



Society of Petroleum Engineers Amarillo, TX Section

Volume XXI, Issue I

October 2004

Upcoming Events

Next Meeting:
Wed. October 20, 2004
Amarillo Club
11:30 a.m.

PPROA Living Legend
October 16, 2004

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Amarillo Members honored with "SPE Legion of Honor"

The National Chapter of the SPE has recently chosen five of the Amarillo Section members to be honored with the distinction of Legion of Honor.

Legion of Honor is a status achieved by only a small percentage of SPE's membership. Those in the Legion of Honor have been members of SPE (or its predecessor organization) for 50 consecutive years. Each honoree becomes dues exempt and will receive a certificate from the local section.

Amarillo Members being honored include Bruce O. Barthel, W.L. Gabelmann, Joe C. Richardson

Jr., E.R. Sidwell, and Claude A. Tongish.

These men will be recognized for the achievement and incredible service to our industry at the Amarillo Section SPE meeting to be held on Wednesday October 20th.

These leaders of our area join Arthur Dyson, Donald Jackson, and Robert Scarth as the only members of our area to achieve such and honor.

In the next issue of JPT, you will see a write up on the newest inductees to the SPE legion of honor.



September Speaker Review: IHS Energy

Many thanks to Alan Hollis of IHS Energy and his presentation to the group in September.



Alan is a manager of Business Development for IHS Energy's Production Solutions Group, located in Houston, Tex.

With nearly 20 years' experience in the oil and gas industry, Hollis' work experience has included upstream and downstream project implementation. He has worked extensively on critical safety applications and field-wide automation implementation projects. Working on optimization solutions through automation for upstream O&G companies has been the cornerstone of Alan's career.

Hollis speaks to the Amarillo Section

Alan talked to us in depth about "right sizing production" '.

Smart wells and real-time optimization systems keep top-performing wells in high gear. But what about the other 90% of the industry's assets? Most of the breakthroughs in field automation and production optimization have overlooked the hard-working but unspectacular wells and fields that make up the majority of onshore assets.

It is possible to increase production and reduce operating costs, with surprising gains even for these "average" O&G assets, using a right-time data approach. Field data collection and monitoring devices using this approach are de-

signed to better fit the economics of the everyday well. Right-time data starts by challenging the traditional assumption that gathering real-time data should be the automation norm for all wells. These traditional automation systems must monitor, store and transmit data constantly, requiring intensive power and computing resources at the wellhead.

With right-time optimization, the functions of monitoring, sampling, transmitting and storing wellhead data are re-considered in light of exactly what data is needed to manage a particular asset pro-actively. Recent breakthroughs in "smart sensors" allow operators to get the same continuous monitoring as with

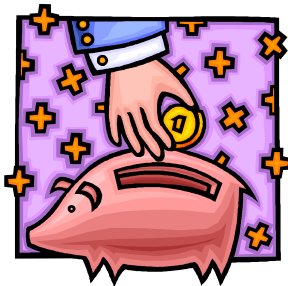
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a SCADA system, immediate alarms when there's a problem, and daily production summaries. Data is not delivered more often, or in more dense datasets, than needed. Because these new-generation intelligent sensors can manage their monitoring and reporting duties with a self-contained power supply and downscaled computing resources, this approach to right-time data significantly lowers the cost of automation.



SPE Supports Local Students

The Amarillo Section believes that encouraging our young people to pursue careers in petroleum is essential to our industry. Therefore we remain at the forefront of support-



ing students in their academic endeavors. The Amarillo SPE is now supporting 7 petroleum engineering students.

Each scholarship is for \$1000 per semester. In the fall we will have students from Texas Tech, University of Texas, Texas A&M University, Oklahoma University and the Colorado School of Mines.

This represents 2 seniors, 1 junior,

3 sophomores, and 1 freshman. We select from many qualified applicants. This year's selections represent students from Randall, Amarillo, Caprock and Wheeler High School's.

We will use this space in the coming weeks to highlight students who have received our scholarship. Be sure to look back!

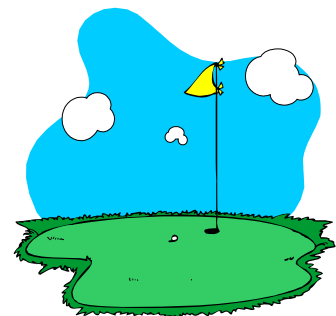
Amarillo SPE Golf Tournament a Success

The Amarillo Chapter of the SPE had an incredible tournament on July 1, 2004.

We had over 20 teams that competed in a day of fun. All of the proceeds went to supporting petroleum engineering scholarships to area students.

Many thanks to all of the companies and players that participated and made this year's event such a success.

We look forward to your continued support in the years to come!



October 2004

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16 <i>PPROA</i>
17	18	19	20 <i>SPE Meeting</i>	21	22	23
24	25	26	27	28	29	30
31						

Schedule of Events

- Oct 16th—PPROA Living Legend Presentation at Civic Center Heritage Room
- Oct 20th—SPE Meeting: Ezekwe on Reservoir Management
- Nov 4th—SPE Meeting: Schein on Slick-water Frac Application
- Dec 14th—SPE Holiday Dinner
- Jan 13th—SPE Meeting: Ahmed on Hydraulic Frac Treatment
- Feb 8th—SPE Meeting
- Mar 8th—SPE Meeting
- Apr 12th—SPE Meeting
- May 10th—SPE Meeting

Treasury Report

As of September 30th 2004

Checking Account—\$7,782.97

Investment Account—\$79,509.09

Ezekwe to speak to Amarillo Chapter at October meeting

Implementation of sound reservoir management strategies is crucial in maximizing economic recoveries. Correct identifications of key geologic features, rock properties, state of reservoir fluids and dominant recovery mechanisms determine applicable reservoir management strategies. The critical steps in devising technically sound strategies should consider all available data and incorporate current technologies. The management strategies selected must be economic, conserve reservoir energy and adaptable to emerging technologies. Five reservoir management principles are presented as guides for determination and implementation of reservoir management strategies. These are: (1) Conservation of reservoir energy (2) Early implementation of simple strategies (3) Sustained and systematic collection of data (4) Continuous application of improved

recovery technologies (5) Long term retention of staff in multi-disciplinary teams.

The presentation will demonstrate through case histories that technically sound reservoir management strategies can be successfully implemented on old and new reservoirs by using the five reservoir management principles in developing reservoir management plans.



Dr. John Ezekwe

John Nnaemeka Ezekwe holds BS in petroleum engineering, MS in chemical engineering, an MBA and a PhD degree in chemical and petroleum Engineering, all from the University of Kansas. Currently, he is a Reservoir Engineering Advisor with Devon Energy Corporation on special reservoir projects. Previously, he worked for Pennzoil E&P Co. as a Petroleum Engineering Advisor on worldwide projects. From 1982-1998, he worked for Bechtel Petroleum Operations as Manager of Reservoir Studies, Reservoir Engineering Supervisor and Staff Reservoir Engineer. And from 1977-1982, he was a Research Associate at Kurata Thermodynamics Laboratory of the University of Kansas. He is a registered engineer in Texas and California and has published 15 technical papers on chemical and petroleum engineering topics.



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SPE Mission:

To provide the means for collection, dissemination, and exchange of technical information concerning the development of oil and gas resources, subsurface fluid flow, and production of other materials through wellbores for the public benefit; and to provide opportunities through its programs for interested (and qualified) individuals to maintain and upgrade their individual technical competence in the aforementioned areas for the public benefit.