SOCIETY OF PETROLEUM ENGINEERS (SPE), INC.

SECTION ANNUAL REPORT

Submit report to:

SPE Sections
Society of Petroleum Engineers, Inc.
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REPORT MUST BE RECEIVED BY THE SPE DALLAS OFFICE BY JUNE 1.

Use black ink, or type. Attach additional sheets if needed.

Section London Section Year July 2001 (month)(year) to June 2002 (month)(year), inclusive

1. Technical Dissemination

1.1 List all regular meetings of the section. (continued on next page)

Date	Name of Speaker (Note if Distinguished Lecturer)	Company/Affiliation of Speaker	Title/Topic of Speech	Attendance
25/9/ 2001	Martin Houston	BG Group – Executive Vice President	Natural Gas – lean, clean and Green	70
23/10 /2001	Paul Worthington – SPE Dist. Lect.	Gaffney Cline & Associates	Maximise effectiveness of integrated reservoir studies	76
27/11 /2001	Mark McCaffrey – SPE Dist. Lect.	Oil Tracers - President	Using petroleum geochemistry to solve field dev. and prod. problems	45

1.1 Section Meetings (continued)

Date	Name of Speaker (Note if Distinguished Lecturer)	Company/Affiliation of Speaker	Title/Topic of Speech	Attendance
26/02 /2002	Rt. Hon. Brian Wilson	Minister of State - DTI	UKCS Activity, PILOT and PIU Energy Review	132
26/03 /2002	Cambell Airlie – SPE Dist. Lect.	EPS Technical Director	An Asset management approach to exploiting mature fields	94
16/04 /2002	Ian Palmer – SPE Dist. Lect.	BP	Geomechanics in the oil and gas industry-is the ugly duckling becoming a swan?	45
21/05 /2002	Stuart Fysh	BG Group – Chairman &CE of BG Egypt	Building steps for a material gas business in Egypt	63

1.2 Did an SPE officer (SPE President, Past President, President-Elect, or Treasurer) visit during the section year?

Name	SPE Office Held	Date of Visit	Attendance

1.3 List all study-group meetings of the section.

Date	Title/Topic of Speech	Name or Speaker (Note if Speaker is Distinguished Lecturer)	Attendance
25/09/01	Green hydrocarbons – natural gas, NGL, GTL	Derek Tagg (BG Group), David Ord (BG Group), Tony Alderson (Advantica)	70
23/10/01	New Insights into reservoir charactrisation and uncertainty reduction	Giles Pickering (TroyIkoda), Colin Daly (Roxar), Euan Mearns (IAS Ltd.)	76
13/11/01	Advances in Coiled tubing applications and designer drilling fluids - Guildford	Michael Hodder (MI Drilling Fluids), Charles Cameron (Halliburton), Mert Erbil (Schlumberger)	15
27/11/01	Challenges in Decommissioning Offshore structures	Mike Corcoran (Hyperion Energy), Tim Watson (consultant), Ian McFyden (UWG Group)	45
29/01/02	IOR Opportunities in Mature Fields	Stephen Goodyear (AEA), Roger Murray (BP), Adrian Gregory (MORE O&G), Tissa Jayasekera (DTI), John Tingas (Star Energy)	57
26/02/02	Comparison of GOM and NS operations and practices	Brian Jones (Zentech Int.), Russ Huddleston (Huddleston Energy), Herb Jacklin (Granherne)	132
26/03/02	Practical Applications of Reservoir simulation: Field dev. Reservoir management, reserves evaluation	Sylvain Sarda (Beicip), David Franklin (BG Group), Jeb Tyrie (Schlumberger), Clara Altobell (Burlington)	94
16/04/02	Virtual Teams – do they work?	Peter Stephens (Halliburton), Richard Jones (Price Waterhouse), Ewen Denning (BG Group)	45
21/05/02	Eastern Mediterranean – a regional activity focus	Dimitri Massaras (HIS), Clive Kitson (BG/Bechtel), Giambattista de Ghetto (ENI), Mark Houche (BG Group)	63

1.4 List all short courses, seminars, and workshops sponsored by the section.

Date	Title/Short Description of Activity	Funds Raised	No. of Participants
17/10/01	Risk Sharing and alliancing	£570	21
21/11/01	Deepwater exploration & production	£2250	36
23/01/02	Introduction to E & P	£9940	90
20/02/02	Optimising field development using smart well technology	£5400	55
20/03/02	Underbalanced drilling and other measures to reduce formation damage	£4300	40
24/04/02	Minimum production facilities – how small?	£4500	41

1.5 List all technical conferences, exhibitions and symposia sponsored by the section.

ATW Well Testing – To Test or Not to Test 14-16 November 2001, London

1.6 List ways your section shares technology with other sections.

1. SPE Review The London Section (together with the Aberdeen Section) publishes the monthly SPE review which is distributed to all UK members (including Great Yarmouth Section). In addition SPE Review is distributed to all SPE members in Western & Eastern Europe on a quarterly basis.

2. Web site The London Section (together with the Aberdeen Section) has a web site (www.spe-uk.org) run on a commercial basis. Hits on the web site in April 2002 were 104,583. The web site allows the download of information on meetings and seminars as well as details of presentations made.

2. Section Operations

2.1 Officers – List current officers.

SPE Office Held	Name	Beginning-Term (month/day/year)	End-Term (month/day/year)
Section Chairman	Jane Hayes	July 1 2001	June 30 2002
Programme Chairman	Satinder Purewal	July 1 2001	June 30 2002
Membership Chairman	Sofiene Bentoumi	July 1 2001	June 30 2002
Secretary	Jane Hayes	July 1 2001	June 30 2002
Treasurer	Tom Colbert	July 1 2001	June 30 2002
Publications Mentor	Paul Worthington	July 1 2001	June 30 2002
Continuing Education Chairman	Tim Lines	July 1 2001	June 30 2002
Section/Student Chapter Liaison	Pete Naylor	July 1 2001	June 30 2002
Scholarship Chairman	Pete Naylor	July 1 2001	June 30 2002
Microcomputer Chairman	John Curley	July 1 2001	June 30 2002

Attach list of incoming officers (Form can also be found in Chapter 19 of the Section Operations Officers Manual available on-line.)

List all board meetings of the section.

Date	Number of Board Members Present	Items Discussed
12/07/01	11	General section business including structure of the new board, suggestion of events and topics for the year, mission statement for the year.
25/09/01	15	General section business including the presentation of budgets from each committee chairman for the forthcoming year. Approval of budgets. Topics for the Programme and Continuing Education committees
27/11/01	11	General section business including Liaising with other societies in London. Attracting new members, increasing awareness of the industry in schools and collages and possible funding of a scheme. Advertising on the website.
26/02/02	10	General section business including publicity overview from magazine and website. PETEX update. Information for board members on the website with secure access.
26/03/02	9	General section business including nominations for new board and chairman. TIG's update. The location and delegate packs for Continuing Education seminars.
16/04/02	7	General section business including new Chairman's nomination. Funding of student and schools initiatives. Membership survey of those not renewing for the year. Potential speakers for next year.
21/05/02	12	General section business including end of year financial report. Thanks to board for achievements over the past year.

1. Financial

Include copy of section financial statement at end of the section year.

List the section's sources of income.

1. Sponsorship by companies

2. Continuing Education Seminars

3. SPE Review

4.Dallas Fees

5. Advertising on section website

Does the section require payment at the time a reservation is made for section meeting?

Reservations are generally all made by credit card taken at the time of reservation

3.1 Does the section bill persons who make reservations for a meeting but do not attend?

No refunds are made for non-attendance and any non-attendees who had booked but not attended would be billed.

3.2 Does the section have section dues? (Do not include charges for section luncheon/dinner meetings.)

No

3. Communication Within the Section

4.1 Enclose a copy of one monthly section newsletter or meeting notice with an average preparation and distribution per unit cost and total cost.

4.2 List other methods your section uses to communicate with its membership (e.g., e-mail, the internet, broadcast faxing, etc.) and describe how they are used.

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1. E-mail Broadcasts E-mail broadcasts are used to advertise the monthly meetings and continuing education seminars. These are very successful and surveys indicate that this is the most effective way to communicate to our members. These broadcasts are generally made shortly before the event and attract significant uptake. In addition they allow updated information to be given to members on changes in speakers lists, etc.

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2. Web site This allows members to find information such as meeting and seminar information and board member contact details. There is also a specific feedback form that allows members to contact the Section Chairman. Other details on the site include details of membership (including a downloadable application form), details of chartering and meeting location maps. The site also contains a consultants list as well as recruitment advertising. The web site is currently self-funding from income from advertising.

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3. Other Associations Information is also provided on meetings and seminars to other professional societies with which we have associations. This information is then forwarded to their members in a variety of methods including journals and email broadcasts.

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4. Communication and Participation Outside the Section

5.1 Describe your relationships with other professional societies (national or international) which are active in petroleum engineering or related areas. Describe any joint activities and initiatives.

1. Aberdeen Section Co-operation with Aberdeen Section is very high covering both the SPE Review and the website. In addition the Memorandum of Understanding (MOU) developed by the London Section with the Petroleum Exploration Society of Great Britain (PESGB) and the Institute of Petroleum (IP) have been amended in order to include Aberdeen Section as a party to the Agreement.

2. Great Yarmouth Section Members of the Great Yarmouth Section receive monthly copies of the SPE Review.

3. North Sea and European Regions More than 8,000 copies of SPE Review are distributed to members in these regions on a quarterly basis.

4. Petroleum Exploration Society of Great Britain A MOU was signed with the PESGB on 23 May 2000. Aberdeen Section entered into the agreement on 3 March 2001. THE PESGB has around 4,000 members in the UK. The MOU provides for members of each society to attend each other's meetings at membership rates. The Section and PESGB co-sponsored PETEX in November 2000 and will do so again for PETEX in Decmeber 2002. PESGB was a co-sponsor of the November 2001 London ATW on well testing. The involvement of PESGB members has significantly improved the finances of London Section seminars.

5. Institute of Petroleum A MOU was signed by the London Section with the Institute of Petroleum on 12 September 2000 and was expanded to include the Aberdeen Section in October 2001. The IP has around 8,000 members. The MOU contains similar provisions to the PESGB MOU but has some additional features. London Section members have the right to use the IP library. The Section and the IP are co-operating in building a petroleum website for schoolchildren.

5.1.1 Do you see ways to change your relationships with other societies to improve the benefits to members? Can SPEI assist in any way?

The IP currently have successful monthly meetings in Guildford, Surrey, and we are working towards holding a couple of these jointly as the SPE London Section has not been able to attract a large audience to the area. Hopefully our combined efforts will be a success!

5.2 List ways the section encourages its members to participate in SPE committees and subcommittees at the Society level and the SPE activities such as the Membership Workshop and the Section Officers Workshop.

Distinguished Lecturer Programme Paul Worthington a London Section Board member has been a Distinguished Lecturer for the past year.

Satinder Purewal a London Section Board member is on the *Distinguished Lecturer committee*.

Reserves and Economics TIG Jim Ross who is on the London Section Board is the co-chairman of this TIG which is one of the most active of all the TIGs. Members are encouraged to participate in the TIG especially following the improved format.

Young Engineers Workshop Committee Jane Hayes is the London representative on this committee responsible for organizing the Young Engineers Workshop at Europec later in 2002.

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5. Membership Development

6.1 Which, if any, major industry employers (include approximate number of SPE members if known) moved in or out of the section are during each of last 3 years?

1999/2000 Arco was taken over by BP and closed their Guildford office. This office had been used for Guildford area meetings. SPE members were affected by this take-over. British-Borneo was taken over but with little impact on SPE members. Kerr McGee relocated their London operations to Aberdeen with a minor impact on London membership. Fina were taken over with some minor impact on London SPE membership. Anadarko based its North African activities in London positively impacting London membership.

2000/2001 Elf were taken over with some minor impact on London Section SPE membership. The Exxon/Mobil merger is likely to positively impact London Section membership as technical resources are to be consolidated in the London region. LASMO was taken over by Agip with currently no impact on London Section membership. Increasing number of small (and some large) independent companies are basing their international activities in London particularly for North Africa, Western Africa, the Caspian and Russia.

2001/2002 Merger of Conoco and Phillips will have slight impact with the closure of the Phillps office in Woking. Positive impact will be the growth of PanCanadian (Now Encana) due to their significant find in the UKCS and staffing up in UK. Shell takeover of Enterprise will have an impact with Enterprise closing their office in London but staff may stay in the area as concultants or working for Shell.

6.2 List activities related to recruitment, retainment, and/or reinstatement of members.

1. ***Recruiting*** Membership forms were distributed through the SPE Review and resulted in some additional membership applications. Member ship forms are also available at all of our meetings.

2. Re-instatement Emails were sent in February 2002 to all delinquent members which resulted in significant reductions of these delinquents. In addition we are now contacting every member that has not renewed their membership (around 200) to remind them and find out why they haven't and if there is anything we can do to encourage or help them re-instate.

6.3 On average, how many members attend the section's general meetings, and what percentage of the section's total membership is this?

On average around 75 members attended the London meetings which represents ~5% of the members.

6. Student Activities

7.1 List all activities sponsored by the section that were attended by members of a student chapter. Include section meetings, study-group meetings, field trips, regional meetings, short courses, SPE Annual Technical Conference and Exhibition, Offshore Technology Conference, etc.

Date	Meeting	Location	Student Chapter	No. of SPE Student Members Attending
23/10/01	Section dinner meeting	London	Imperial Collage	12
27/11/01	Section dinner meeting	London	Imperial Collage	8
29/01/02	Section dinner meeting	London	Imperial Collage	2
26/02/02	Section dinner meeting	London	Imperial Collage	4
26/03/02	Section dinner meeting	London	Imperial Collage	9
16/04/02	Section dinner meeting	London	Imperial Collage	2
21/05/02	Section dinner meeting	London	Imperial Collage	5

7.2 Discuss participation of the section in student paper contest and other student chapter activities.

We have found that the quality and quantity of student papers is quite low. One of the main reasons for this is that when the student paper contest in announced, they are very immersed in their studying and project work and cannot assign the time to the contest.

7.3 List all activities sponsored by the section to educate students/instructors/counselors on the profession/industry. (Indicate at what level activities are directed; i.e., elementary, secondary, or senior high school; teachers; or counselors.)

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1. The Student and Scholarship Group ordered a new magic suitcase, videos and PowerPoint presentation material, which is managed for members use by the Mineral Resources Library at Imperial College. A checklist was developed for members intending to speak, an introductory letter to send to schools and colleges and a post visit feedback form. A trial was carried out by members of the committee and the scheme was promoted in September's SPE Review magazine. A number of members have subsequently used the materials.

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2. The London section supports the Mineral Resources Library at Imperial College, which provides SPE and other Oil and Gas industry material for use by members and students. The Library provides access to SPE Oil Online, Petroleum Abstracts on CD-ROM and Petroleum textbooks.

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3. The London Board has been in close liaison with the Institute of Petroleum who are developing a website for school children to gain more knowledge of the industry. The first part of it was launched in January and was aimed at 7 – 11 year olds. The next part for 12 – 16 year olds is due later this year. The London Section has not as yet provided any funds although they have been offered as this website has received sponsorship from many of the E & P companies.

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4. Another initiatvie that the London Section was made aware of and has liased with is UKOOA (United Kingdom Offshore Operators Association) who have trialed and launched a program to provide one day training courses for teachers on the industry. Again we offered help where it could be put to good use.

7. Scholarship

List all scholarship activities of the section.

Recipient	School	Section Contribution	How Funded (e.g., interest bearing account., technical meeting, social activity, general fund)
Leonidas Theocharis	Imperial Collage	£12,160	Cheque administered via College and covers all fees.

8. Awards

List any SPE national, regional, or section awards or nominations received by section members.

Title of Award	Nominee	Recipient (yes or no)
Regional Service Award	**Lawrance Camilleri**	**Yes**
Section Award	**Diane Mills**	**Yes**
Section Award	**Tim Lines**	**Yes**

9. Community Outreach

10.1 List all activities sponsored by the section in which members participated that enhanced the image of the petroleum industry or the petroleum engineering profession. Include local community activities. Activities include, but are not limited to, presentations concerning the petroleum industry and community action projects.

1. SPE Europe has an agreement with the Institute of Mining and Metallurgy which is administered by SPE London office. This agreement helps SPE members secure chartered engineer status. Other routes are also available via other Engineering organisations in the UK. A list of options and advice is provided on the London SPE website.

10. Other Activities

Complete the table for any other activities sponsored by the section, such as social events or activities not mentioned elsewhere in this report.

Date	Brief Description of Activity	Income	Expenses	Profit	Number of Participants
20/06 /02	**Sponsor's Evening**	**0**	**£500**	**-£500**	**70 invited**

11. Goals

Outline goals established at beginning of year and report progress in meeting both long- and short-term goals.

Long-Term Goals:

1. Continue to look at ways in which the SPE London Section can help education initiatives The Schools and Scholarship committee worked hard liaising with a number of organisations on ways in which the section could help educated children about the E & P industry. By the end of the year however, it had proved more difficult to spend the allocated amount and therefore the board agreed to put the funds towards sponsoring another MSc student for 2002_03.

2. Continue to improve relations with the organisations that the London Section has an MOU with. Throughout the year a number of meetings were help between board members of the London Section and the PESGB and IP. These went very well with both sides happy with the arrangements under the MOU and keen to progress joint events.

Short-Term Goals:

1. Streamline Board Meetings A continuation of the previous year's goals but in order to achieve this, the committee chairmen were given allocated times in which to make presentations to the board. This worked very well and meetings finished on time.

2. Improve updating website Committee Chairmen were encouraged to provide information and dates for forthcoming events to be added to the website in order that it was being continuously updated with the plans for the year. With this information easily accessible it hopefully reduced the number of enquiries made to board members.

3. Programme organisation The programme of dinner meetings and continuing education seminars was organised throughout the summer of 2001 in order that advertising of events could be done well in advance. This enabled the board to publish all the dates and titles of meetings and seminars for the year ahead to provide our members with information in advance.

12. Constraints

List unusual constraints of the section in (1) membership development, (2) technical/educational activities, (3) scholarship activities, and/or (4) financial activities.

None

13. The President's Award for Section Excellence is given to up to six outstanding sections each year based on the activities of the sections identified in the Annual Report. Why should your section be considered for the President's Award for Section Excellence? (If this question is answered, this annual report will serve as an application for the award.) See award rules, attached. If a qualification category does not apply to your section, you may attach an additional page that provides details about why that category should not be used in considering your section for the award.

The London Section was awarded one of the Section of Excellence awards last year. This was an outstanding achievement for which the membership were very proud, as was the board who worked tirelessly to make it so. This year has been no exception; we have maintained the standards in all that the section does. The SPE Review magazine has continued to be informative and popular while it is now complemented by the website www.spe-uk.org which is becoming increasingly popular. In addition the numbers of attendees has improved at our Continuing Education seminars, much of which has been achieved by our timely organisation and advertising of events along with the MOU with the PESGB, allowing their members entry at the same cost as our own. We continue to attract top speakers to events and would draw your attention to the fact that we had the UK's Energy Minister The Rt. Hon. Brian Wilson in February. This was an evening that attracted many influential and senior management from a number of the large E & P and independent UK companies.

Date 31th May 2002

Section Chairperson Jane Hayes
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The 2002-03 Section Operations Manual will be available on-line at www.spe.org. For a hard copy of the manual, please check here: _____

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