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[www.LASPE.org](http://www.LASPE.org)

## A Message from the Chair

Dear fellow SPE members,

I hope you had a happy and healthy Thanksgivings holiday. I also wish you and your loved ones peace, happiness and prosperity during this holiday season and the coming year.



December is the time to reflect upon accomplishments and achievements over the past year and to resolve goals and wishes for the coming year. Despite the enormous economic crisis and the associated problems as well as many natural disasters at national and global levels, fortunately, 2008 was a very productive and successful year for the petroleum industry. The record breaking high oil and gas prices earlier this year resulted in major changes in strategies, investments and activities throughout the industry. As the economy entered deeper recession, especially in the past two months, and the global demand for energy decreased, oil prices fell sharply. This has resulted in a more conservative approach to industry expansion. The turbulence and price volatility will probably remain high for the next few months. But the long term significance of recent developments can run much deeper. Expanding US energy supply can definitely play a significant role in strengthening the US economy.

2008 has also been a very successful year for the SPE in expanding its goals and objectives, increasing its membership, and implementing some new initiatives for the benefit of its members. The 2008 Annual Technical Conference and Exhibition held in Denver, Colorado, September 21-24 with about 10,000 attendees, over 400 technical papers and tens of panel sessions was an example of this success. The LASPE section had also many successes in fulfilling its objectives. The monthly Technical Petroleum Forum attracted over 500 attendees who enjoyed and benefited from interesting and useful talks and seminars given by distinguished speakers and experts. Our section contributed to the 2008 Western North America Regional Meeting held in Bakersfield in March. The SPE student chapters at USC and CSULB were active and participated in various local, regional and

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## A Message from the Chair continues

*Message from the Chair continues . . .*

international events including the Western Regional Student Paper Contest and ATCE. The LA SPE Section held many outreach and fundraising events, awarded more than \$15,000 scholarships to local college and high school students, participated in County and State science fairs, sponsored many prizes for the science fair winners, and helped various school districts energy educational programs. Many of our Board members volunteered in several public service information and educational programs.

December is also the time for us to resolve our wishes and embark on new ideas and initiatives. At LASPE we would like to play a more significant role in fulfilling the SPE mission and goals at local and regional levels as well as in providing more services to our membership. Our industry is currently facing with many challenges including the economic crisis, the oil and gas price volatility, the globalization, the rapidly changing technology, the work force needs and changes to accomplish more with fewer people, the public image and perception of short and long term energy needs; environmental concerns; social responsibilities, sustainability, and many more. As expected with challenges, there will be opportunities. We need to address and understand these challenges and emerging opportunities. The LASPE Board is planning on arranging meetings, workshops, and short courses to address these issues as related to the needs of the members in our section by inviting experts and distinguished lecturers to facilitate expansion and acceleration of technology transfer, continuing education, promoting industry-academia-government partnership and other means.

As I mentioned in my previous messages, this is only possible by your active participation and involvement. So please join us in our monthly meeting, let us know what your priorities are, participate in various section activities, and help us find the right people to organize and conduct these events. Please read the "News from SPE" section of this newsletter on how to remain involved by renewing your membership, recruiting new or inactive members (and winning cash and valuable prizes), participating in nominating a Distinguished Lecturer, or nominating a colleague for a SPE regional or international award.

**WISHING YOU AND YOUR FAMILY A HAPPY HOLIDAY SEASON AND A PROSPEROUS 2009**

Sincerely,

Jalal Torabzadeh

LASPE Section Chairperson 2008-2009

### “Mature Fields: Keep Revisiting the Fundamentals” Dr. Neil Williams

The next Petroleum Technology Forum will be held on Tuesday, December 9, 2008 at the Long Beach Petroleum Club, 636 Linden Avenue, Long Beach, CA 90807. The speaker will be the second distinguished lecturer in the series. Dr. Neil Williams of Oil Search Limited will present “Mature Fields: Keep Revisiting the Fundamentals”. Abstract and speaker bio follow.

<b>Location:</b> Long Beach Petroleum Club 3636 Linden Avenue Long Beach, CA 90807	<b>Time:</b> Registration: 11:30 AM Buffet Lunch: 12:00 noon Presentation: 12:20-1:00 PM	<b>Cost:</b> \$20.00 members, Free for students.
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#### **Abstract** (based on SPE 101123)

Kutubu is Papua New Guinea’s largest oil field. It came on line in 1992 and achieved peak rates of over 130,000 stb/d in 1993 before decline commenced in 1994. Capacity was still 45,000 stb/d at the beginning of 1998 but Kutubu production rates declined rapidly and half the field capacity was lost during 1998 to 2000. It was beginning to look in 2001 as if the field would be completely shut in within a few more years.

Kutubu was originally developed on the basis of a dynamic aquifer (or tilted contact) theory that was used to explain the lack of oil in the northwest parts of the field and the presence of water contacts in the central part. A field review conducted by the operator identified an alternate theory of compartmentalisation to explain the non-uniform oil column. As the alternate hypothesis was as good at explaining the early data and better at explaining some of the more recent performance, it was decided to abandon the original concept and test the new theory by drilling in areas the original concept would have predicted to be water swept. Drilling results were conclusive - there was oil and little or no water in the centre of the field. Consequently, the compartmentalisation theory opened up a series of opportunities in areas that were previously considered un-prospective due to the tilted contact concept. A follow up development campaign, along with other projects, has for four straight years completely halted the production decline. The field now appears to have a considerable remaining life of 2 decades or more.

The main conclusion is that we regularly need to go back to basics and establish whether or not our fundamental assumptions are supported by solid evidence

#### **Biography**

Dr. Neil Williams is presently Chief Reservoir Engineer for Oil Search. Before that he was in charge of the reservoir development of New Guinea’s largest oil field, the Kutubu Field, for 6 years.

Neil graduated with a BSc from Sydney University in 1969 with 1<sup>st</sup> Class Honours and the University Medal in Applied Mathematics. He then completed 3 post-graduate courses simultaneously including a PhD in fluid mechanics at the University of New South Wales. Neil joined Shell in Melbourne then transferred to their international staff with assignments in The Hague, the North Sea and London before returning to Australia with Exxon and later moving to Santos, Helix and Oil Search in various technical, supervisory and management roles. Neil has done or supervised the reservoir engineering for Australia’s largest offshore oilfield Kingfish, Australia’s largest onshore oilfield Jackson, and New Guinea’s largest oilfield Kutubu. Neil’s main interest is in mature field development and he has published on this subject as well as on EOR, petrophysics, SCAL and, prior to joining the oil industry, in physics and mathematics.

Katherine Wallgren, Forum Chairperson, [Katherine\\_Wallgren@oxy.com](mailto:Katherine_Wallgren@oxy.com)

## LA SPE Young Professionals Go – Karting Event Report

Young Professional group of LASPE section held an indoor Go-Karting Event on November 15, 2008 at K1 Speed, Irvine. It was the second activity hosted by YP group this year. Although the turnout was not as many as RSVP'd, the event was still considered as a success.

Combination of eight young professionals and a student attended this event. All racers had to check-in at computer booth before entering race track area. After receiving safety and technical briefing from two officials, each racer was required to wear helmet for safety.



**Figure 1: Pose after safety and technical briefing**

When everyone was ready, all racers received Kart numbers and jumped into their Go-Karts. There were two race tracks available at the venue. The official chose track number two for YP group. The Go-Karts were able to run up to 40 mph on this track. 14 laps of qualification was required to determine the race start position. Brian Vlasko, Candra Janova, and Brian Tran were the top three racers during qualification.

The race itself was planned for 16 laps. Similar like Formula 1 or other car races, all Go-Karts lined up according to qualification's results. Once lights turned green, all racers floored the gas pedal to race as fast as possible. The positions did not change after the end of lap 1 because everyone was still cautious with the limited space available among the Go-Karts. Beginning from lap 2, all positions were shuffled around until the end of the race. . At lap 12, the race had to be paused for 5 minutes because multiple Go-Karts were involved in collision at Turn 1.

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## LASPE YP Go-Kart Event Report continues

### *Go-Karting continues . . .*

When the race resumed, everyone kicked their adrenaline rush once again. The top spot did not change since Brian Vlasko retained his pole position. Brian Tran finished second and Marcus Wunderle followed after him. One of the top three starters had to give up his position for getting spun-out three times by the same racer.



The Race !

Before Qualification

USC's student body was also represented; the Executive Board members from USC attended the Student Chapter Officers workshop to discuss the development and advancement of their student chapter with other student leaders. This activity allowed the EBoard to interact with, and gain insight from, other chapters from across the country; the USC SPE members are currently implementing some of the ideas gained in the hopes of not only bettering their chapter overall but also being recognized as an active and important student chapter. In addition, USC students



The Winners!

Before enjoying lunch, medal ceremony took place. An official awarded winner medals to top three racers. Pizza was served following the ceremony. Everybody enjoyed the race and the food. The venue was convenient since K1 Speed had all services the group needed. Zero injury and 100% attendees satisfaction made this event a satisfactory one. Stay tuned with LASPE newsletter for future YP events.

Thanks,  
Candra Janova  
YP LASPE Liaison ,  
Candra\_Janova@oxy.com

### NEWS FROM SPE

#### **Renew Your SPE Membership**

SPE membership renewal is due by 31 December. To stay connected to the knowledge, resources, and opportunities that will help you meet the demands of your professional careers. Log on to [www.spe.org/renew](http://www.spe.org/renew) to pay online through the secure credit card payment system or print your invoice to mail or fax back to SPE. To avoid an interruption in services, renewals must be received by 31 December. If you have any questions, please contact SPE customer service at [service@spe.org](mailto:service@spe.org) or +1-800-456-6863.

#### **SPE members can win cash from SPE by recruiting new members!**

The SPE Build the World contest offers cash and valuable prizes to those who recruit new SPE members. To receive credit for the member's name must appear on the last line of section 8 of the printed membership application submitted by the new recruit. A new member who joins online will receive an email from SPE inquiring if anyone encouraged them to join. Be sure the new member replies to this email with the name of the person who recruited them.

The top recruiter from each SPE region at 31 December will win a USD 500 cash prize. You must recruit at least 5 members to be eligible. More information and current standings are available at [www.spe.org/recruit](http://www.spe.org/recruit).

#### **New SPE Star Scholarship applications due by 15 December**

SPE has committed more than USD 1 million for the new Star Scholarship program administered within each of SPE's geographic regions. SPE is funding 15 undergraduate scholarships valued at USD 5,000/year and 15 graduate study fellowships valued at USD 10,000/year. All are renewable yearly, for up to 4 years. Regional Selection Committees customize criteria, applications, the number and the value of scholarships to meet regional needs. For more information, please contact your Section Chair or Regional Director or access [Star Scholarship criteria and application forms](#) online.

#### **Distinguished Lecturer nominations due 1 February 2009**

[Submit your Distinguished Lecturer recommendations](#) for speakers who make a memorable presentation. Lecturers must have contributed to their respective fields and are considered experts in their discipline or working with cutting edge new technology. Nominations are needed in all disciplines, with special demand for Projects, Facilities and Construction; Health, Safety, Social Responsibility & Environment; or Management and Information.

#### **Nominate a Deserving Colleague for a Regional Award by 15 February 2009**

Please nominate deserving colleagues for an SPE regional award so they can be recognized for their outstanding technical and professional contributions to your section and region.

Two new regional technical award categories have been added this year for Completions Optimization, and for Technology and Formation Evaluation. Please review [Information on all SPE regional awards](#), including nomination forms, criteria, and former recipients.

All nomination forms must be forwarded to your Regional Director and received by SPE no later than 15 February 2009.

## Services Offered

**Reservoir Management  
Drilling Programs  
Waterflood Optimization  
Tertiary Recovery / EOR  
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Acquisition and Divestitures**

**Scott W. McGurk**  
**Petroleum Engineering Consultant**  
**LA Basin SPE Jr. Past Chairman**  
**714-403-9839**  
**LOVESM @ IX.NETCOM.COM**

**DAVID B. DEL MAR**  
**Consulting Petroleum Geologist**  
**California Registered Geologist #634**

**Development - Thermal EOR - Property Reviews**

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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](mailto:larry@4thforge.com) If you no longer wish to receive this newsletter, please send an email to [larry@4thforge.com](mailto:larry@4thforge.com)

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