

SIPES: Society of Independent Professional Earth Scientists



HOUSTON CHAPTER Newsletter

June 2007

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June Luncheon Meeting: “The Future of the Global Oil Industry: Resources, Challenges and the Geoscience Workforce” Presented by G. Warfield “Skip” Hobbs

Date: Thursday, June 7, 2007*
Time: Social Period 11:15 am
Lunch 11:45 am
Location: Petroleum Club
800 Bell
Houston, TX 77002



Skip Hobbs

* Note that due to conflicts with the Natl. SIPES convention, this luncheon meeting will not be held on the typical 3rd Thursday of the month.

June Hospitality Sponsor

SIPES Houston Chapter wishes to thank **Collarini Energy Staffing** for the complimentary wine served during the social period.



Abstract

Petroleum powers the world's economies, but is there enough oil and natural gas to meet surging demand as developing nations enter the consumer age? Current global oil consumption stands at 85 million barrels per day and is expected to rise to over 100 million BOPD within 10 years. Oil prices have soared to a sustainable level of \$60-75 per barrel. Will prices go higher or collapse? As production in the mature sedimentary basins of North America, Europe and Southeast Asia declines, the United States, with less than 5% of the world's population, consumes 25% of the world's oil and natural gas. Can this continue? Global peak hydrocarbon production is likely to occur between 2025-2040. Then what?

(Cont'd next page)

Members and Affiliates who register by **12:00 Noon, Tuesday June 5, 2007** pay only \$30. Guests, non-members, late registrations, or at-the-door pay \$35. **No-shows will be billed.** Call, fax, or e-mail your reservation to Mrs. B.K. Buongiorno at the SIPES address above. You can sign up for SIPES Meetings online at www.sipes-houston.org, but payment is still required by regular mail or at the door.

The world has significant remaining conventional and unconventional oil and gas resources with some estimates exceeding 4 trillion barrels, many times more crude oil than has been consumed to date. Where are these resources located, and who controls them? Unconventional hydrocarbon resources are adding significant new reserves. Improved recovery technologies and conservation will extend the life of known reserves in mature conventional oil and gas fields. Despite the current North American focus on continuous reservoir resource plays, there are still significant new exploratory plays, as demonstrated by the multi-billion barrel ultra-deep Lower Tertiary play in the Deep Water Gulf of Mexico. Internationally, deep water delta systems, and the Arctic margins offer significant exploration potential.

A vibrant future global economy will require access to petroleum resources and major capital investment in exploration, development and infrastructure. There are many technical, geopolitical, infrastructure, economic, environmental, capital and workforce challenges to meeting near-term and future global oil demand. How can we deal with these? Where will capital be deployed? Graduates entering the petroleum workforce must have appropriate geoscience and business skills. What are they? Where will the industry find its future geotechnical employees? The public must have a better understanding of energy and the geosciences so realistic energy policies can be implemented. Finally, a serious commitment to developing affordable alternate energy technologies is essential, as by 2100, alternate energy sources are projected to supply fully 40% of global energy demand.

Professional Biography

G. Warfield "Skip" Hobbs is Managing Partner of Ammonite Resources Company, an international petroleum geotechnical, economic and business consulting firm that Hobbs founded in 1982 in New Canaan, CT. Hobbs is also Managing Director of Ammonite Capital Partners L.P. a natural resource finance advisory firm. He began his career in 1970 as an exploration geologist with Texaco, and worked in Ecuador, the United Kingdom, Indonesia and Portugal. In 1977 he returned to the United States, and worked as a senior staff geologist for international ventures at the headquarters of Amerada Hess in New York. Skip holds a B.S. degree in Geology from Yale College, and a M.S. Degree in Petroleum Geology from the Royal School of Mines, Imperial College, London. He is a past national officer of the American Association of Petroleum Geologists, and currently serves on the Executive Committee of the American Geological Institute, a Washington-based organization that represents over 120,000 members in 44 professional geoscience societies. Skip also currently serves as the USA director of the Burgess Shale Geoscience Foundation, Field, British Columbia. He is a member of the Houston Chapter of SIPES and of the Houston Geological Society, and is a licensed professional geoscientist in Texas. Hobbs writes and speaks frequently on energy economics and policy matters.

2007 SIPES Houston

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B.K. Buongiorno	713-651-1639
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Volunteers Needed

The Board of Directors is seeking volunteers to form a committee to encourage young earth scientists.

For more details or if you are interested in joining this effort, please contact Pat Shannon at (713) 785-2599.

May Luncheon Meeting Recap

The fifth luncheon of 2007 was held on May 17 in the Discovery Room of the Petroleum Club. Richard L. Adams of Carr Resources spoke to an overflow crowd on “*Basement Tectonics and Origin of the Sabine Uplift*”. There were 97 members and guests in attendance with wine sponsorship provided by Ginger Oil Company.

Mr. Adams demonstrated how the basement structure can be outlined by seismically mapping the base of the Louann Salt and how these structures influenced later sedimentation patterns. Mr. Adams also showed how the Cretaceous-Tertiary Laramide foreland compressional tectonics created further uplift of the original mid-rift high.

Mr. Adams’ conclusion is that “Any exploration program for the Sabine Uplift area should include a serious consideration of Laramide compressional tectonics, sub-salt structuring, and both gravity and magnetic mapping early in the evaluation”.



John Carr, president of Carr Resources, with Duncan DuBroff.



Program Chair Mark O’Koren with speaker Rich Adams.



Phil Martin with University of Houston graduate student Hongmei Cao, one of the SIPES-Houston Chapter Scholarship winners.

Technical Article Needed for the *SIPES Quarterly*

The Houston Chapter of SIPES is responsible for furnishing a technical article that will appear in the February, 2008 issue of the *SIPES Quarterly* newsletter. This article can be about new technology, industry activity or research being conducted in an area that would be interesting to independents.

If you are interested in contributing an article, please contact Jim Norris at 713-376-9361.

In Memory

Robert "Pav" Pavlovic

Houston Chapter member Robert "Pav" Pavlovic, 92, died April 24, 2007. Born November 6, 1914 in Cleveland, Ohio to Czech immigrants, his early experiences in the coal mines of Ohio and encouragement to go to college from his high school principal resulted in a life-long career in geology. His surveying team at the University of Cincinnati made a detailed map of Ohio's pre-Columbian earthwork "Serpent Mound" that is still referred to today in scholarly papers. Pav met and courted his wife, Frances, while he worked as a geologist at the Fontana Dam project of the Tennessee Valley Authority. They settled in Texas in the late forties where he retired from Mobil Oil Company after 36 years as a petroleum geologist. Donations may be made to Life Legacy, 6825 E. Outlook Drive, Tucson, Arizona 85706.

SIPES Houston Chapter wishes to extend our sincerest condolences to his family and friends.

May Chapter Board Meeting

Discussions at the May 17, 2007 Chapter Board Meeting included the following:

- The Board of Directors approved a \$50 donation to Life Legacy in honor of Robert Pavlovic.
- Dan Smith (Political Affairs) reported on his trip to Washington D.C. to meet with members of Congress as part of a delegation of 200 scientists. The purpose of the visit was to address concerns such as R&D budgeting for the USGS and DOE and future workforce concerns in the Geosciences. A full article on this visit will appear in an upcoming issue of the AAPG *Explorer*.



Upcoming SIPES Meetings

June 7, 2007	SIPES Luncheon at Petroleum Club , speaker Skip Hobbs, Ammonite Resources, on <i>"The Future of the Global Oil Industry: Resources, Challenges and the Geoscience Workforce"</i>
June 18-21, 2007	SIPES Annual Meeting, Monterey, California
July 19, 2007	Joint SIPES/HGS Luncheon at Petroleum Club , speaker Ray Thomasson, Thomasson Partner Associates, Inc., on <i>"Global Climate Change"</i>
August 16, 2007	SIPES Luncheon at Petroleum Club , speaker Jan Chafin, Jackson-Walker, LLP, on <i>"Business Ethics: How to be Ethical and Protect Yourself from Those Who Are Not"</i>
Sept. 12, 2007	SIPES Continuing Education Seminar: Marathon Oil Co. Conference Center, 10 th floor, 5555 San Felipe

Upcoming HGS Events

May 29, 2007	North American Dinner Meeting: Westchase Hilton, 9999 Westheimer Rd., 5:30 p.m.
May 30, 2007	General Luncheon Meeting: Petroleum Club, 800 Bell St., 11:30 a.m.