# On the Waterfront



# SIPES 44th Annual Meeting





Monterey, California
Co-hosted by the SIPES National Organization & SIPES Corpus Christi Chapter

Society of Independent Professional Earth Scientists

## **ENERGY CAPITAL** UPSTREAM & TECHNOLOGY

#### Reserve Assessment

- Volume
- Reservoir Allocation
- Composition
- Market
- Rec Optimization

#### Legal

- Concession Agreement
- Joint Operating Agreement
- Construction Agreement
- Offtake Agreement
- Funding Agreement

#### **Drilling Plan**

- Technology, Proven, Advanced
- Local Experience
- · Domestic/Foreign Supplier
- Drilling Options/Cost
- Risk Assessment



#### **Production Forecast**

- Sensitivity
- · Efficiency
- Economics
- Concession Agreement

#### Business Plan

- Project Reserves/Production
- Development Plan
- Capital and Operating Costs
- Crude Marketing Legal Structure
- Financing Plan Financial Analysis
- Risk Evaluation

#### Development Plan

- Facilities/Transport
- · Conceptual -> Detailed
  - Schedule
  - Environment
  - Domestic/Foreign Sup
  - Capital vs Lease
- Operations Plan
  - Kickoff
  - Construction
  - Production
- Capital & Operations Cost

#### Market Demand

- Product Quality
- Market Capacity
- Purchase
- Location End User
- · Product Value Hedge
- Currency Convertibility

Reserve Categorization

- Offtake Contracts
- Transport/Storage

Book Reserves

Finance Reserves

· Managing the Result

#### Financial Analysis

- Assumptions
- Stochastic
- Project

- Partners

#### Financing Plan

- Funding Availability/Cost
- Source/Cost
  - Onsheet/Offsheet
    - Commercial
    - ii. Mezzanine
    - iii. Industry
    - iv. Service/Supplier
  - v. Purchaser
- · Collateral, Pre, Post Comp.
- Project
- · Partners Several/Club

#### Project Risk Assessment

- Sale Price Product
- Cost Overruns/Delays
- Operating Costs Reserves/Rate
- Engineering Design/Experience
- Environment
- Natural Hazards
- Abandonment
- · Sponsor Credit Worthiness
- Political Risk
- · Joint Operating Agreement
- Concession Agreement

Moyes & Co., Inc.

Houston

**Dallas** 

London

www.moyesco.com

# FIVE STATES ENERGY CAPITAL

# SAME TEAM...

# NEW BALLGAME

#### PROVIDING

- → MEZZANINE DEBT
- → STRUCTURED LENDING
- → PREFERRED EQUITY

#### **FOR**

- **→** ACQUISITIONS
- → FIELD DEVELOPMENT
- → SECONDARY RECOVERY
- → MIDSTREAM PROJECTS
- **→** EQUIPMENT

## ARTHUR BUDGE, JR.

President and CEO

## RICHARD HARRISON

**GARY STONE** 

Special Financial Projects Vice President of Engineering

#### JAMES A. GIBBS

Chairman

# STEVE COLLINS

Operations Manager

#### ANN McConville

Senior Landman

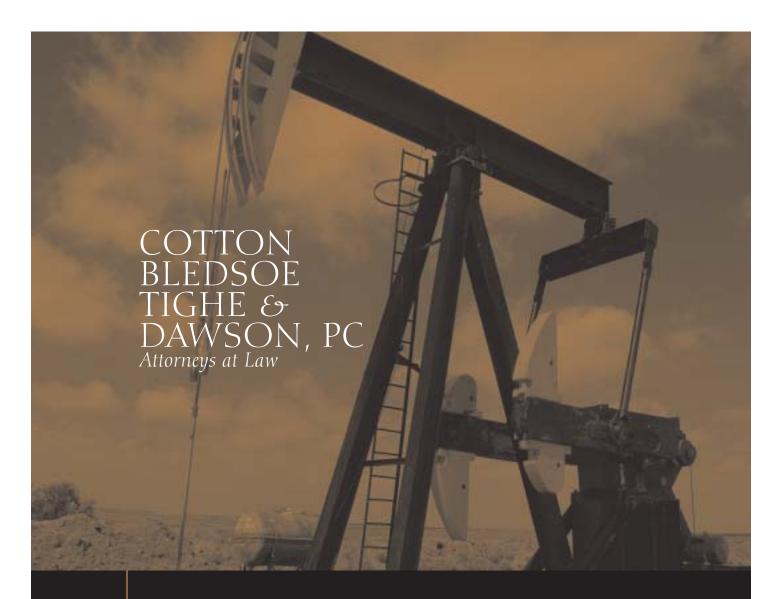




MEETING THE FINANCIAL NEEDS OF TODAY'S OIL AND GAS INDEPENDENTS

FIVE STATES ENERGY CAPITAL, LLC FIVE STATES ENERGY COMPANY, LLC

4925 Greenville Avenue. Suite 1220 Dallas, Texas 75206 (214) 363-3008 (214) 363-5734 fax



# Legal Services to the Oil & Gas Industry

Serving Clients Throughout Texas and New Mexico

- Acquisitions/Divestitures
- Title Examination
- Complex Oil & Gas Litigation
- Private & Public Offerings
- Oil and Gas Contracts
- Commercial Litigation

- Labor & Employment
- Wealth Preservation
- Oil Field & Pipeline Accidents
- Business Entity Formation
- Access & Right-of-Way
- Energy Lending

(432) 684-5782 • (800) 725-7009 www.cottonbledsoe.com

#### 2007 SIPES CONVENTION AT A GLANCE . . .

#### MONDAY June 18

8:30 a.m.-5:00 p.m. Registration

8:00-9:45 a.m. SIPES Foundation BOD Meeting & Continental Breakfast

10:00 a.m.-2:00 p.m. SIPES BOD Meeting

10:00 a.m.-12:00 noon Chapter Chairmen's Meeting

10:00 a.m.-12 noon SIPES Presidents' Council Meeting

12:00 noon-1:00 p.m. Lunch for Board of Directors, Chapter Chairmen, & Past Presidents

1:30-5:00 p.m. Hospitality Suite Open

2:00-5:30 p.m. Steinbeck Country Tour

2:30-5:00 p.m.
SIPES Foundation
Seminar — "The
Dynamics of Oil and
Gas - Yesterday,
Today and Tomorrow"

6:00-8:00 p.m. Icebreaker

On the cover: Coastal photos courtesy of the Monterey County Convention and Visitors Bureau.

#### TUESDAY June 19

8:30 a.m.-4:30 p.m. Registration

8:30-11:45 a.m. Technical Sessions

9:00 a.m.-4:30 p.m. Hospitality Suite Open

12:00 noon-1:15 p.m. All-Convention Luncheon, Speaker & Annual Business Meeting

1:00-3:00 p.m. Carmel and the Artists: A Walking Tour

1:30-4:30 p.m. Technical Sessions

6:30-9:00 p.m. SIPES Awards Banquet

#### WEDNESDAY June 20

8:30 a.m.-12:00 noon Registration

8:30 a.m.-12:00 noon Technical Sessions

9:00 a.m.-4:30 p.m. Hospitality Suite Open

12:00-5:00 p.m. Field Trip to Point Lobos

6:30-9:30 p.m. Cornerstone Group Reception (by invitation only)

# THURSDAY June 21

9:00 a.m.-2:00 p.m. Post-Convention Field Trip to San Andreas Fault/San Juan Bautista Mission



CERTIFIED PROFESSIONAL GEOLOGIST Cert. No. 3874

**SIPES NO. 2329** 

#### ROBERT J. BELL, Ph.D.

CONSULTING GEOLOGIST

3910 Shady Terrace Drive Kingwood, Texas 77345-1184 (281) 360-9349 Cell (713) 823-3558 rjbellmail@aol.com



### SIPES 2007 CONVENTION PLATINUM SPONSORS

#### **HALLIBURTON**

#### **Larry Mitschke**

Sales Manager Corpus Christi/San Antonio

555 N. Carancahua, Suite 775, Tower II
Corpus Christi, TX 78478

Office: 361.903.1256 Fax: 361.883.9359 Mobile: 361.813.1192

e-mail: larry.mitschke@halliburton.com

# In Good Company







Discover more about Pioneer at www.pxd.com

#### WELCOME TO MONTEREY

On behalf of SIPES Members in the Corpus Christi Chapter, and the SIPES National
Board of Directors, we welcome you to "On the Waterfront" in Monterey, California for the 44<sup>th</sup>
SIPES Annual Meeting. It would be hard to find a meeting location with more to offer you than this one. No
matter what your interests are, you will find something to attract you in this beautiful and historic area. There
are numerous outdoor activities, including walking, birding, and marine tours. The world-famous Monterey
Aquarium is three blocks away from our headquarters hotel; and the area offers plenty of shopping opportunities, including art galleries and antique shops. There are also early California missions and numerous wineries
nearby, along with more than twenty golf courses!

On Monday afternoon, don't miss this opportunity to hear George Littell and Russell Wright with the firm of Groppe, Long and Littell in Houston, Texas present the SIPES Foundation Seminar entitled "The Dynamics of Oil & Gas - Yesterday, Today and Tomorrow." You will hear information on supply and demand, price volatility, the peak oil issue, and more.

The Convention Icebreaker will be held on Monday night in the beautiful Monterey Plaza Hotel. This is a great opportunity to see friends and colleagues from all parts of the country. Tuesday's All-Convention Luncheon will feature Hal Bopp, Supervisor, Department of Oil, Gas and Geothermal Resources, as the keynote speaker. His topic will be "California and the Independent." The SIPES Awards Banquet has been moved to Tuesday evening. In addition to a delicious dinner, award presentations, and drawing of winning raffle and door-prize tickets, you can rock to the music of Andrea's Fault before and after these events.

Our 2007 Technical Program is as varied as our industry. We have included presentations on legal and business topics of interest to independents, as well as exploration stories. Two outstanding field trips are also being offered during the meeting that will allow you to view the area geology with local experts, and also participate in the historical and scenic offerings of the area. Other stops of interest to spouses will be included during both tours, and everyone is encouraged to attend. Several optional spouse tours have also been planned for Monday, Tuesday and Wednesday. Please check with the registration desk.

Our Chapter Convention Committee listed below, welcomes you to this exciting meeting in beautiful Monterey, and we extend our thanks to you and all of our meeting sponsors for your support, and attendance. If you want to add additional activities, space may still be available on some of the tours.

Brian Calhoun - Chairman Bernie Brauer Ed Riddle Eldon West Jack Sulik Robert Owen

#### CORPUS CHRISTI CHAPTER OFFICERS

Chairman	. Duncan Chisholm
Vice Chairman	Eldon West
Secretary/Treasurer	Ed Riddle



### SIPES 44th Annual Meeting and 2007 Convention

4925 Greenville Avenue, Suite 1106, Dallas, Texas 75206 Telephone 214.363.1780 ● Fax 214.363.8195 sipes@sipes.org

#### 2007 SIPES ANNUAL MEETING GOLD SPONSORS

Oil & Gas Operations Kansas and Oklahoma Exploration Production

#### M & M EXPLORATION, INC.

MICHAEL N. AUSTIN President

(303) 438-1991 Fax (303) 466-6227 Cell (303) 887-5535 60 Garden Center, Suite 102 Broomfield, CO 80020 Email: austinoil@aol.com





PH. (432) 687-3033 FAX (432) 687-3032 MOBILE (432) 528-4215 223 WEST WALL AVENUE, SUITE 707 MIDLAND, TEXAS 79701 deyler@milagro-res.com



GEORGE S. JOHNSON President

#### SUNSHINE EXPLORATION COMPANY

5402 Meadowgreen P.O. Box 15165 Bus. (806) 356-8028 FAX (806) 356-8117 Cell (806) 674-4119

AMARILLO, TX 79105 E-Mail sunshineex@suddenlinkmail.com



MICHAEL ANTHONY POLLOK, PRES.

PETROLEUM GEOLOGIST

P.O. BOX 106 PURCELL, OKLAHOMA 73030

E-MAIL: mapexpl@aol.com

OFFICE 405/527-6038 HOME 405/527-5200 MOBILE 405/823-4493 FAX 405/527-7629

## TABLE OF CONTENTS



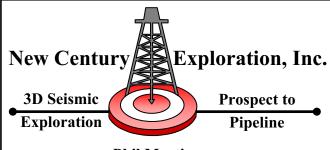
Corpus Christi Chapter Officers	3
SIPES Chapter Chairmen	7
SIPES 2006-07 Board of Directors	7
Convention Schedule	10
Convention Activities - Registered Events	
SIPES Foundation Seminar	
Technical Program	
SIPES Convention Tours	19
Monterey Area Activities	19
SIPES Awards Banquet	21
SIPES 2007-08 Cornerstone Group.	22
SIPES Convention Field Trips	23
SIPES Foundation Donor Awards.	24
SIPES 2007-08 Board of Directors	25
Advertiser Listing.	27
Area Map	28
Golfing Information	29
Speaker Abstracts and Biographies	30

#### SIPES 2007 CONVENTION SILVER SPONSORS

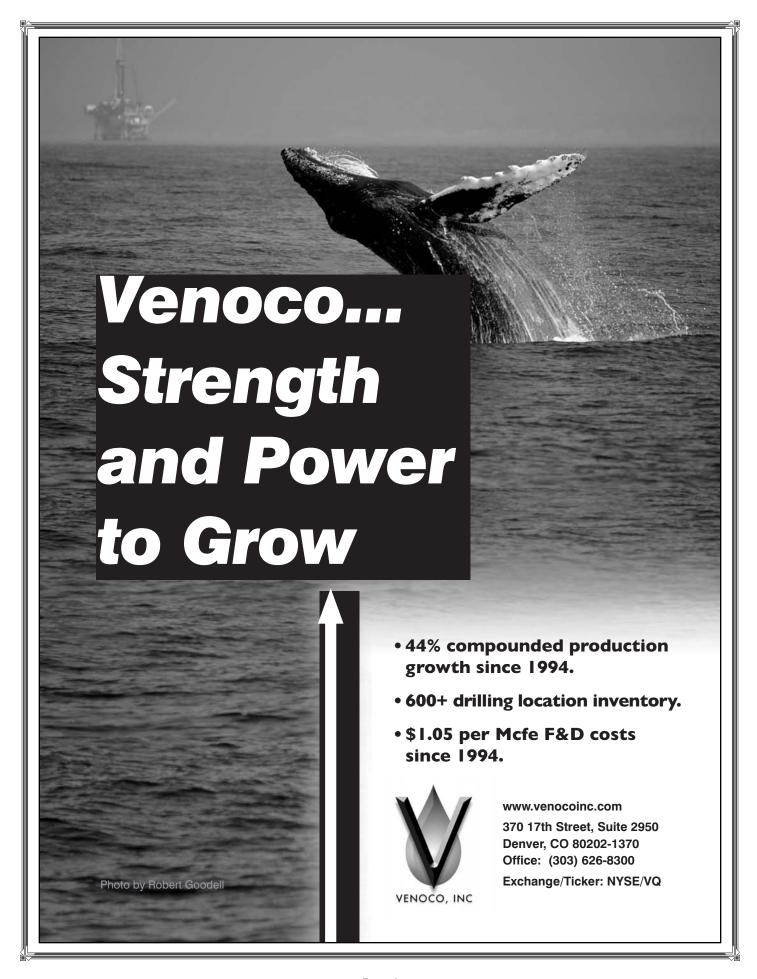


4265 San Felipe, Suite 550 Houston, TX 77027 (713) 840-1446 Office (713) 840-1452 Fax 520 Starr Street Corpus Christi, TX 78401 (361) 888-8288 (361) 888-4617

Randolph Acock, P.E. President www.aeaicc.com



Phil Martin 281 664-7000 – www.newcenturyexp.com



## SIPES CHAPTER CHAIRMEN

Jon Selby	Austin
Duncan Chisholm	Corpus Christi
Ed Gonzales	Dallas
Bill Miller	Denver
James Robertson	Fort Worth
Pat Shannon	Houston
Ellis Guilbeau	Lafayette
Robin Vasicek	Midland
Ken Huffman	New Orleans
Randy von Netzer	Oklahoma City
Donna Balin	San Antonio

## SIPES 2006-07 BOARD OF DIRECTORS

#### **OFFICERS**

President	Michael N. Austin	
Vice-President	George S. Johnson	
Vice-President of National Energy	E. Bernard Brauer	
Secretary	Clifford A. Walker	
Treasurer	H. Jack Naumann, Jr.	
DIRECTORS		
Raymond N. Blackhall	Houston, TX	
Paul W. Britt	Houston, TX	
Lanny O. Butner	Wichita, KS	
Michael G. Cruson	Denver, CO	
David A. Eyler	Midland, TX	
Joseph M. Finger, Jr.	San Antonio, TX	
William R. Finley	Lafayette, LA	
J. Don Haynes	Austin, TX	
Woodruff G. Leel, Jr.	Dallas, TX	
Lee M. Petersen	Fort Worth, TX	
Jeanne S.F. Phelps	New Orleans, LA	
Thomas J. Smith	Oklahoma City, OK	



Providing your Multi-disciplinary Asset Teams with the power to

# **Integrate**

# **LithSeis**®

- Lithology
- Fluids
- Depositional Facies

# **DrilSeis**®

- Pore Pressure from Velocity & Q
- Well planning consultation

www.e-seis.com 281-531-1447

#### GENTRY CONSULTING

Thomas E. Gentry, P.E. Licensed Petroleum Engineer

P.O. Box 50388 Midland, Texas 79710-0388 Pager: (432) 561-2071 e-mail: tgentry@mmbo.com 511 W. Missouri, Suite 120 Midland, Texas 79701 Office Phone: (432) 683-6655 Home Phone: (432) 694-0757

# HYDROCARBON OPERATING, INC. HYDROCARBON HORIZONS, INC.

600 Leopard St., Ste. 1724 Corpus Christi, TX 78473

Brian S. Calhoun Mobil 361/877-7557

Business 361/887-6655 Fax 361/887-6341

Mobil 361/877-7557 Fax BCalhoun HOI@sbcglobal.net

STEWART CHUBER, Ph.D. Geological Engineer President

#### FAYETTE EXPLORATION COMPANY MASCOT OIL COMPANY TEXAS LAVACA, INC.

Oil & Gas Exploration and Production

P.O. DRAWER J SCHULENBURG, TEXAS 78956 (979) 561-8700 FAX: (979) 561-8710 Email: fayexplo@cvtv.net



Arlen L. Edgar
OIL & GAS PROPERTIES

#### Gomez Remainder Trust

SUITE 208 414 W. TEXAS MIDLAND, TEXAS 79701 AREA CODE 432 TEL: 683-5303 FAX: 683-8507

Joe M. Finger Geologist

PO Box 543 Castroville, TX 78009 Phone/Fax 830-931-0550 Cell 210-710-1133 Geddie Oil Co., Partnership
Geddie Oil Co., Inc. / South Texas Royalty Co.

#### THURMAN GEDDIE

Letroleum Geologist

5524 Bee Cave Rd. #K3 P.O. Box 162663 Austin, Texas 78716 Off: 512 327-4735 Fax: 512 327-8531 Home: 512 328-1191

**BILL KALIL** 



INDEPENDENT
PETROLEUM GEOLOGIST

P.O. BOX 1781 MIDLAND, TEXAS 79702 billkalil@juno.com

PHONE (432) 683-0990 FAX (432) 683-0992 CELL (432) 967-0056 TRRC Expert Witness

W.N. (Mac) McKinney, Jr.

Certified Petroleum Geologist
AAPG CERT # 2586
AIPG CERT # 6275
SIPES # 2651

3130 W. Benders Landing Blvd. Phone/Fax (281) 353-0661 Spring, TX 77386 wmckinney@houston.rr.com

# CONVENTION SCHEDULE



## Monday, June 18

8:30 a.m 5:00 p.m.	Registration	Cypress Ballroom Foyer
8:00-9:45 a.m.	SIPES Foundation BOD Meeting & Continental Breakfast	Big Sur
10:00 a.m 2:00 p.m.	SIPES BOD Meeting	Big Sur
10:00 a.m 12:00 noon	Chapter Chairmen's Meeting	Robert Louis Stevenson 1
10:00 a.m 12:00 noon	SIPES Presidents' Council Meeting	Robert Louis Stevenson 2
12:00 noon - 1:00 p.m.	Lunch for Board of Directors, Chapter Chairmen, & Past Presidents	Lower Terrace
1:30-5:00 p.m.	Hospitality Suite Open	
2:00-5:30 p.m.	Steinbeck Country Tour	
2:30-5:00 p.m.	SIPES Foundation Seminar	Robert Louis Stevenson
6:00-8:00 p.m.	Icebreaker	Upper Plaza

## Tuesday, June 19

8:30 a.m 4:30 p.m.	Registration	Steinbeck Foyer
8:30-11:45 a.m.	Technical Sessions	Carmel
9:00 a.m 4:30 p.m.	Hospitality Suite Open	
12:00 noon - 1:15 p.m.	All Convention Luncheon, Speaker & Business Meeting	Monterey Bay
1:00 - 3:00 p.m.	Carmel and the Artists Tour	
1:30-4:30 p.m.	Technical Sessions	Carmel
6:30-9:00 p.m.	SIPES Awards Banquet	Carmel

#### Wednesday, June 20



8:30 a.m. - 12:00 noon Registration Steinbeck Foyer

8:30 a.m. - 12:00 noon Technical Sessions Point Lobos

9:00 a.m. - 4:30 p.m. Hospitality Suite Open

12:00 - 5:00 p.m. Field Trip to Point Lobos

6:30-9:30 p.m. Cornerstone Group Reception

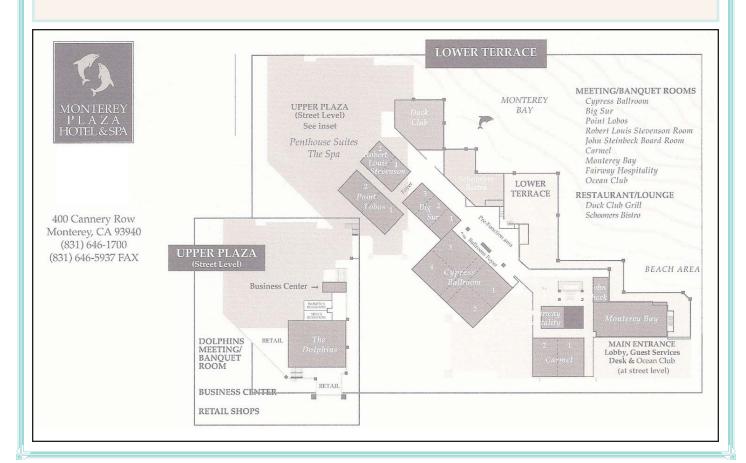
(by invitation)

#### Thursday, June 21

9:00 a.m. - 2:00 p.m. Post-Convention Field Trip to

San Andreas Fault/San Juan Bautista Mission

#### 2007 CONVENTION MEETING ROOM LOCATIONS







**Geological Mapping Services** Base Maps and Production Maps **Geological Data Centers Executive Reference Maps Scanned Well Logs** 

Plano, Texas Houston, Texas Dallas, Texas Midland, Texas (972) 578-0571 (713)520-8989 (214)363-1078 (432)682-3787

> **TOLL FREE 1-800-527-2626** www.geomap.com

Victor P. Smith Oil Company, L.L.C



Jackson, Mississippi

Active in Mississippi, Louisiana, and Texas Check out our new website: www.smithprodms.com



#### Phelps Geoscience

South Louisiana and Mississippi Geology and Geophysics

327 Florida Blvd New Orleans, LA 70124 Phone and Fax: 504/488-1732

Jeanne S.F. Phelps 504/931-5651 Email: jsfphelps@yahoo.com SIPES # 2509

Dave Phelps 504/237-4039

Email: dpgeostat4u@aol.com

SIPES # 2957



#### SHANNON EXPLORATION

Remote Sensor Interpretation, Processing, and CAD

Patrick J. Shannon

9800 Richmond Ave., Suite 352 Houston, Texas 77042 Tel: (713) 785-2599 Email: shannonexplor@msn.com

#### Nomad Geosciences

Al Taylor - President & Chief Scientist www.NomadGeosciences.com 11429 Purple Beech Drive

Reston, VA 20191-1325

Prospect Generation, Exploration and Development, Acreage Evaluation, Reservoir Characterization and Consulting

Cellular: 703-489-8787 Voice/Fax: 703-390-1147 Email:Al@NomadGeosciences.com or NomadGeo@aol.com

Certified Petroleum Geologist # 5783

Registered Professional Geologist: # 1002 (AR)

SIPES # 2946 # 3581(TN)



### Breaux Engineering Inc

SID BREAUX, PE President

120 Rue Beauregard, Suite 130 Lafayette, Louisiana 70508 sbreaux@breauxengr.com

337/235-7064 Office 337/280-3077 Cell 337/232-7689 Fax Home 337/984-3822

# CONVENTION ACTIVITIES Registered Events



#### **Entrance to Meeting Events**

Entrance to all meeting events will be by convention name badge. You may be able to purchase extra tickets for various convention activities at the registration desk. Tickets will be required for all spouse tours, the awards banquet, field trip, and post-convention trip.

#### Icebreaker

Monday, June 18 6:00-8:00 p.m.

Meet with friends and colleagues while enjoying outstanding hors d'oeuvres and drinks at the 2007 Convention Icebreaker. Each registrant will receive two complimentary drink tickets. A cash bar will also be available.

#### **Hospitality Room**

Monday, June 18, 1:30-5:00 p.m. Tuesday, June 19, 9:00 a.m. - 4:30 p.m. Wednesday, June 20, 9:00 a.m. - 4:30 p.m.

Welcome to Monterey! Here you will find snacks and beverages, along with general information for activities for registered members and spouses/guests. A special gift is available for registered spouses.

# All-Convention Luncheon & Annual Business Meeting

Tuesday, June 19 12:00-1:15 p.m.

Hal Bopp, supervisor of the Division of Oil, Gas, and Geothermal Resources at the California Department of Conservation, will be our featured speaker. His talk is entitled "The California Oil and Gas Industry and the Independent."

California has a long history of oil and gas production, and the independent operator has always been a part of that. Today, as the industry faces the task of meeting our energy demands and protecting the environment, the independent producer continues to play a key role. What are the challenges that will confront all of us in the future? What will our role be? These issues will be explored.

This event is included in the registration fee for members and non-members, but not for spouses or guests. You may purchase additional lunch tickets for your spouse or guest at the registration desk.

#### **MUSTANG ENERGY L.C.**

**Scott Wainwright** 

3340 Severn Avenue Suite 220 Metairie, LA 70002 Bus. (504) 889-2700 FAX (504) 889-2708 e-mail scott\_wainwright@hotmail.com

Cliff Walker Geology Frank McColloch Land

#### BMNW Resources, L.L.C.

4925 Greenville Ave. Suite #841

Dallas, Texas 75206

Office (214) 368-5038 Fax (214) 368-5996

# OPTIMISTIC OIL COMPANY

Frank W. Harrison, Jr.

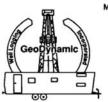
President

200 Audubon Blvd. 1415 Louisiana P.O. Box 51943 Suite 2150

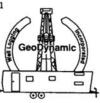
Lafayette, LA 70505 Houston, TX 77002 Phone (337) 232-4031 Phone (713) 650-8008 Fax (337) 235-5333 Fax (713) 650-8305

E-mail: f.harrison.jr@worldnet.att.net

#### GeoDynamic Well Logging, Inc.



RT. 1 BOX 185 MAY, OKLAHOMA 73851 (580) 689-2272 (580) 921-5258



DAVID HICKMAN

RALPH PITTMAN



GEOCHEM DATA, INC.

James H. Henderson President

214-341-5771 C - 214-542-0636 P.O. Box 38548

Dollos, TX 75238-0548

jhenderson1461@sbcglobal.net



#### SIPES FOUNDATION SEMINAR



Monday, June 18

2:30 to 5:00 p.m.

Robert Louis Stevenson Room

Cost: Members: \$75 Spouses: \$25

Non-Members: \$150

# The Dynamics of Oil and Gas — Yesterday, Today and Tomorrow

by George Littell and Russell Wright of Groppe, Long, and Littell

Mr. Littell and Mr. Wright will give a comprehensive and informative review of the dynamics of oil and gas. Supply and demand; the relation and impact of price volatility on supply and demand, the impact and implications of the global energy industry on the domestic energy, the peak oil issue, and the changing geopolitical world of energy will be discussed. The seminar is planned to have time for audience interaction.



George S. Littell joined the firm in 1975 after nine years of service with Mobil Oil Corporation during which he held various positions in the natural gas, refining, supply and distribution, and gas liquids departments of the company.

He graduated summa cum laude from Yale and is a member of Phi Beta Kappa. He also holds degrees from New York University (M.B.A.) and LaSalle Extension University (L.L.B.). He received a Bronze Star for his service as an officer in the U.S. Army, Vietnam in 1968-1969.

Mr. Littell is a director of the Sam Houston Area Council, Boy Scouts of America. He has served as president of the Yale Club of Houston and is currently its treasurer. He has been a trustee of the Awty International School and president of the Hale Foundation, Inc. He is an Eagle Scout and has served as a Scout leader since 1982.

Russell Wright is a partner of Groppe, Long & Littell. Before joining the firm, he worked thirty years in oil and gas publishing, most recently as publisher of *World Oil* magazine. He holds a B.S. in petroleum engineering from Texas A&M University, and began his career with Amoco Production Company, where he worked in offshore platform installation, drilling, production, reservoir engineering and economic evaluations.

Mr. Wright is a 25-year member of the Society of Petroleum Engineers; the Houston Engineering & Scientific Society (serving as vice president-treasurer and board member); Houston chapter of the International Association of Drilling Contractors; and NOMADS (formerly Houston chapter president and chairman-National Board of Regents). He became a registered professional engineer in Texas in 1974.

# MAP

MINERAL
ACQUISITION
PARTNERS, INC.

Lawrence H. Davis Vice President - Acquisitions

NATURAL GAS
ROYALTY PARTNERSHIPS

101 N. Robinson, Suite 1000 Oklahoma City OK 73102 (405) 516-7600 (405) 235-7644 fax (405) 590-8471 cell

email: ldavis@maproyalty.com www.maproyalty.com



#### NAUMANN OIL AND GAS, INC.

"Oil and Gas Exploration and Production"

# H. Jack Naumann, Jr.

President

P.O. Box 10159 Midland, TX 79702 E-mail: naumann1956@sbcglobal.net

> Off.: 432-683-5051 Fax: 432-682-6818 Mobile: 432-638-5050



#### TECHNICAL PROGRAM



#### Tuesday, June 19

8:30-11:45 a.m.

Welcome & Introduction

Brian Calhoun, #1586

The Curious Case of Seagull vs. Eland

David Lauritzen —

Cotton, Bledsoe, Tighe & Dawson

Hostetter, Wishbone and Spaulding Fields, McCullen County, Texas: New Gas Production in a Mature Area, found with "Second Hand" Proprietary 3-D Seismic

Bruce Gates — U.S. Enercorp, Ltd.

Complex Structures and Selected Producing Fields of the Criner Hills Uplift — Ardmore Basin — Arbuckle Mountains Region, South Central Oklahoma

Dave Read, #3070 — Independent Consultant

1:30-4:30 p.m.

Tax Deferred Exchanges for Oil & Gas Properties

William Bennett

The Tonkawa Sandstone in Woods and Alfalfa Counties in Oklahoma; and Barber and Harper Counties in Kansas. An Unusual Regional Perspective on Trap Parameters

Mike Pollok, #2512 — MAP Exploration, Inc.

Trends in the Upstream Capital Marketplace Scott Lamoreaux — DZ Bank

The Application of 2D and 3D Seismic Data in the Exploration for Cherokee Channels - Tombstone Gap Field, Ness County, Kansas

William Miller, #2736 — Miller Consulting Services

#### Wednesday, June 20

8:30 a.m. - 12:00 noon

Peering through the near term price volatility . . . how long will this energy cycle last?

David Pursell — Pickering Energy Partners

**MEOR Improves Recovery** 

Brian Marcotte — Titan Oil Recovery

3-D Seismic Prospecting on the Gulf Coast

Phil Martin, #2390 —

New Century Exploration, Inc.

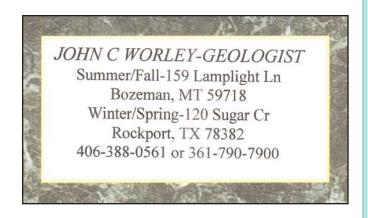
Oil and Gas Operations in Environmentally Sensitive Areas Can be a Success

Ed O'Donnell — Venoco, Inc.

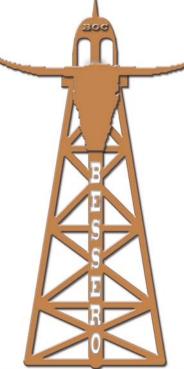
Exploration and Reservoir Implications of Paleogene Submarine Canyon Fill — Point Lobos State Reserve, California

Edward Clifton — Geologist

Speakers and schedule are subject to change



# Bessero Oil Company



Field Supervision
Consulting
Property Acquisition

Drilling Completion Production

### Robin Vasicek (PEN)

(432) 684-4455 (432) 684-4432

offfice office fax

(432) 634-4455

cell

bessero@sbcglobal.net

203 W. Wall St. Suite 800 Midland, Tx 79701 Mail: P.O. BOX 10948 Midland, TX 79702-0948



# AMERICAN SHORELINE, INC.

1250 FROST BANK PLAZA CORPUS CHRISTI, TEXAS 78470 (361) 888-4496

http://www.amshore.com

PAUL STRUNK PRESIDENT PATRICK NYE VP EXPLORATION SARA POTTER MILLER GEOLOGIST

JENA NELSON ADMIN & FINANCES SYLVIA MILLS
PRODUCTION ANALYST

LARRY SCHEXNAYDER GEOLOGIST

#### SIPES CONVENTION TOURS



Monday, June 18

STEINBECK COUNTRY 2:00-5:30 p.m.

Cost: \$90.00 per person



Experience the spectacular
Monterey Peninsula and nearby
Carmel and Salinas Valleys
through the eyes of John Steinbeck.
Meet this famous Nobel and
Pulitzer Prize-winning author
through biographical sketches and
anecdotal information as we visit
several locations mentioned in his

novels. In addition to our tour we will visit the National Steinbeck Center in Salinas, the town of his birth.

Tour price includes transportation, tour fee, professional guide, and gratuities.

Tuesday, June 19

CARMEL AND THE ARTISTS: A WALKING TOUR 1:00-3:00 p.m.

Cost: \$60.00 per person



Experience the inspirational works of many fine classical and contemporary artists during this guided tour of Carmel's exclusive art galleries. Our guide selects three diverse galleries and artists that will privately display their work for our group, discussing their medium and history of Carmel as a world renowned "Artist's Colony." You can stay in Carmel, if you like, until 5:00 p.m. or return to the hotel following this tour.

Tour price includes transportation, tour fee, professional guide, and gratuities.

Terms: There will be no tour refunds. All tours are non-transferable. Only a limited number of tour reservations are still available. Please check with the registration desk.

In the event a tour is cancelled, SIPES will issue you a refund.

#### MONTEREY AREA ACTIVITIES

By car, bike, boat, bus or by foot, the Monterey Area is among the nation's most scenic areas, with grand cliffs, crashing surf, delicate dunes, or farmlands. All of the activities outlined below are available near the Monterey Plaza Hotel.

Golf — Pick from 19 nearby courses - See Page 29

Art Galleries & Antique Shops — Located in Monterey & Carmel

Monterey Bay Aquarium — Just 3 blocks from the headquarters hotel

17 Mile Drive — Lots of stopping places for photos

Spas — Monterey Plaza Spa located in the headquarters hotel

Carmel-by-the-Sea — Visit galleries, boutiques, spas and restaurants

Hiking & Biking — Enjoy the 18 mile Monterey Recreation Trail or one of the numerous area hiking trails

Wine Country Tours — Wind through canyons and pastures to local vineyards

Whale Watching — View whales, otters and dolphins up close

Ocean Kayaking — Enjoy the protected marine sanctuary of Monterey Bay



Monterey Bay Aquarium

#### A. T. (TOBY) CARLETON GEOLOGIST/RANCHER

414 W. Texas, Ste 308 Reply to P. O. Box 293 Midland, TX 79702 Phone (432) 685-1209 Fax (432) 685-1229

#### DONALD C. GIFFORD

PRESIDENT
GIFFORD PETROLEUM COMPANY
DALLAS, TEXAS 75206

4625 GREENVILLE AVENUE SUITE 204 PHONE 214-369-8494

#### E. Bernard Brauer P.E.

Petroleum Evaluation Engineer

P.O. Box 270310 Ph. (361) 994-7222 Corpus Christi, TX 78427-0310 Fx. (361) 994-7374 ebbrauer@prodigy.net

# GEORGE N. MAY & ASSOCIATES

Consulting Geologists and Paleontologists

#### WILLIAM S. GRUBB

201 HEYMANN BLVD. P. O. BOX 51858 LAFAYETTE, LA 70505

OFFICE (337) 234-3379 FAX (337) 234-3389 HOME (337) 235-1923



#### SIPES AWARDS BANQUET

Tuesday, June 19 6:30-9:00 p.m.

Cost: \$75.00 per person

Rock to the music of Andrea's Fault while you enjoy drinks and dinner. Evening highlights will include award presentations, selection of winning tickets for the SIPES Foundation *No Hassle* 



Andrea's Fault

Raffle, and raffles of special surprise items. Attendees and guests will also honor two members for their dedication and service to the Society.

A. T. Green, #689, of Metairie, Louisiana, will receive SIPES Honorary Membership, the Society's highest award. During the forty-four year history of SIPES, it has been presented on only nineteen previous occasions.



Deborah K. Sacrey, #1271, of Houston, Texas, will receive the SIPES Outstanding Service Award to recognize her many contributions to SIPES.



This event is sponsored by:

M&M Exploration MAP Exploration, Inc. Milagro Resources

1390 Main Street Post Office Box 81 Montara CA 94037-0081 650.728.3373 Facsimile and E-mail: by request

## VICTOR H. ABADIE III

CONSULTING GEOLOGIST

Certified Petroleum Geologist, AAPG, No. 3936
Society of Independent Professional Earth Scientists, No. 2085
California Registered Geologist, Lic. No. 4040
Texas Registered Geologist, Lic. No. 1843

#### 2007-2008 SIPES CORNERSTONE GROUP

Many thanks to the members listed below for their continuing support of our society



#### A Promotor - \$2500

Charles Weiner — Houston, TX

Noil Finder – \$1000

Michael N. Austin — Broomfield, CO Robert B. Ferguson — Lake Forest, CA Lucius C. Geer — Houston, TX Scott G. Heape — Addison, TX Alan K. Jasper — Tyler, TX George S. Johnson — Amarillo, TX John E. Scherer — Midland, TX

↑ Driller - \$600

Wilbur C. Bradley — Wichita, KS William C. Burkett — Midland, TX Marshall C. Crouch III — Denver, CO Arlen L. Edgar — Midland, TX Earl E. Gaertner — Durango, CO Donald C. Gifford — Dallas, TX Patrick J. F. Gratton — Dallas, TX A. T. Green, Jr. — Metairie, LA Robert D. Gunn — Wichita Falls, TX Frank W. Harrison, Jr. — Lafayette, LA Kenneth J. Huffman — Mandeville, LA Robert H. Marshall — Midland, TX Lloyd K. Parrish, Jr. — Wichita, KS A. Scott Ritchie — Wichita, KS Paul M. Strunk — Corpus Christi, TX Gene Van Dyke — Houston, TX Clifford A. Walker — Dallas, TX

A Prospector - \$300

Victor H. Abadie III — Montara, CA Avinash C. Ahuja — Corpus Christi, TX Rajan Ahuja — Corpus Christi, TX Thornton É. Anderson — Wichita, KS James K. Applegate — Denver, CO James B. Bennett — Houston, TX Raymond N. Blackhall — Spring, TX Paul W. Britt — Sugar Land, TX
Warren W. Brooks — Grass Valley, CA
Johnnie B. Brown — Midland, TX Leonard E. Bryans — Dallas, TX Arthur N. Budge — Dallas, TX Lanny O. Butner — Wichita, KS Brian S. Calhoun — Corpus Christi, TX A. T. Carleton, Jr. — Midland, TX A. I. Carleton, Jr. — Midland, IX Stewart Chuber — Schulenburg, TX James S. Classen — Boise, ID Rex D. Coppedge — Fairview, TX Robert D. Cowdery — Wichita, KS Michael G. Cruson — Golden, CO Edward K. David — Roswell, NM Lawrence H. Davis — Oklahoma City, OK Marlan W. Downey — Dallas, TX Douglas A. Draves — San Antonio, TX Duncan D. Dubroff — Houston, TX Ralph C. Duchin — Tucson, AZ James P. Evans III — Franklin, LA David A. Eyler — Midland, TX Paul R. Fenemore — Irving, TX William R. Finley — Lafayette, LA Thomas E. Gentry — Midland, TX William T. Goff III — Littleton, CO Mark E. Gregg — Houston, TX David G. Griffin — Midland, TX Chuck H. Hadley — Houston, TX Edward W. Heath — Durango, CO

Donald R. Hembre — Littleton, CO James H. Henderson — Dallas, TX
Terry L. Hollrah — Oklahoma City, OK
Leonard E. Jordan — Shreveport, LA
Ralph O. Kehle — Durango, CO
Robert C. Leibrock — Midland, TX
Peter MacKenzie — Worthington, OH
Marcus D. Maddox — Midland, TX Roger L. Martin — Wichita, KS
J. Phil Martin, Jr. — Houston, TX
Christophe G. Mazzini — Dallas, TX
Douglas H. McGinness II — Wichita, KS Patrick H. McKinney — Houston, TX Patrick H. McKinney — Houston, TX
Wilbur E. McMurtry — Oklahoma City, OK
Gerard J. Medina — Norman, OK
Marvin A. Munchrath — Lafayette, LA
Robert G. Murphy — Mandeville, LA
H. Jack Naumann, Jr. — Midland, TX
Mark E. O'Koren — The Woodlands, TX
Fred L. Oliver — Dallas, TX Robert B. Owen — Durango, CO Arthur J. Pansze, Jr. — Arvada, CO M. Davis Payne — Midland, TX Hugh C. Pendery — Dallas, TX
Lee M. Petersen — Weatherford, TX
Jeanne S. F. Phelps — New Orleans, LA
Michael A. Pollok — Purcell, OK
Harry Ptasynski — Casper, WY
John M. Rakowski — Florissant, CO
Julius M. Ridgway — Jackson, MS
Debort K. Sarger — Harston TY Deborah K. Sacrey — Houston, TX Charles D. Schmidt — Valley Center, KS C. Randall Schott — Houston, TX Jonathan B. Selby — Austin, TX George D. Severson — New Orleans, LA Robert C. Shoup — Houston, TX Daniel L Smith — Houston, TX
Joe H Smith — San Antonio, TX
William M. Smith — Oklahoma City, OK
John F. Sulik — Corpus Christi, TX Earl R. Swett — Galveston, TX C. Al Taylor, Jr. — Reston, VA William D. Trumbly — Norman, OK C. G. Tyner — Houston, TX Michael R. Vasicek — Midland, TX G. Clint Wainwright, Jr. — Houston, TX Scott A. Wainwright — Metairie, LA H. Vaughan Watkins, Jr. — Madison, MS Jerry W. Watkins — Dallas, TX Larry R. Wollschlager — Midland, TX Robert M. Wynne, Jr. — Midland, TX James M. Zotkiewicz — Metairie, LA A Investor - \$100

John T. Abney — Tulsa, OK
Donald I. Andrews — Metairie, LA
Michael P. Arden — Navasota, TX
William C. Bahlburg — Plano, TX
David K. Becker — Corpus Christi, TX
Louis C. Bortz — Denver, CO
Foy W. Boyd, Jr. — Midland, TX
Palarit A. Cockey, Picharden TY Robert A. Cooksey — Richardson, TX Ralph J. Daigle — Houston, TX Ross M. Davis — Houston, TX Robert D. Dougherty — Great Bend, KS M. R. Douglass — Destrehan, LA Robert M. Grace — Midland, TX

Peter G. Gray — Lafayette, LA Paul E. Habermas — Houston, TX Andrew W. Hampf — Houston, TX Harold W. Hampi — Houston, TX
Harold W. Hanke — Oklahoma City, OK
Charles J. Hoke — El Dorado, AR
Owen R. Hopkins — Corpus Christi, TX
Wesley W. Lilley — Centennial, CO
Robert W. Luker — Corpus Christi, TX Jack P. Martin — Lafayette, LA Eric L. Michaelson — Midland, TX Robert J. Moffatt, Jr. — Shreveport, LA James F. O'Connell — Amarillo, TX Elwin M. Peacock — Houston, TX Paul C. Perret — New Orleans, LA Edward B. Picou, Jr. — New Orleans, LA David M. Pulling — Norman, OK John W. Raine III — Lafayette, LA Daniel M. Reynolds — Wichita, KS Stephen D. Reynolds — Denver, CO W. Mark Rush — Houston, TX Wayland C. Savre — Houston, TX Roy G. Sharrock — Dallas, TX Rudolf B. Siegert — Slidell, LA Nugori B. Siegert — Slidell, LA
John D. Sistrunk, Jr. — Dallas, TX
Stephen A. Sonnenberg — Golden, CO
Marion E. Spitler — Carrollton, TX
Lawrence W. Staub — Richardson, TX
Raymond W. Stephens, Jr. — Covington, LA
M. R. Stipp — Midland, TX
Charles I. Swize — Patticon TY M. K. Stipp — Midland, 1X Charles J. Swize — Pattison, TX John von Netzer — Oklahoma City, OK John V. Walter — Dallas, TX Roy C. Walther — New Orleans, LA Roger D. Wilkinson — Edmond, OK John C. Worley — Rockport, TX

A Scout - \$50

H. Sherman Anderson — Dallas, TX Norman K. Barker — Midland, TX Orville R. Berg — Shreveport, LA Richard C. Blackwell — Midland, TX E. Bernard Brauer — Corpus Christi, TX Herbert L. Brewer — Dallas, TX Anthony S. Carollo, Jr. — Metairie, LA Hardtner L. Coon — Houston, TX Hugh W. Curfman — Lafayette, LA Hugh W. Curfman — Lafayette, LA
Rebecca L. Dodge — Carrollton, GA
Bruce W. Fields — Corpus Christi, TX
William J. Furlong — New Orleans, LA
Monty J. Gist — Midland, TX
David R. Grogan — Woodbine, MD
John C. Grunau — Shreveport, LA
James M. Hancock, Jr. — Stafford, TX
Floyd E. Heard — Midland, TX
Lee Higgins — Dallas, TX
Charles R. Jones — Midland, TX
John E. Kimberly — Midland, TX
John D. Kullman — Midland, TX John D. Kullman — Midland, TX John D. Kullman — Midland, TX
Nina C. Lian — Houston, TX
Steven R. Lockwood — Austin, TX
Jeannie F. Mallick — Houston, TX
Michael S. Morris — Azle, TX
William D. Neville — The Woodlands, TX
Matthew J. Parsley — Midland, TX
Walter I. Phillips — Wichita, KS
Richard W. Thompson, Jr. — Plano, TX
Rosilee Winn — Santa Fe, NM

#### SIPES CONVENTION FIELD TRIPS





Wednesday, June 20 12:00 noon - 5:00 p.m. Cost: \$140.00 per person

#### POINT LOBOS

Without letting out the secrets of this area, you need to know that this will be one of the most exciting field trips you will ever take! Point Lobos is known for its beauty in a spectacular coastal spot on the Pacific Ocean. Here, exposed

is a classic deep water submarine turbidite deposit that has been studied extensively by major company geologists, reservoir engineers, as well as geoscientists worldwide. Analogs to this deep water "reservoir" called the Carmelo Formation of early Eocene - could be the Permian Brushy Canyon Formation in West Texas, or the Texas downdipYegua, or perhaps the latest Eocene discovery by Chevron in the Gulf of Mexico.

The trip is moderated for spouses and those who don't want as much walking. There will be something to do and see for everyone. Besides the classic sub-terrainium turbidite outcrop, we will have a chance to view sea otters, sea lions, harbor seals and maybe see humpback whales. The birding opportunities in this area are also major, so bring your binoculars! Attendees should wear shoes or boots suitable for walking, and bring a day-pack with a windbreaker, dark glasses, sun screen, and your camera or camcorder. Leave your hammers at home, as Point Lobos is a preserve where collecting rock samples, flowers, wood, etc. is not allowed. A box lunch will be included. The trip will continue down the coast on Highway 1 for more coastal geology and sightseeing at Big Sur. The trip leader will be H. Edward Clifton, retired Continental Oil Company geologist, renowned for his expertise in Western California geology.

Tour price includes transportation, tour fees, onsite coordinator, box lunch, and gratuities.

Thursday, June 21 9:00 a.m. - 2:00 p.m. Cost: \$100.00 per person

# SAN ANDREAS FAULT AND SAN JUAN BAUTISTA MISSION

From San Juan Bautista Mission north through San Francisco, the San Andreas Fault (SAF) is locked up with tension build-



ing! So much so, the west block of the SAF is literally uplifting beneath the San Juan Bautista Mission. Colliding into the San Juan Bautista area is the central part of the SAF from the south which is unlocked and free to creep along 1 to 2" per year to the northwest toward the Mission area. When will the northern SAF start moving again and release another major earthquake? You will have to attend this trip to find out! Displacements in roads, fences, curbs, and streams can be seen as well. You will want to take a tour of the Mission San Juan Bautista, a Franciscan Mission first built in 1798. On returning there will be a visit to a winery for wine tasting and box lunch.

Our leader for this trip will be Dr. Jerry Weber. He is a Lecturer-Emeritus in the earth sciences at the University of California at Santa Cruz. Dr. Weber has also worked as a consultant in engineering geology along Coastal California for thirty-five years. He has also worked in exploration for the oil industry.

Tour price includes transportation, onsite coordinator, wine tasting charges, box lunch, and gratuities.



# Cummins & Walker Oil Company, Inc.

600 Leopard Street, #1724 - Corpus Christi, TX 78473 P. O. Box 718 - Corpus Christi, TX 78403

Actively seeking acquisition properties and prospects for drilling in South Texas

For submittals please contact
Brian Calhoun

Phone: 361/882-2607 Fax: 361/882-2672

e-mail: BCalhoun\_hoi@sbcglobal.net

# SIPES Foundation Donor Awards

The SIPES Foundation is pleased to honor donors who, in 2006, have reached the following cumulative gift levels:

#### **EMERALD - \$2,500**

James B. Bennett

Herbert G. Davis

David A. Eyler

Robert C. Leibrock

#### GOLD - \$1,000

A. T. (Toby) Carleton, Jr.

Jack O. Colle

William T. Goff III

David G. Griffin

Stephen A. Sonnenberg

Clifford A. Walker

Robert W. Waring

#### **SILVER - \$500**

W. Chris Barnhill

E. Bernard Brauer

Bill D. Broughton

Robert T. Halpin

Jack P. Martin

H. Jack Naumann, Jr.

Ronald E. Neal

M. R. Stipp

Roy C. Walther

William P. Wilbert

James M. Zotkiewicz

## SIPES 2007-2008 BOARD OF DIRECTORS



President	George S. Johnson
Vice-President	
Vice-President of National Energy	H. Jack Naumann, Jr.
Secretary	Clifford A. Walker
Treasurer	Lee M. Petersen
Michael N. Austin	Denver, CO
Raymond N. Blackhall	Houston, TX
Michael G. Cruson	Denver. CO
Joseph M. Finger	San Antonio, TX
William R. Finley	Lafayette, LA
Kenneth J. Huffman	New Orleans, LA
Peter MacKenzie	Worthington, OH
Marc D. Maddox	Midland, TX
J. Phil Martin, Jr	Houston, TX
J. Phil Martin, Jr	Austin, TX
Thomas J. Smith	

#### AMERIND OIL COMPANY, LTD.

SUITE 1411 WILCO BUILDING 415 WEST WALL STREET MIDLAND, TEXAS 79701-4467

ROBERT C. LEIBROCK GENERAL PARTNER (432) 682-8217 Fax (432) 686-0747

#### MADDOX OIL PROPERTIES, INC.

OIL& GAS EXPLORATION AND INVESTMENTS

#### MARC MADDOX

203 West Wall Street, Suite 702 - Midland, Texas 79701

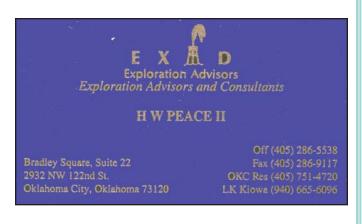
PO BOX 2986 MIDLAND, TEXAS 79702 MADDOXOIL@NETSCAPE.NET BUS (432) 683-5015 FAX (432) 683-5468 RES (432) 697-2091

# ROGER L. MARTIN INDEPENDENT PETROLEUM GEOLOGIST

PO Box 66
BURDEN, KANSAS 67019
rogermartingeo@yahoo.com

Office/ Cellular: 316-250-6970 Home: 620-438-2000

Fax KS Field Cellular 620-438-2000 316 - 655 -1227

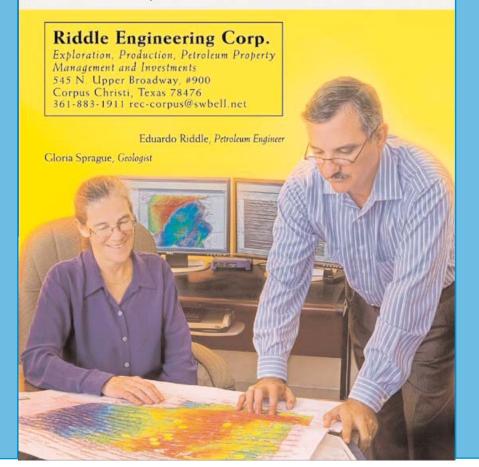


# THE OILFIELD BACK

Career opportunities in the field of Petroleum Engineering and Geology are at an all-time high, with great increase in worldwide demand for oil and gas products, and the deep shortage of qualified applicants to fill the current need. From 1983 to 2005 the number of petroleum engineers dropped by 54% and a similar decline can be seen of geologists and geophysicists in the U.S. Now is the time to encourage our high school and college age students to seek education and careers in the Petroleum Engineering and Geosciences fields.

Eduardo Riddle, President and Petroleum Engineer for Riddle Engineering Corp. is a strong supporter and advocate of education in the field of Petroleum Engineering through his association with the Petroleum Engineering Industry Board of Texas A&M University, College Station, and his participation in the industry societies. Through his support to his staff's involvement in various association and club leadership roles, the company is able to interact with the petroleum accounting, energy production and geological intellectual resources across the nation to build upon their professional development as well as the success of the company and what it has to offer its clients.

Riddle Engineering Corp. specializes in the areas of Exploration, Production, Petroleum Property Management and Investments, Oil & Gas Accounting and Estate Evaluations with over 25 years experience in Oil and Gas and a staff committed to leadership and excellence.



# THANKS TO THE 2007 SIPES ANNUAL MEETING ADVERTISERS

Victor H. Abadie III

Randolph Acock — Acock/Anaqua Operating Co., LP\*

Michael N. Austin\*\* — M&M Exploration, Inc.

BJ Services Company\*\* — Steven Taylor

Robert J. Bell

James B. Bennett — B&S Exploration, Inc.

E. Bernard Brauer

Sid Breaux

Lanny O. Butner

Brian S. Calhoun — Hydrocarbon Horizons, Inc.

A. T. Carleton

Stewart Chuber — Fayette Exploration Company

Rex D. Coppedge — COG, Inc.

Cotton, Bledsoe, Tighe & Dawson — Drew Anderson

Cummins & Walker Oil Company, Inc.

Lawrence Davis — Mineral Acquisition Partners, Inc.

Arlen L. Edgar

eSeis, Inc. — Inez Moriarty

David A. Eyler\*\* — Milagro Resources, Inc.

Joe M. Finger

Thurman Geddie

Thomas E. Gentry

GeoDynamic Well Logging, Inc. — David Hickman

Geomap Company — Brian Redlin

James A. Gibbs — Five States Energy Company

Donald C. Gifford

Rian Grisemer — Shoreline Gas

William S. Grubb — George N. May & Associates

Halliburton\*\*\* — Larry Mitschke

Frank W. Harrison, Jr.

James H. Henderson — Geochem Data, Inc.

George S. Johnson\*\* — Sunshine Exploration Co.

Bill Kalil

Robert C. Leibrock — Amerind Oil Company, Ltd.

Marc D. Maddox

J. Phil Martin\* — New Century Exploration

Roger L. Martin

W. N. McKinney, Jr.

Moyes & Co., Inc. — Christopher Moyes

H. Jack Naumann, Jr.

Oxy Permian Ltd. — Matt Hyde

H. W. Peace II

Phelps Geoscience — Jeanne & David Phelps

Pioneer Natural Resources\*\*\* — David Sanders

Michael A. Pollok\*\* — MAP Exploration, Inc.

Eduardo A. Riddle

John E. Scherer

Patrick J. Shannon — Shannon Exploration &

Global Ventures/Consultants, Inc.

Thomas J. Smith — Anvil Geosciences, Inc.

Paul M. Strunk — American Shoreline, Inc.

Al Taylor

Titan Enhanced Oil Recovery, Inc. — Bradley Govreau

M. Robin Vasicek — Bessero Oil Company

Venoco, Inc. — Todd Hattenbach

Victor P. Smith Oil Company, LLC

Scott A. Wainwright

Clifford A. Walker — BMNW Resources, LLC

John C. Worley

\* Silver Sponsor

\*\* Gold Sponsor

\*\*\* Platinum Sponsor



#### Bradley R. Govreau, Chief Operating Officer

25025 I-45 North, Suite 525 The Woodlands, Texas 77380

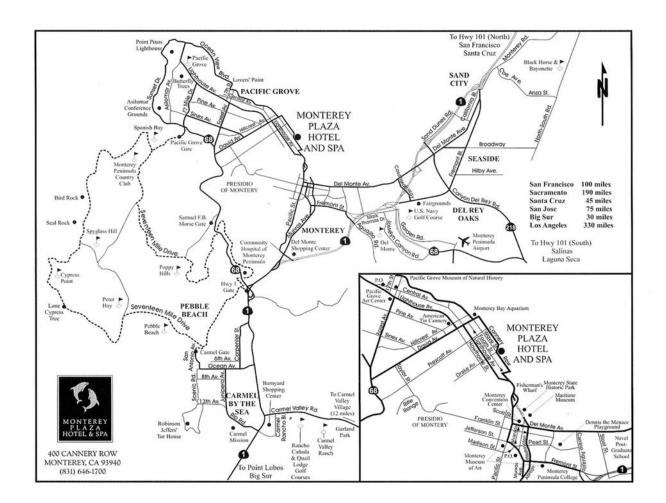
Telephone: (281) 364-6980 • Fax: (281) 364-6981

bgovreau@titanoilrecovery.com • www.TitanOilRecovery.com

OFFICE PHONE 972-549-2229 972-886-2229 FAX RES. PHONE 972-886-0630

# COG, INC.

REX D. COPPEDGE PRESIDENT 372 SOUTHERN HILLS DR. FAIRVIEW, TEXAS 75069 coginc2@grandecom.net



#### **GOLFING INFORMATION**



# Bayonet/Black Horse Golf Course (2 courses)

Two Award-Winning Courses located on Fort Ord 1 McClure Way

Seaside, CA 93955-7100

831-899-7271

Designer: Major General Robert McClure/

General Carnes Green Fees: \$84

4 miles from center of Monterey

#### Carmel Valley Ranch Golf Course

1 Old Ranch Rd. Carmel, CA 93923-8551

831-484-1325

Designer: Pete Dye Green Fees: \$165-180

8 miles from center of Monterey

#### Del Monte Golf Course

1300 Sylvan Rd. Monterey, CA 93940 831-373-2700

Green Fees: \$110

#### Laguna Seca Golf Ranch

10520 York Rd. Monterey, CA 888-524-8629

Designer: Robert Trent Jones

Green Fees: \$100

#### Links at Spanish Bay

The Inn at Spanish Bay 17 Mile Dr.

Pebble Beach, CA 93953-2668

800-654-9300 Green Fees: \$250

#### Pebble Beach, Golf Links

Award Winning Course 2700 17 Mile Dr. Pebble Beach, CA 93953-2668

800-654-9300

Designer: Jack Neville/Douglas Grant

Green fees: \$475

4 miles from center of Monterey

#### Pebble Beach, Spyglass Hill

Award Winning Course 2700 17 Mile Dr. Pebble Beach, CA 93953-2668 800-654-9300

Designer: Sandy Tatum/Robert Trent Jones, Jr.

Green fees: \$315

4 miles from center of Monterey

#### Peter Hay Golf Course

9-hole Course
The Lodge at Pebble Beach
17 Mile Dr.
Pebble Beach, CA 93953-2668
800-654-9300
Green Fees: \$20

#### Poppy Hills Golf Course

3200 Lopez Rd. Pebble Beach, CA 93953-2900 831-622-8239 Designer: Robert Trent Jones, Jr.

Green fees: \$195

4 miles from center of Monterey

\*All prices listed are subject to change

For a complete listing of golf courses in the Monterey Bay area go to http://www.golflink.com/golf-courses/city.asp?dest=Monterey+CA

## SPEAKER ABSTRACTS & BIOGRAPHIES

#### William D. Bennett — Tax Deferred Exchanges for Oil and Gas Properties



The Federal Tax Code requires taxpayers selling property (real or personal) to report either the loss or the gain from the transaction on his or her tax return. Fortunately, the Tax Code provides for the deferral of taxes on the sale of properties held for productive use in a trade or business or for investment through the use of a tax deferred exchange, pursuant to Section 1031. Exchanges involving oil and gas interests are very common, but there are nuances that can make these exchanges more complex. Exchanging traditional real estate for oil and gas properties or exchanging oil and gas properties for other oil and gas properties can be easily transacted with proper planning. It is more problematic

exchanging out of oil and gas properties into traditional real estate (non natural resource properties) which may cause the taxpayer to be subject to recapture under I.R.C. Section 1254. Planning with the aid of competent tax counsel ensures the preservation of net worth through the proper application of Internal Revenue Code Section 1031.

William D. Bennett has facilitated over \$1.5 billon in 1031 exchange transactions in the last six years for a qualified intermediary company, and speaks and writes on issues related to the industry. Mr. Bennett has also been engaged in the oil and gas industry for thirty years. He received a degree in petroleum land management from the University of Oklahoma and a degree in geoscience from the University of Texas at Dallas.

# H. Edward Clifton — Exploration and Reservoir Implications of Paleogene Submarine Canyon Fill Point Lobos State Reserve, California



The Carmelo Formation at Point Lobos State Reserve, on the central coast of California, provides an excellently exposed example of conglomeratic submarine canyon fill. The unit fills a valley incised into Late Cretaceous granodiorite and a sparse fossil assemblage consistently indicates Paleogene deposition in upper bathyal depths. The submarine canyon probably originated somewhere in southern California. Geologists generally agree that the underlying granodiorite crystallized as part of a southern extension of the Sierra Nevada and subsequently underwent translation to the northwest with the Miocene establishment of the San Andreas Fault. Pebbles in the canyon fill are largely of volcanic origin and some have affinities to volcanic rocks in southern California.

Twelve different "lithologic types" compose the building blocks of the canyon fill. The more important of these include 1) chaotic conglomerate deposited by submarine debris flows, 2) organized conglomerate driven as a basal traction carpet by large through-flowing sandy turbidity currents, 3) cobble-bearing sandstone created where bypassing sandy turbidity currents rolled large clasts from the top and fronts of previously deposited organized conglomerate, 4) thick-bedded sandstone deposited from sandy turbidity currents, some of which may have collapsed into dense bottom-hugging flows, 5) thin-bedded sandstone deposited from smaller turbidity currents, 6) interbedded sandstone and mudstone from still smaller turbidity currents, and 7) mudstone from hemipelagic sedimentation and muddy turbidity currents.

These lithologic types occur in distinct associations that form the basis for correlation and stratigraphic analysis. The conglomeratic association, consisting of lithologic types 1-4 above is characterized by a lack of internal stratigraphic continuity. The abundance of volcanic pebbles substantially reduces the reservoir capacity in these rocks. Evidence for sand bypassing indicates that better reservoirs are likely to be found down-dip from this facies. The thick-bedded sandstone association consisting mostly of lithologic type 4, ranges from 3-10 m thick and has the greatest reservoir potential in the canyon fill at Point Lobos. This association typically lies between underlying conglomeratic association and overlying finer thin-bedded (sandstone and mudstone association. This fining-up pattern occurs repeatedly in the canyon fill and may represent canyon wide sequences.

Ed Clifton, after receiving his bachelors degree in geology from the Ohio State University in 1956 and a Ph.D. from the Johns Hopkins University in 1963, joined the U.S. Geological Survey where he served thirty years, most of it with the Branch of Pacific Marine Geology in Menlo Park, California. His career with the USGS focused largely on comparative analysis of modern and ancient shallow marine depositional systems and culminated in more than 100 publications. In 1969 and 1970, he accumulated eighty days of underwater research from an undersea habitat as an

aquanaut in the Tektite man-in-the sea experiments. From 1978-81, he served as chief of the USGS Branch of Pacific Marine Geology.

In 1991, Ed retired from the USGS and began a second career with Conoco, Inc. where he was a Senior Research Fellow, specializing in sedimentology and stratigraphy. In 1999, he retired from this position and returned to California, where he resumed ties with the USGS as a Geologist Emeritus.

Ed has been active in professional societies; he served as national President of SEPM (Society for Sedimentary Geology) in 1986 and was selected as an AAPG Distinguished Lecturer for 1995-96. In addition to his USGS responsibilities, Ed has taught at San Francisco State University, University of California at Santa Cruz, and at Stanford University, where he served as Adjunct Professor of Geology from 1982-91. He was the 2004 recipient of SEPM's Pettijohn Medal for Excellence in Sedimentology.

In 2001, Ed and his wife moved to Monterey, California, where he continues active research on the Paleogene submarine canyon fill at Point Lobos State Reserve. He also is a docent at this Reserve and a guide and instructor of geology and physical oceanography at the Monterey Bay Aquarium.

# Bruce Gates — Hostetter, Wishbone and Spaulding Fields, McMullen County, Texas: New Gas Production in a Mature Area, found with "Second Hand" Proprietary 3-D Seismic



In 1995, a 92 square mile 3-D seismic survey was acquired over the Hostetter and Bonne Terre field areas in Southeast McMullen County. The acquisition was a joint venture between several major and independent oil & gas companies. After 10 or 12 wells were drilled, primarily to objectives above 12,000 ft., one of the original acquisition companies entered into a pseudo farm-out arrangement with U.S. Enercorp, Ltd. In 2000, U.S. Enercorp entered into an agreement to explore the Hostetter area using 30 square miles of the Hostetter proprietary shoot. In 2002 Camden Resources drilled U.S. Enercorp's Hostetter Prospect. The Ruckman #1 was drilled to 16,000 ft. and found over 300 ft. of gas reservoir in

the Middle House Wilcox Formation. To date the field has produced over 33 BCF gas and in December 2005 was averaging 40,000 MCFGPD. In 2003 U.S. Enercorp drilled its Duwell \$\psi\$1 (9,500 ft.) well which was the discovery well for the Spaulding field located 2 miles Southeast of Hostetter. Spaulding is a slick sand reservoir at 8,700 ft. which has produced over 8.5 BCF and currently produces 5,000 MCFGPD from 4 wells. After the Hostetter and Spaulding discoveries U.S. Enercorp, Ltd. entered into another agreement to explore the area using the entire 92 sq. mile Hostetter data set. In January 2004 U.S. Enercorp, Ltd. drilled it's Lindholm-Hanson G.U. \$\psi\$1, which was the discovery well for the Wishbone Field. Wishbone Field is a multiple reservoir field primarily from the Middle House section between 12,000 and 14,000 ft. The field has produced 21 BCF and is currently producing 36,000 MCFGPD. Using "second hand" data U.S. Enercorp, Ltd. has been able to revitalize a mature gas producing area, and restore production rates to greater than 70,000 MCFGPD.

Bruce Gates received his bachelor and master degrees in geology from the University of Texas at Austin. Mr. Gates' professional career began in 1987 as a petroleum geologist working with Bright & Company, an established family-owned oil and gas company. Mr. Gates has participated in the exploration for oil and gas with emphasis on the Wilcox, Vicksburg and Frio sands in the Gulf Coast as well as the Cretaceous Trend in the U.S. Rocky Mountains. He is currently the president of U.S. Enercorp, Ltd. a privately owned exploration and production company.

#### Scott Lamoreaux — Trends in the Upstream Capital Marketplace



Scott Lamoreaux is first vice president of DZ Bank. Scott joined the Project and Structure Finance Team in June 2005 when he opened the Houston Representative Office for DZ Bank. He has primary responsibility to originate and execute transactions with small-cap and mid-cap companies in the oil and gas and midstream sectors of the domestic energy marketplace. In the course of his career as an energy capital provider Scott held various leadership positions with Williams Energy Capital Group, Stratum Group, and EP Power Finance. He began his career in the energy industry as an exploration geologist with Texas Oil & Gas Company. Scott later joined Falcon Seaboard Power Company where

he was part of the Americas - Business Development team. He holds a B.S. degree in journalism from Kansas State University, an M.S. degree in geology from Wichita State University, and an M.B.A. from the University of Houston.

#### David Lauritzen — The Curious Case of Seagull vs. Eland



Remember that oil and gas lease interest you assigned to Bank, Inc. a couple of years ago? Turns out that Bank, Inc. later became Bankrupt, Inc. and has stopped paying its share of lease operating expenses expenses incurred after you assigned the property to it. But, since the expenses were incurred after your assignment, you have no responsibility for them, right? Not necessarily...at least not according to the Texas Supreme Court decision of Seagull vs. Eland.

Handed down initially in June 2006 and confirmed in December 2006, the Seagull case involves a common transaction in the oil and gas industry. Nonoperator Eland assigned its interests in two offshore leases to Nortex. Seagull, a co-lessee, operated the leases under two similar joint operating agreements. When Nortex went bankrupt and defaulted on joint interest billings owed under the JOAs, Seagull sued Eland as Nortex's predecessor for breach of contract on the theory that it had never explicitly approved the assignment to Nortex and Eland was therefore still liable for obligations under the JOAs. The Texas Supreme Court applied landlord-tenant laws to the situation and ruled in Seagull's favor. The court's reasoning, unfortunately, applies to virtually every form operating agreement currently in use - both offshore and domestically - and creates potential liability for anyone who has ever been a nonoperating working interest owner for the debts of a later assignee.

David W. Lauritzen is a shareholder in the litigation section of Cotton, Bledsoe, Tighe & Dawson, P.C. in Midland, Texas. He graduated from Yale University in 1992 with a political science degree specializing in Soviet military theory. Unfortunately, the death knell for the Great Evil Empire of the Twentieth Century had sounded a year earlier, and Mr. Lauritzen found himself highly skilled in a field that no longer existed. Consequently, he decided to go to law school because he had heard there was a shortage of lawyers in the world. He received his J.D. degree from The University of Texas School of Law in 1996, where he served as trial director for the Board of Advocates and was a member of The University of Texas National Moot Court Team. He has had a litigation practice with Cotton Bledsoe since 1996, involving a wide variety of matters including state and federal appellate work, oil and gas law, employment law, and personal injury defense. Licensed in both Texas and New Mexico as well as various federal courts, he is a member of the Texas Association of Defense Counsel, the New Mexico Defense Lawyers Association and the Defense Research Institute. He has published several articles on topics ranging from wine tastings to white collar crime in the oil patch, and speaks on those subjects (and more) if asked.

#### Brian Marcotte — MEOR Improves Recovery



Microbial Enhanced Oil Recovery (MEOR) is the use of microorganisms to increase oil production. The concept has been around for almost a hundred years, but early proposals have had limited success. A new application using indigenous microorganisms has shown to be successful. Successful field applications have demonstrated that this MEOR method promises to be the next major step in Tertiary Oil Recovery for the industry.

Brian W.G. Marcotte became Chief Executive Officer of Titan Oil Recovery, Inc. in 2006. He graduated from the University of Southern California in 1971 with a bachelor's degree in petroleum engineering and undertook graduate studies in engineering management at the University of Alaska Anchorage in 1976. He completed Northwestern University's Kellogg Graduate School International Advanced Executive Program in Bergenstock, Switzerland in 1988.

Mr. Marcotte began his career with Unocal as a summer student working as a field "roustabout" and engineering assistant while he pursued his studies. He joined Unocal on a permanent basis in 1971 and worked in technical engineering positions in drilling, production and petroleum engineering in California and Alaska. In 1980, he started his international career becoming petroleum engineering manager for Unocal Indonesia in Balikpapan where he went on to become production manager, then manager of operations. In 1985, he was transferred to Unocal Netherlands as manager of operations and then advanced as country resident manager.

Mr. Marcotte returned to the United States in 1989 as vice president western region in the North American Oil and Gas Division. He moved to a staff position in 1991 as Vice President Technology and Asset Management, then Vice President of Planning and Asset Management in 1992. In 1993, Mr. Marcotte became President of Unocal Thailand and served in that capacity until mid-1999.

He then became Vice President International Energy Operations-Brunei, Indonesia and the Philippines based in Jakarta, Indonesia. In this position he was responsible for both oil and gas and geothermal operations and served as president of Unocal Indonesia Company.

Prior to joining Titan Oil Recovery, Inc., Mr. Marcotte was Unocal's corporate vice president public policy, health environment and safety. In this position he was responsible for government relations, corporate communications, corporate responsibility, and community relations as well as environmental care and safety including health and medical services and global security.

He served as a member and vice chairman of the Petroleum Institute of Thailand's Council of Trustees, Sasin Graduate School Advisory Council and member of the Thailand Development Research Institute. He also served as president of the board of directors for the Indonesian Petroleum Association. He is a past member of the Board of the Indonesia Gas Association and the Kenan Institute Asia. He was a member of the Board of the American Indonesian Exchange Foundation (Fulbright Scholarships). He received the American Community Council Special Award for Community Service while in the Netherlands. He also served on the Board of San Joaquin Community Hospital in Bakersfield, California. He has held numerous positions within the Society of Petroleum Engineers and was named an SPE Distinguished Member (2005). He currently serves as chairman of the International Leadership Council of The Nature Conservancy, one of the world's largest environmental conservation groups.

# J. Phil Martin, Jr., #2390 — 3D Exploration in the Gulf Coast — Fishing with Dynamite!



3D seismic data and technology are indispensable for successful exploration in the Gulf Coast. They have dramatically enhanced success ratios across the industry, and as frosting on the cake, provide an excellent bridge between the geoscience, engineering, and financial communities.

Of course track records of companies using 3D seismic vary according to their abilities. This presentation will share lessons learned in the hits and misses of one company as it chalked up a success ratio exceeding 80% over the last 3 years. An emphasis will be placed on gas signatures, which in some cases can be even more accurate in identifying hydrocarbons than well logs.

**Phil Martin** is the fourth generation of his family in natural resources and he grew up in the oil patch. His father, Jack Martin, is a geologist and active SIPES member, his grandfather was a mining engineer, and his great-grandfather was a gold miner in Oregon.

After earning a B.S. and M.S. from LSU and UL, Phil went to work as an exploration geologist for Union Texas Petroleum. He soon joined the ranks of the independents, and his company, New Century Exploration, Inc., drills over 20 wells a year in Texas and Louisiana, strictly on 3D.

Phil is a member and serves on the boards of the Houston Chapter of SIPES, Houston Energy Council, and Geological Data Library. He is an active member of AAPG, Houston Geological Society, Geophysical Society of Houston, SEG, Onshore Exploration Independents, and Houston Producers Forum. He will begin a term on the national SIPES board in June 2007.

#### William A. Miller, #2736 — The Application of 2D and 3D Seismic Data in the Exploration for Cherokee Channels - Tombstone Gap Field, Ness County, Kansas



The discovery and development of Tombstone Gap Field in Ness County, Kansas is a classic example of the evolution of a prospect from the original subsurface lead to the shooting of 2D seismic data followed by 3D seismic data. It also provides a comparison of the effectiveness of 2D versus 3D seismic data in imaging Cherokee sandstones deposited in channels incised into the underlying Mississippian carbonates and in determining geologic structure.

The original prospect well was drilled solely on the basis of subsurface data and did encounter almost 80 gross feet of the target Cherokee sandstones. The reservoir was wet, however, and the initial

well was completed dry and abandoned. Approximately 6.0 miles of 2D seismic data was then acquired to further delineate the prospect and subsequently led to the drilling of the successful discovery well. A 4.0 square mile 3D seismic survey was acquired after the discovery and guided the development drilling of the field. In order to further

define the extents of the field, an additional 2.0 square mile 3D seismic survey was later acquired and merged in data processing into the original 3D survey. The presentation will show how the interpretation of the geometry of the Cherokee channel system evolved as additional seismic data was acquired.

Bill Miller graduated from the Colorado School of Mines in 1978 with a degree in geophysical engineering. Upon graduation, he accepted a job with D'Appolonia Consulting Engineers in Pittsburgh, Pennsylvania and worked primarily on civil engineering projects and site investigations. He entered the oil business in 1982, going to work for Texas Oil & Gas in Wichita, Kansas and later in the Denver office. He continued his career in the oil business in Denver with Pacific Enterprises and General Atlantic Resources before starting his own consulting business in 1992. He worked briefly as chief geophysicist for Canyon Energy in the mid-1990s before returning full time to his consulting business. Bill has worked Kansas extensively since 1982 specializing in 3D seismic interpretations, and is also active in numerous basins throughout the Mid-Continent and Rockies.

#### Ed J. O'Donnell — Oil and Gas Operations in Environmentally Sensitive Areas Can Be A Success!



Mr. O'Donnell will discuss Venoco's oil and gas operations both on and offshore in Southern California and the Sacramento Basin. How Venoco has been able to successfully develop and produce oil and gas with the intense regulatory oversight in those areas and be commended for their efforts will be reviewed. Venoco has advanced from a company capitalized with only \$3,000 to one of the largest independents in the state.

Ed O'Donnell recently rejoined Venoco as a senior vice president following two terms on the company's board of directors. He previously served as President of Venoco's domestic division from 2001 until 2002.

Mr. O'Donnell originally joined Venoco in 1997 as vice president of development and was later promoted to vice president of the Offshore Business Unit. Prior to joining Venoco, he worked for Unocal Corporation for more than 20 years, including four years in corporate planning and more than ten years in operations management. At Unocal, he managed onshore and offshore assets in California, Alaska and Texas.

Mr. O'Donnell has a B.S. degree in petroleum engineering from Montana Tech, an M.S. degree in petroleum engineering from the University of Southern California, and an MBA from Pepperdine University. He is a member of the National Association of Corporate Directors and the Corporate Directors Club.

# Michael A. Pollok, #2512 — The Tonkawa Sandstone in Woods and Alfalfa Counties in Oklahoma; and Barber and Harper Counties in Kansas. An Unusual Regional Perspective on Trap Parameters



The Tonkawa Sandstone can be quite prolific. Fields have been found ranging in size from 5 BCF to 100 BCF. Regional mapping of the sand has identified shale channels that can serve as trapping components.

Mike Pollok received his B.S. in geology from the University of Oklahoma in 1986. He has worked as a non-consulting independent petroleum geologist since 1987 and has done extensive regional subsurface mapping of producing reservoirs of the Northern Oklahoma and Southern Kansas areas. His primary expertise is the generating and selling of prospects throughout his mapped geological region.

Mike explores for oil and gas in the Northern Shelf of the Anadarko Basin; Southern and Southwest Kansas and Northern and Northwest Oklahoma.

Mr. Pollok is a member of AAPG, Oklahoma City Geological Society and the Kansas Geological Society. Mike currently serves as past chairman and secretary of the SIPES Oklahoma City Chapter.

# David Pursell — Peering through the near term price volatility . . . how long will this energy cycle last?



The current natural gas market is impacted by price uncertainty, increasing F&D costs, above average storage, onshore production growth, and LNG (yes - LNG . . . it's coming). Adding to the business uncertainty is the onshore resource play focus at the expense of the Gulf of Mexico shelf. With these factors in mind, David Pursell of Pickering Energy will discuss the near term and long term outlook for natural gas.

Dave Pursell is research principal at Pickering Energy Partners, Inc. He is responsible for macro energy analysis. He was the Director of Upstream Research at Simmons & Company International, manager of Petrophysics at S.A. Holditch & Associates (now a division of Schlumberger), and worked for Operations and Field Engineering at ARCO Alaska, Inc.

He is the current chairman of the IPAA Supply Committee. He holds both B.S. and M.S. degrees in petroleum engineering from Texas A&M University. Dave Pursell is also a Distinguished Speaker for the SIPES Foundation.

# David L. Read, #3070 — Complex Structures and Selected Producing Fields of the Criner Hills Uplift — Ardmore Basin — Arbuckle Mountains Region, South Central Oklahoma



The Ardmore Basin-Arbuckle Mountains region of southern Oklahoma has a complex structural and stratigraphic history that has made it one of the premier hydrocarbon producing areas in the United States. It is a mature province, but because of its complexity, diligent explorationists can still find significant reserves from relatively shallow depths of 4,000' down to poorly tested, but potentially prolific exploration targets at 22,000.' Cottonwood Creek, Southwest Davis, Southwest Enville and Lake Murray fields are examples of both recent exploration successes and older fields that have defined the area as a prolific hydrocarbon province.

Unraveling the region's complex history is critical to understanding the nature of the producing fields. During the early Paleozoic, the area now known as the Ardmore Basin area was located within the southern Oklahoma aulacogen, a broad, rapidly-subsiding depocenter bounded on the north by the Washita Valley fault and on the south by the Muenster Arch. Approximately 8,000 ft. of Cambro-Ordovician Arbuckle strata was deposited in the early stages of aulacogen development. The Arbuckle consists almost entirely of dense non-reservoir limestones and dolomitic limestones along with infrequent zones of thick, vuggy to cavernous hydrothermal dolomites that constitute ideal reservoirs. During the latter stages of aulacogen subsidence from Middle Ordovician to Late Mississippian time, an additional 5,000 ft. of sediments, represented by the Simpson with its classic reservoir sandstones through the Caney Shale, were deposited in the area now occupied by the present Criner Hills.

Two major episodes of Late Mississippian through Pennsylvanian orogenic activity divided the southern Oklahoma aulacogen into the complex series of northwest-southeast trending uplifts and basins that we recognize today. In the Late Chesterian, rapid uplift and folding of the Criner Hills-Wichita axis separated the early Ardmore and Marietta Basins. Uplift, erosion, and deposition of thick clastic sequences into the rapidly subsiding Ardmore Basin continued through the Morrowan and Atokan. Tectonism ceased locally during the early Desmoinesian, resulting in the subsidence and burial of the Criner Uplift by transgressive marine shales, sands, and limestones during the late Desmoinesian and Missourian. By the beginning of the Virgilian, renewed tectonism uplifted the Arbuckle Mountains, compressed the Ardmore Basin, and modified many of the Morrowan-Atokan age structures on the Criner Hills-Wichita axis. By the close of the Pennsylvanian, tectonism had again ceased. The Ardmore Basin and the Criner Hills were covered with red terrestrial shales, limestone-cobble conglomerates, and arkosic gravels shed from the Arbuckle and Tishomingo Uplifts. Except for the recording of minor seismic events along ancient fault lines, the region has been tectonically inactive since the early Permian.

David Read received both a B.S. (1974) and M.S. degree (1976) in geology from Northern Illinois University, where he completed a stable isotope thesis on the Archean Isua gneiss of SW Greenland. He also did field work in Antarctica's Royal Society Range in 1974-75 as part of National Science Foundation's Dry Valley Drilling Project. After graduation, Dave worked for Chevron in Lafayette and New Orleans, exploring the offshore and onshore Gulf of Mexico, Ark-La-Tex, and Offshore Atlantic areas. This work was followed by a stint with Mapco/CNG Producing in Billings and Tulsa exploring the Williston and Big Horn Basins, the western Montana Disturbed Belt, Nevada and southern Oklahoma. Since 1991, Dave has been an independent/consulting explorationist focusing on complex structural areas of south and southeast Oklahoma. He presently consults for Stephens Production and Davis Petroleum in a joint venture along the Anadarko Mountain Front.



GEORGE S. JOHNSON President

#### SUNSHINE EXPLORATION COMPANY

Bus. (806) 356-8028 5402 Meadowgreen FAX (806) 356-8117 P.O. Box 15165 Cell (806) 674-4119 AMARILLO, TX 79105 E-Mail sunshineex@suddenlinkmail.com

#### JOHN E. SCHERER

SUITE 201 505 NORTH BIG SPRING MIDLAND, TX 79701-4346

OFF: (432) 682-5412 RES: (432) 682-0829

#### Global Ventures/Consultants Inc.

Patrick J. Shannon

Independent Sub-Contractor Specialist Remote Sensing/Latin America

343 Fawnlake Houston, Texas 77079 www.explorationglobal.com Tel: 713-785-2599 Fax: 832-358-1261 E-mail: ShannonExplor@msn.com



#### LANNY BUTNER

Petroleum Engineering Consultant

Lanny Butner & Associates

412 South Dellrose (316) 684-4001 Wichita, KS 67218 fax: (316) 685-5661

Email: lanny butner@hotmail.com



B & S Exploration, Inc.

JAMES B. BENNETT RANDALL SCHOTT Geology Geophysics

811 Dallas

Suite 1020 Tel.: (713) 650-1378 Houston, TX 77002 Fax: (713) 651-0933



# SHORELINE GAS INC.

www.shorelinegas.com

"Your pipeline to energy management solutions"

Full Service Natural Gas Marketing

Corpus Christi • Houston • Shreveport

(361) 888-6500

American Gas Association Member