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A message from the Chair

Dear LA Basin SPE Members,

I am honored to be the Chairperson of the SPE Los Angeles Basin Section for the 2005-06 year, and look forward to communicating with you through this column regarding our Section's activities. On October 1, we welcome two new members to the LASPE Board: Tony Taglieri and Rudy Weibel. We are fortunate to have them join our team of Board members and thereby increase even more its depth of experience in industry and education.

Collection, dissemination, and exchange of technical information are at the heart of the SPE mission statement. At the Section level, our monthly Forum program is very useful in having top-notch industry experts speak to us on important technical topics. We are also exploring additional ways to help our members maintain and upgrade their individual technical competence. One approach has been to increase emphasis on continuing education, and to this end, we are fortunate to have Scott McGurk again chair the Section's efforts in this area. Another similar theme is to increase intersociety collaboration, an area where our Section has had previous success. We are considering, for example, combining the 2007 Western Regional Meeting with a large AAPG meeting scheduled for Long Beach.

This past year was one of significant achievements for our Section, and it was due in large measure to the tireless leadership provided by our outgoing chairperson, Raj Upadhyay. On behalf of our Section, I thank Raj for his dedicated service. I am also glad to report that Raj has agreed to continue to serve the Section as Western Regional Meeting and Interdisciplinary Liaison for 2005-2006. Our Section's programs and activities must be relevant to the needs of the members. Therefore, I invite you to share with me your thoughts on what you expect from your local section, and how LASPE could be more helpful to you. Please email me at the address below.

Finally, I would like to ask members to continue their efforts to aid the victims of Hurricane Katrina. The Gulf Region of course is a key energy region and home to nearly 1,500 SPE members. I suggest everyone visit the SPE website, www.spe.org, to learn about how you can help

Pat Shuler
Chairperson, SPE Los Angeles Basin Section
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LASPE Forum: Oct. 11, 2005

Long Beach Petroleum Club
3636 Linden Avenue
Long Beach, CA 90807
Registration: 11:30 AM
Buffet Lunch: 12:00 noon
Presentation: 12:20 – 1:00 PM
Cost: \$15.00, students are our guests.



Dr. John Grace

The Future Supply Of Oil From Russia

Presenter: Dr. John Grace, President of Earth Science Associates of Long Beach, California

The ascension of a strong Russian oil industry this decade is the most influential new force in the world oil market since the empowerment of the Organization of Petroleum Exporting Countries (OPEC) in the seventies. Russia holds more oil resources than any country outside OPEC and vies with Saudi Arabia for world leadership in production and exports. The productive capabilities of Russia's oil industry and the policies of its government clearly move both short and long run world oil prices. Russia is at once an ally and opponent of OPEC and stands in the same dichotomous relationship to oil consumers. It is a fulcrum.

After 15 years of radical transformation, the Russian oil industry now enjoys unprecedented economic and technical stability. This has brought record production increases and financial well-being. The country's ability to continue growth in output, however, faces increases in operating and transportation costs and taxes, which will limit producers' profits and investments. Moreover, much of the country's untapped resource base is located in remote, high-cost and environmentally sensitive locales. Recently, strong new forces, which have centralized national political and economic power in the hands of the Russian president, also raise doubts over Russia's ability to maintain its recent rate of growth in oil output.

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Dr. John Grace

Dr. Grace is President of Earth Science Associates of Long Beach, California, holding that position since it's founding in 1991. He is a 1984 graduate of Louisiana State University with a Ph.D. in Economics (Minor in Geology). During his studies he was a senior research associate on the Center for Energy Studies at LSU and following graduation he taught there as an Assistant Professor of Geology. From 1985 – 1991, he held various positions with ARCO Oil and Gas in Texas and with Atlantic Richfield Co. in Los Angeles. John has authored many publications including his latest – “Russian Oil”. He speaks Russian fluently and has traveled and worked in Russia.

LASPE Forum Committee:

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2005-2006 Petroleum Technology Forum Schedule

LASPE's 2005 – 2006 Forum Series presents technical topics of interest and importance to the petroleum industry in the Los Angeles Basin. The meetings are held at the Long Beach Petroleum Club, 3636 Linden Avenue, Long Beach, CA 90807 and the nominal \$15 cost includes a buffet lunch. Meeting registration starts at 11:30 AM, with lunch at noon, followed by our featured speaker. There is always time for questions and answers following the talk. Meetings generally conclude by 1:30 PM.

This season's series includes three SPE Distinguished lecturers presenting topics selected by the LASPE membership. Other scheduled speakers cover topics of local interest. There are still some open dates next spring, and the Forum Committee is open to suggestions.

Future Forum Schedule:

Tuesday, 10/11/05 - John Grace: Russia Oil Supply, now and in the future.

Tuesday, 11/8/05 - Barry Evans and Tom Walker: California and World Pricing.

Thursday, 12/13/05 - Stephen Cheung - Distinguished Lecturer: The Latest in Ways to Improve Asset Value Through Better Water Management.

Tuesday, 1/10/06 - Mark Shemaria: LA Basin Environmental Issues.

Tuesday, 2/7/06 - Gerrit Nitters, Distinguished Lecturer: Well Stimulation – A New Challenge.

Tuesday, 3/14/06 - Bob Visser: Bay of Biscay Oil Spill.

Tuesday, 4/11/06 - Open

Tuesday, 5/9/06 - Open

Tuesday, 6/13/06 – Open

Edward Mayer Awarded Honorary Membership in SPE

Ed Mayer Awarded Honorary Membership in SPE

Honorary Membership is conferred on individuals for outstanding service to SPE and/or in recognition of distinguished scientific or engineering achievement in fields encompassed in the Society's technical scope. Honorary Membership is the highest honor the Society bestows on an individual and it is limited to 0.1% of the Society's total membership. Ed will receive his award at the 2006 Annual Technical Conference and Exhibition in San Antonio, Texas.

Ed Mayer has been a champion of innovation in petroleum engineering technology and has been a longstanding leader in SPE professional activities, especially those facilitating technology transfer.



Ed retired from THUMS Long Beach in 1993 and immediately started consulting for the industry and getting even more involved with SPE activities.

Ed was Co-Chairman of the program committee for the 1997 Western Regional meeting and served on the Program Committees for the 2000 and 2003 Western Regional Meetings. He served on the Program and Steering Committees of the SPE/EPA Environmental Conferences in 1993, 1995 and 1999.

Other oil industry activities include the program committee for the 1996 International Conference and Exhibition on Oil and Gas Development in Russia and New Independent States and as a liaison member of the AAPG Division of Environmental Sciences.

Ed is a member of the SPE Legion of Honor (50 years membership) and has received the Distinguished Member Award.

On a personal note, Ed has served LASPE long and well, helpfully offering advice and suggestions on many topics at Board meetings and with the Monthly Petroleum Technology Forum.

Ed joins three prior LASPE Honorary Members: the late Ned Babson (1985), Basil Kantzer (1991) and Marshall Standing (1991). Congratulations Ed!

September 2005 Board and Forum Report

A regular meeting of the Los Angeles Basin Section of SPE was held at the Long Beach Petroleum Club. Minutes of the July 26, 2005 meeting were reviewed and approved. The Treasurer's report was approved and highlighted the Golf Tournament's net surplus of over \$31,000. The overall net surplus through July is nearly \$9,000.

Rick Finken reported that the Board's nominations for Chairperson and open board positions have been approved as provided for in the by-laws. Pat Shuler (Chairperson), Tony Taglieri (Director 2005-2008), and Rudy Weibel (Director 2005-2008) have been duly elected and will begin their terms on October 1, 2005. Sam Sarem has been contacting people to serve on various committees and once finalized, the new slate of Chairs and Co-Chairs will be published in the newsletter and on the website.

Behrooz Fattahi, Western Regional Director, addressed the Board with an update of SPE International's plans and goals for the future of our Society. Two items were especially interesting. The first is the initiation of a new magazine targeted for members under 35 – "The Way Ahead." It is a publication addressing issues of continuing education and career management. The second is the plan for eventual elimination of the print form of JPT. Electronic transmittal is gaining acceptance and SPE International plans to ride the trend.

Other business items reviewed include:

- Reporting that \$11,000 in scholarships will be awarded to High School and University students.
- The 2006 Charity Golf Tournament planning has begun.
- The website upgrades will include a calendar of upcoming events.
- Possible funding of three LB Poly High Geology field trips during 2005-06.
- Initial planning of the Western Region SPE participation in the AAPG 2007 national convention in Long Beach.

The Monthly Petroleum Technology Forum followed the Board Meeting. A good crowd heard a very interesting discussion of well test analysis and performance based reservoir characterization by Dr. Tom Blasingame of Texas A&M. A copy of his presentation is posted on LASPE.org. Tom convinced this writer that routine well test data might well be useful in determining reservoir properties and well damage.

Next month's Forum will feature Dr. John Grace speaking on Russian oil supply and its effect on world markets.



Position Available

Aera Energy LLC

Reservoir Engineer

AERA JOB POSTING #83-05

Position: Reservoir Engineer
Work Group: Coastal Asset – Ventura
of Positions: 1
Location: Aera Oaks
Grade: 12 -15
Anticipated Fill Date: **November 1, 2005**
Responses Due by: **September 15, 2005**
Relocation Offered: **No**
Field Allowance: **No**
Safety/Environmental Sensitive: **No**
DOT/Covered Function: **No**
Preferred Candidate Identified: **No**

A significant portion of the remaining oil-in-place in Aera's portfolio resides within Coastal Asset fields. The Coastal reservoir management effort is focused on pursuing the identification and implementation of high value opportunities to develop new reserves, and on continually improving current reservoir performance. Working in Aera's coastal oil fields is challenging from numerous perspectives, including geologically complex oil fields, mechanically complex wells, and a strict regulatory environment.

Please see website www.laspe.org for details.

Please notify SPE Headquarters directly with change of address: P.O. Box 833836, Richardson, TX 75083 Tel: (800) 456-6863 Fax: (972) 952-9435 or go to <http://www.spe.org/mbrservices/index.cfm>

We appreciate your feedback. Send your comments/suggestions/contributions to Larry Gilpin, Editor: larry@4thforge.com

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www.laspe.org