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www.LASPE.org

A Message from the Chair

Dear fellow SPE members,

It's been a great year, and I am honored to have served as chairman for the LA section. I know you will be in good hands as Jalal Torabzadeh takes over, October 1st. I would like to thank all of the officers, board members, committee chairs and volunteers that have given their time to the success of LASPE.

This is my final letter to you and so I wanted to leave you with a recap of the great achievements of this past year:

- LASPE and the Western Region hosted the 2007 SPE Annual Technical Conference and Exhibition with the support of Rick Finken, Scott McGurk, Scott Hara and the 100+ volunteers that manned the registration booths, session rooms and led the many high school students around the Exhibition hall. Also at the 2007 ATCE,
 - Scott Hara and several volunteers educated high school students on the petroleum industry and the exciting fields of engineering and geology.
 - Harry Krebs was awarded the prestigious 2007 SPE Public Service Award.
 - Dr. Iraj Ershaghi was awarded the 2007 SPE Western North American Region Award for Reservoir description and dynamics.
 - Had four Legion of Honor members recognized: M. Melton, W. Garrison, L. Brock, S. Glasser.
- Jalal Torabzadeh was awarded the 2008 WNAR Service Award for his outstanding service to SPE.
- Yanis Yortsos was awarded the 2008 WNAR Award for Reservoir Description and Dynamics.
- BJ Services was awarded the 2008 WNAR Corporate Award.
- Marieke Gaudet won our Crude Price Challenge.

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A Message from the Chair continues

Message for the Chair continues...

- Successful elementary and high school outreach programs managed by Jack Smith, Vanessa Perez, and others such as the Annual Easter Egg Hunt at the International Elementary School and participation in the LA and Orange County Science Fair
- Young professional paintball activity organized by Candra Janova.
- Another successful Golf Tournament organized by Mike Filbey and the Golf Committee.
- Scholarship awards presented to graduating high school seniors, undergraduates and graduates in excess of \$12,000.
- And the monthly Forum saw record attendance as volunteer speakers led excellent discussions of interesting and educational topics, such as maximizing oil recovery, CO2 sequestration, LA Basin oil field updates, and developing a successful career in the petroleum industry.

I look forward to seeing you all at the monthly meetings.

Sincerely,

Brandy Fellers
LASPE Chairperson 2007-2008
brandyfellers@earthlink.net

LA SPE Petroleum Technology Forum - September 2008

Special Petroleum Forum Meeting Announcement – September 2008

The next Petroleum Technology Forum will be held jointly with the Conservation Committee of California Oil and Gas Producers monthly meeting on Wednesday, September 17, 2008 at the Grand Conference Centre, 4101 East Willow Street, Long Beach, CA 90815. Two excellent talks will be presented. First, SPE Past President Arlie Skov will review **“US Energy Needs: Fossil Fuels or Renewables?”** Next, SPE Distinguished Lecturer Ken R. Brown of the Alberta Research Council will present **“The EOR Kiss of Death - It Was a Technical Success but an Economic Failure!”** Summary abstracts and bios follow.

Schedule of Events:		CCCOGP: Business Meeting and Speaker Arlie Skov:	LASPE Forum: Speaker Ken Brown:
Registration:	11:15 – 11:30 AM	12:00 – 12:40 PM	12:40 – 1:15 PM
Lunch:	11:30 – 12:00 Noon		

Cost: None - this Special Meeting will be hosted by the CCCOGP and the LASPE Forum. Note the earlier start time. Also we need an attendance count so you must advise in advance if you plan to attend: [Richard Finken@longbeach.gov](mailto:Richard.Finken@longbeach.gov).

Continues on the next page...

Special Petroleum Forum Meeting Announcement – September 2008

Mr. Skov's Abstract and Bio:

Before 1840, the US used only renewable forms of energy: wood, biomass, wind and water. After 1840, first coal, then oil and gas, fueled the Industrial Revolution, rapidly changing the US from an agrarian economy into the richest nation in the world. By 1950, fossil fuels supplied over 90% of US energy needs. The oil price and supply shocks of the 70's disrupted the US economy, and reduced energy use. With the return of low oil prices in 1986, the US economy again stabilized with US energy consumption increasing at one percent per year.



Today, new oil price shocks, and concerns about climate change require evaluation of all energy sources. Increased use of renewables is important, but they cannot meet all our needs. For the foreseeable future, continued and more innovative use of fossil fuels is essential. For electric power generation, a strong nuclear program is vital.

Bio: Arlie Skov graduated from the University of Oklahoma with a BS degree in Petroleum Engineering and attended the Management Program at the University of Virginia in 1966. His professional career began in 1956 in Oklahoma. He has served in many positions including with BP Alaska San Francisco responsible to development planning for Prudhoe Bay. He later served on the Alaska Gas Pipeline project, then as Manager Frontier Research, and lastly, beginning in 1983 as Director of Production Technology for BP in Dallas.

Arlie has long been active in the Society of Petroleum Engineers, serving as International President in 1991. He has been awarded the Society's highest honors, and currently serves on the Boards of Trustees of AIME and of the SPE Foundation. He served on the US National Petroleum Council for six years (1994 to 2000) at the invitation of three different Secretaries of Energy. Arlie retired to Santa Barbara CA in 1995, and continues to write and speak on energy matters.

Continues with Mr. Brown's abstract and bio on next page...

Special Petroleum Forum Meeting Announcement – September 2008

Mr. Brown's Abstract and Bio:

How the business risks/issues of any CO₂ enhanced oil recovery project are handled can make or break a project. The first questions that must be answered in a CO₂ EOR project are always technical: can CO₂ recover incremental oil, at what rate and volume, what is the necessary investment and what are the ongoing operating costs? The answers to these questions will determine whether the project will be a technical success. But you also have to delve into the business aspects of the project. Using real examples and experience from the creation of the Weyburn CO₂ Miscible Flood, the business risks for a typical potential project will be highlighted.



The answers for your project will be different than for Weyburn but the questions you have to ask are the same: will my supplier be around long enough to give me the CO₂ I need or will he be bankrupt next year, should I build the supply pipeline or spread the risk (and the reward) with a third party builder, can my partners really afford this project and what can I do if I need their vote to get the project approved, etc.

Understanding these business risks and the measures you must take to quantify and minimize them will go a long way to ensuring your project is both a technical and an economic success.

Bio: Ken Brown is a Professional Engineer with 36 years experience in project management, technical management of large multi-disciplinary teams and reservoir, production, operations, facilities and environmental engineering.

As the Reservoir Manager of Home Oil, Ken was responsible for reservoir optimization of all Western Canadian properties. This included the introduction of CBM and horizontal drilling technology. At PanCanadian Petroleum Ltd. he co-chaired a yearlong intensive reservoir performance optimization process study. When he joined the Weyburn group at PanCanadian, they had just completed their first horizontal well. Under Ken's direction, 300 more were drilled. He was also responsible for the coordination of all technical and business issues leading up to the creation of the Weyburn CO₂ miscible flood project. His work with the Weyburn group resulted in an assignment in the Corporate Environment group to develop and execute a corporate strategy for all greenhouse gases. After retiring from EnCana (a merger of PanCanadian and Alberta Energy Company) he joined The Alberta Research Council as Manager of the Carbon and Energy Management group specializing in geological storage, unconventional gas research and clean energy

Ken is a long time member of APEGGA, SPE, and the Petroleum Society. He has written numerous technical papers and made many technical presentations to a wide range of audiences.

2007-2008 Forum Program Year Wrap-up Report

The 2007 – 2008 Petroleum Technology Forum completed another successful year of monthly meetings at the Long Beach Petroleum Club. Nearly 500 attendees enjoyed a variety of topics focusing on our industry.

The Program Year began on September 11, 2007 with a very well attended talk by Signal Hill Petroleum's Hilario Camacho. His talk covered reservoir modeling efforts at the Long Beach Field which was developed on a "very competitive basis" by many different operators. Hilario reviewed how an incomplete data set can be used in a challenging reservoir modeling effort.

On October 9th, Arlie Skov, Past President of SPE talked about nurturing a successful and satisfying career in the petroleum industry. He reviewed the need to identify our own special interests, talents and skills, as well as our personal likes and dislikes. His talk was wrapped around the help available through membership and participation in SPE to assess and enhance both technical and managerial competencies, and in preparing for a long and satisfying career.

There was no November meeting as we were all enjoying the Society's Annual Technical Conference and Exhibition in Anaheim, but on December 11th we got rolling again with an excellent talk by SPE Distinguished Lecturer Phiroze Patel. His talk, "Innovation in the Oil Field -- YOU can do it!" was an interesting discussion of building a process of innovation in our historically conservative oilfield operations. Dr. Patel started off with a short discussion of the three types of corporate systems we work in - Closed, Open and Random, reviewing the pluses and minuses of each. The key point – you have to tailor your ideas and approach in selling your innovative ideas to the type of system you are working in. And the system, to encourage innovation, must know itself and identify roadblocks.

On January 8th, Glenn Swanson, Operations Vice President, reviewed Linn Western's activities within the 24 leases it operates at Brea-Olinda, one of California's oldest oilfields. Glenn discussed the challenges of maintaining production capability in spite of the extensive housing development right in the middle of Linn's properties. This of course requires an active "good neighbor" policy manifested by the use of low profile hydraulic pumping units and a "courtesy always" policy towards the new neighbors.



A beautiful view!

One of the most interesting points of Glenn's discussion was the self-sufficiency of Linn's operations. A new gas plant was installed on 1997 followed by electrical generating facilities in 2001. Even more interesting was Glenn's review of the drilling of three new wells and the plan for up to 15 more through 2009.

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2007-2008 Forum Program Year Wrap-up Report *continues*

In February, Willie Morris, Manager of Operations, provided an update of activities at the Huntington Beach Field where Aera Energy LLC operates eight onshore leases, including the Bolsa Chica Wetlands and Platform Emmy. Aera's operations are surrounded by a very popular public beach to the west, million dollar homes to the south and east and the protected Bolsa Chica Wetlands to the north – one of the most unique operations anywhere. Willie discussed Aera's focus on equipment reliability, EHS performance, cost structure, the challenges of dealing with increasing water cut associated with a mature waterflood, declining oil & gas production, and an aging infrastructure. Also discussed was the need to be a good neighbor and be pro-active with the nearby homeowners in the surrounding environmentally sensitive area.



The March 11th Forum featured SPE Distinguished Lecturer Dr. Mohan Kelkar of the University of Tulsa presenting his talk “Integrated Reservoir Modeling – Challenges and Solutions.” Key issues explored were 1) hierarchical descriptions, 2) well test integration, 3) upscaling using dynamic characteristics, 4) objective history matching and 5) handling of future uncertainties. Dr. Kelkar used case studies to apply a workflow process allowing the development of multiple, history matched, reservoir descriptions to quantify uncertainties in future performance.



In April, 50 LASPE members, friends and guests heard SPE Distinguished Lecturer Vello Kuuskraa's presentation about CO₂ EOR and CO₂ sequestration. The two in combination present the best of all worlds – higher oil recovery and sequestration of an important greenhouse gas. CO₂ EOR production has grown to some 220,000+ bopd in the US and estimates of the potential ultimate benefit of CO₂ EOR exceed 88 billion barrels, with over half that economically recoverable at \$70/bo. CO₂ is not living up to its potential, however, due to reservoir complexity, insufficient process control and too little CO₂ injection. As with all improving EOR technologies, the “next generation” of CO₂ EOR technology addresses these issues with better completions and well placement, mobility control, proper design volume and improved diagnostics. By limiting CO₂ breakthrough with improved operations, the EOR process becomes an important source of future sequestration.

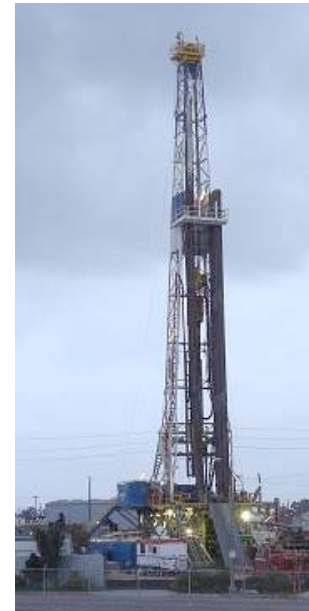
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LA SPE Petroleum Technology Forum – 2007-2008 Wrap-up



The May 2008 Petroleum Technology Forum featured our own Dave Mercier of State Lands filling us in on the Commission's mission, goals, operations and the effect of current high oil prices on their current activities. Since 1930, more than \$8 billion has flowed into the State's coffers from the tidelands with 70% coming from Long Beach. In the early 80's, State Land's revenue contributed a high of 2.5% of the State's budget as a result of producing rates of 140 mboepd, relatively high oil prices and a relatively modest annual California budget of \$20 billion. Since then, the combination of declining production and 8+%/yr California budget growth has more than offset any benefits of the record high crude prices we are all enjoying. State Land's revenues now contribute just under 0.5% to California's budget.

June 10, 2008 saw the largest crowd to attend a LASPE Petroleum Technology Forum presentation in quite some time. 108 SPE members, friends and Scholarship Winners and guests enjoyed an excellent discussion of Warren Resources' current activities at the Wilmington Townlot Unit and the North Wilmington Unit. Bruce Berwager, Senior Vice President and General Manager for Warren E&P outlined their efforts as a series of 7 Challenges/Opportunities and Solutions. The bottom line is that the work to date has resulted in the use of new horizontal drilling techniques, innovative solutions to producing oil and gas in an urban environment and an increase in daily production of some 2,500 bopd since 2005. Warren's ambitions plans for 2008 include a 35-40 well drilling program requiring the mobilization of a fully soundproofed electric rig for WTU, 5 horizontal wells at NWU, complete 3D Geological Modeling & Simulation of all reservoirs, testing Ford and 237 Reservoirs, installation of a BACT burner to replace old flare and a review of potential gas sales.



Plans for next season's Petroleum Technology Forum are under way with the following dates firmed up:

- September 17, 2008: Special Joint Meeting with CCCOGP with Speakers Arlie Skov and Distinguished Lecturer Ken Brown
- December 9, 2008: SPE Distinguished lecturer Neil Williams
- March 10, 2009: Distinguished Lecturer George Stosur

The Forum generally meets the second Tuesday of the month at the Long Beach Petroleum Club from September through June of the following year. If you have any suggestions for topics you would like presented, contact Kate Anderson at Katherine_Anderson@oxy.com.

2009 SPE Western Regional Meeting

SPE Golden Gate Section hosting the 2009 SPE Western Regional Meeting

The SPE Golden Gate Section will be hosting the 2009 SPE Western Regional Meeting at the Double Tree Hotel in San Jose, California, on March 24-26. The theme for the meeting is "New Solution for Maximizing Recovery and Value".

The program is starting to come into focus. We already have 10 confirmed world-recognized experts as keynote speakers and several more are being pursued. These include a Nobel Prize winning physicist, government representatives, corporate executives and university and national laboratory researchers. The program will include an opening plenary panel session, technical panel sessions, keynote speakers to enhance technical paper sessions and of course technical paper/poster presentations and exhibits. We are working on a field trip to the Geysers geothermal project and some social events of local interest. With a volunteer organization of over 40 people, the professional staff at SPE headquarters, and the participation of industry leaders we have all of the ingredients needed for an exciting and successful meeting.

For this summer we need to concentrate on encouraging our colleagues and associates to submit abstracts for good technical presentations. You can help by asking people you know in your companies, sections and elsewhere to share their research and experience by submitting a paper for the meeting. **The abstract submittal deadline is Sept 15** so we need to be proactive this summer. Also if you know of any recognized experts who would make good keynote speakers please follow up with them and notify Khalid Aziz our Program Chair of your success.

If you have any questions regarding our meeting, you can contact:

General Chair Jerry Hale jerryhale@chevron.com

Laurent Pianelo our Vice-Chair lpnl@chevron.com

Khalid Aziz our Program Chair aziz@stanford.edu

Karlene Kelly, our SPE Staff primary contact kkelley@spe.org

Thank you all for your help.

Best regards,

Laurent Pianelo
Chevron Energy Technology Company
925-842-8272

PTTC West Coast September Workshops
Artificial Lift Optimization

Long Beach, September 24, 2008

The Grand, 4101 E. Willow Street, Long Beach, CA 562-426-0555

Bakersfield, September 25, 2008

Petroleum Club, 5060 California Ave, Suite 1200, Bakersfield CA 661-324-6561

This course will discuss the optimization of your artificial lift system over the field's life. It will discuss the design of a lift system, and continued analysis of the lift system addressing changing wellbore and flow conditions. Also included will be a roundtable discussion where attendants are encouraged to discuss with the presenters their problems or solutions regarding lift optimization.

8:00 am Registration

8:30 Session 1 The Downhole Pump: Harbison Fischer

10:00 Session 2 The Lifting Unit: Lufkin

12:00 Lunch

12:30 Roundtable Discussion: Harbison Fischer, Lufkin

1:00 Adjourn

Registration fee of \$120 includes workshop materials, refreshments, and lunch.

To register:

Mail this form to: PTTC West Coast, 5100 California Ave Suite 200,
Bakersfield, CA 93309

Fax this form to PTTC West Coast at **(661) 635-0558**

Phone: PTTC West Coast at **(661) 635-0559**

Email your information to: pttcwestcoast@cccogp.org

Workshop _____ Name _____ Company _____

Phone _____ Fax _____ Email _____

Position Available



Chevron Corporation is one of the world's leading energy companies. Headquartered in San Ramon, California, and conducting business in approximately 180 countries, the company is engaged in every aspect of the oil and natural gas industry, including exploration and production; refining, marketing and transportation; chemicals manufacturing and sales; and power generation. Chevron Corporation is one of the world's leading energy companies. Headquartered in San Ramon, California, and conducting business in approximately 180 countries, the company is engaged in every aspect of the oil and natural gas industry, including exploration and production; refining, marketing and transportation; chemicals manufacturing and sales; and power generation.

Chevron North America Exploration and Production Company is accepting online applications for the following locations:

Anchorage, Alaska

- Production Engineer (#00649656)
- Reservoir Engineer (#00649658)

Bakersfield, California

- Heavy Oil Thermal Completions Specialist (#03229763)
- Heavy Oil Well Workover & Completion Specialist (#03229765)
- Kern River Petroleum Engineer (#006410401)
- Kern River Senior Production Engineer (#00649597)
- Lost Hills Production Engineer (#00649490)
- Reservoir Engineer Heavy Oil Heat Thermal Simulation Specialist (#03229886)
- Reservoir Simulation Engineer (#03229774)

Houston, Texas

- Base Business Advisor (#34049961)
- Big Foot Reservoir Engineer (#00649661)
- Block 14 Reservoir Simulation Engineer (#34609957)
- EOR Team Leader (#03228579)
- Greenfield Reservoir Simulation Engineer (#346010013)
- Miscible Gas EOR Engineer (#03229895)
- Petroleum Engineer- Heavy Oil (#03229885)
- Reservoir Simulation Engineer (#03229774)
- Waterflood Engineer (#03229896)

Lafayette, Louisiana

- Asset Development Engineer (#00649737)

Midland, Texas

- Asset Development Reservoir Engineer (#00649397)
- Eunice Production Engineer (#006410269)
- McElroy Reservoir Engineer (#00649734)
- McElroy Production Engineer (#006410081)
- Mabee Production Engineer (#00649392)
- Vacuum Reservoir Engineer (#00649391)

Rangely, Colorado

- Production Engineer (#00649733)

Southern Africa

- Greenfield Execution Team Well Test Petroleum Engineer (#34609954)

Relocation may be considered within Chevron parameters.

Interested candidates apply on-line to Job URL: http://careers.chevron.com/search_jobs/

Company URL: www.chevron.com

Services Offered

Continuing Education Course
**PROFESSIONAL REGISTRATION REVIEW
COURSE FOR PETROLEUM ENGINEERING**

COURSE DESCRIPTION: The Course covers most topics that are found on the State Board Petroleum Engineering Professional Examination.

WHO SHOULD ATTEND: Engineers who are planning on taking the PE Examination in Petroleum Engineering this fall. **INSTRUCTOR:** Bing Wines, PE

LOS ANGELES COURSE (8:00 AM - 5:00 PM)
Monday through Friday
September 22 – 26, 2008

For More Information: 405-822-6761

E Mail: bingwines@aol.com

WINROCK ENGINEERING, INC.

P. O. BOX 94005 OKLAHOMA CITY, OK, 73143

62% Pass 2007 Petroleum PE Exams

NCEES and the State Engineering Boards released the 2007 Professional Engineering Exam results in March. Nationwide, the Petroleum Engineering Exam recorded a 62% pass rate. The Petroleum first time takers passed at a 70% rate. The estimated pass rates of a few other engineering disciplines were:

Chemical	66%	Agricultural	67%
Civil	58%	Industrial	56%
Electrical	62%	Fire Protection	49%
Environm'tal	69%	Metallurgical	50%
Mechanical	55%	Mining	60%
Structural	42%	Control Systems	70%

The Petroleum pass rates in 2007 for a few states:

Alaska	100%	Louisiana	33%
California	0%	Oklahoma	67%
Colorado	0%	Texas	74%
New Mexico	100%	Wyoming	100%

What are the requirements to take the Petroleum PE Exam?
Today, California requires that you have:

1. An engineering, math or science degree.
2. Passed the Fundamentals, or EIT Exam.
3. At least four years of professional experience.

Interested? Contact the California State Engineering Board at (916) 263-2222 for application forms. State web sites are also available at: www.ncees.org/licensure/licensing_boards. The California application deadline to take this year's PE Exam is July 18, 2008. The PE Exam will be given on Friday, October 24, 2008.

Services Offered

**Reservoir Management
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Petroleum Engineering Consultant
LA Basin SPE Jr. Past Chairman
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LOVESM @ IX.NETCOM.COM

DAVID B. DEL MAR
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Development - Thermal EOR - Property Reviews

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