

November 2011



Gulf Coast Section

GULF COAST SECTION

NEWSLETTER

General Meeting:
Exploration Strategy
Ethics Training from TBPE

Continuing Education:
Oil Patch Orientation

International:
Oil & Gas Project Financing
Process & Risk Management

CHAIRMAN'S CORNER

by Hiep Vu, Shell
2011-12 SPE GCS Chair

2011 International Award Winners

As a professional organization that spans across the globe, it is very important to recognize one's peers for the top-notch work that they do to help build and improve upon the Society of Petroleum Engineers' solid foundation. SPE International supports an annual Honors and Rewards program that recognizes and honors SPE members who have made significant professional, technical, and service contributions to our industry. Each year, SPE solicits applications from the global membership for individual awards in 3 different categories: membership designations, technical awards, and professional and service awards. The 2012 nominations and applications are due on Wednesday, February 15th, 2012. If you know of an individual or individuals who you feel are qualified to receive one of these distinguished honors, you can either contact a GCS Board member to help you with the nomination process or you can go directly to <http://www.spe.org/awards/> for FAQs and application forms. It is important to start the process early since the SPE deadline is quite rigid.



For 2011, seven of our very own SPE Gulf Coast Section members were recognized with international awards for their outstanding achievements and contributions. I have listed the award-winning SPE-GCS members below. If you know any of these members personally, please help me in congratulating them for their well-deserved awards!

Distinguished Member (2011)

- Robert H. Lane, Texas A&M, College Station, Texas USA
- Mathew M. Samuel, Schlumberger, Sugar Land, Texas USA
- Jeffrey B. Spath, Schlumberger, Houston, Texas USA
- Ding Zhu, Texas A&M, College Station, Texas USA

Completions Optimization and Technology Award (2011)

- David D. Cramer, ConocoPhillips, Katy, Texas USA

Formation Evaluation Award (2011)

- Mehdi Matt Honarpour, Hess, Houston, Texas USA

Reservoir Description and Dynamics Award (2011)

- Michael J. King, Texas A&M College Station, Texas USA

Reservations & Information

For all SPE GCS topical luncheons and social activities, please register online at www.spegcs.org. You must provide your SPE member number to receive member prices. Guests who have not made a reservation online will be charged an additional amount at the door. Walk-ins are not guaranteed admittance.

- Reservations and cancellations required for all events.
- No-shows will be billed.
- Walk-ins will be charged extra.

Mastercard, Visa, American Express, Discover, and Diner's Club are accepted for advance reservations only. The technical and other opinions expressed by speakers at the Gulf Coast Section meetings may not have been reviewed by SPE and do not necessarily reflect the position of SPE, the Gulf Coast Section, its officers, or members. The only forum for rebuttal and discussion is during the meeting.

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For comments, contributions, or delivery problems, contact gcsnewsletter@spemail.org. The deadline for each issue is 6 weeks before publication on the first of each month. The SPE Gulf Coast Section newsletter is published eleven times each program year and is mailed to more than 14,000 SPE members in Houston.

Advertising

For information on advertising in this newsletter or on the SPE GCS web site at www.spegcs.org, please contact Pat Stone, Star Lite Printing, at (281) 530-9711, starlite1@sbcglobal.net or rstone51@comcast.net.

Change of Address

Society of Petroleum Engineers
Member Services Dept.
P.O. Box 833836
Richardson, Texas 75083-3836
1-800-456-6863
service@spe.org

GENERAL MEETING

EXPLORATION STRATEGY

Speaker:	Scott Nyquist McKinsey & Company
Date & Time:	11:30 a.m. - luncheon Thursday, November 10
Location:	Petroleum Club 800 Bell Street, 43 rd Floor Houston, TX 77002
Cost:	\$35 per member preregistered \$40 for nonmembers preregistered Additional \$5 for walk-ins
Registration:	www.spegcs.org
Deadline:	Noon, Tuesday, November 8

Valet parking is available at the ExxonMobil Building for \$7. If you have special dietary needs, please note your meal request when you register on-line in the box labeled "Optional comments for the event planner."

Exploration has discovered some 4-5 trillion BOE of conventional oil and gas resources over the last 100 years. Of this, some 2 trillion BOE has been produced. Since much of the resource base is challenged by commercial, economic and/or political issues, exploration is still seen as a viable growth option for the industry.

However, over the past decade, conventional exploration has discovered around 25 BBOE of resources per year (about half of the annual global production), leaving in recent years unconventional resources filling the gap. Despite the difficult challenges the industry has faced in conventional exploration, many companies have managed to explore successfully.

Mr. Nyquist will present a perspective on the long-term trends in both conventional and unconventional oil and gas exploration, some views on the best performing companies, and lessons learned on what the leading companies are doing to deliver strong exploration performance.

Scott Nyquist is a director in McKinsey & Company's Houston office and a leader in McKinsey's Energy and Sustainability Practices. He joined McKinsey in 1984 and worked in the London office between 1985 and 1998 where he led McKinsey's European Petroleum practice. Since arriving in Houston, Scott has led McKinsey's Americas Petroleum and Texas Energy Practices, as well as co-led McKinsey's Global Energy and Materials Sector. He now co-leads McKinsey's Sustainability and Resource Productivity Practice.

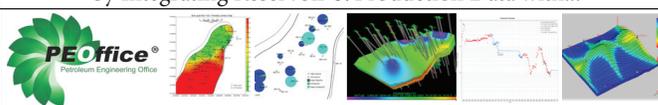
Scott has extensive experience working with integrated and national oil companies. He has helped his clients develop and implement strategies and major change programs that significantly improve their performance.

He co-authored McKinsey's recent research "Reducing U.S. Greenhouse Gas Emissions: How Much at What Cost?" Recently, he also co-authored, "Averting the Next Oil Crisis: The Demand Challenge," based on a joint research effort by McKinsey's global Energy and Materials Sector and the McKinsey Global Institute.

Prior to joining McKinsey, Scott worked for Exxon Production Research in Houston, Texas, where he was involved in offshore oil platform design.

Scott received his BS in chemical engineering from the University of Michigan and his MBA from Harvard Business School.

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Webinars

As I mentioned in my October edition of the Chairman's Corner, the section is excited to offer to our membership the option to virtually attend select meetings using webinar, or web-based seminar, technology. Russ Neuschaefer, the Gulf Coast Section's Technology Transfer Coordinator, has been doing a great job ushering the webinar option to our study groups. The interactive elements of the webinar allow the online participants to post questions to the meeting host in real time, and making the data transmission bi-directional. For the 2011-2012 program year, the GCS has hosted six meetings that included webinar capabilities. There are many more webinars to come for this program year. I encourage you to give it a try during an upcoming meeting to see for yourself how easy it is to access these technical meetings remotely. If you have any questions or suggestions about our webinars, please contact Russ, myself, or any board member. We are always looking for better ways to enhance our ability to deliver on our mission.

Cover:

Mieko Mahi is a freelance petroleum photographer. Her clients have raved about her enthusiasm with the projects she was involved with and the exceptional quality of the photos and videos. She has been quoted as the "Annie Leibovitz of the energy industry." Thank you Mieko for allowing us to use one of your great photos.

Regina Eas



November Board Meeting

The Gulf Coast Section board of directors meeting will be held from 7:30 to 10:30 a.m., Thursday, November 17 at the SPE Houston office, 10777 Westheimer Road, Suite 1075 (77042). Board meetings are open to any SPE member, but you must register in advance because seating space is limited. If you would like to attend, please register online at www.spegcs.org or contact Sharon Harris at 713-457-6821 or sharris@spe.org.

2012 Gas-Lift Workshop

Feb. 6 – 10, 2012
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Continuing Education Courses	\$600
Feb. 6 & 7 Gas-lift Design Gas-lift Troubleshooting Gas-lift Automation Full Field Automation	
Technical Workshop	\$650
Feb. 8 & 9 Field Reviews New Technology Offshore, Deepwater, Subsea Regulations	
API, ISO Meetings	Free
Feb. 10 Task Group and Work Groups	

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Breakout Sessions Keynote Address
Panel Discussions Networking

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Gas-Lift Valve

Volunteering at the SPE International Level

By Jeanne M. Perdue, SPE-GCS Membership Chair

Last month we featured in our Volunteer Spotlight a member who had done pretty much all of his volunteering at the international level, rather than at the section level. This month, I would like to provide more information about what kinds of international level volunteer opportunities are available and how to go about volunteering for those positions.

There are four basic types of volunteer positions available: Industry Focus, Meetings, Member Programs and Activities, and Publications. Here are the various opportunities in each category. The ones with an asterisk (*) are appointments made by the Vice President of SPE during the summer. These have been filled for 2011, but you can indicate your interest in serving on them and ask to be appointed during the summer of 2012.

Industry Focus

Carbon Capture and Sequestration Committee
Energy Information Ambassador
Energy Information Committee
Energy4me Volunteers
Oil and Gas Reserves Committee
R & D Committee*
Sustainability Committee

Meetings

Forum Series Implementation Committee
Program Committees for Workshops and Conferences

Member Programs and Activities

Distinguished Lecturer Committee*
Education and Accreditation Committee*
Engineering Professionalism Committee:
- Petroleum Engineering Certification Subcommittee*
- U.S. Engineering Registration Subcommittee *
Engineering Professionalism Committee *
Global Training Committee*
International Award Committees*
Membership Committee*
SPE Opinion Panel
Student Development Committee*
TIG Coordinating Committee*
Young Professional Coordinating Committee*

Publications

Books Development Committee*
Editorial Review Committee - Technical Editors
JPT Editorial Committee
JPT Special Series Committee*

It's easy to volunteer for these international committees. Just go to the website, www.spe.org/go/volunteer, and fill out an application. You will need to list any SPE papers you have published in SPE journals or presented at SPE events, along with a list of your volunteer activities, both for SPE and for other organizations. Just tell them why you want to volunteer for the committee(s) you have selected and what experience and qualifications you bring to the table.

SPE headquarters staff will then contact you to let you know whether you were selected, and will likely put you to work right away. Volunteers are what make SPE tick, and if you'd like to recognize an SPE volunteer, either at the section level or international level, visit our section home page at www.spegcs.org and scroll to the bottom where it says Volunteer Recognition. That's how we select our Volunteer of the Month to spotlight in this newsletter. Hope to see your smiling face there soon!

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AUXILIARY

- Date & Time:** 11:00 a.m.
Friday, November 11
- Location:** Rudi Lechner's German Restaurant
2503 South Gessner
Houston, TX 77063
713-782-1180
- Cost:** TBA (Checks Only, Please)
- Deadline:** Noon, Tuesday November 8
(Deadlines are Firm)
- Program:** Program is tentative.
Call to confirm.
Representative of Girl Scouts
of America
- Book Club:** Call for details
Martha Lou Broussard
713-348-4492
- Contacts:**

Nancy Hill
nancyhill2444@sbcglobal.net
281-435-1619

Evelyn Earlougher
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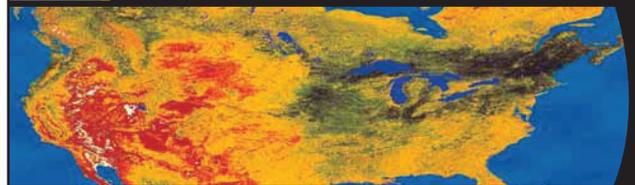
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BUSINESS DEVELOPMENT

Eagle Ford Shale: Financial Transactions and Development Optimization

Speakers:	Joey Hall Pioneer Natural Resources Company
	Greg Leyendecker SM Energy Company
Date & Time:	5:00 - 6:00 p.m. - Social Hour 6:00 - 7:00 p.m. - Program Wednesday, November 30
Location:	Four Seasons Hotel 2 nd Floor Mezzanine and Meeting Rooms 1300 Lamar Houston, TX 77010
Cost:	\$35 per member preregistered \$40 for nonmembers and walk-ins
Registration:	www.spegcs.org
Deadline:	Noon, Monday November 28

*Hors d'oeuvres provided, cash bar available.
Advanced registration guarantees seating.*

The South Texas Eagle Ford Shale play extends from the Rio Grande to College Station with three distinct oil, condensate, and dry gas trends. Industry participants have undertaken a variety of land and financial transactions to facilitate the demanding business development and capital requirements of the play. Pioneer and SM Energy have employed a mixture of these tools in aggregating their substantial asset bases. How are these progressing? What were the challenges overcome to “close the deal?” Were the strategic goals of each side met? What are the post-close development plans for each company? What are the primary operational challenges impacting each? What are the drivers of drilling and completion costs and efficiencies? What efforts have been undertaken to control and reduce costs over the short/long term? Has vertical integration in drilling and completion been a factor? Long term commitments? Are there product delivery constraints? How are they being addressed? Issues regarding water use and disposal? Are Texas wildfires an ongoing threat?

Thank you September door prize and SPE-GCS Scholarship
Donation Volunteer Company - BPI!!

Joey Hall is vice president of the Eagle Ford Asset Team. He is responsible for all planning, development and operational activities for Pioneer’s Eagle Ford asset in South Texas. He has served Pioneer in several positions since 1997, most recently as operations manager in Alaska where he was responsible for all drilling, production and construction activities. During his time in Alaska, Pioneer completed the Ooguruk development establishing Pioneer as the first independent oil and gas company to produce on the North Slope of Alaska.



Prior to serving in Alaska, Joey held several positions managing offshore, onshore and international projects across the company including Pioneer’s Falcon deepwater development in the Gulf of Mexico. He began his career with a predecessor company, Mesa, in 1989, and worked as senior operations engineer in the Hugoton for Anadarko Petroleum from 1994 to 1996.

Joey received his BS in mechanical engineering from Texas Tech University and is a Registered Professional Engineer in Texas.

Greg Leyendecker is senior vice president and regional manager of SM Energy Company. He joined SM Energy as South Texas & Gulf Coast Region operations manager in December 2006 and was appointed vice president and regional manager in July 2007.



Greg began his career with Unocal Corporation from 1980 until its acquisition by Chevron in 2005. From 2002 to 2004 he was drilling manager for Unocal’s Gulf of Mexico Business Unit and from 2004 to 2005 served as Unocal’s global production and reservoir engineering technology manager. He was appointed drilling and workover manager for the San Joaquin Valley Strategic Business Unit of Chevron in Bakersfield, California in August 2005 and held this position until January 2006. Immediately prior to joining SM Energy, he was vice president of drilling management services for Enventure Global Technology.

Greg also serves as secretary and director of the Palmer Drug Abuse Program in Houston.



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Ethics Training

Speaker: C.W. Clarke, P.E.
Texas Board of Professional Engineers

Date & Time: 11:30 a.m. - luncheon
Wednesday, November 2

Location: SPE Houston Training Center
10777 Westheimer Road
Houston, TX 77042

Cost: \$40 per member preregistered
\$50 for non member and walk-ins

Registration: www.spegcs.org
Deadline: Noon, Monday, October 31

Lunch will be provided.

C.W. Clarke is Texas Board of Professional Engineers Compliance & Enforcement Division Director. He manages day-to-day operations of the division to include policy advisory opinions, compliance reviews of continuing education audits, seal imprint approvals, investigations of enforcement cases against violators, and providing outreach programs to educate the public and licensed engineers on engineering matters pertaining to the Texas Board and the Engineering Practice Act.



Before joining the State of Texas, C.W. worked for Motorola, Inc. in Austin for 21 years as an electrical engineer. He received his BS in electrical engineering from Southern Methodist University. He is a member of the Institute of Electrical and Electronics Engineers (IEEE).

The Society of Petroleum Engineers Gulf Coast Section will present a continuing education seminar for ethics. This one hour seminar will qualify for annual ethics training requirement by the Texas Board of Professional Engineers.

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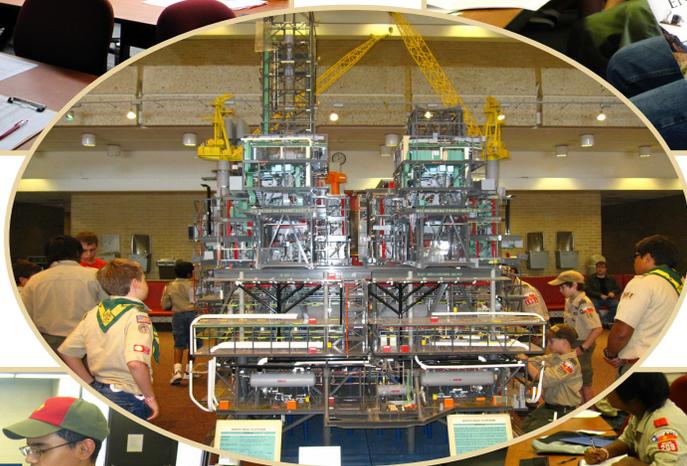
Volunteer Coordinator: Xuan Harris

When: Fall 2011 (October) and Spring 2012 (April)

Location: Greater Houston Area

Training is available. For additional details, email Xuan Harris, xuan.harris@gmail.com

Photos from the Energy Merit Badge Class held at the University of Houston
August 2011



Then



Now

by Buddy Woodroof, ProTechnics
Features Editor

November 1961

Ten major oil companies place initial orders for aluminum foil cans to package motor oil and plan to do away with the heavier metal cans. (What's next...plastic containers?)

- Pan American comes up with a new method for making fast, cheap down-hole casing repairs...a steel "casing patch," which is actually an expandable liner.
- The nineteenth largest free-world oil producing country is about to add a new offshore licensee, namely Tennessee Nigeria, Inc. (Strange name huh? It's a Nigerian subsidiary of Tennessee Gas Transmission Co.)
- Pure Oil and Montgomery Ward link up to build a combined service station / merchandise retailing / catalogue ordering facility. (What next...a combined self-serve gas station / fast food restaurant?)

East Texas crude oil - \$3.25/bbl
U.S. active rig count - 1,879

November 1986

Shell Offshore expects to shatter the current water depth drilling record by almost 2,000 ft with its planned 5,400 ft water depth Mississippi Canyon Block 730 or 731 exploratory well.

- BP Chairman Peter Walters (What...no "Sir" title?) says the cost of buying reserves in the U.S. is still too high, and BP will continue to concentrate on acquisition of specific assets rather than of whole companies.
- Speaking of, a General Accounting Office study reports that the Texaco-Getty and Chevron-Gulf mergers have had virtually no effect on the gasoline market.

- Pemex is beginning to sense the downturn, as General Director Mario Ramon Beteta reports that their crude oil export revenues for 1986 will decline to \$5.9 billion, compared to \$14.6 billion in 1985 (A pretty big dip!).

U.S. active rig count - 860

November 2001

Now would be a good time to charter an oil tanker, as average daily rates have dropped to less than \$30,000/day.

- The week-long strike of Brazilian oil workers has ended, with Petrobras incurring \$85 million in production losses.
- An MMS study reports that as of the turn of the century, half of the total oil and gas in place in the northern Gulf of Mexico remains to be discovered.
- Speaking of, BP signs a letter of intent for design, fabrication, and transport of what they claim to be the world's largest semisubmersible drilling-production unit targeted for delivery in 2004 for the Crazy Horse project.
- Meanwhile, the Regional Council of Engineering & Architecture concludes that the sinking of the Petrobras P-36 semisubmersible was caused in part by Petrobras converting the drilling unit into a production platform and the speed with which the conversion was made.

Light sweet crude oil - \$21.15/bbl
Natural gas - \$3.24/MMBtu
U.S. active rig count - 1,058

The Rest of the Yarn

This month we continue our look-back at the life and times of Clint Murchison, one of the “Big Four” oilmen who laid the foundations of a flamboyant lifestyle that would come to define the image of Texas Oil.

After Murchison and Sid Richardson went their separate ways, Murchison remained in North Texas and went looking for another partner and soon developed a new partnership with a local wildcatter named Ernest Fain, and through the early 1920’s they hit strike after strike. The partnership grew prosperous enough for them to open offices in a Wichita Falls building, and eventually generated enough cash that they were able to add a side business that drilled wells for other oilmen, an undertaking that came to be called “contract drilling.” By 1925, when he turned thirty, Murchison was already a wealthy man, taking in about thirty thousand dollars a month. But the North Texas boom was waning, and he began to cast about for something new. When Ernest Fain balked at drilling outside the area, Murchison dissolved the partnership.

He took his proceeds, an estimated five million dollars, and moved Anne and the boys to cosmopolitan San Antonio. He joked to friends that he was retiring, but in truth he just wanted a settled life, one where he could work finite hours in a clean office, making it home for dinner while a group of new employees worked the oilfields. There were new fields popping up around San Antonio, and Murchison invested in them, all the while casting envious eyes at the massive cattle ranches that stretched south to the Mexican border; like Richardson, what Murchison really wanted was to be a gentleman rancher.

The easy life he envisioned in San Antonio, however, was not to be. That winter Murchison took Anne and her sister to New York for a vacation, embarking from New Orleans by ship. On her return Anne noticed faint brown spots on her skin. Doctors diagnosed yellow jaundice, probably caused by contaminated shipboard water. Her condition quickly deteriorated; she entered the hospital and died in May 1926. Murchison was stricken. He left the children in the care of relatives and disappeared, driving around the state, alone, for weeks at a time, a whiskey bottle usually at his side. What remained of his business began to decay. “When Annie died,” Murchison told his secretary many years later, “people said I stayed drunk for a year.”

Next month, Murchison sobers up and heads west. (Article excerpted from “The Big Rich.”)

History Quiz

The West Texas oilfield town of Kermit was named after the son of what famous dignitary?

If you would like to participate in this month’s quiz, e-mail your answer to contest@spe.org by noon November 15. The winner, who will be chosen randomly from all correct answers, will receive a \$50 gift card to a nice restaurant.

Answer to October’s Quiz

Massachusetts adventurer and rubber heir Edgar Davis is credited with discovering the Luling oil field following a séance with noted mystic Edgar Cayce.

Answer to September’s Quiz

The site of the first oil refinery in Central America was Puerto Matias de Galvez, Guatemala, and the year was 1961.

Congratulations to September’s winner – Hagan Joyner with Collarini Associates

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Subsea Monitoring: Small-Scale Technology for Pipeline Monitoring and Inspection

Speaker:	Dr. Michael Volk, Jr. The University of Tulsa
Date & Time:	11:30 a.m. - luncheon Tuesday, November 15
Location:	Greenspoint Club 16925 Northchase Drive Houston, TX 77060
Cost:	\$35 per person preregistered \$40 for walk-ins
Registration:	www.spegcs.org
Deadline:	Noon, Friday, November 11

A small-scale sensing technology can be used inside pipeline maintenance pigs of any size and configuration in order to measure fluid conditions, map pipeline features, and identify potential wall buildup or defects. The tool can be used in pipelines where conventional in-line-inspection tools cannot traverse, while significantly reducing deployment cost and risk. It can also be used to provide near real-time monitoring of critical pipeline characteristics.

The pill-shaped housing containing the sensing elements can collect data on multiple variables, including, but not limited to pressure, temperature, 3-axis tilt, and acceleration. Multiple tests were conducted using the technology mounted onto foam pigs in a 12-inch flow loop with single-phase gas and liquid media.

Results from the sensing device consistently identified are known bends and wall-thickness changes as small as 0.125 inches. The sensor pill device was also deployed in a free-floating arrangement without a carrier pig in the flow loop filled with water. This design enabled the sensing device to travel the length of the line without a pig, thus indicating a potential inspection solution for fully unpiggable pipelines.

Dr. Michael Volk, Jr., is the vice president of Research and Technology Development at the University of Tulsa. In addition to being the principal investigator of the Hydrate JIP, he also serves as co-principal investigator for a joint industry project to investigate paraffin deposition in multiphase flowlines and wellbores, and as a principal investigator for a joint industry project that seeks to gain an in-depth understanding of the delayed coking process used in refineries.

Before joining the university, Michael worked 20 years in the oil and gas industry for Williams Brothers Process Services, Cities Service Company, NL Industries, Terratek, and Amerada Hess.

Michael is a Registered Professional Engineer in the states of Oklahoma and Texas.

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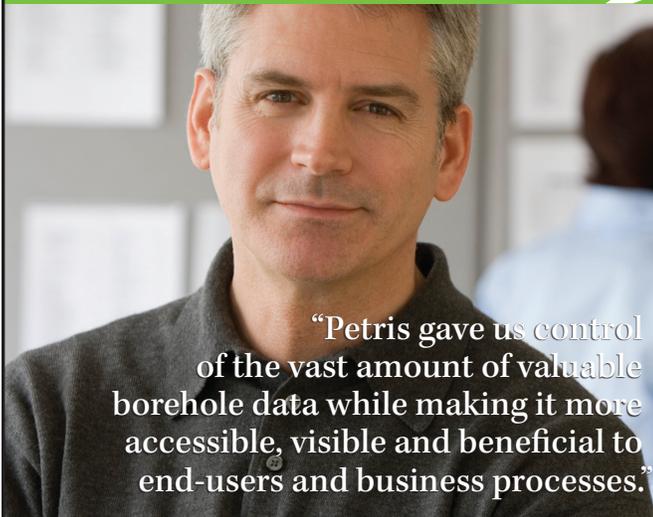
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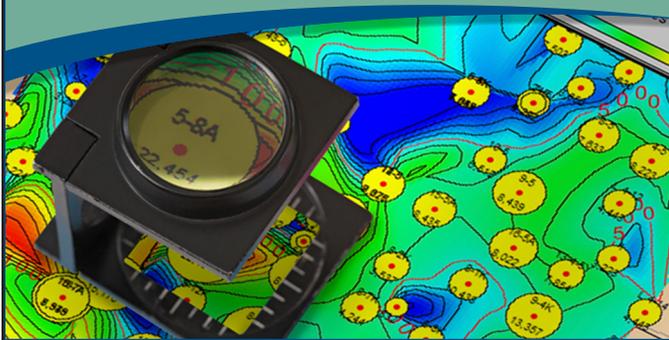
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Oil Patch Orientation

Speakers: John Farina, Consultant
Ron Hinn, PetroSkills
Susan Howes, Chevron
Ken Arnold, Consultant
Marty Stetzer, Consultant

Date & Time: 8:30 a.m. - 5:30 p.m.
Wednesday, November 30

Location: Hilton Houston North Hotel
12400 Greenspoint Drive
Houston, TX 77060

Cost: \$350 per members
\$375 for nonmembers & walk-ins

Registration: www.spegcs.org
Deadline: Noon, Monday, November 28

Outline:

- * Introduction/Outline of the Day
- * The Economics & Future of the Petroleum Industry
- * Theory of the Origins of Hydrocarbons
- * Reservoir Parameters (eg: Porosity/Permeability)
- * Geology of Petroleum & Geophysics
- * Drilling Basics
- * Well Logging
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James Smolen and Bill Ott
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Screening of Reservoirs for EOR/IOR

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Digital Oil Field IT Stack

Speaker: Jim Crompton
Chevron

Date & Time: 11:30 a.m. - luncheon
Wednesday, November 16

Location: Courtyard at St. James
1885 St. James Place
Houston, TX 77056

Cost: \$35 per members
\$40 for nonmembers and walk-ins

Registration: www.spegcs.org
Deadline: Noon, Monday, November 14

The connection between the Digital Oil Field and the increased capabilities of Information Technology seem obvious. Our industry carries an almost unconscious assumption that since IT is the enabler for the digital oil field, somehow that foundation is in place for us to work from. However, we all have been in situations where inadequate attention to data management, the lack of enabling IT infrastructure, or lack of enough people with the right skills are root causes of inefficient or failed introduction of new technology. The excitement of the new functionality, the promise of transformed work processes and much higher returns on our technology investments are often dashed by these critical realities.

This presentation will address the needed capabilities of the Digital Oil Field IT foundation and highlight some of the challenges the industry has in getting those enablers in place. The need for an integrated framework, or "IT Stack," has been undersold in many companies leading to disappointment with the pace of deployment and adoption. Here is a perspective on how not to let that happen to you.

Jim Crompton currently holds the position of senior advisor in the Global Upstream IT organization and works on a variety of strategy projects concerning the future of the IT function as it relates to the Digital Oil Field.

Jim graduated from the Colorado School of Mines (BS in Geophysical Engineering 1974 and MS in Geophysics in 1976) before joining Chevron in Denver, Colorado. He later earned an MBA degree (1996) from Our Lady of the Lake University (San Antonio, Texas). Early job assignments included exploration projects in the Wyoming, Oklahoma, Colorado and Utah as well as technical positions in seismic processing, E&P data management and workstation interpretation support.

In 1999, he was elected to the position of chair of the general committee of PIDX (Petroleum Industry Data Exchange, the API electronic commerce sub committee.) Jim was able to influence the direction of the standards setting activities towards emerging technologies, such as XML, and new electronic business models to complement the established EDI practices in the industry. He led the IT merger integration organization study team in 2001 as part of the Chevron & Texaco merger, which developed the IT organization structure and IT strategic direction for the corporation where he received a President's Award for this activity. He was selected to participate in the SPE Distinguished Lecturer Program for 2009-2010.

In acknowledgment of his contributions in applications of information technology to business problems and in working to develop industry standards in electronic data exchange, James S. Crompton was named a Chevron Fellow in 2002 and served as the chair of the Fellows Network from 2006-2008.

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Focus on Hurt-Free

Speaker: Mike Smith
ExxonMobil Development Company

Date & Time: 11:30 a.m. - luncheon
Wednesday, November 9

Location: Petroleum Club
800 Bell Street, 43rd Floor
Houston, TX 77002

Cost: \$40 per member preregistered
\$45 for nonmembers and walk-ins

Registration: www.spegcs.org
Deadline: Noon, Monday, November 7

ExxonMobil's vision for safety performance is "Nobody Gets Hurt." This is based on the fundamental belief that every injury, or hurt, can be prevented if appropriate actions are taken. Achieving a hurt-free workplace is a continual journey, which to progress, requires relentless focus and continuous improvements. With "Focus on Hurt Free," ExxonMobil Development Company Drilling explains the evolution of "Hurt-Free" within our organization and how it has helped progress our safety journey. Keys to achieving our vision are addressed such as organizational alignment and promotion, personal belief and commitment, and how progress is measured while on the journey.

Hurt-Free is about caring for people and managing behaviors at all levels to achieve our vision. Starting in May of 2005, EMDC Drilling implemented measures to report and learn from every incident, including those hurt incidents requiring no treatment. Lessons learned, causal factors and corrective actions from each incident are then shared with our global organization.

This focus on hurt-free translates well with our employees and contractors alike. With primary focus on the prevention of hurt, and a reduction in the severity of any hurts that do occur, "classification" and "recordability" are given a secondary, administrative status. Safety leadership in creating a culture where all incidents are reported and analyzed is critical.

Ultimately, measuring progress towards our vision is important as well. Hurt-Free Days and Total Hurt Incident Rate (THIR) are the primary measures utilized for celebrating milestones along Drilling's journey to "Nobody Gets Hurt."

Mike Smith is a 1981 graduate of Mississippi State University with a degree in petroleum engineering. He started his career with The Superior Oil Company in Lafayette, Louisiana before joining Mobil Oil Company in 1986 where he continued to engineer HPHT wells in Mobile Bay, South Louisiana and East Texas. In 1992, Mike and family moved to Lagos, Nigeria where he spent 5+ years supervising offshore jack-up operations as both an engineering manager and operations superintendent.

Mike then had a short assignment in New Orleans managing Gulf of Mexico drilling operations before moving to Indonesia in 1999 where he served as ExxonMobil's Drilling Manager for both the North Sumatra and Cepu drilling operations. After 4+ years in Indonesia, Mike returned to Houston in January of 2004 where he has since served as the Safety, Security & Health Drilling Manager for ExxonMobil's global drilling operations.

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INTERNATIONAL

Lloyds Bank: Oil & Gas Project Financing Process. Risk Management.

- Speaker:** Andrew Moorfield
Lloyds Bank Corporate Markets
- Date & Time:** 11:30 a.m. - luncheon
Thursday, November 10
- Location:** Westlake Club
570 Westlake Park Blvd.
Houston, TX 77079
- Cost:** \$35 per member preregistered
\$45 for nonmembers and walk-ins
- Registration:** www.spegcs.org
- Deadline:** Noon, Monday, November 7

Andrew Moorfield is managing director and head of oil and gas at Lloyds Bank Corporate Markets. Prior to joining Lloyds Banking Group in 2006, he was managing director and co-head of general industrials at Bank of America EMEA with responsibility for the basic materials sector in 2001. He also worked at Citibank and Diadeo PLC in Europe and Asia.



Andrew has an economics degree from the University of Melbourne and an MBA from Wharton School of the University of Pennsylvania.

Mr. Moorfield will present on the process of oil and gas project financing. He will explain the challenges of funding oil and gas projects. Mr. Moorfield will also cover how to mitigate these funding challenges. Funding structures and E&P debt products will be reviewed. Furthermore, he will explain what banks are looking for when lending. He will also give an outlook on the oil and gas market and future market trends.

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NORTHSIDE

Drilling Fluid and Drilling Waste Management in the Fayetteville Shale

Speaker: Mark Mabile
Southwestern Energy Company

Date & Time: 11:30 a.m. - luncheon
Tuesday, November 8

Location: Greenspoint Club
16925 Northchase
Houston, TX 77060

Cost: \$35 per member preregistered
\$40 for nonmembers preregistered
Additional \$5 for walk-ins

Registration: www.spegcs.org
Deadline: Noon, Friday, November 4

Please bring a copy of your credit card receipt if you registered and paid online. If you have special dietary needs, please email the event contact with your requests PRIOR to arrival at the event.

The holistic management of drilling fluids, solids control, waste management and disposal of drilling waste has been the subject of considerable effort over the last decades. The process required to manage these projects has been well documented, along with successful case histories.

This presentation will focus on the successful application of Holistic Fluid Management (HFM) program that increased drilling fluid performance and reduced waste and costs in Southwestern Energy's (SWN) unconventional gas project in Arkansas from January 2009 through December 2010.



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Mark Mabile has over 28 years of industry experience in drilling and production management, project management, operations, and engineering. His operational experience includes: offshore, onshore drilling, completions, workovers, production, and casing drilling product development both in the U.S. and internationally.



Mark holds a BS in petroleum engineering from Louisiana State University and an MS in petroleum engineering from Tulane University. He is currently the drilling manager for Southwestern Energy Fayetteville Shale division.

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Isolation and Formulation of Highly Effective Corrosion Inhibitors from the Waste Product of Hexahydrotriazine based Hydrogen Sulphide Scavengers

Speaker: Grahame Taylor
Baker Hughes

Date & Time: 11:30 a.m. - luncheon
Tuesday, November 15

Location: Courtyard at St. James
1885 Saint James Place
Houston, TX 77056

Cost: \$35 per member preregistered
\$40 for nonmembers preregistered
Additional \$5 for walk-ins

Registration: www.spegcs.org
Deadline: Noon, Friday, November 11

This presentation describes the isolation and formulation of highly effective corrosion inhibitors from the waste product of hexahydrotriazine based hydrogen sulphide scavengers. Although it has been generally regarded that “spent scavengers are corrosion inhibitors” for some time, this presentation uses this generally held belief as a starting point and greatly expands upon this observation.

The active species has been identified by analytical methods, isolated from the spent fluid and formulated into highly effective corrosion inhibitors. This is believed to be a unique synergistic chemical recycling process. The application of one chemical product, in its actual operation, acts as a means to chemically synthesize a second chemical in a very highly pure state, such that it can be separated and formulated into a second chemical product, namely a corrosion inhibitor. Analytical data and structural confirmation of the active species are presented together with data to verify its corrosion inhibition properties and also the synergistic formulation of this intermediate to further improve its corrosion inhibition properties. It is believed that this work represents an example of chemical recycling rarely, if ever, seen in our industry.

Grahame Taylor is currently a research scientist with Baker Hughes. He is a primary synthetic organic chemist in the area of oil field corrosion inhibitors and hydrogen sulphide scavengers.

Prior to Baker Hughes, Grahame worked at the Exxon Chemicals’ Energy Chemicals Technology Center at Houston Chemical Plant, as a synthetic organic chemist in the area of emulsion breakers. Exxon Chemicals formed a joint venture with Nalco’s energy services division in 1994 and he moved into Nalco Exxon Energy Chemicals located at the Sugar Land facility. In this position he worked in emulsion breakers, acid corrosion inhibitors, fracturing fluids including viscoelastic surfactants and biopolymer based fluids. One highlight of this research program was the successful field trial of a new, IP protected emulsion breaker intermediate at Exxon’s Santa Ynez unit in California, the largest emulsion breaker account at the time in the lower 48.

Grahame received his BSc and PhD in organic chemistry from the University of Reading in the United Kingdom. He recently presented two papers at the SPE Oilfield Chemistry Symposium in the Woodlands and today’s seminar covers the work outlined in one of those papers.



Insight to the Industry's SEC Reporting and Disclosure Under the New SEC Regulations

Speaker:	John E. Hodgkin Ryder Scott Petroleum Consultants
Date & Time:	11:30 a.m. - Luncheon Thursday, November 17
Location:	Courtyard on St. James 1885 St. James Place Houston, TX 77056
Cost:	\$35 preregistered \$45 Walk-ins
Registration:	www.spegcs.org
Deadline:	Noon, Tuesday, November 15

This presentation examines the comments from the SEC relating to public filings made under the industry's first reporting cycle ending December 31, 2009.

The Securities and Exchange Commission ("SEC") requires companies whose securities are publicly traded in the U.S. to disclose meaningful financial information such that all investors will have access to certain basic facts about an investment prior to buying it, and so long as they hold it. If your company is engaged in the exploration and production of hydrocarbons, information relating to your activities, revenues and reserves are pertinent to an investor. This pertinent information is conveyed in filings made with the SEC and available to the public.

The SEC reviews the information contained in public filings to monitor the compliance with the applicable disclosure and accounting requirements. For those filings that appear to conflict with the SEC regulations or the applicable accounting standards or the disclosures appear to be materially deficient in explanation or clarity, the SEC issues the filer a comment letter.

For publicly traded oil and gas companies, the SEC regulations governing the estimation and reporting of oil and gas reserves information disclosed in a public filing have changed. On January 14, 2009, the SEC issued the Modernization of Oil and Gas Reporting; Final Rule ("Modernization") in Vol. 74, No. 9 of the Federal Register.

The regulations contained in the Modernization became effective for all filings made with the SEC as of December 31, 2009, or after January 1, 2010.

John E. Hodgkin is president of Ryder Scott Petroleum Consultants. He joined Ryder Scott in 1977 as a geologist. He also served as executive vice president and the managing senior vice president of Ryder Scott's Geoscience Group. Prior to Ryder Scott, John was employed by Gulf Oil Corporation where he was a development geologist in the New Orleans Division.

John received a BS degree in geology from Texas A&M University and is a licensed Professional Geologist and a licensed Professional Engineer in the State of Texas. He is also a member of the American Association of Petroleum Geologists (AAPG) and the Society of Petroleum Engineers (SPE).

John has authored or co-authored a number of SPE, AAPG and Offshore Technology Conference (OTC) papers and has been published in Accounts, a publication of the Council of Petroleum Accounting Societies (COPAS), the Landman, a publication of the American Association of Professional Landmen (AAPL), and in the E-Section Report, a publication of the Oil, Gas & Energy Resources Law Section of the State Bar of Texas, on reserves related topics. Since 2004, he has been a co-instructor of the SPE approved short course "Petroleum Reserves", which emphasizes the integration of the best practices with both the SPE/WPC/AAPG/SPEE and United States Securities and Exchange Commission (SEC) reserves definitions and guidelines.

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SAFETY & ENVIRONMENT

SEMS

Speaker: Clint Bowman
Noble Energy

Date & Time: 11:30 a.m. - luncheon
Tuesday, November 15

Location: Petroleum Club
800 Bell Street, 43rd Floor
Houston, TX 77002

Cost: \$40 per member preregistered
\$50 for nonmembers and walk-ins

Registration: www.spegcs.org
Deadline: Noon, Friday, November 11

Clint Bowman is a Certified Safety Professional with 28 years experience in onshore, offshore and international exploration and production.

From 1983 to 1987, Clint worked in many operational capacities in the Gulf of Mexico from platform operator, foreman, to production superintendent.

In 1998, he led a technical services team responsible for the implementation of safety, health and quality assurance programs for Noble's onshore, Gulf of Mexico shelf and deepwater operations.

In 2004, Clint assumed responsibility as corporate safety and health manager where he was responsible for the development and implementation of Noble Energy's worldwide safety and health program.

He is currently Noble Energy's Corporate EHS Director, responsible for the environmental, health, and safety worldwide.



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SPE-GCS

28th Annual Scholarship Tennis Tournament

It's not too late to sign up!!! Tournament is on November 4th & 5th at the Houston Racquet Club.

Tournament activities will begin on Friday evening with registration starting at 4:00 pm. Social Mixed Doubles and some flights of Tournament Doubles will start at 6:00 pm along with hors d'oeuvres or light dinner. On Saturday, registration will begin at 8:30 am with play beginning at 9:00 am. Time permitting, a FUN Scrambles Tournament will be arranged in the afternoon. Saturday evening will consist of a wonderful dinner, door prizes, and award ceremony.

For more information contact, Suzanne del Rosario-Davis, sdelRosarioDavis@lgc.com, 713-839-2135.

Where Does Conductivity Come From? A Look at the Physical Properties of Proppants that Drive Conductivity

Speaker:	Steve Schubarth Schubarth Inc.
Date & Time:	11:30 a.m. - luncheon Wednesday, November 9
Location:	The Westlake Club 570 Westlake Park Blvd Houston, TX 77079
Cost:	\$35 per person preregistered \$40 per person walk-in
Registration:	www.spegcs.org
Deadline:	Noon, Monday, November 7

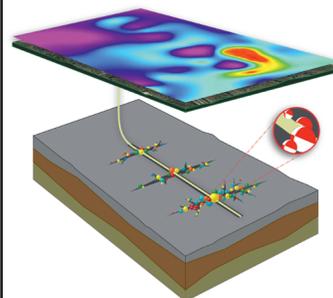
*Please print and bring credit card receipt
if paid on-line*

There are many different types of proppants on the market, and they each have different physical properties. This presentation will examine their physical properties and the effects that each has on conductivity. Since the conductivity of the created propped fracture is the only thing the operator is left with following a fracture treatment, it is an oft-scrutinized topic. Numerous publications have discussed the direct correlation between conductivity and well productivity. It is therefore very important that the completions engineer understand what properties to look for in a proppant that will maximize conductivity and thus well productivity.

Stephen Schubarth is the president of Schubarth Inc., an oil and gas consulting company. He holds BS and MS degrees in petroleum engineering from Texas A&M University. Steve began his career in West Texas working for Chevron, ARCO and Clayton Williams. He also worked for Holditch & Associates, Ely Associates, Falcon Petroleum Consultants, Halliburton, and Saint Gobain Proppants prior to founding Schubarth Inc.

In addition, Steve recently became president and COO of Titan Proppants, an importer of Chinese-manufactured ceramic proppants. He has served on numerous local and national SPE committees.

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YOUNG PROFESSIONALS

Call for Volunteers!!!

High School Guest Lecturer

Where: Milby & Westside High School, **When:** Spring 2012, **Time:** TBA

Share your experience in the energy industry with local high school students by teaching a Junior Achievement course. The Junior Achievement organization is dedicated to educating students about workforce readiness, entrepreneurship, and financial literacy through experiential, hands-on programs.

Volunteers are needed for the Spring 2012 semester to teach courses in success skills, business ethics, and entrepreneurship at Milby and Westside High Schools. Volunteers will partner to teach seven 30 minute classes. You can co-facilitate or alternate teaching dates. Course curriculum is provided. Your real world experience is needed to make messages in the classroom meaningful. To sign up or to learn more contact **James Prescott at jprescott@flexpipesystems.com**.

Recap: Rebuilding Together Houston – SPE – YP Volunteering Event

On a pleasant Saturday morning in September SPE teamed up with Rebuilding Together Houston to help reconstruct an old house. The event was a huge success and we clocked over 100 Volunteer Hours. At the end of the day the gratification of looking at the spanking new porch far outweighed the sawdust and cement covered shoes. We are working closely with the SPE GCS board and RTH to have more such events in the future and need volunteers to help us achieve this goal.

Want to Know More about the SPE Young Professionals Committee?

We invite you to attend our monthly YP board meetings! Use this as a time to get plugged in more or to meet some new faces in the organization. Please contact Andrea Hersey (Andrea.Hersey@momentive.com) for more information or check the GCS calendar for upcoming meetings. We look forward to meeting you!

Rebuilding Together Houston Event September 2011



L to R: Roy Borkhoche, Joakim Knudsen, Sandeep Pedam



Roy Borkhoche and Sudiptya Banerjee

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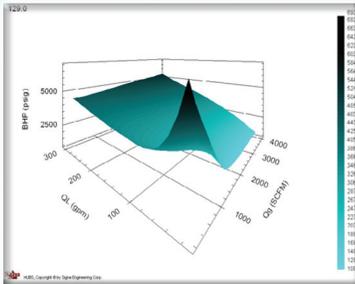
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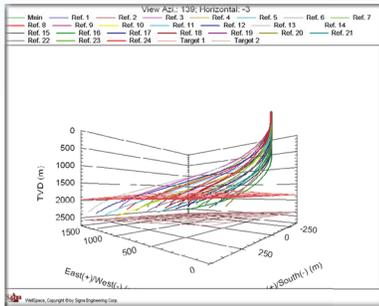
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November Events

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2 Ethics, p9	3	4	5
6	7	8 Northside, p23	9 Drilling, p21 Westside, p29	10 Gen Meeting, p3 International, p22	11 Auxiliary, p6	12
13	14	15 C & P, p15 Permian, p25 S & E, p27	16 Digital Energy, p19	17 Board Meeting, p4 Reservoir, p26	18	19
20	21	22	23	24 Thanksgiving Holiday SPE-GCS Closed	25 Thanksgiving Holiday SPE-GCS Closed	26
27	28	29	30 Bus Dev, p7 Cont Ed Oil Patch, p17			