (If your system has a limited number of time slots, e.g. 40, you cannot calculate rigorous ROR's, payouts, economic limits, etc.)

FES calculates from three to 20 times faster than its competitors. And all calculations are stored so that only revised properties need to be recalculated. (FES calculates up to 5,000 leases per hour on 386 microcomputers.)

Data can be input directly into FES/PGS from Dwight's, PI, OGRE, etc., or from any other data source in any format. Also, you can include your mainframe unique lease code in FES/PGS, thereby providing a "seamless" interface between your mainframe and FES/PGS. FES/PGS can provide an audit trail whenever you make changes to FES/PGS records.

Logical (Boolean) expressions can be used to select any data from the system to be used in report writing. And a generic report writer provides the ability to write reports of any data items in any format including both input and calculated data.

Full partnership splitting is accomplished through the use of entity files. Hence, any system of interest that can be expressed by a network diagram can be calculated by FES. Also, various interest entities can be coalesced.

FES provides rigorous after tax calculations. These calculations are based on tables which may be modified by the user to provide his own tax scenario.

PRODUCTION GRAPHICS SYSTEM (PGS)

PGS is completely integrated with Forecasting and Evaluation System (FES) so that once you finish your decline curve work and transfer the results, they are ready in FES to calculate economics.

PGS allows you to plot hardcopy decline curves on any matrix or pen plotter to fit any preprinted semilog graph paper.

PGS allows you to fit exponential or hyperbolic decline curves interactively for all or selected portions of your data. Or PGS allows you to use your cursor or mouse to pick exponential or hyperbolic decline curves through all or portions of your data.

Full EGA or VGA resolution is available to plot your curves crisply in multiple colors.

Call or write Dick Banks if you would like to increase your productivity when doing property evaluations.



SCIENTIFIC COMPUTER APPLICATIONS, INC.
810 Petroleum Club Building, 601 South Boulder
Tulsa, Oklahoma 74119
(918) 584-6197