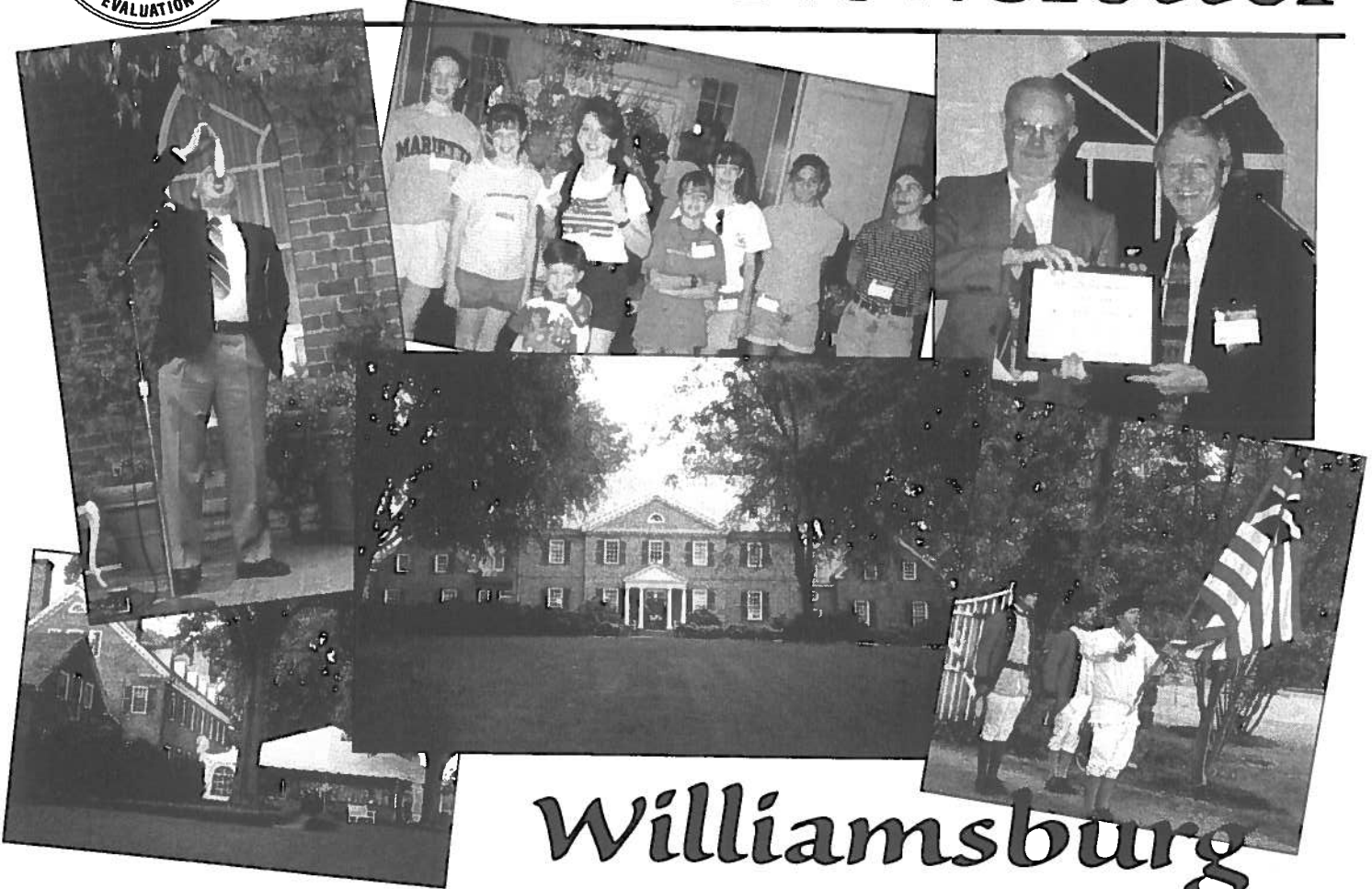




August 1997

SPEE Newsletter



Williamsburg

President's Letter

Those of you who missed the Annual Meeting in Williamsburg missed a very memorable occasion. Those who enjoyed the hospitality of the "Elegant South" had a chance to observe the countryside that hosted the birth of our nation. I surely thank Skip Wiggins and his many helpers for such a wonderful time with old and new friends.

A number of progressive steps for the SPEE were announced at the annual meeting. Some of the topics were:

- a. The first meeting of the Past President's Council was held. The Council is intended to provide the SPEE Board of Directors with advice on important issues and to suggest long-term goals for the Society.
- b. The SPE/WPC reserve definition revisions were discussed and a SPEE by-laws amendment was drafted in response to the revisions (see By-Law Amendments on page 5 of this newsletter).
- c. An updated draft of Monograph 1 to recognize the new definitions was submitted by Brian Ausburn's

committee for review by the Executive Committee and the SPE Oil and Gas Reserves Committee.

- d. A new classification of membership was proposed (see proposed By-Law Amendments on page 5).
- e. A new Chapter in Fort Worth was proposed.
- f. Membership is now up to 485 (466 this time last year).
- g. Next year's annual meeting will be in Carmel-Monterey, California, June 5-9, 1998.

I encourage each of you to please consider the By-Law Amendments presented in this newsletter. These amendments were discussed in great detail and were passed in the Executive Committee and Board of Directors meetings. They were then submitted to and were passed by the members attending the annual meeting. These steps are required in order to now submit them to you for your consideration. Your officers and Board endorse the proposed amendments; I hope that you will too. Please fill in the form and return it to B.K. as soon as possible.

Forrest

SPEE Officers, Board of Directors 1997

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 Past Presidents Council Arlen Edgar
 Qualifications M. Vaughn Scanland
 Reserve Definitions Brian Ausburn

Individual Appointments

Annual Meeting Advanced Planning Richard J. Miller
 Chapter Coordinator J. D. Hughes
 1997 Directory Raymond Garcia
 Production Tax Summary Charles G. Massey
 Professional and Public Affairs James F. Eisterhold
 Publicity Director M. Fred Duewall
 Historian Herbert Poyner
 Liaison Representative on SPE
 Oil & Gas Reserves Committee Chapman Cronquist
 AD HOC - Foreign Meeting Paul Clevenger
 Investigation Committee Dave Tutt

Others

Newsletter Editor Diane Pollard
 Information B.K. Buongiorno
 713-651-1639
 Fax 713-951-9659

Chapter Officers 1997

CALGARY

Glenn Robinson, Chairman
 Robert Odd, Vice Chairman
 Mike Brusset, Secretary-Treasurer
 David Tutt - Past Chairman and Member-
 ship Coordinator
 (3rd Tuesday of each month excluding July
 and August)

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 Richard A. Johnston, Vice Chairman
 Wayman T. Gore, Jr., Co-Membership-
 Austin
 Paul Clevenger, Co-Membership-San
 Antonio
 Michael Horne, Secretary-Treasurer
 (Quarterly - Austin Country Club)

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 Bob Ravnaas, Vice Chairman
 Robert Blair, Secretary-Treasurer
 Mark Doering, Membership Chairman
 (Bimonthly - September through May -
 CityPlace)

DENVER

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 Larry T. Nelms, Vice President/Program
 Steve Gilbert, Secretary/Treasurer
 Nanette Schulz - Membership Chairman
 (2nd Wednesday of first month of each
 quarter - Hershner Room - One Norwest
 Center)

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Jim Eisterhold, Chairman
 Marilyn Wilson, Vice Chairman
 Fred Goldsberry, Secretary-Treasurer
 Dan Olds, Program Chairman
 (1st Wednesday of each month - The
 Petroleum Club of Houston)

MIDLAND

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 Cathy Norwood, Vice Chairman
 Mike Black, Secretary-Treasurer
 Dean Eiland, Membership Chairman
 (Bimonthly)

NEW ORLEANS

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 Tim Brookover, Vice Chairman
 James A. Glanzer, Secretary/Treasurer
 (1st Wednesday of each month)

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 Brian Powley, Vice Chairman/Membership
 Max Holloway, Vice Chairman/Program
 Frederic E. Ferris, Secretary-Treasurer
 (Every other odd numbered month)

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 Sharon Voskuhl, Vice Chairman/Programs
 J. R. Pielsticker, Vice Chairman/Membership
 Robin LeBleu, Secretary-Treasurer
 (1st Tuesday of each month - Petroleum Club)

Chapter News

CALGARY

The Calgary chapter currently has 16 members, with 7 applications awaiting SPEE membership committee approval.

With our growing membership and evaluation issues that must be addressed, we have increased our meetings to 10 per year. They are currently scheduled for the third Tuesday of every month, excluding July and August. Every second meeting will be used to address evaluation issues amongst the membership.

The Calgary chapter membership is presently developing a policy with regard to constant prices and costs to be used for public disclosures and also for ceiling tests used in the Canadian oil and gas industry. This and other policies will form part of a manual to record our views on particular evaluation issues.

CENTRAL TEXAS

The Central Texas chapter consists of members from Austin, San Antonio and the surrounding areas. Our last meeting was held July 25th at the Austin Country Club, followed by a golf outing at Lost Creek Country Club. Past President D. Russ Long spoke on the new SPE/WPC reserve definitions. The following new officers were elected: Chairman - Tim Smith, Vice Chairman - Rick Johnston, Secretary/Treasurer - Michael Horne, Membership for San Antonio - Paul Clevenger and Austin - Wayman Gore.

DALLAS

The Dallas chapter has welcomed four new members since February. They are Gavin Garrett, Dee Patterson, Philip Crouse, and Eric Hyman. Total membership for the Dallas chapter now stands at 42 (with 10 members from Fort Worth). We continue to solicit membership applications from our many guests and have expanded our fax list to attract more visitors to our meetings.

Luncheon meetings are held bimonthly from September through May. No meetings are held during the summer months. Plans are being made to move our meeting location to the Petroleum Club downtown. We believe this will increase our meeting attendance.

We continue to schedule topics of current interest. Speakers this past year have discussed reserve classification and 3-D seismic, E & P trends, the changing environmental laws, and the role of the petroleum professional in litigation. Talks for the coming year include topics such as estate tax valuation, engineering report due diligence, market value royalty determination, ad valorem tax assessment and others.

DENVER

The Denver chapter has held two quarterly meetings. On January 8th, Ronald D. Smith, Sr. Vice President, Anderman International Corp., addressed the chapter regarding the political and economic risks of doing business in the Russian energy sector. Twenty-four members and guests were present.

On April 10th, Allen Rheem, VP of Wells Fargo Bank, discussed the commercial bank's view of production loans for independent producers including loan criteria and maintenance of client relationships. This was the Denver chapter's first meeting at its new site, the Hershner Room - One Norwest Center. Despite the heavy snow, 30 members and guests were in attendance.

The July 10 meeting will have Ronald Harrell, Executive Vice President of Ryder Scott Company, speak on "Independent Evaluations - Why Reserve Estimates Differ." Mr. Harrell will discuss reserve differences which result from uncertainties of reserve definitions, items that impact revisions over time and the reasons for differences in reserve estimates prepared by different evaluators. Recommendations for maintaining consistency among evaluators will be presented.

Currently, Denver chapter membership stands at 42 members, one junior member and no outstanding applications.

HOUSTON

The Houston chapter continues to meet monthly at the Houston Petroleum Club, with the exception of the summer months, generally on the first Wednesday of each month. Attendance averages 57 attendees per luncheon, ranging from 47-75 attendees per event. The September meeting will be the annual joint meeting with SIPES, with SPEE hosting the meeting.

Membership is approximately 170. Membership was reduced by one due to retirement and increased by 10 due to new memberships. In addition, one membership is pending and several other applications have been submitted. Luncheons are frequented with 5-10 visitors, many of whom ultimately join.

The continuing challenge to the Houston chapter is to recruit speakers for the monthly luncheons that result in high interest and attendance. Dan Olds has done an excellent job this year providing speakers and a variety of topics appealing to members with banking, consulting, and producing backgrounds.

NEW ORLEANS

The New Orleans chapter is planning for the remainder of the 1997-98 year. We plan to have speakers at only five meetings with open or roundtable discussion at the other meetings. We are also considering making the Christmas meeting a social only. Our slate of officers for the upcoming year is: W. Denton Copeland of S. A. Holditch & Associates - Chairman, Tim Brookover, Atwater Consultants - Vice Chairman, and James A. Glanzer of Crescent Technology - Secretary/Treasurer.

OKLAHOMA CITY

The Oklahoma City Chapter has conducted two meetings in 1997. On January 23, Bud Ham and Ed Alexander with the oil and gas lending group at Banc First in Oklahoma City gave an overview of current trends and practices in the oil and gas lending business in Oklahoma. A spirited discussion followed.

Continued on page 4

Continued from page 3

On May 8th, David Herrick, Petrophysical Advisor, Mobil Technology Company, and a Distinguished Lecturer for the Society of Professional Well Log Analysts, presented a very informative discussion of the "state of the art" of nuclear magnetic resonance logging. With the advantage of hindsight, we should have set aside a half day for Dave's presentation; he had prepared a great deal of theoretical and practical material and had some good field examples of nuclear magnetic resonance logs. The other chapters are encouraged to contact Dave at Mobil's Dallas office if there is interest in a program concerning NRM logging applications.

The chapter has grown to 19 members and plans to meet every odd-numbered month during the rest of 1997. It is also planned to elect new officers this summer; the current slate of officers was elected in June of 1995. Meetings are held at the Oklahoma City Petroleum Club during the lunch hour.

TULSA

Attendance at the local chapter meetings averages 20 members and guests. In January, Claude McMichael presented a report from SPE Reserve Definition Committee, in February Jerry McLaughlin discussed "Gas Guy Through the Looking Glass," in March Mack Alloway and Bill Bryan gave a talk on "Marginal Well Commission: Making Marginal Wells Less Marginal," and in April Frank Schloeder discussed "How to Evaluate 3-D Seismic Prospects." On May 6th, SPEE member David Reese presented "Rate Time Analysis" to the chapter.

Welcome New Members

AVRA, GREGORY ALLYN
H. J. Gruy and Associates, Inc.
1200 Smith, Suite 3040
Houston, Texas 77002
(713) 739-1000

Membership Applicants

The following member applicant has been approved by the Qualifications Committee. The bylaws 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 bylaws regarding other important details) since the application has already passed through the Qualifications Committee.

Applicant	Sponsor
BALOG, STEVE E. West Butte Energy Inc. 1830 - 144, 4th Avenue S.W. Calgary, Alberta T2P 3N4 Canada	R. K. Agrawal Glenn Robinson Noel Cleland
BOMMER, PETER A. Bommer Engineering Co. 1100 NW Loop 410, #305 San Antonio, Texas 78213	Paul Clevenger Kerry Pollard Spencer Youngblood
BOOTWALA, IGBAL A. 1107 Rustic Knolls Katy, Texas 77450	Dion Cole Harry J. Gaston John R. Warner

DAVIS, PAUL H.
Consultant
P. O. Box 474
Midland, Texas 79702

James Groce
Scott Epley
Roy Williamson

DIMIT, ROBERT LESLIE
ARCO - Permian
P. O. Box 1610 #12
Midland, Texas 79702

Joe C. Nea
Arlen Edgar
David Griffin

GUFFEY, CHARLES G.
Miller & Lents, Ltd.
1100 Louisiana, Suite 2700
Houston, Texas 77002

Raymond T. Garcia
George C. Hite
Robert W. Rasor

HARRELL, D. RONALD
Ryder Scott Company
1100 Louisiana, Suite 3800
Houston, Texas 77002

Harry Gaston
Chap Cronquist
Brian Ausburn

HELWERDA, HARRY JAN
Sproule Associates Limited
900, 140 - 4th Ave. S. W.
Calgary, Alberta T2P 3N3
Canada

M. J. Brusset
Noel Cleland
Glenn Robinson

LACEY, JOHN ROBERT
John R. Lacey International
Lacey Court, 344 12th Ave. S.W.
Calgary, Alberta T2R 0H2
Canada

Noel Cleland
Dave Tutt
Walter Wright

MOLYNEAUX, FRANK B.
The Bank of Nova Scotia
3820, 700-2nd St., S. W.
P. O. Box 2540
Calgary, Alberta T2P 2N7
Canada

M. J. Brusset
Robert Odd
Glenn Robinson

NICOL, JOHN EDWARD
Gaffney Cline & Assoc.
16775 Addison Rd.
Dallas, Texas 75248

Glenn Harrison
Mike Nicol
Forrest A. Garb

SIDEY, PETER
Wascara Energy Inc.
2500, 205 S Ave S.W.
Calgary, Alberta T2P 2V7
Canada

Noel Cleland
Ken Crowther
Glenn Robinson

STEWART, NORA
Sproule Associates Limited
900, 140 4th Ave. S. W.
Calgary, Alberta T2P 3N3
Canada

Noel Cleland
Ken Crowther
Glenn Robinson

WILSON, JIM LEE
Ward Petroleum
P. O. Box 1187
Enid, Oklahoma 73702

Robert Franklin
Lew O. Ward
David F. Yard

CATHERINE H. NORWOOD has been approved to change from Junior Member status to Regular Member. Congratulations, Kathy.

IN MEMORIAM

Robert L. Magnie
Denver, Colorado
June 20, 1997

Proposed By-Law Amendments

Housekeeping

The first two proposed amendments to the By-Laws are housekeeping in nature. They correct typographical or spelling errors.

Amendment #1: It is proposed in Article VI, Section 1 - ETHICS that the word "canons" be changed to "code."

Amendment #2: It is proposed that in Appendix A - Code of Ethics of Engineers that the spelling in the 2nd heading be changed from: "The Fundamental Cannons" to "The Fundamental Canons" (only one 'n').

Updating to Consider Reserve Definition Changes

The SPE-SPEE definitions of 1987 were "approved" by the Board of Directors in March 1987. Now that these definitions are changing, (SPE calls them fluid and changing) it is necessary that we override the approval and mandate of the old definitions. The proposed amendment does not require that a SPEE member endorse the SPE definitions, but it does require that whatever definitions are used in preparing a report be clearly defined in that report.

Amendment #3: Appendix B - Principles of Acceptable Evaluation Engineering Practices - Article 1 - General Practice currently reads:

2. The Society has adopted and shall adhere to the definitions of reserves for property evaluation as set out in *Definitions* in this handbook." (Note: There were no definitions published in the more recent versions of the handbook)

Correct to read:

2. The Society has not adopted specific definitions of reserves. Members will ascertain that their reports include a full disclosure of the reserve definitions used, either by reference to a known industry set of definitions or by actual inclusion of the definitions used. The reference or inclusion of the definitions shall be clearly presented so as to enable the reader to easily ascertain the definitions used.

Associate Membership Classification

In the opinion of the officers of the Society, the next proposed change in the By-Laws is perhaps the most important one for the long-term viability of the Society. Our Membership Committee report for June 1, 1997 shows that 146 members (30% of membership) are 65 years of age or older. Another 92 members are between 55 and 64. Thus, some 49% of the membership is over 55 years old. The forecast age distribution in 5 years will have 60% of the Society over 55.

The officers believe that there are many good qualified

people working in property evaluation both domestically and abroad who would contribute greatly to the SPEE, but are prevented from full membership because they lack registration. Some work in a country where registration is not available nor required. Many of these qualified persons would participate with the SPEE at some level, if there were another class of membership which permitted them to do so. Most chapters report that they have nonmembers who consistently attend meetings, and who would undoubtedly become members, but cannot meet the full-member requirements.

It is apparent that the ratio of foreign to domestic petroleum investment opportunities is increasing. Your officers and Board believe that the SPEE should continue to contribute and influence the standards used in evaluation not only in the U.S. and Canada, but also in all oil and gas producing countries of the world.

The Board therefore drafted the following amendment, not in an effort to increase the size of the SPEE, but to ensure the long-term influence of the Society, and to ensure that the Society has access to qualified and willing talent interested in Society activities. A new classification is needed to enable many good and qualified people working in evaluation to participate in society efforts here and abroad. This Associate Member classification being proposed shall in no way dilute the qualifications for a full and regular membership status, no more than the Associate Member classification used in the AAPG detracts from the full membership in that organization.

Amendment #4: Article III - Section 5. An additional category of membership, called Associate Member, shall be created subject to the criteria and limitations noted below. The Board of Directors shall fix the percent of total membership which shall be available to this additional category of membership.

1. An Associate Member shall be required to meet the qualifications described in Section 1 of Article III (i.e., a degree in engineering or geology plus ten years of experience), however, the requirements of paragraph 3 in Section 1 (i.e., registration or certification) will be waived.
2. An Associate Member will be subject to the requirements for admission as a new member as set out in Article IV (i.e., three member sponsors who are in good standing and can attest to the applicant's training and experience).
3. An Associate Member will be required to pay dues as fixed by the Executive Committee.
4. An Associate Member can participate in all Society affairs including all surveys and polls of membership, but may not vote for officers and directors or by-law amendment issues. An associate member may not act as a sponsor for any new member and may not hold national office in SPEE.
5. An Associate Member will be required to properly represent his SPEE membership category for purposes of testifying, resumes, etc and will be subject to ethics violation and Grievance Committee review if he or she fails to do so.

A Perspective on the Associate Member Proposal - An Opinion

By Russ Long

As 1996 President of SPEE, I had the opportunity to represent our society during a time when the SPE was finalizing its attempt to gain approval for new reserve definitions. SPE was very polite but it was plainly evident that SPEE was not in a position to be particularly influential. Despite the contributions of the SPEE to the 1987 definitions, and the participation of Chap Cronquist on the SPE Reserve Definitions Committee, the influence of SPEE as a whole is viewed as being limited to U.S. domestic issues. The SPE was much more concerned with gaining the approval of the World Petroleum Congresses (WPC), not because of the expertise of the members of that organization but because of the international business aspect of that organization. Important issues raised by SPEE were not resolved prior to SPE's adoption of new definitions.

There will be future issues important to the members of SPEE. Many of these issues (and reserve definition issues will come up again) will be international in scope. How can SPEE gain in both domestic and international clout? It certainly cannot if we continue to focus so much of our attention on the significance of registration within the United States. The Society's most opportune path to international clout is through welcoming into SPEE quality members of U.S. oil companies. Engineers working abroad obviously can also help us expand SPEE's sphere of influence. Highly professional potential members are being effectively excluded from membership. And anyway, SPEE's reputation is much more closely affiliated with integrity and ethical issues than with the technical expertise registration exams are constructed to test.

Our Society's first stated objective is to "promote the profession of petroleum evaluation engineering." I suggest that to impede the organization's growth and influence by the imposition of too-strict membership requirements is contrary to the stated objective. The issue has been studied by the SPEE Executive Committee and Board of Directors. The Associate Member proposal passed with a favorable vote at the most recent annual meeting. It is time to move forward — vote yes!

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Associate Membership A Dissenting Opinion

By René G. Daigre, Jr. on Behalf of Denver Chapter
Members* Endorsing this Opinion

The proposed Amendment #4 to Article III, Section 5 of the Society's By-Laws provides for the creation of a new class of membership called "Associate Member." This amendment would allow engineers and geologists who are not registered or certified, but who otherwise meet the qualifications of full membership, to become Associate Members of the Society for life. The Board has presented two primary reasons in favor of the amendment: the need to add membership outside of the U.S. and Canada, and the "aging" of the Society. We share the Board's concerns in both regards and we agree that action should be taken to improve both situations. We strongly disagree with lowering the Society's standards to accomplish either goal.

A third reason presented by the Board is the desire to include active, skilled evaluators who are well qualified for membership, except for their lack of professional registration. The arguments presented on behalf of these individuals include time constraints, the passage of time since graduation, and low pass rates on professional petroleum examinations. Professional registration is not a trivial matter. Many, if not all, states in the U.S. require professional registration as a prerequisite to practice engineering. It is one of the criteria which sets this Society apart from other professional societies in the petroleum industry. Registration by examination is also one of the only objective measures of an engineer's skills; and while it is not indicative of evaluation skills, it does demonstrate a "commitment to excellence," which is a hallmark of this Society. It is our strongly held opinion that professional registration should be a requirement of anyone who aspires to lifetime membership in the SPEE.

We recognize that registration is not always available to engineers working abroad. A separate class of membership should be offered to those individuals working in countries in which there is no opportunity for registration, but who are otherwise qualified for membership in the Society. However, those individuals should be required to become registered and upgrade to full membership within a specified period of time after the opportunity for registration becomes available to them, or be dropped from the Society's roles.

Despite the fact that 49% of the Society's membership is over 55 years old, a closer look at the statistics shows a healthy and growing Society membership. In the last 15 years, Society membership has grown from 201 to the current level of 485 members. Since 1990, we have added 219 new members (including 13 Junior Members), with an average age of 44 at the time they joined the Society.

The criteria for membership in the SPEE are rigorous and burdensome by design. They help ensure a high level of professionalism and technical competence within the Society. Because of these requirements, an engineer is typi-

Continued on page 7

Daigre continued from page 6

cally not able to attain full membership status until the age of 35 to 40. The fact that the average age of Society members has remained fairly constant at 55 to 56 years old since 1992 suggests that we need not overreact.

This amendment, if ratified, would effect a landmark change in the structure of the SPEE by allowing a class of lifetime membership that does not require registration or certification. A degree of compromise and modification is necessary for this amendment to accomplish the stated goals without adversely affecting the structure of the Society.

We urge all members to vote "NO" on this amendment. We suggest the formation of a committee to solicit input from the general membership in regard to these issues and assimilate the responses. Given sufficient indication of member support, the committee would make a recommendation to the Executive Committee that it propose a new By-Law amendment.

***Denver Chapter Members Endorsing this Opinion:**

J. Steven Bausch	William H. Leach, Jr.
Dave O. Cox	Richard J. Marshall
René G. Daigre, Jr.	Larry T. Nelms
Marshall J. England	J. Thomas Reagan
Reed W. Ferrill	Nanette J. Schulz
Steven D. Gilbert	Harold Wayne Stack
John D. Haley	Don Stinson
Allan R. Heinle	Scott H. Stinson
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Proposed SPEE By-Laws Amendment Associate Member Category

By Gene B. (Skip) Wiggins III, National Vice
President on Behalf of the Executive Committee

SPEE currently has two categories of membership: regular membership (ten years' evaluation experience plus registration) and junior membership (five years' evaluation experience plus registration). At present, there are 485 regular members and 13 junior members in the Society.

In April of this year, a letter was sent to the officers and directors of SPEE with a proposal for consideration of another category of membership within the Society. The proposal was based on recognition of the fact that there are individuals who are active in the evaluation end of the business (both domestic and international) who would make excellent members of SPEE but are excluded due to their lack of registration. In the letter, an associate member category was proposed which would require the same qualifications as regular membership with the exception that registration or certification would be waived. The associate membership category would be restricted, however, as described below.

1. Associate members could not vote for officers and directors, or on by-laws amendment issues.
2. Associate members could not act as sponsors for new members.
3. Associate members could not hold national office.
4. Associate members would be subject to ethics violation and Grievance Committee review if he or she failed to properly represent his or her SPEE membership category for purposes of testifying, resumes, etc.
5. The percent of total membership which would be available to this new membership category would be fixed by the Board of Directors.

Ten responses were received from the officers and directors of SPEE concerning the proposed associate member category. Eight responses were favorable to the proposal and two responses were uncommitted on the issue.

As a result of these responses, an amendment to the by-laws for an associate membership category was presented at the Board of Directors meeting at the annual meeting in Williamsburg (June 8-10, 1997). Based on the responses received from the directors at that meeting, the Executive Committee elected to submit a by-laws amendment resolution to the membership at the annual Society business meeting in Williamsburg on June 10th. This by-laws amendment resolution which would establish an associate membership category was discussed and then voted on by all SPEE members present at the business meeting. The resolution was passed by a majority vote of the membership present at the meeting and is now being submitted to the general membership for balloting as per the by-laws. If the by-laws amendment is passed, the Executive

Continued on page 8

Wiggins continued from page 7

Committee intends to recommend to the Board of Directors that the percent of total membership which shall be available to the associate member category should not exceed ten percent at this time.

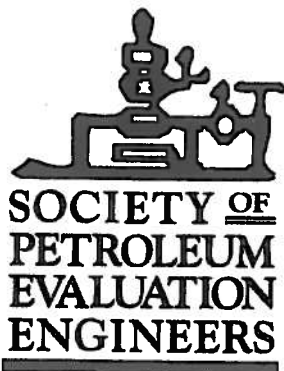
In this newsletter, President Garb has summarized the views of the Executive Committee and the Board of Directors which have led them to support the proposed by-laws amendment. It is the view of the Executive Committee that this amendment is important in that it relates to the overall objectives and long-range strategy of SPEE, and whether the Society should maintain its restrictive membership policies or attempt to encourage participation in our Society of all qualified professionals who are active in property evaluation work. The membership of SPEE is currently comprised of consultants (58 percent), producers (31 percent), bankers (6 percent) and others (5 percent). It is noted that in most states registration is required for independent consultants to practice, which is not the case for producers and bankers. This perhaps explains why consultants make up the majority of membership in the Society. It is hoped that approval of this amendment would have the effect of improving representation of the producer and banker groups within our ranks, as well as increasing international membership in countries where registration is not available.

Another consideration relates to the degree to which emphasis is placed on professional registration. The following comment comes from a member of the Board of Directors.

"I have felt that professional registration was a good measure of an individual's commitment to excel and distinguish himself in his profession, but realistically, the examinations for registration do not specifically test property evaluation skills. The ability to design a casing string does not materially impact on the accuracy of a property appraisal. I feel it's much more important that an SPEE member have excellent skills, the necessary experience level and a sterling reputation."

By supporting the amendment for an associate member category, the Executive Committee does not wish to diminish the importance of registration within SPEE. On the contrary, it is hoped that by giving a limited number of qualified, non-registered professionals an opportunity to join and participate in our organization, that we may provide an incentive for those individuals to pursue registration or establish a registration process within their respective countries.

Visit SPEE's Home
Page on the Internet:
www.gnofn.org/spee



Results of Opinion Poll of Council of Past Presidents on the Associate Member Proposal

By Arlen Edgar

A poll of the SPEE Council of Past Presidents was taken in order to obtain opinions of the proposed By-Laws Amendment for establishing an Associate Member category. Of the 18 Council members, 10 responded to questionnaires sent by mail.

There was no clear-cut consensus, pro or con, but rather a wide divergence of opinion on the advisability of the proposal; a number of specific comments were offered. It was decided that these comments should be provided to the SPEE membership for possible aid in voting on the issue. These comments are composited and summarized below.

Those who favor the proposal recognize that SPEE needs to lower its barriers in order to broaden its sphere of influence. It is unreasonable to expect an otherwise qualified applicant to go through the registration process just to join SPEE. At one time, the Society had an associate member category, viewed by some as being populated with unqualified people; this category was eliminated when many members sought to make SPEE an exclusive organization by requiring certification.

In opposition to the proposal, it is cited that the one element which distinguishes SPEE from many other organizations is the requirement for registration or certification; why should this be changed? SPEE is regarded as a truly professional organization. Lack of access to registration need not be an impediment; this matter can be, and has been, addressed via By-Laws Article III, Section 3 or by action of the Executive Committee to waive the registration requirement in certain instances. Some functional/administrative questions/problems are foreseen, such as:

- (1) Would an Associate Member be allowed to refer to SPEE in his letterhead, business card, reports, etc.?
- (2) How would an Associate Member be distinguished from a Regular Member?
- (3) Item 5 (restriction) could be difficult to enforce.

As to the aging of the Society's membership, this issue has been around a long time and is not a matter which needs to be addressed by an Associate Member category; Junior Membership category was established largely for that purpose.

It is strongly recommended that a committee be established for further study and recommendations. The matter needs to be brainstormed carefully, and contact should be made with other organizations which have taken similar action. If the amendment is adopted,

- (1) Associate Members should be given a time limit (ex. five years with one five-year extension) to become registered
- (2) The number of Associate Members should be kept at a low level with all of the restrictions rigorously followed.



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