



Oceanic Vega

The seismic industry's largest and most powerful X-BOW®.

Equipped with Sentinel® solid streamers and Nautilus® streamer steering devices.

The Safer, Quieter, Better choice.



cggveritas.com/marine

X-BOW is a registered trademark of Ulstein. Nautilus and Sentinel are registered trademarks of Sercel.

PRESIDENT'S COLUMN

The Real Cost of Water – Going Up

s geoscientists we have a good understanding of many of the factors that can affect our industry - but one factor that we may understand

the least is water.

We know about water saturation and irreducible water calculations. We know that the cost for disposal of produced water is a line item on lease operating expense statements - and in some fields it



is a very significant cost. We know that when oil prices decline, the first wells that are shut in are those with the highest water cut. Water injection

pressure maintenance and secondary recovery. Water handling is a cost of doing business that increases with the age of the field.

is one of the primary methods of reservoir

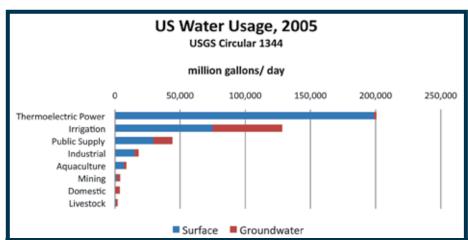
However, most of us do not have

a good understanding of how the oil industry fits into the total U.S. usage. or even the magnitude of U.S. water consumption

Two studies published in 2009 by the U.S. Geological Survey and Argonne National Laboratory help put our industry in perspective with all other water usage in the United States:

The USGS reports the U.S. water usage in 2005, as it has every five years since 1950.

▶ The Argonne National Laboratory



Estimated use of water in the United States in 2005: U.S. Geological Survey Circular 1344 (Kenny, J.F., Barber, N.L., Hutson, S.S., Linsey, K.S., Lovelace, J.K., and Maupin, M.A., 2009, 52 p.); Consumptive Water Use in the Production of Ethanol and Petroleum Gasoline, Argonne National Laboratory ANL/ ESD/09-1 (Wu, M., Mintz, M., Wang, M., and Arora, S., 2009).

ESW Will Be 'Exploring Energy'

"Exploring Energy" is the theme of Earth Science Week 2010, which promotes scientific understanding of our planet – and this year the event will engage young people and the public in learning about Earth's energy resources.

A poster promoting activities being held Oct. 10-16 is inserted in U.S. addresses of this issue of the EXPLORER at pages 32-33.

Since 1998 the American Geological Institute annually organizes a "grass roots" effort for the geosciences community and publicizes the event, distributes materials and provides

quidance to those interested in participating in ESW.

In 2009, AGI said people in all 50 states and in more than 18 countries participated in events and activities, and nearly 80,000 people visited the Earth Science Week website. In addition, more than 1,100 people nationwide actively participated in the program's visual arts, essay and photography contests.

The program is supported by the AAPG Foundation, ESRI, ExxonMobil, the National Park Service and the U.S. Geological Survey.

report attempts to quantify the amount of water used in ethanol and gasoline production.

The USGS study estimates that in 2005 the United States used an average of 410 billion gallons of water per day – 9.8 billion barrels per day. That is down slightly from the 413 billion gallons per day in 2000, and happens to be equivalent to the average daily usage over the past 30 years.

A summary of how the 410 billion gallons per day were used is shown in the attached table. Nearly half of it was used for thermoelectric power generation. Eighty percent of all water usage was allocated to power generation and irrigation. Sixty percent of the 410 billion gallons is groundwater and 40 percent is surface water. Freshwater withdrawals represent 85 percent of the

With total U.S. water usage in the range of 10 billion barrels per day, you would assume that the oil industry's contribution would be modest, and it is. The Argonne National Laboratory study concluded that U.S. oil production operations use between 2.1 and 5.4 net gallons of water per gallon of oil produced, depending on the location and age of the field. Net gallons of water usage means that the produced water re-injected for pressure maintenance is not included in water usage calculations.

See **President**, next page

STAFF

AAPG Headquarters: 1-800-364-2274 (U.S. & Canada only), others 1-918-584-2555

Communications Director

Larry Nation e-mail: Ination@aapg.org

Managing Editor

Vern Stefanic e-mail: vstefan@aapg.org

Communications Project Specialist

Susie Moore e-mail: smoore@aapg.org

Correspondents

David Brown Louise S. Durham Barry Friedman

Graphics/Production

Matt Randolph e-mail: mrandolph@aapg.org

Advertising Coordinator

Brenda Merideth P.O. Box 979 Tulsa, Okla. 74101 telephone: (918) 560-2647 (U.S. and Canada only: 1-800-288-7636) (Note: The above number is for advertising purposes only.) fax: (918) 560-2636 e-mail: bmer@aapg.org

TABLEOFCONTENTS

Picking themselves up: Operators in the Gulf of Mexico are continuing to push forward in the aftermath of Macondo.

Wake-up call: The company that helped turn the shallow Gulf of Mexico into a deep drilling wonderland says the industry has learned much over the past six months.

Hoping to present a paper or poster at the AAPG Annual Convention and Exhibition in Houston? The abstract submission deadline is coming fast.

"Sweet" smell of success: The Gulf Coast region's Upper Jurassic Haynesville play continues to be a spotlight-grabbing event.

Accent on the algae? One geologist says the superior rock properties of the Marcellus Shale may be due to the significant role that algal blooms played in its development.

Going global: Not all shale gas basins are created equal - but countries all over the world are intrigued by the possibilities.

Looking for algae? Field trip

REGULAR DEPARTMENTS

Geophysical Corner	30
Washington Watch	32
Regions and Sections	34
www.Update	38
Professional News Briefs	39
Foundation Update	40
Membership and Certification	42
Readers' Forum	44
In Memory	44
Classified Ads	45
Director's Corner	47
Divisions Report (DEG)	47



ON THE COVER:

Since the devastating Deepwater lorizon oil spill in April, America's Gulf of Mexico has dominated the news – but that tragic story is not the only news to come from the region. Prolific plays onshore and offshore have helped the Gulf Coast to remain America's top source of energy – a topic covered in this month's EXPLORER. Cover shots depict activities in the successful Havnesville Shale (left) and shallow shelf plays. Photos courtesy of Petrohawk Energy, McMoRan Exploration and Murray Roth.

The AAPG EXPLORER (ISSN 0195-2986) is published monthly for members. Published at AAPG headquarters, 1444 S. Boulder Ave., P.O. Box 979, Tulsa, Okla. 74101, (918) 584-2555. e-mail address: postmaster@aapg.org. Periodicals postage paid at Tulsa, Okla., and at additional mailing offices. Printed in the U.S.A. Note to members: \$6 of annual dues pays for one ear's subscription to the EXPLORER. Airmail service for members: \$55. Subscription rates for non-members: \$75 for 12 issues; add \$72 for airmail service. Advertising rates: Contact Brenda Merideth, AAPG headquarters. Subscriptions: Contact Veta McCoy, AAPG headquarters. Unsolicited manuscripts, photographs and videos must be accompanied by a stamped, self-addressed envelope to ensure return. The American Association of Petroleum Geologists (AAPG) does not endorse or recommend any products or services that may be cited, used or discussed in AAPG publications or in presentations at events associated with AAPG. Copyright 2010 by the American Association of Petroleum Geologists. All rights reserved.

POSTMASTER: Please send address changes to AAPG EXPLORER, P.O. Box 979, Tulsa, Okla. 74101. Canada Publication Agreement Number 40063731 Return undeliverable Canadian ddress to: Station A, P.O. Box 54 • Windsor, ON N9A 6J5 • E-mail: returnsIL@imex.pb.com

> SEPTEMBER 2010 WWW.AAPG.ORG

Candidates' Videos Coming Online

iographies and individual information for AAPG officer candidates for the 2011-12 term are now available online at www.aapg.org.

Also, for the first time, video comments by the candidates will be available online in mid-September.

The videos show the Executive Committee candidates talking about why they accepted the invitation to stand for an AAPG office.

Ballots will be mailed in spring 2011. The president-elect will serve in that capacity for one year and will be AAPG president in 2012-13. The vice president-Regions and secretary serve two-vear terms.

Complete election campaign rules also are available online.

President-Elect

☐ Edward A. "Ted" Beaumont, independent consultant, Tulsa. □ John C. Dolson, DSP Geosciences and Associates, Coconut Grove, Fla.

Vice President-Regions

□ David C. Blanchard, El Paso Egypt Production, Lasilky, Maadi, Egypt. □ Stuart D. Harker, Circle Oil Plc, Finchampstead, U.K.

Secretary

☐ Charles A. "Chuck" Caughey, ConocoPhillips, Houston.

☐ Denise M. Cox, Storm Energy, Panama City, Fla.

President from previous page

This study also estimates that oil refining uses approximately 1.5 gallons of water per gallon of oil refined.

Based on 2009 U.S. oil production and refining statistics, the U.S. oil industry's aggregate water usage is approximately 1.9 billion gallons of water per day, or approximately 0.5 percent of the United States' total water usage.

This study did not address water associated with natural gas production; therefore, the figure is somewhat conservative. A half-of-a-percent does not sound like much, but it represents 44 million barrels of water usage per day.

The unanswered question is - what is the real cost of handling that much water?

It may be relatively small in comparison to the average U.S. oil price of \$53.48/barrel in 2009, and even less so in comparison to \$91.48/ barrel in 2008. However, it was much more significant in 1998, when the average U.S. oil price was \$11.91/ barrel.

In 2005, Americans used an average of 1,367 gallons of water per day per person (410 billion gallons and 300 million people). Depending on location, we currently pay approximately \$0.002 to \$0.004/gallon for domestic supply. If we assume that \$0.002/ gallon approximates the real cost of water, applying that to the total U.S. usage yields a cost of \$2.73/ day per person.

In the same year, the United States used an average of approximately three gallons of crude oil per day per person (21.1 million barrels/day). The average cost of crude oil in 2005 was \$50.04/ barrel or \$1.19/gallon. That represents a daily cost of \$3.52/person.

It is not difficult to envision a time in the near future when the real cost of water will have a greater impact on the world economy than the cost of a barrel

Dankkensink

Eastern Section Spotlights Shales

he onshore shale petroleum systems of eastern North America will be in the spotlight during the AAPG Eastern Section's annual meeting, set Sept. 25-29 in Kalamazoo, Mich.

The meeting's theme is "Perseverance - The Pipeline to Prosperity," and four of the technical program's sessions - comprising 22 papers and eight posters - will be devoted to the much-publicized eastern shale systems.

Several presentations will deal with exploration and development in the Marcellus Shale.

Specific talks will include:

- ▶ Regional Sequence Stratigraphic Interpretation of the Marcellus Shale.
- ▶ Characteristics of the Utica Black Shale in New York and Pennsylvania.
- ▶ Applying 3-D Seismic in Marcellus Shale Development.
- What's New With the New Albany Play in Illinois in 2010?
 - Bloomin' Algae! How

Paleogeography and Algal Blooms May Have Significantly Impacted Deposition and Preservation of the Marcellus Shale (see page 26).

Other technical sessions will deal

- ▶ Reservoir Characterization.
- Geological Sequestration of CO₂ and CO_/EOR.
- ▶ Trenton and Black River Exploration and Production.
- ▶ Responsible Development of Energy Resources in an Environment of Climate Change.
- Structural Analysis and Basin Modeling.
- Quantitative Applications for Reservoir Characterization and Production.
- GIS and Computer Applications. For more information go online to aapgesmeeting2010.mbgs.org.

Change the Way You Analyze Mud Gas

Weatherford's GC-TRACER™ surface gas detector reinvents formation gas analysis to provide vital intelligence for reservoir characterization



With precise composition in a wider spectrum of gas measurements,

- · identify fluid types, hydrocarbon maturity and degradation, sweet spots, fractures and faults:
- receive early indications of net pay, fluid mobility, porosity and relative permeability;
- · improve fluid-sampling programs, pick casing points, geosteer horizontal wells and optimize frac design.

The GC-TRACER detector is Tactical Technology" that helps you make drilling, evaluation and completion decisions with greater certainty than ever before. Contact us at sls@weatherford.com or visit weatherford.com/surfacelogging.

The change will do you good



weatherford.com



- Geoscience consulting services Source rock analysis Wellsite geochemical analysis

Advanced formation gas analysis

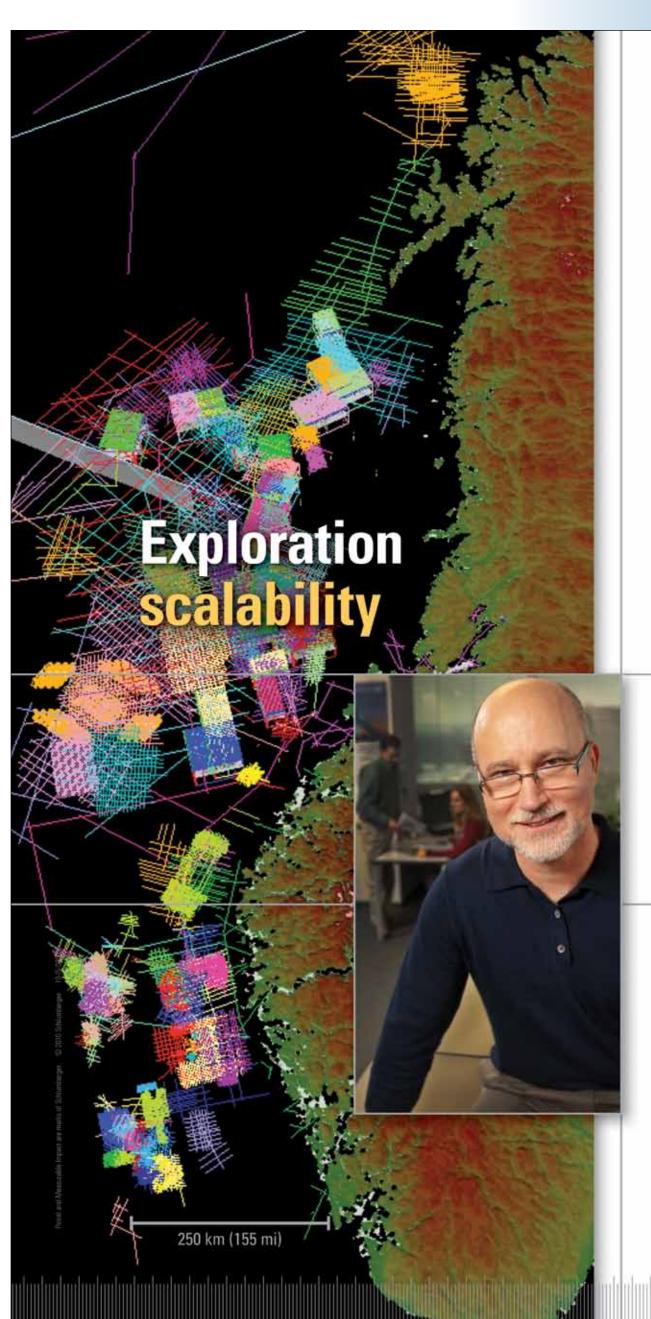
Formation cuttings analysis

Hole-stability monitoring

Underbalanced drilling Vibration detection

Kick detection

Formation evaluation



Petrel 2010

SEISMIC-TO-SIMULATION SOFTWARE

I loaded all the offshore Norway data in 35 seconds.

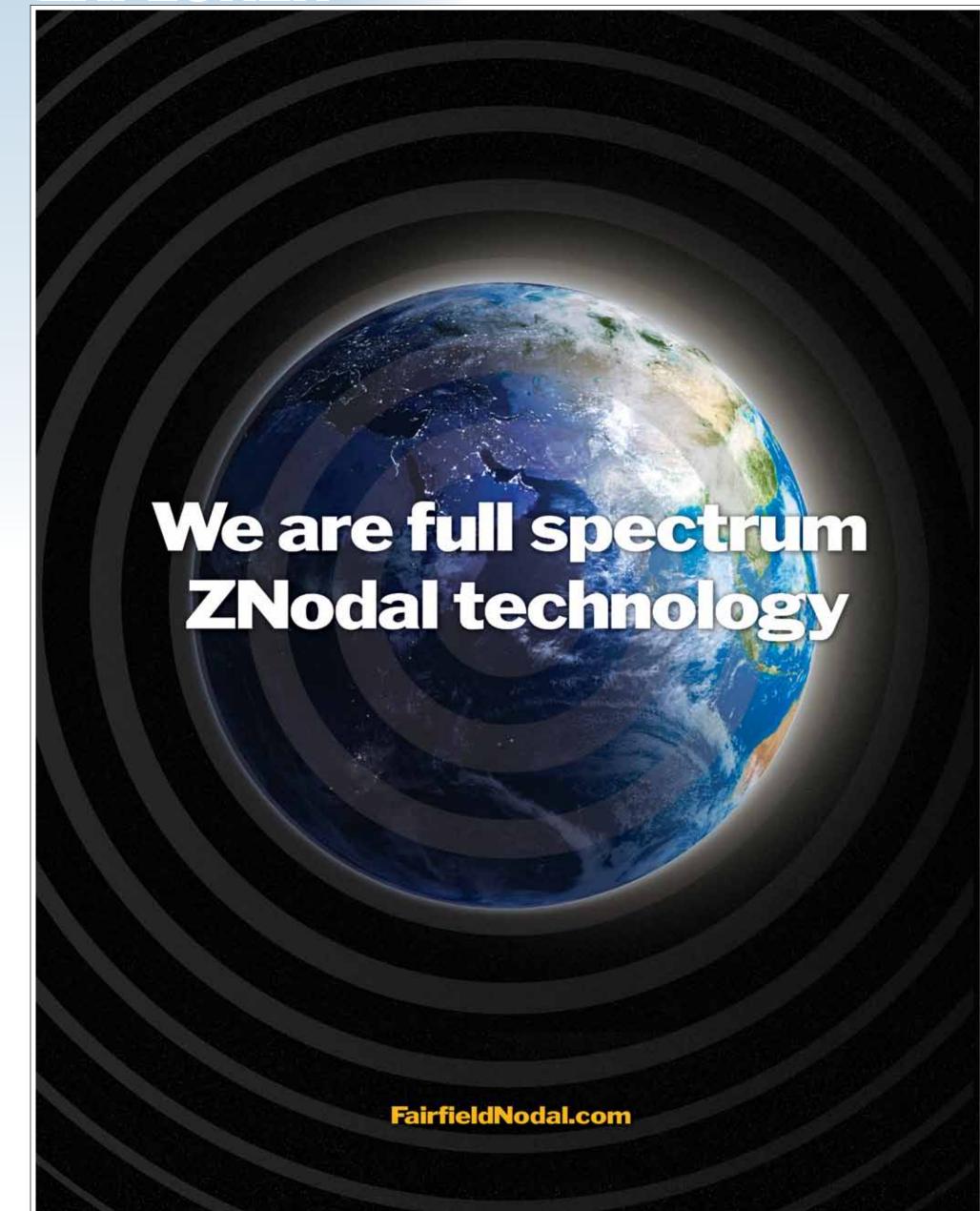
With Petrel 2010, I've got it all.

www.slb.com/petrel2010

Global Expertise Innovative Technology

Measurable Impact

Schlumberger



From ZSYSTEMS to ZIMAGING

OK, we admit it. We get really excited about nodal data. All kinds of nodal data. From land data acquired in dense urban areas or pristine wilderness to marine data from the shallowest to the deepest regions of the ocean floor. All



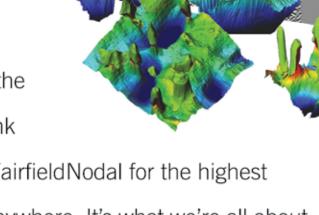
from our ZNodal Systems. We love to collect it, license it, process it and image it with specialized software we've designed to optimize the unique advantages of nodal data.

And we are good at it. We've been at this seismic data collection business for over 30 years. In fact, much of our spec data has been shot with cableless nodal systems that

we developed right here at FairfieldNodal.

Our ZNodal Systems are cost effective, reliable and available now for your next project anywhere in the world. And, we can assist you with the full spectrum of seismic data services from systems and acquisition through imaging.

We are not the biggest, slickest outfit in the business. We don't wear designer suits or drink



chocolate martinis. But you can depend on FairfieldNodal for the highest quality nodal data systems and information anywhere. It's what we're all about.



WWW.AAPG.ORG SEPTEMBER 2010

Moratorium creates dilemma

GOM Plans Redefined After Macondo

By DAVID BROWN, EXPLORER Correspondent

he extended duration of the oil spill from BP's Macondo well completely floored operators and service companies working the deepwater Gulf of Mexico.

Maybe that's why so many of them said the subsequent moratorium on deepwater exploration felt like being kicked while you're

Four major players scrambled to put together a \$1 billion spill-containment response system for the deepwater Gulf, and some companies issued dire predictions of an aftermath from the spill.

Those affected by the event expressed themselves from different perspectives:

- •• "The potential for removal of the liability cap for claims of damages from oil spills, and/or the enactment of onerous rules and regulations regarding activities in the deepwater Gulf of Mexico could significantly alter our industry," Noble Energy Corp. reported. "Such rules could effectively limit which companies can operate in the deepwater Gulf."
- T. Paul Bulmahn, chairman and CEO of ATP Oil & Gas Corp. a significant explorer in Gulf waters talked about the seriousness of an accident in which 11 lives were lost.

"As nothing compares to the tragedy of loss of life, we also ask that no one forget the estimated 45,000 workers and the families of those workers that will find Companies active in the deepwater quickly emphasized their own safety records and downplayed the potential effect of the moratorium on their financial results.

themselves unemployed as a result of the imposed deepwater work stoppage," he said.

•• Offshore crews hoped their unemployment would be temporary, limited to the extent of the drilling moratorium.

And for the most part, oil companies continued to push forward their Gulf of Mexico exploration plans in the face of the delay.

→ "The drilling moratorium has impacted our offshore Gulf of Mexico operations in several ways. We expect some lost production in 2010 due to permitting delays on the shelf and a slower ramp-up at Perdido," said George Kirkland, executive vice president, global upstream and gas for Chevron Corp., in discussing the company's second-quarter results.

"Although the longer-term impact of the moratorium remains unknown, we are focused on progressing our projects in the deepwater Gulf of Mexico," he added. "The Tahiti 2, Jack-St. Malo and Big Foot projects remain on track to reach FID (final investment decision) later this year, assuming the moratorium is lifted."

Anadarko Petroleum Corp., a 25 percent partner in the Macondo well, reported it had \$3.3 billion of unproved property acquisition costs and \$377 million in exploratory drilling costs that were affected by the Gulf moratorium.

The company said no impairment of those properties had been recognized and its "intent to continue exploration and development of these properties is unchanged at this time."

Reacting to the moratorium created something of a dilemma for Gulf players.

Companies active in the deepwater quickly emphasized their own safety records – except for BP – and downplayed the potential effect of the moratorium on their financial results.

At the same time, they warned that the suspension of activity and imposition of stricter regulations could have a materially negative impact on their future.

Collateral Damage

Financial effects of the spill quickly spread through the industry.

- → Halliburton estimated that the deepwater suspension would lower its earnings by 5 to 8 cents per share for each quarter for the remainder of 2010.
- Baker Hughes said the drilling moratorium reduced its earnings by 3 cents per share during the second quarter and had a potential negative impact of 8 to11 cents a share per quarter in the second half of the year.
- Noble Energy announced, "As a result of the moratorium, we entered into an agreement to terminate our contract for the Noble Clyde Boudreaux drilling rig and recognized rig contract termination expense of \$26 million during second quarter 2010."

The company suspended operations on an exploration well at the Santiago prospect (Galapagos project) in the Gulf and a sidetrack to an exploration well at the Deep Blue prospect, and temporarily abandoned both locations.

One of the early casualties of the Gulf spill was the U.S. Minerals Management

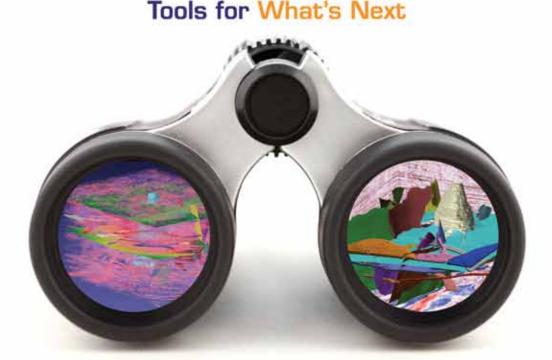
See What's Next, page 10

See for yourself: SEG booth 2202



Change the way you look at things with

Insight Earth®



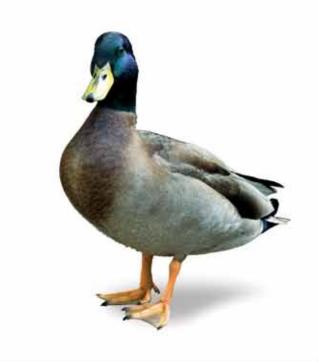
Insight Earth's patented technology takes you to the next level of seismic interpretation.

- 3D interpretation across the workflow
- Automated Fault Extraction™
- Surface Wrapping™ salt body interpretation
- Domain Transformation™ stratigraphic analysis

Software solutions from TerraSpark - Tools for What's Next

www.terraspark.com





At a glance, data and information may look the same.

When you get past the surface, you will recognize the in-depth, actionable information used to advance energy-critical business decisions. More than seven decades of gathering, analyzing and refining information gives us the ability to see past what's publicly available, and deliver exactly what you need. **Energy information, refined.**

ihs.com/refined-information/aapg



WWW.AAPG.ORG SEPTEMBER 2010

What's Next

from page 8

Service. In May, the Interior Department announced that the service would be restructured. It was renamed the Bureau of Ocean Energy Management, Regulation and Enforcement.

Initial plans called for breaking up the agency into three departments, the Bureau of Ocean Energy Management, the Bureau of Safety and Environmental Enforcement and the Office of Natural Resources Revenue.

Key to those plans was the idea of separating the environmental and safety arm of the new bureau from the leasing and revenue operations. Michael Bromwich, a former inspector general of the Justice Department, became head of the new The newly created nonprofit Marine Well Containment Co. will operate and maintain a spill response system for the Gulf of Mexico.

bureau and leader of the reorganization effort in June.

By August, industry developments resulting from the oil spill and the deepwater moratorium included three major elements, in addition to spill containment and clean-up efforts:

- ▶ Plans for a rapid-response, deepwater spill-prevention system.
- ▶ BP's program of planned asset sales, targeted at \$30 billion.

▶ Talk of a cooperative insurance plan for Gulf deepwater exploration.

ExxonMobil, Shell, Chevron and ConocoPhillips announced in July they would each commit \$250 million toward creation of the nonprofit Marine Well Containment Co., to operate and maintain a spill response system for the Gulf of Mexico.

The planned system would be capable of containing up to 100,000 barrels of oil per day, functional in up to 10,000 feet of water

depth and deployable within 24 hours.

It would capture all flowing oil and feed it to one or more capture vessels through a system of jumpers, manifolds and risers, and include capture caisson assemblies to enclose a damaged connector or leak outside the well casing.

ExxonMobil was named project leader on behalf of the sponsor companies. Plans called for existing equipment to be secured for the response system within six months, with specially made equipment finished and the system operational within 18 months.

BP said in July it would sell up to \$30 billion of assets during the following year and a half, primarily from its upstream business. The company took a charge of \$32.2 billion to reflect costs related to the Macondo spill.

Apache Corp. agreed to pay \$7 billion to acquire all of BP's oil and gas operations, acreage and infrastructure in the Permian Basin of west Texas and New Mexico and Egypt's Western Desert, plus most of BP's upstream natural gas business in western Alberta and British Columbia. The deal included estimated proved reserves of 385 million barrels of oil equivalent.

BP could offer a stake in its Prudhoe Bay operations in Alaska, reportedly part of but then excluded from the Apache acquisition. It also may offer assets in Vietnam, Pakistan and Colombia for sale.

Cooperative Insurance?

In addition to negative public opinion and the possibility of operating restrictions in the Gulf, deepwater explorers expressed concern about the higher perceived risks of drilling.

"The ability to insure such risks is limited by the capacity of the applicable insurance markets, which may not be sufficient to cover the likely cost of a major adverse operating event such as a deepwater well blowout," ExxonMobil said.

"Small and medium-sized oil and gas companies might not be able to obtain insurance coverage at economically appropriate levels or meet financial responsibility requirements and would have to exit the deepwater Gulf of Mexico," Noble Energy warned.

One proposed solution would have companies acquiring their own liability coverage up to \$1 billion, then paying into a cooperative insurance pool for additional coverage. That money would be available to a contributing operator that experienced a catastrophic accident, blowout or spill.

Jim Mulva, chairman and CEO of ConocoPhillips, was asked about the possibility of a changed liability cap and a cooperative insurance approach during a discussion with industry analysts.

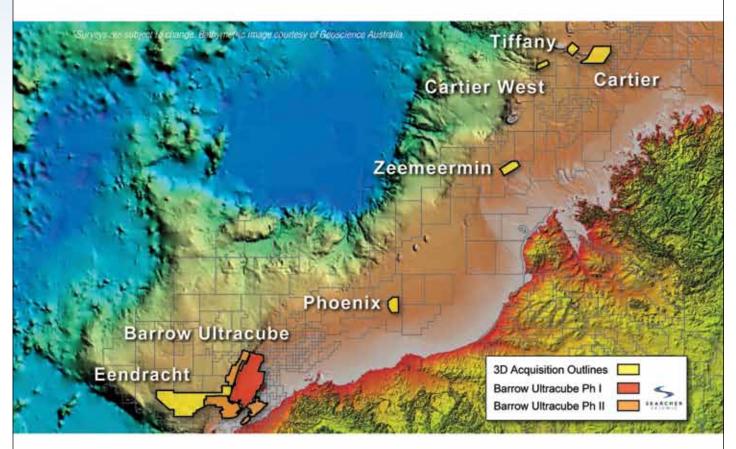
"The oil spill insurance fund, we have to make sure that whatever we do, if there are changes to it, it's done in a way that those funds if collected are really used in the case of a very unfortunate, tragic incident," Mulva responded.

"That is what they need to be used for, and more of a collective mutual insurance by the industry to the extent you pay in, than to be a vehicle by which the government collects money from the industry and then uses it for things other than its intended purpose," he said.

An obstacle to cooperative insurance coverage may be the industry's attitude about responsibility for serious accidents in deepwater. BP was widely criticized by other operators and accused of lax operations leading to the Gulf oil spill.

"We believe the investigations of this tragedy," Kirkland said, "will show that it was preventable."

NEW NORTH WEST SHELF...



...NON-EXCLUSIVE 3D SEISMIC SURVEYS



Fugro is adding several new 3D projects to the existing data library over the North West Shelf.

Eendracht - currently acquiring ~8000 km² in the Carnarvon Basin.

Cartier & Cartier West - recent acquisition of ~2770 km² in the Timor Sea with a further ~520 km² currently being acquired.

Zeemeermin - recent acquisition of ~1160 km² in the Browse Basin.

Phoenix - ~1100 km² to be acquired in the Canning Basin.

Tiffany - ~730 km² to be acquired in the Timor Sea.

Barrow Ultracube - together with Searcher Seismic have reprocessed Phase I consisting of ~8770 km² in the Carnarvon Basin. Phase II extension consists of ~7000 km² and is currently underway.

Fugro Multi Client Services

Owen Dyer Mob: +61 413 607 363 Email: o.dyer@fugro.com www.fugromcs.com.au





Solving challenges.™

HALLIBURTON

Sperry Drilling

© 2016 Nationates. All rights reserved.

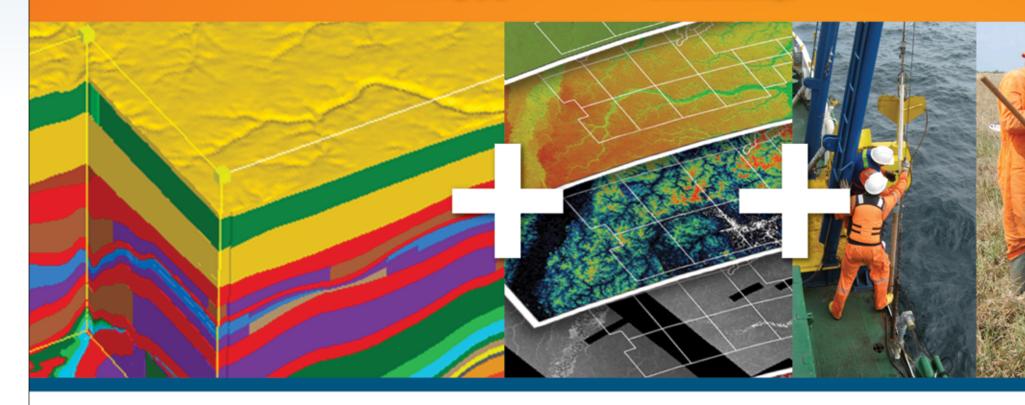
Geology & Geophysics

Structural Basin Evolution Stratigraphic Model Facies Map Plays and Leads Identification **Prospect Definition Exploratory Risk Analyses Petroleum System Analyses Pre-Salt Experience** Seismic Interpretation **Time-Depth Conversion Carbonate Exploration** Paleo-Environments **Gravimetric and Magnetometric Modeling Magnetic Telluric 3D Petroleum System Modeling** Biostratigraphy Geoch

Remote Sensing

Offshore Oil Slicks & Onshore Oil Seeps Pist

Total Scan Total Petroleum H Gas Composition an



= Integ

The leading petroleum system and ged at the hub of Brazilian petroleum E&P

With a unique professional petroleur most integrated services and stateindustry. The services range from 3D geochemistry of oil and gas samples, v

IPEX geology group is composed by se gas exploration mainly over onshore Most of the professionals have PhD petroleum and environmental geology

The skill and experience of IPEX's g Proterozoic to Recent age, involving al also from South America (Colombia, Pe

Rua Dezenove de Fevereiro, 69/71 Botafogo - Rio de Janeiro - RJ Brazil - CEP 22280-030 T +55 21 3622 9500 F +55 21 3622 9513

more.about@ipexco.com.br www.ipexco.com.br

Surface nemistry

Free Gas Adsorbed Gas Composition and Isotope Analysis DNA Profiling

ton Core

ning Fluorescence ydrocarbons (TPH) d Isotope Analysis Biomarkers Diamondoids DNA Profiling

Geochemistry & Laboratorial Analysis

Source Rock Geochemistry
Oil Geochemistry
Gas Geochemistry

HRGT
High Resolution Geochemistry Technology

HRGTWD

(High Resolution Geochemistry Technology While Drilling

HRMGIL (High Resolution Mud Gas Isotopic Logging)

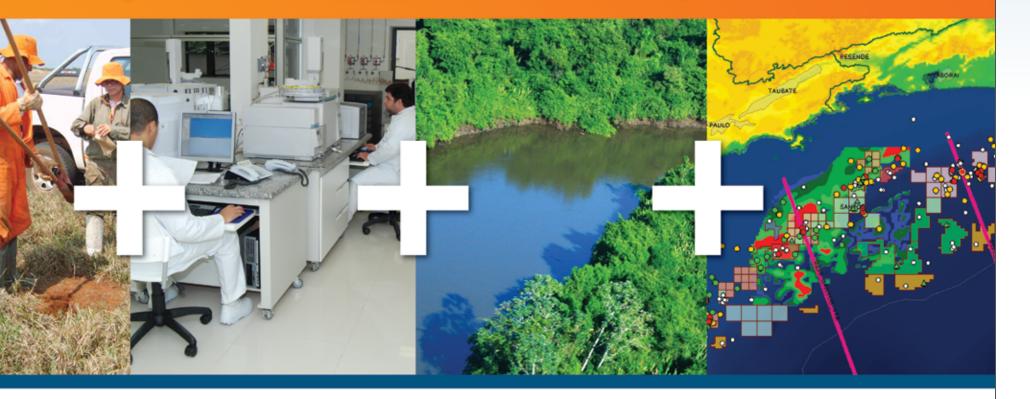
Reservoir Geochemistry Chemical Analyses Diamondoids Biomarkers

Environmental

Auditing, Licensing, Monitoring & Environemtal Analysis

Database

BrazilGeodata Geodatabases



rated Petroleum Expertise

ochemical company in the southern hemisphere, located activity – Rio de Janeiro.

n exploration and environmental team, IPEX offers the of-the-art technology to support the petroleum E&P Basin modeling of petroleum systems to the molecular with the highest quality service available in the world.

nior geologists, who have long timeexperience in oil and and offshore South-American and West African basins. and MSc degrees with proficiency in all segments of *t*.

eologists encompass from basin analysis studies from I the onshore and offshore basins mainly from Brazil, but eru, etc) and several countries in West Africa. Generally, having started as well-site geologists, the IPEX professionals during their experience in major oil companies, worked with different projects covering surface and subsurface geology, sedimentology, stratigraphy, biostratigraphy, structural geology, geochemistry, remote sensing, and basin exploration analyses.

IPEX is able to combine the Geological Expertise with the Environmental Knowledge in order to provide state-of-the-art solutions when environmental issues are combined with E&P requirements

IPEX has been helping several oil companies over the last years to reduce their operational costs and risks during the evaluation of a prospect, throughout integrated solutions of geological, geochemical and environmental expertise.



WWW.AAPG.ORG SEPTEMBER 2010 1

Lessons being learned

'This Isn't Going to Happen Again' By LOUISE S. DURHAM, EXPLORER Correspondent

he well that sourced the Big Spill in the deepwater Gulf of Mexico was reported to have ceased flowing early in August owing to success of a static kill. At press time, the permanent kill was imminent.

Early on, continuing video of the ghastly months-long spill reached a worldwide audience, and the political powers-that-be quickly slapped a six-month moratorium on deepwater Gulf drilling, which they defined as water depths greater than 500 feet. Even shallow water permits were stalled while safety standards were reviewed.

A let-up is in sight.

Michael Bromwich, director of the Bureau of Ocean Energy Management, which is the federal offshore regulator, reportedly has said the moratorium possibly can be lifted "significantly" in advance of its planned Nov. 30 expiration.

McMoRan Exploration Co. has a long history of working both the onshore Gulf Coast area and the offshore Gulf - and has become adept at drilling successful deep wells in shallow water.

A shining example is the company's relatively recent and widely acclaimed Davy Jones discovery well, which reached almost 30,000 feet in depth while positioned in only 20 feet of water.

Being Prepared

But while shallow water may be its milieu, McMoRan co-chairman and veteran



"We can contain a spill around these wells on the shelf immediately, because the equipment is there."

geologist Jim Bob Moffett has earned more than enough stripes in the business to comment with authority on the recent deepwater Gulf disaster.

"Some people are calling it the Chernobyl of the oil and gas business," Moffett noted during the company's recent Q2 2010 earnings conference call. "That's an interesting comparison since you haven't had an accident in the nuclear business similar to that in 34 years.

"We've been operating on the shelf for 40 years," he noted. "As to the containment of a spill – whether because of a production facility, hurricane damage, a well out of control – we do fire drills around here all the time that the MMS basically conducts on the

"We can contain a spill around these wells on the shelf immediately," he emphasized, "because the equipment is there.

"We've done some additional actual tests on the blowout preventers, even on new rigs, demonstrating that the rams can

actually sever a five-inch or 6 5/8-inch drill pipe if needed."

It's a pointless exercise to speculate what might have happened had a well cap been sitting "on the shelf" at the ready when the recent Gulf well blowout and explosion occurred, or even a design in place to handle a damaged tree subsea.

"That's spilt milk," Moffett said. "I can assure you, at least in my opinion, those caps will be designed, because it's not like every one of those subsea completions is unique.

"The stacks may have some different dimensions," he commented, "but since we're not deepwater experts, I won't try to be a deepwater expert.

"But I can tell you that what's been learned from this incident is that the equipment that's been experimented with over the last three months, that won't ever happen again because they're going to have the stuff "on the shelf" before anybody goes back to work," Moffett emphasized. "So if you have a problem,

you go out there and put the right cap on the first time instead of experimenting."

Moffett emphasized the answers will ultimately get sorted out.

After all, billions of dollars flow into the federal coffers annually from royalty payments on Gulf of Mexico production. On top of this humongous income stream, the government has collected probably billions in revenue from lease bonuses just since deepwater plays were discovered, according to Moffett.

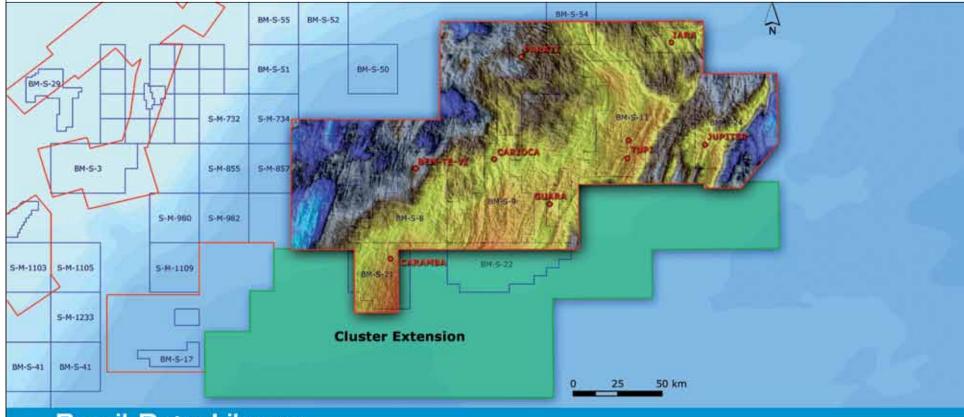
Clearly the spill will have a number of ramifications. Moffett believes there will have to be an insurance pool – a high risk

He emphasized this event is not like an earthquake or hurricane that likely will continue to occur over time.

"This isn't going to happen again," he reiterated. There won't be experimental stuff as things have gone in the last months - at least in my opinion.

"You're going to have to have that," Moffett noted. "Nobody is going to operate in an environment where you have to factor into your goal whether or not to bid on a lease or drill a prospect if you've got a liability that's totally unlimited.

"I don't want to become a soothsayer here," he said, "but those are kind of my impressions of what's going to follow as people start to become rational and deal with the real economics and realities of how you keep the Gulf of Mexico as a resource for the United States."



Brazil Data Library

In addition to the well known Cluster area located in the Santos Basin, CGGVeritas offers the oil industry an additional 18,290 sq km of unrevealed seismic information from the Cluster Extension:

- Estimated completion: October 2010
- PSTM Fast-Track over the entire area available January 2011 (10,000 sq km available today)
- 8,000 sq km of final Kirchhoff PSDM, CBM and RTM available in December 2010.

Patrick Postal Tel: +55 21 2136 1650 patrick.postal@cggveritas.com

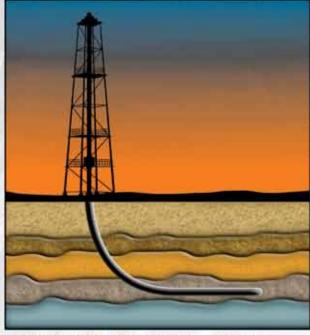
Jean-Paul Baron Tel: +1 832 351 8676 jean-paul.baron@cggveritas.com



cggveritas.com

Looking for Accurate Directional Data?





Directional Survey Plus data now available online

Let TGS lead you in the right direction

Get on the right well path with Directional Survey Plus (DS+) data. DS+ data moves beyond the simple capture of measured depth, azimuth and inclination to create the most accurate spatial representation of the well path, from surface to total depth.

TGS researches DS+ wells to identify all wellbores, entering all runs and composites in original form with extensive metadata and superb quality control. The data are then processed and composited using proprietary workflows. The resulting standardized, high quality data is available in multiple industry formats.

Current coverage includes many of the hottest basins in the US, and multi-client coverage is expanding everyday. TGS also provides DS+ processing to clients worldwide.

Find out more at www.tgsnopec.com/welldata 888-LOG-LINE or WellData@tgsnopec.com









Sept. 23 deadline looms

Last Call Sounded for 2010 ACE Abstracts

bstracts continue to be accepted for the 2011 AAPG Annual Convention and Exhibition – but the deadline is coming fast.

Abstracts must be submitted by Sept. 23.

The 2011 ACE will be held April 10-13 at the George R. Brown Convention Center in Houston. The general theme is "Making the Next Giant Leap in Geosciences," and abstracts for papers and posters are being sought for 11 areas:

Molecules to Marketplace: The

Business of Energy – Business energy experts from domestic and international companies who can discuss active oil and gas trends, price, demand and advice on what might happen in the future. Specific emphases include global business perspectives and discovery thinking.

▶ Global Deepwater Reservoirs: Giant Leaps in E&P – State-of-theart geoscience deepwater reservoir studies and deepwater depositional environments in fields located in the Gulf of Mexico, deepwater South



America, offshore Africa and emerging deepwater plays around the world.

Worldwide E&P: Opportunities in the New Decade – Exploration

and production onshore or offshore, focused on significant new plays and studies of geological trends from around the world, including the Americas, Brazil, Middle East, Asia and Arctic exploration.

► Challenged Resource Frontiers

- Multidisciplinary aspects related to the characterization, assessment and understanding of gas and oil resources from less-than-conventional reservoir systems in both the U.S. and international arenas. Specific emphases include tight oil sands, fractured reservoirs, heavy oil plays and gas hydrates.

Mudstones and Shales: Unlocking the Promise – A comprehensive look at U.S. and international gas- and oilproductive mudstone case studies, systems geology and geochemistry, exploration, assessment and ranking techniques, reservoir characterization and evaluation, and drilling and completion technologies.

▶ Siliciclastics: Advancing Research to Resource – All aspects of siliciclastic research and reservoir characterization, including fluvial, shallow marine and deepwater settings, diagenesis, reservoir modeling comparing modern and ancient siliciclastic systems, and marine biostratigraphy and paleontology.

Insight Into Carbonates and Evaporites – A look at carbonate and evaporite research (ancient and modern), carbonate reservoirs, reservoir modeling, seismic interpretation and oil and gas studies of carbonates.

▶ Breakthroughs: Tectonics, Salt and Basin Analysis – Basin analysis, petroleum systems and studies of structure and tectonics worldwide, including faulting styles, salt tectonics, subsalt and pre-salt modeling and exploration, and thrust and strike slip faulting and plate tectonics.

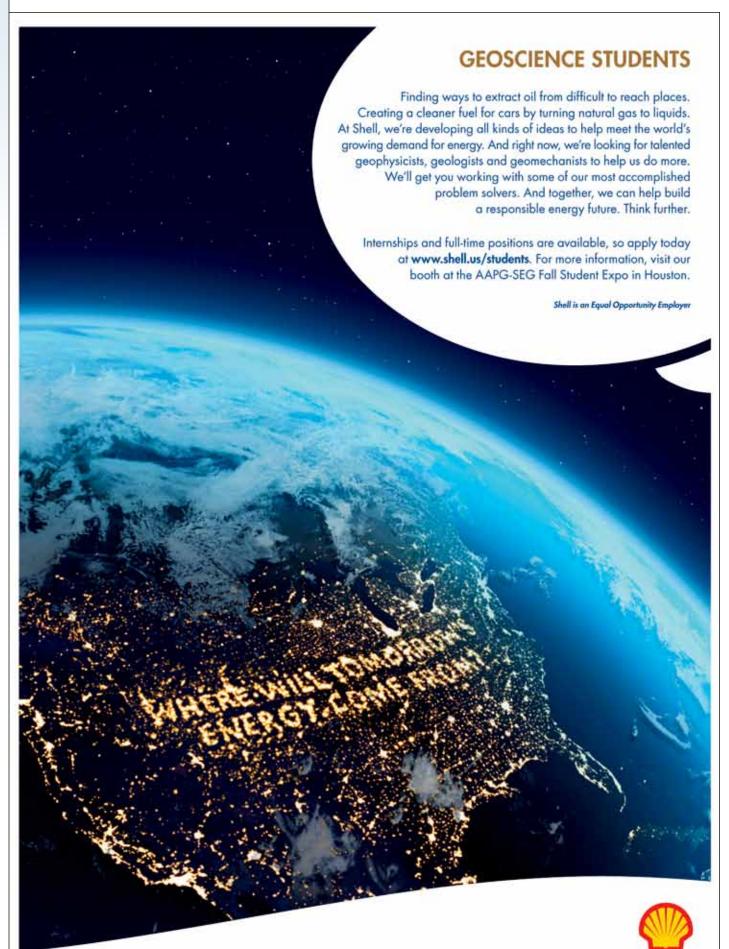
▶ Integrating New Technology,
Geophysics and Subsurface Data —
Geology integrated with geophysics,
applied to exploration and production
— including surface and subsurface
GIS mapping technology. Specific
emphases include case studies in
integrated geology and geophysics,
seismic visualization and mapping and
GIS technology.

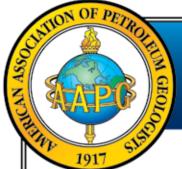
▶ Energy and Environmental
Horizons – Topics important to today's
natural resource and environmental
geologists. Papers coordinated by
the AAPG's Energy Minerals Division
(EMD) will address alternative energy
resources; the Division of Environmental
Geologists (DEG) will coordinate
papers on environmental geology.

▶ The Next Geo-Generation: Who, What and Where – The trends and dynamics of young professionals in the energy industry, including career development, attracting and retaining geoscience staff and forecasting new career pathways.

Abstracts for all sessions should be submitted online at www.aapg.org/Houston2011.

Remember, the abstract submission deadline is Sept. 23. ■





5[™] ANNUAL

FALL EDUCATION CONFERENCE

HOUSTON, TX · OCTOBER 4-8, 2010

FOCUSING ON

UNCONVENTIONAL RESOURCES



Hosted by the Norris Conference Center
803 Town & Country Lane
Houston, TX 77024
p(713)590.0950 • f(713)490.0961

Special AAPG Group Rates at Nearby Hotels!

Courses will include:

- Reservoir Characterization and Production Properties of Gas Shales
- Origins of Heavy Oil & Biogenic Gas
- · Risk, Uncertainty and Decision-Making in Unconventional Resource Plays
- Organic Facies, Maturity and 3D Modeling in Unconventionals
- · Log Analysis of Shaly Sands
- The Varying Role of Natural Fractures in Unconventional Reservoirs
- The Application of Geomechanics in Unconventional Resources
- Recognizing Unconventional Pay from Wireline Logs: Case Studies
- Source Rocks 101: What Geoscientists & Engineers Need to Know about Petroleum Source Rocks
- Seismic Attributes for Shale Plays Application to the Niobrara Shale

Tuition for the week is only \$1595 for AAPG Members or \$1695 for Non-members* or \$400/day for individual courses

*(price increases to \$1695/1795 respectively after September 6, 2010; individual course prices increase by \$50/course day after Sept. 6. 2010)

HAVE YOU SIGNED UP YET??

Registration and Information:

Toll-free (U.S. and Canada) (888) 338.3387, or (918) 560.2650 • Fax: (918) 560.2678 • email: educate@aapg.org

Download a registration form at http://www.aapg.org/education/fec.cfm

WWW.AAPG.ORG SEPTEMBER 2010 17

Looking for Haynesville Sweet Spots

Data Boom Boosts Stratigraphy Understanding

he Gulf Coast region's Upper Jurassic Haynesville play in northern Louisiana and East Texas continues to be a real happening.

The play is defined by an organic shale interval approximately 200 feet thick stretching across approximately 6,000 square miles, according to AAPG member John Rhodes, manager at MXD Energy Partners LP, which is a prospect-generating company with working interest ownership in several areas of the play.

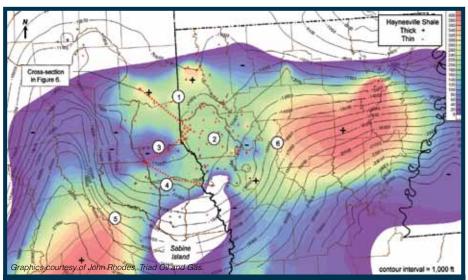
Anyone would be hard-pressed to pinpoint an onshore hydrocarbon play in Louisiana that has triggered the level of excitement attributed to the Haynesville. The play virtually up-ended the oil and gas business in this hydrocarbon-rich state where the coastal region activity has long held the spotlight while the many old fields in the north chugged along slowly as if on life support.

Once the Upper Jurassic Haynesville shale discovery well was announced by Chesapeake Energy in 2008, the land rush was on.

Leases quickly skyrocketed to the \$25,000/acre range before the companies managed to take a collective deep breath and worked to promote a semblance of calm midst the near-chaos that enveloped this largely rural region.

Given the big bucks and production potential, calm is relative.

Petrohawk Energy plunged into the action early on and acquired substantial



Isopach (colorfill) and depth (contours) of the Haynesville Shale. Shale Areas: 1-Texas Updip, 2-Louisiana, 3-Panola Platform, 4-Texas Downdip, 5-East Texas Salt Basin, 6-North Louisiana

holdings.

"We have a program here that's got decades worth of development," said AAPG member Dick Stoneburner, COO at Petrohawk. "We think it's prudent to learn as much as we can about this field – if you compromise data gathering and operational expertise, then you get behind."

Initial production in the 20 MMcf/d range was announced for some wells relatively early in the play. However, first-year decline rates as much as 80 percent were a part of the rumor mill early on.

Data Treasure Trove

Given the number of uncertainties from the get-go, there's good news for all in that the near lightening-fast development of the play has yielded a treasure trove of pertinent info to analyze.

Indeed, the rapid development of this play has resulted in a virtual explosion of new data that significantly contribute to understanding Jurassic stratigraphy and tectonics in the region, Rhodes said.

He commented that the productivity

of the play is much less consistent than the structure and stratigraphy originally indicated, and noted that the fundamental determinants of Haynesville productivity are:

Pre-Jurassic, tectonic influence on Haynesville stratigraphy.

Variation of the Haynesville stress state caused by late Cretaceous volcanic and halokinetic tectonics and differential subsidence of the Gulf Coast passive

"Additionally, the pressure and consequently the natural fracturing and energy within the Haynesville are impacted by stratigraphic variation of the juxtaposed Smackover, Cotton Valley lime and Cotton Valley Bossier intervals," Rhodes said. "These intervals can act as conduits, baffles or seals to gas generated in the Haynesville.

"Where the Haynesville is isolated and can't leak into anything else and there's no faulting to let it leak, that's where you have the highest and best productivity," he noted.

Unlike many shale plays where completions target silty or carbonate zones within the shale that enhance porosity, permeability and brittleness, Rhodes commented that the Haynesville play is generally a homogeneous shale.

Productivity variation is difficult to discriminate based on log character, thickness or depth alone, but there have been observations that productivity may be enhanced as the interval becomes thinner.

See **Haynesville**, page 20

Providing Consultants & Training for your Global Upstream Needs

CONSULTANCY / PROJECTS & STUDIES

Our professionals can conduct global projects in your office, at locations around the world, or in our state-of-the-art facilities

- **Regional and Basin Studies**
- **Exploration Prospect Generation**
- **Field Development Studies**
- Structural and Stratigraphic Analysis
- **Post-drilling Evaluations**
- Reserves and Resources Studies
- Integrated, Multi-disciplinary Projects

INVESTMENT ADVISORY SERVICES

Identification, Evaluation and Management of Global Oil & Gas Investment Opportunities Including:

- Oil & Gas Producing Properties
- Exploration/Development Prospects
- Lease or License Positions

REGISTER TODAY...

SPACE IS LIMITED IN COURSES BELOW!

www.scacompanies.com

IACET

SEPTEMBER

- 7 10Structural Styles in Petroleum Exploration & Production
- 13 17 Applied Subsurface Geological Mapping
- 13 17 Cased Hole and Production Log Evaluation
- 20 24 Practical Seismic Exploration and Development
- 21 23 Basics of the Petroleum Industry
- 25 29 Sequence Stratigraphy of Carbonates
- 27 29Seismic Interpretation Workshop
- 30 Oct. 1 Basic Petroleum Engineering for Non-Engineers

OCTOBER

- 4 8 Appraising and Developing Unconventional Gas Reservoirs
- 11 15 Applied Subsurface Geological Mapping
- 16 20 Structural Styles in Petroleum Exploration & Production
- 18 20 Applied Biostratigraphy in Oil & Gas Exploration and Production

Subsurface Consultants & Associates, LLC



21 YEARS OF EXCELLENCE!

10255 Richmond Avenue, Suite 300W,

Houston, Texas 77042

Phone: +1.713.789.2444 Fax: +1.713.789.4449 General Inquiries: info@scacompanies.com

Training: training@scacompanies.com

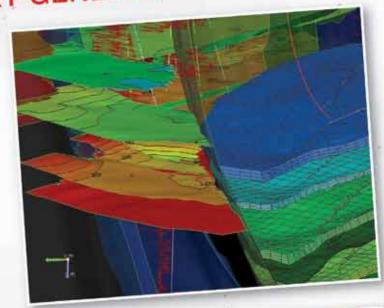
Consultants & Direct Hire Recruitment Services: consulting@scacompanies.com

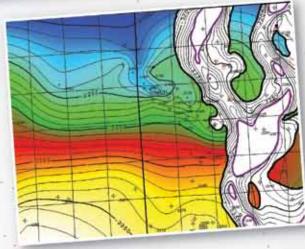
CALL US SMT...

SEISMIC AND GEOLOGICAL MICRO-TECHNOLOGY JUST TAKES TOO LONG TO SAY!



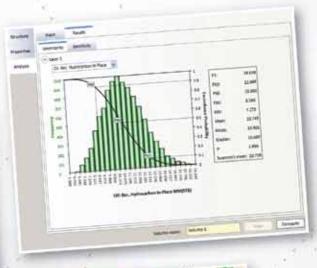
NEXT GENERATION GEOLOGY

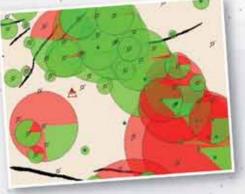




KINGDOM Integrates

- → Structural Frameworks
- → 3D Geomodeling
- → Economic Analysis
- → Production Forecasting

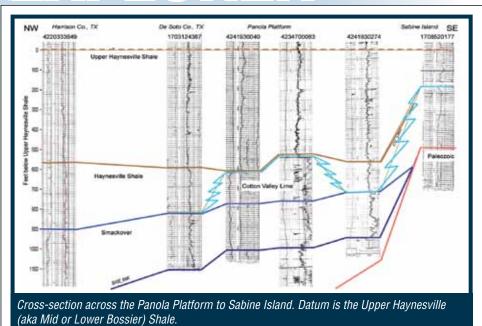




HAMMER THE COMPETITION

See your new tools at www.seismicmicro.com/geology

WWW.AAPG.ORG SEPTEMBER 2010



Haynesville from page 18

Suggested causes for this are:

- ▶ Productivity decreases as shale thickens because of proximity to a deltaic source and a greater percentage of more ductile clays that impede effective fracturing.
- Thin areas are further removed from a deltaic source, leading to clearer water and more carbonate material in the shale, which makes the shale more brittle thereby enhancing fracturing.

The Haynesville shale is thickest in the salt basins, controlled by accommodation space and the proximity to the depocenters of clastic input, Rhodes noted.

Regarding the importance of pre-Jurassic structure, he said it's important to differentiate between the well-known Sabine Uplift in this region and the Sabine Island.

"These two are frequently confused," he said. "The Sabine Island is an old pre-Jurassic feature, whereas the Sabine Uplift is a younger Cretaceous feature – they have a separate genesis yet they're frequently misrepresented as being synonymous.

"The most important feature relative to impact on the Haynesville is the island and not the uplift," Rhodes emphasized. "Part of Sabine Island was emergent during the Upper Jurassic including Haynesville deposition, but most of the wells are located on the north flank and have Cotton Valley limestone or Smackover overlying Paleozoic sediments."

Stress caused by the Sabine Uplift during the Upper Cretaceous tended to decrease total stress on the north flank of the Sabine and increase total stress on the south flank, Rhodes said. The current hingeline of the Haynesville structure is a likely focus of stress and correlates with the highest rate wells in the Haynesville shale.

"Pore pressure is increased by gas generation, which facilitates fracturing," he added. "Pore pressure reduction by migration out of the Haynesville shale tends to impede natural fracturing."

Emerging Sweet Spots

Owing to the relative newness of this play, it may be a tad early to tabulate an array of conclusions for the Haynesville play. However, Rhodes said sweet spots are emerging based on initial production rates, flowing pressure and decline rates.

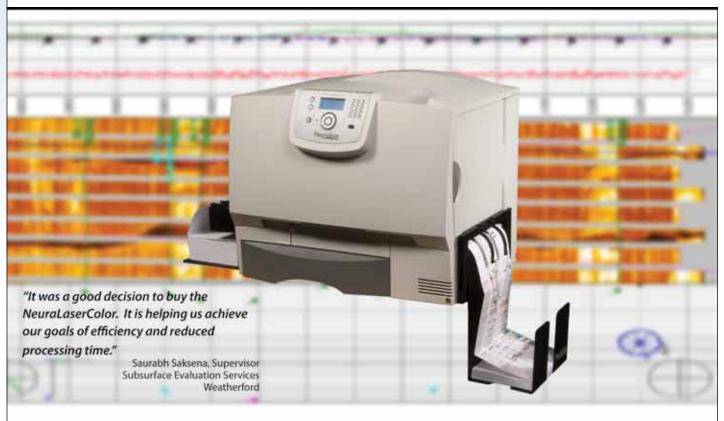
He noted that production and log characteristics allow the play to be grouped into a few specific areas:

- ▶ Texas and Louisiana updip area includes southern Harrison and northern Panola counties in Texas along with southern Caddo, Bossier and northern De Soto parishes in Louisiana. The best wells are in southern Bossier Parish at the inflection into the North Louisiana salt basin and near a major regional fault.
- Louisiana downdip trend includes Louisiana's southern De Soto, Red River and northern Sabine parishes. This area has some of the best wells with nearly all being above average. Pore pressure is generally high, and most of the area is at the hingeline into the salt basin.
- ▶ Panola platform in southern Panola, northern Shelby, northern Nacogdoches and Rusk counties in Texas has relatively poor production as the Haynesville Shale can be thin or even absent. Also the gas can migrate out of the system via the Cotton Valley limestone.
- Texas downdip area includes southern Nacogdoches, southern Shelby, northern San Augustine and northern Sabine counties; it's contiguous with the Louisiana downdip area in Sabine Parish. Pore pressure is high here, and the wells are among the best in the play.
- North Louisiana and East Texas salt basin areas share the same characteristics, and correlation is difficult as the Bossier and Haynesville shales look similar with the latter missing its characteristic high resistivity. The shale is thicker than average and pore pressure is high, suggesting the potential may be greater than indicated by the few wells that already penetrate the interval.

It's all still new and exciting, but certain aspects of the play were always evident.

"There were some old wells from Smackover exploration in the region," Rhodes noted. "The pressure based on just mud weights from those early wells pretty much mimics what we're seeing in productivity now.

"You could see the trends in the old drilling."



NeuraLaserColor See your logs in a whole new way

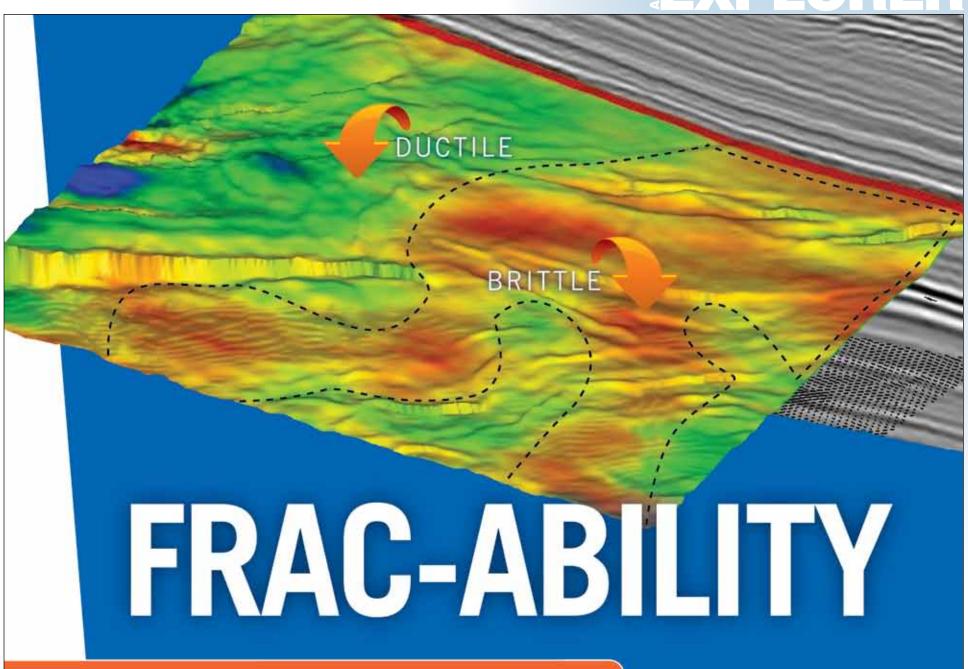
Brilliant log prints present your results faster. Looking good costs less with long lasting supplies and smooth operation. See why oil and service companies everywhere are switching to the NeuraLaserColor.

- · Prints up to 9" per second
- · Enhanced print quality
- Recyclable toner cartridges
- Lowest operating costs
- On-Site warranty included



See us at AAPG Int'l - Booth 503
AAPG Eastern - Booth 15
online at www.neuralasercolor.com

© 2010 Neuralog • www.neuralog.com • 1.281.240.2525 • 1.800.364.8728



INTRODUCING

FracFactor**

Our unique FracFactor™ is an attribute we derive from appropriately processed seismic data to predict brittle and ductile trends within Shale reservoirs.

- Understand and quantify the more readily frac-able zones over your shale leases
- Leverage FracFactor™ maps in conjunction with other Shale prospecting attributes and Reservoir Grade 3D (RG3D) data from Global Geophysical
- Impact drilling decisions by identifying frac sweet spots for lateral well placement in shale exploitations

FracFactor™ attribute for Eagle Ford on Global Geophysical Services' Patron Grande 3D PROVIDED BY



A DIVISION OF GLOBAL GEOPHYSICAL SERVICES

CONTACT US ABOUT OUR

FRACTURE ANALYSIS, RESERVOIR STUDIES & IMAGING SERVICES

www.GlobalGeophysical.com 713-972-9200

Exciting the Planet Just as we "excite" the earth while acquiring seismic data with new innovative techniques, Global Geophysical Services is exciting the E&P industry with unprecedented response time, highest levels of productivity and unmatched quality of service.



Texas Miocene targeted

Offshore CO₂ Repository Potential Studied

arbon sequestration – or long-term storage, of anthropogenic carbon dioxide in subsurface geologic formations - has long been on the radar screen of scientists, politicians and others as a potentially viable means to reduce greenhouse gas emissions into the atmosphere.

In the United States, consideration of this type storage ordinarily is associated with onshore regions.

No more.

The first study in the United States to investigate the potential for permanent

underground storage of CO₂ in offshore geologic formations has been launched by the University of Texas at Austin via its Bureau of Economic Geology (BEG).

The three-year project is being funded by \$6 million in grants from the U.S. Department of Energy (DOE) via the National Energy Technology Laboratory and the Texas General Land Office. It's designated to identify state-owned areas underlying the Gulf where CO, can be stored safely and economically.

Dubbed Gulf of Mexico Miocene CO₂ Site Characterization Mega Transect,

the effort is focused specifically on the geologic potential of Miocene age rocks of Texas State Submerged Lands to store CO₂ for geologically significant periods of

The effort is designed to help meet the DOE goal of characterizing geologically representative formations that may be used to economically store anthropogenic CO₂

Program principal investigators are AAPG members Timothy "Tip" Meckel and Ramon Treviño, research associates at the

"This is a dramatic shift in thinking about carbon storage in the United States," Meckel said. "Until the funding of this proposal, most people thought of carbon storage as an onshore exercise.

"Owing to decades of oil and gas exploration, the Texas state lands of the northern Gulf of Mexico make up one of the most geologically studied areas in the world," Meckel said. "That makes us very comfortable with the idea of starting new activities in this area.

"Preliminary estimates of carbon storage capacity suggest many billions of metric tons of carbon dioxide could be stored in offshore geologic formations in Texas," he said, "making offshore storage an extremely promising resource for mitigating greenhouse gas emissions for Texas as well as other parts of the U.S. with more limited storage potential."

Project Objectives

Treviño noted an array of advantages that Texas brings to the table for this type project:

- > State lands ownership extends 12 nautical miles offshore, compared to three miles for all other states except Florida.
- Available sources of carbon dioxide from industry and power generation.
- Existing infrastructure from the decades-old oil and gas activity.
- ▶ Reduced environmental risks to underground sources of drinking water compared to sequestration beneath land onshore.

Scott Tinker, director of the BEG and a past AAPG president, originally proposed the idea to the Texas House of Representatives Carbon Dioxide Caucus in 2008.

"Because Texas produces copious quantities of energy and industrial products for the U.S., which in turn results in large output of carbon dioxide, Texas has a strong interest in developing effective CO₃ management options," Tinker emphasized.

Meckel summarized the objectives of

- Assess and analyze the existing data from historical hydrocarbon industry activities in a regional transect of the Texas
- ▶ Verify the ability of the Miocene age rocks of the region to safely and permanently store large amounts of anthropogenic CO₂.
- Identify at least one specific site that can accept at least 30 million tons of CO₂ from future commercial carbon capture and storage operations.

Among the many efforts planned to help meet the objectives, the study participants will investigate reservoir and seal quality of the target units and generate datasets of geologic information needed to assess geologic storage viability.

Additionally the study will evaluate the possible risks involved with geologic carbon storage. To help with the objective of defining risks, the Environmental Defense Fund, Los Alamos National Laboratory and Sandia Technologies are partners in the project.

Various methodologies will be utilized by the project team to achieve the project objectives. These include geophysical

See Carbon Storage, page 42



NORTH AMERICA BasinStudyInquiries@weatherfordlabs.com

drilling a well, or taking time to test samples.

and more basins are being added.

Unlike regional studies that take months or years to complete, our

data packages are available now. What's more, there is no required

contribution on your part, so your proprietary information stays secret.

Get up to speed quickly on an area. Become an expert overnight on

a prospective play. Explore the possibilities without buying a lease,

To learn more, visit weatherfordlabs.com/datapackages/ today.

You could find more untapped gas windows tomorrow.

Weatherfordlabs.com

N N BROWELL & ATALOGIA ALLS TOOL WHILLIAM & ATALOGIA THE BESS

NORTH NAME

BROWN, CORN E

Tube JW-P (MAC)

42943000730008 FMN AMPETRO COR

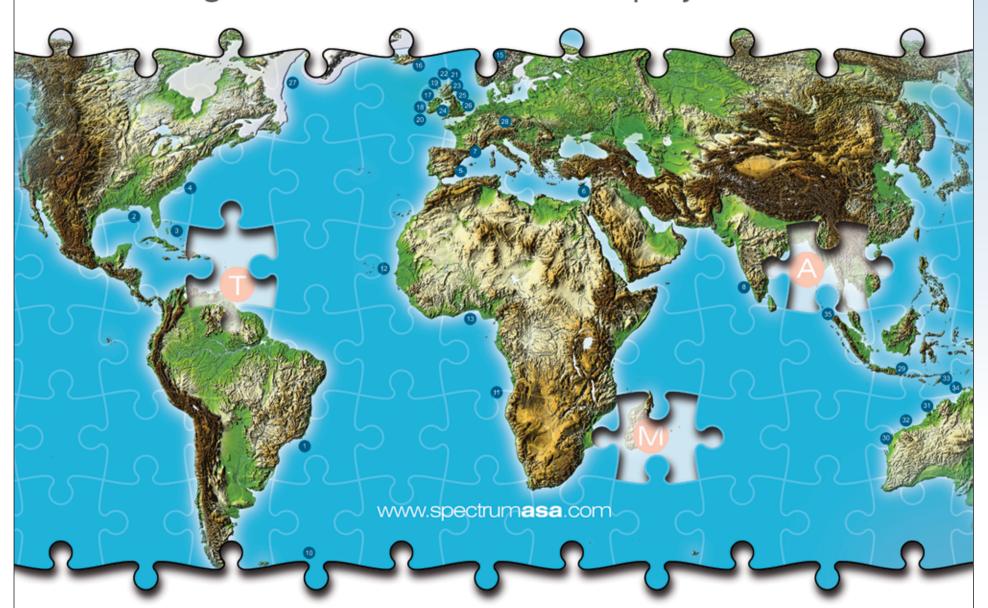
AZZONSCTUTBUSH SHELL DO.

APPENDENCES SHEET ON

42143385299008 | BTX-OIL PRODUCE

Andaman, Madagascar, Trinidad

Exciting **NEW** frontier Multi-Client projects for 2010



Let Spectrum solve your exploration puzzle



Trinidad & Tobago:

Spectrum, in conjunction with the Ministry of Energy and Energy Industries, are reprocessing the Trinidad and Tobago Deep Atlantic Area Survey acquired in 2002.

The 12,472 km project will be processed with state-of-the-art processing techniques and will be available in mid 2010.

Madagascar:

Spectrum has signed an agreement with OMNIS (Office des Mines Nationales et des Industries Stratégiques), to reprocess various seismic surveys offshore West, South and East coasts of Madagascar.

The surveys have a total length of approximately 6,000 line km and will be available mid 2010.



The Andaman Islands:

Follows the highly successful reprocessing of West Coast India data and forms part of Spectrum's continuing commitment to the promotion of exploration in the Indian sub-continent.

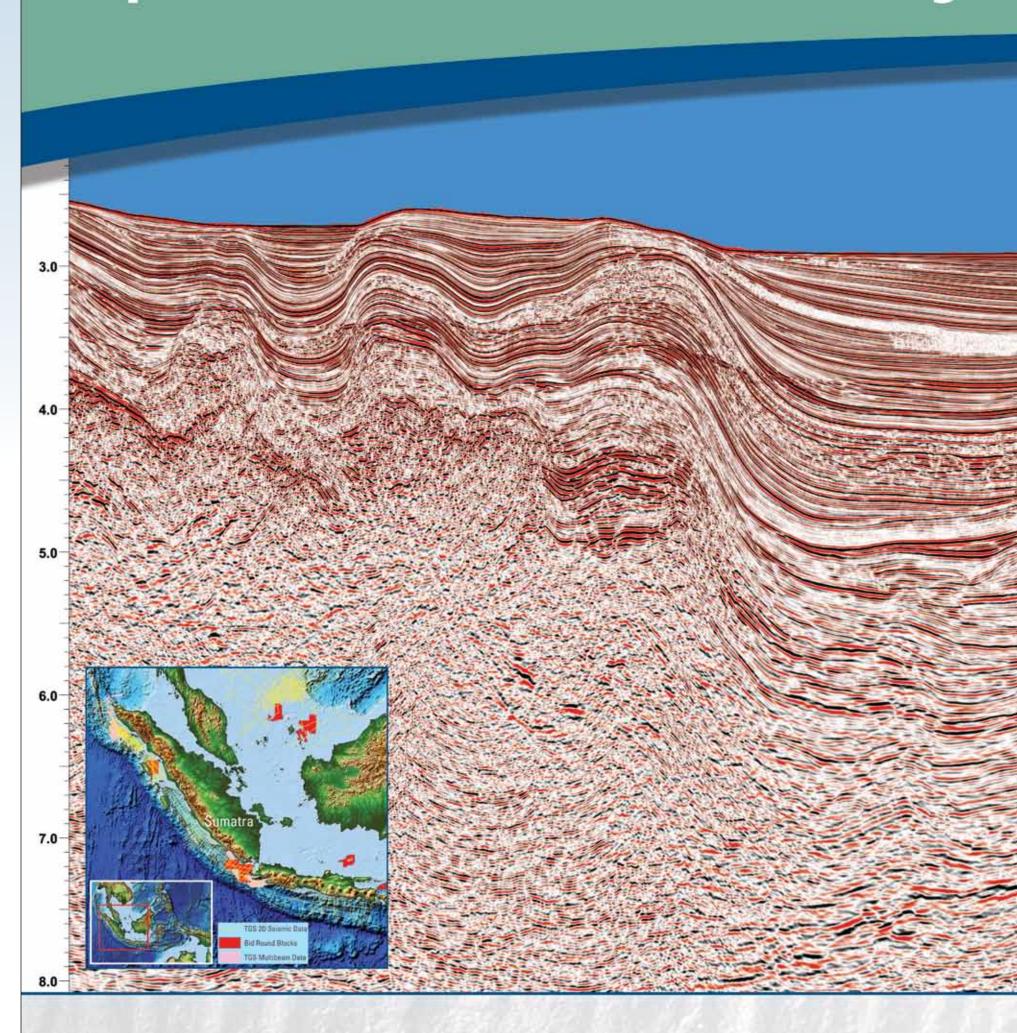
Spectrum is now reprocessing 10,588 km of 2D seismic data offshore of the Andaman Islands in the Indian Ocean.



For more details please contact: +1 281 647 0602 mc-us@spectrumasa.com www.spectrumasa.com

WWW.AAPG.ORG SEPTEMBER 2010 🔀

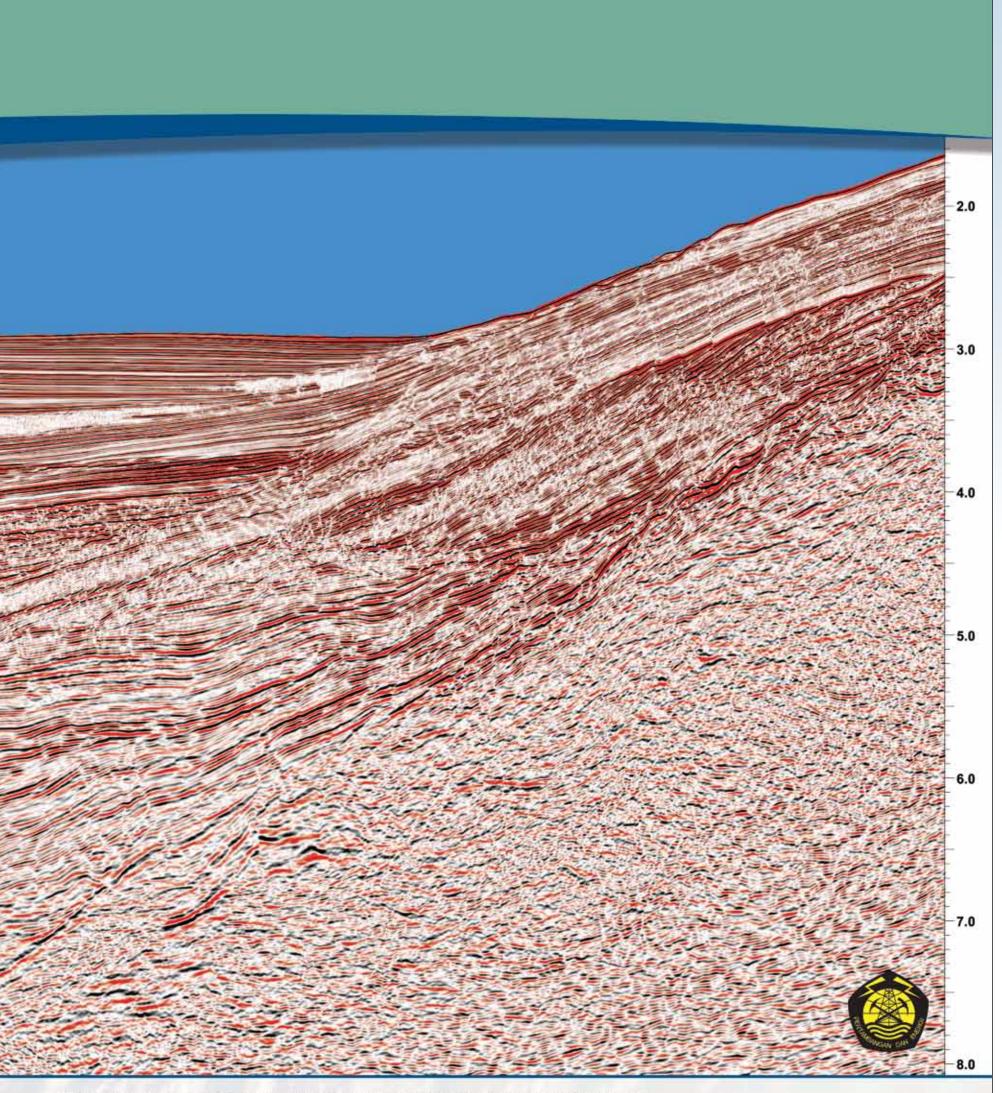
Explore Indonesia's Sundaland Margin











TGS has the only multi-client geophysical data library along the entire Indonesia Sundaland Margin. These new-vintage data include:

• 25,535 km 2D seismic • 18,462 km gravity • 50,245 km² multibeam • Geochemistry reports • Piston cores

Critical data are available within the Nias and Sunda open tender blocks in the First Indonesia Petroleum Bid Round 2010.

For more information, please contact a TGS sales representative at info@tgsnopec.com



A mid-Devonian 'perfect storm' Marcellus Owes Its 'Beauty' to Algal Blooms

oday, the Marcellus shale gas play in the Appalachian Basin of the northeastern United States appears to hold the lead position on the hype scale for the many domestic shale gas plays. It's a big 'un, for sure.

The Marcellus trends northeastward from West Virginia into Pennsylvania and New York and has a potentially prospective area of 44,000 square miles, according to AAPG member Bill Zagorski, vice president of geology for the Marcellus shale division at Range Resources, which pioneered this relatively new play.

Zagorski, who in 2009 was officially given the title "Father of the Marcellus" by the Pittsburgh Association of Petroleum Geologists, talked about the play in the Discovery Thinking forum at the recent AAPG Annual Convention and Exhibition in New Orleans.

According to him, reserve potential over this vast acreage is humongous. Current-day estimates range from 50 Tcf to more than 500 Tcf.

The large natural gas reserve projections for individual wells and the play as a whole are directly tied to some darn good geological rock properties. These include high total organic carbon, high porosity and high permeability.

Credit this in large part to blooming

"The superior rock properties may be partly explained by the paleogeography



and the depositional framework of the Marcellus, and the significant role that algal blooms may have had in the development of this resource," said AAPG member Gregory Wrightstone, director of geology at Texas Keystone Inc. in Pittsburgh.

He noted that algal blooms in the Middle Devonian Marcellus depositional basin are proposed to have played a key role in the creation, accumulation and preservation of the Marcellus.

"Algal blooms are suggested to have greatly increased the production of organics," Wrightstone said, "and also enhanced preservation by creation of both local and basin-wide anoxia."

Bloom Town

During mid-Devonian time, organicrich deposition took place in a large, nearly enclosed sea - the Marcellus Basin. Marine phytoplankton was the

main contributor to organic material in the organic-rich facies.

The phytoplankton growth no doubt was enhanced by the subtropical warmth and solar radiation indigenous to the basin's paleographic location in the sub-

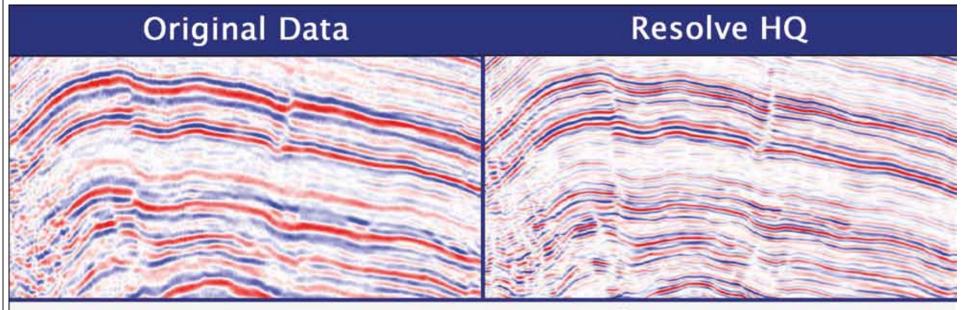
The Marcellus Basin was bounded on the east by the Acadian Highlands. The likely arid conditions on the Highlands' west flank contributed significantly to the quality of organics deposited in this environment owing to probable nonaeolian sediment starvation.

"Several recent investigators have identified aeolian silts as the major contributor of quartz within the organicrich black facies of the Marcellus, Wrightstone said. "It's probable that large dust storms may have been a recurring phenomenon during the deposition of the Marcellus."

The dust blown into the nearly landlocked basin most likely came from Middle Devonian soils containing naturally occurring nitrates, sulfates and iron. Upon entering the sub-tropical basin, these nutrients would have triggered formation of algal blooms.

This sudden increase in growth, or blooms, of the basin's omnipresent phytoplankton population would have significantly increased the amount of organic material available for deposition

See Marcellus Shale, page 33



Seismic Attribute Services

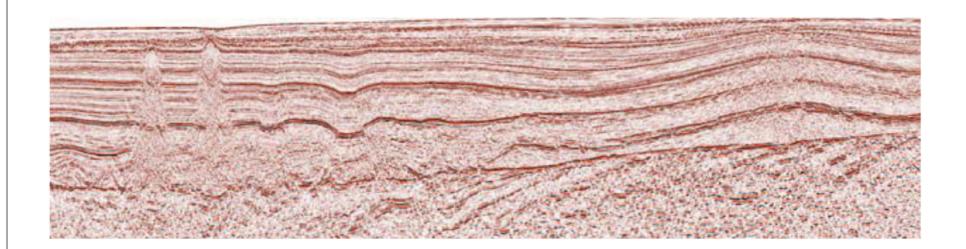


- Curvature, RSI, and Frequency Enhancement
 - Data prep for horizons, wells, zones of interest
- SeisShow provided at no extra cost
- Free support and access to helpful research
- 35+ years of experience with geophysical data
- Two-week turnaround for most projects

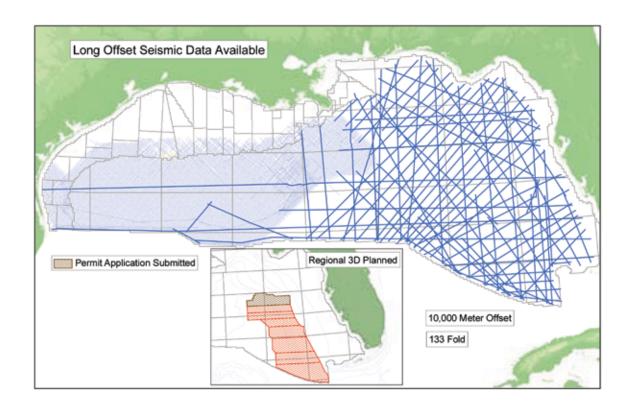
Visit our new website for more information.

www.resolvegeo.com | sales@resolvegeo.com | SEG Booth #2638

WHEN **QUALITY** COUNTS...



...COUNT ON FUGRO



Fugro Multi Client Service, Inc.

Tel: (713) 369-5859 Email: mhouston@fugro.com www.fugro.com



Data indicate sweet spots, dead zones

Shales – Similar, Yet So Different

nale gas plays in North America have rapidly become so numerous – and productive – there's a tendency to think of them as being conventional rather than unconventional

Despite the well-publicized public concern about the safety of hydraulic fracturing involved in shales production, the already hot action in shale plays appears to be heating up further.

This reportedly is being spurred in part by BP's now-infamous Big Spill in the Gulf of Mexico and the ensuing governmentimposed moratorium on leasing, deepwater drilling, etc.



"Well-to-well production can often vary by a factor of two or more if you haven't used seismic data to determine where the fairways are."

Even before this near-unfathomable mess occurred, newcomers to the shale were latching onto opportunities to stake out claims in the high-flying plays via

acquisitions or joint ventures. These included some of the larger companies based in the United States as well as international firms.



A WORLD OF INTELLIGENCE, DELIVERED.

As the search for energy resources moves to the world's less-hospitable regions, one company stands ready to venture forth where few have dared.

Geokinetics has blazed new trails into some of the planet's most extreme environments. Pioneered the use of innovative technologies. Adapted to harsh conditions. And accepted challenges from which of every barrel of oil you discover. others shrink. All to bring you 2D/3D/4D seismic

data acquired and or processed from land, transition zones or shallow water regions. And bring back the seismic data that is worth developing.

Which is why more and more results-oriented energy companies depend on Geokinetics. We deliver the decision-critical intelligence it takes to cut the cost

INGENUITY, EXPANDING, WORLDWIDE, WWW.GEOKINETICS.COM



Many industry participants anticipate this trend to intensify given the iffy situation in the Gulf, which has long held forth as the backbone of domestic energy production.

Under the circumstances, few would argue that the timing of the shale gas "boom" has turned out to be fortuitous.

Recent estimates of recoverable gas from unconventional shale reservoirs in the United States exceed 500 Tcf (USGS/EIA 2009), with potential for another 200 Tcf in Canada, according to AAPG member Murray Roth, president of Transform Software and Services in Littleton, Colo.

The EIA Annual Energy Outlook 2010 reports that shale plays make up 2.75 Tcf of current U.S. natural gas production, with this number expected to reach 6 Tcf in 2035.

Roth noted that North American shale gas reservoirs currently account for six of the 22 largest gas fields worldwide based on estimated recoverable reserves, with average recovery factors about 20 percent.

Head Scratchin'

Since the now-legendary George Mitchell and his dedicated Mitchell Energy team of experts succeeded in devising the particular fracing technique needed to spur economic production from the original big daddy of shale gas plays - the Barnett - shale-focused technology has evolved considerably.

This includes horizontal drilling and completions, supported by 3-D seismic, microseismic and FMI (Fullbore Formation Microlmager), FMS (Formation Micro Scanner) among other measurements.

Sounds like the operators have mastered the shales, huh?

How naïve.

Nothing is simple in this industry, and even some of the most experienced shale players often have to step back and do a bit (a lot?) of head scratchin'.

There are shales, and there are shales. North American shale gas basins generally follow a trend of thrust belts and a Mississippian/Devonian shale fairway from western Canada and into the western, southern and eastern United States, according to Roth.

Serving as source, trap and seal, shale beds have characteristics that vary not only from region to region but also within specific plays and fields. In fact, there often are significant well-to-well variations in gas production within a single field.

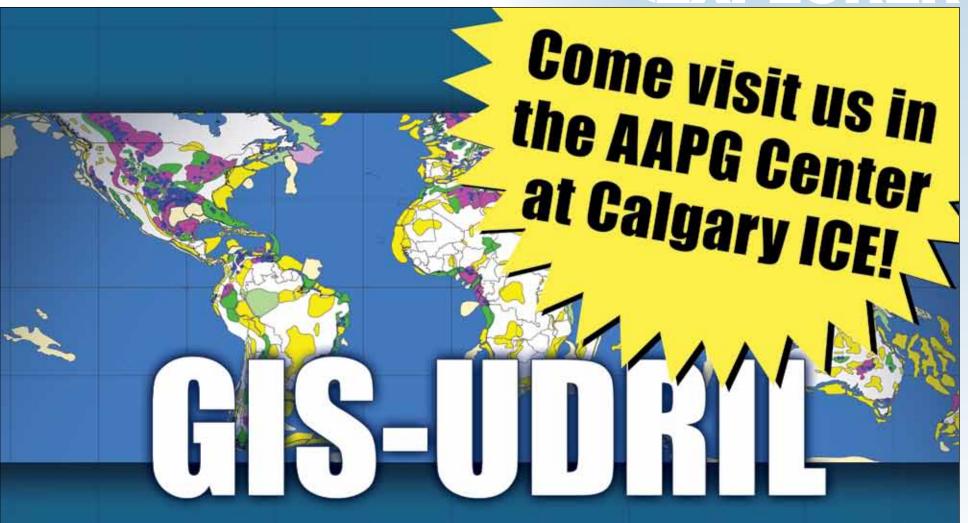
"Part of this variability in production performance is related to evolutionary and company-to-company differences in best practices fracturing," Roth said. "Surprisingly, after nearly 30 years of development and over 14,000 wells, wellbore lengths and completions parameters in the Barnett Shale of Texas can vary by factors of two or more, pointing to the challenge and non-uniqueness of production optimization.

Where there is large variability in production from well to well, it clearly tends to challenge any assumption that shales and their indigenous hydrocarbons are simple and consistent.

Meeting the Challenge

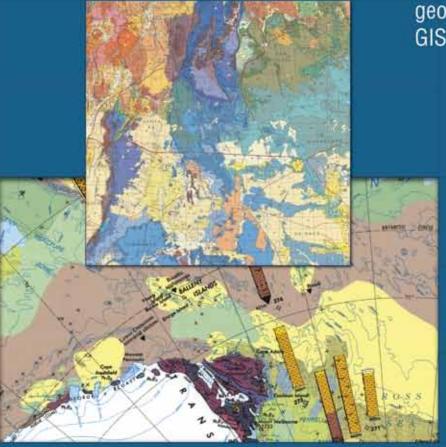
Transform is throwing the book at the challenge.

See **Shale Gas**, page 33



Our Job is to Save You Time and Money.

With thousands of maps and database entries GIS-UDRIL provides easy access to affordable, useful geological data in georeferenced formats for use in GIS mapping applications for E&P professionals.



Contact us for a full listing of our data files, and a price quote.

(prices vary according to the relative size of the subscriber organization)

Free GIS Webinar!

Join our monthly webinar for a demonstration of GIS-UDRIL.

Our next webinar will be held on Tuesday, September 21 at 10:00 am CDT. For more information please email gis-sales@aapg.org.

AAPGDatapages

Contact Christina Hall for more information on GIS-UDRIL. Email: gis-sales@aapg.org • Phone: (918) 560-2680 • www.datapages.com

GEOPHYSICALCORNER

First of a Series: 3-D Design Philosophy

he geometry of onshore 3-D seismic recording grids is based on five parameters: source-station spacing, receiver-station spacing, source-line spacing, receiver-line spacing and recording swath size.

At each prospect, these design parameters can be specified by answering four simple questions:

- What is the narrowest lateral dimension of the geologic target that is to be imaged?
- What is the depth of the shallowest target?
- ▶ What is the depth of the deepest target?
- What stacking fold is required to create an acceptable image at the depth of the principal target?

The first thee questions can be answered if the geology of the prospect is known. The fourth question can be answered by examining local seismic data or by guessing.

Once these four questions are answered, the methodology described in this four-article series allows many onshore 3-D seismic surveys to be designed without having to use commercial design software.

About this series: Some of the more technical aspects of 3-D seismic design, such as ensuring that there are proper azimuth and offset distributions between source-receiver pairs, are not considered in this simple treatise



on first principles of 3-D survey design. The intent is to describe a method that allows non-geophysicists to plan simple 3-D surveys - and to recognize flaws in proposed 3-D programs.

The design procedure is diagrammed on figure 1.

Narrow Targets and Stacking Bins

The horizontal resolution provided by a 3-D seismic image is a function of the trace spacing within the 3-D data volume. As the separation between adjacent traces decreases, horizontal resolution

At the conclusion of 3-D data processing, each trace in a migrated 3-D seismic data volume is positioned so that it passes vertically through the midpoint of a small area called a stacking bin or image bin (figure 2). These stacking bins can be square or rectangular, depending on an interpreter's preferences.

The trace spacing in a given direction across a 3-D image is the same as the horizontal dimension of the stacking bin in that direction. As a result, horizontal resolution is controlled by the areal size of stacking bins.

The imaging objective dictates how small a stacking bin should be. Smaller bins are required if the resolution of small stratigraphic features is the primary imaging objective.

As a general rule, there should be a minimum of three stacking bins and preferably four bins – across the narrowest feature that needs to be resolved in a 3-D data volume so that the targeted anomaly is expressed on three

or four adjacent seismic traces.

A variation in seismic reflection character on three to four adjacent traces is usually noticed by interpreters; anomalous reflection behavior on fewer traces tends to be ignored, or may not even be seen when viewing a 3-D data

For example, if the interpretation objective is to image meandering channels that are as narrow as 100 meters, then stacking bins should have lateral dimensions of approximately 25 meters or less (figure 3), which would cause a 100-meter channel to affect at least four adjacent traces.

One of the first 3-D design parameters to define is the physical size of the stacking bin that should be created. That bin size, in turn, can be determined by first developing a stratigraphic model of the target that is to be imaged and using that model to define the narrowest feature that needs to be seen.

Once this minimum target dimension is defined, stacking bins having lengths and widths that are about one-fourth of this minimum target width should be created if the target is to be recognized in a 3-D data volume.

Source and Receiver Station Spacings

Geophysical texts show that the dimension of a 3-D stacking bin in the direction that receiver lines are deployed is one-half of the receiver-station spacing along the receiver lines, and the dimension of a stacking bin in the direction that source lines are oriented is one-half of the source-station spacing along the source lines.

Thus, when a choice is made about the narrowest target that must be imaged, not only have the dimensions of stacking bins been determined, but source-station and receiver-station spacings also are defined.

Because of the 2-to-1 ratio between station spacings and stacking-bin dimensions, source-station and receiverstation spacings should be one-half (or less) of the narrowest horizontal dimension that needs to be interpreted from 3-D data.

Referring to figure 1, we have now defined parameters - source-station and receiver-station spacings - required for the first calculation step of the 3-D design process.

One appeal of the 3-D seismic design philosophy described here is that the design procedure uses geological concepts to guide the selection of geometrical parameters - the first concept being the physical size of the smallest stratigraphic feature that the seismic data must image.

This non-mathematical approach to 3-D seismic design is intended for nongeophysicists – and it produces good 3-D images for most geologic problems that do not involve severe structural dip.

Where rock units have steep dips or where large changes in rock velocity across fixed horizontal planes, a more rigorous calculation of station spacing should be made using commercial 3-D design software.

Geophysical Corner editor Bob Hardage has been voted president-elect of the Society of Exploration Geophysicists, and will serve a one-year term as SEG president in 2011-12.

Hardage has been editor of the EXPLORER's popular Geophysical Corner since January 2006.

Hardage won an A.I. Levorsen Award in 2004 and received AAPG's Distinguished Service Award at this year's AAPG Annual Convention and Exhibition in New Orleans.

He and the other new SEG Executive Committee members will assume their duties Oct. 21 at the conclusion of SEG's annual meeting in Denver.

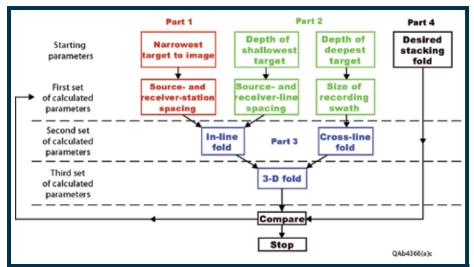


Figure 1 – Planning steps that can be followed to design 3-D seismic acquisition geometry. There is no single procedure for designing a land-based 3-D survey. Each prospect offers different design challenges, and 3-D designers follow various preferred computational steps. The method discussed here is logical, easy for non-geophysicists to understand and can be used for many 3-D seismic prospects. The method will be presented as a four-article series, with the topic of each article color coded on the chart. This paper deals with part 1 of the methodology.

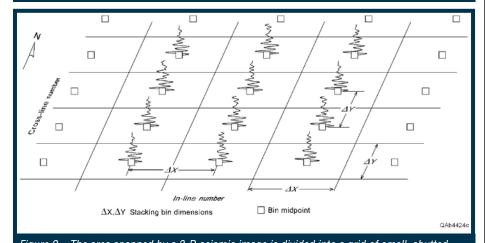


Figure 2 – The area spanned by a 3-D seismic image is divided into a grid of small, abutted subareas called stacking bins. In this illustration, each stacking bin has lateral dimensions Δx and Δy . At the conclusion of 3-D data processing, a single seismic trace passes vertically through the midpoint of each stacking bin. The horizontal separations between adjacent processed traces in a 3-D data volume are Δx and Δy , the same distances as the dimensions of the stacking bins. The term in-line used here is defined as the direction that receiver cables are deployed, which is north-south in this example. In-line coordinates thus increase from west to east. Cross-line refers to the direction that is perpendicular to the orientation of receiver cables; thus cross-line coordinates increase from south to north.

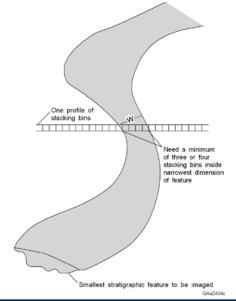


Figure 3 – Example of a narrow feature that needs to be seen in a 3-D image. The first parameter that has to be defined in this 3-D seismic design method is the smallest (narrowest) horizontal dimension of a feature that must be seen in the 3-D data volume. For purposes of illustration, it is assumed the narrowest feature that is to be interpreted is a meander channel. At least three, and ideally four, stacking bins (seismic traces) must lie within the narrowest dimension W of this channel if the channel is to be reliably seen in the seismic image during workstation interpretation. Once this minimum channel width W is defined, the dimensions of the stacking bins are also defined, those bin dimensions being no wider than W/3, and ideally, they should be W/4 or less.



No disposable batteries, reduced noise from Sentinel® solid streamers and Seal broadband capturing ultra low frequencies make our Nautilus® Vessels safer, quieter and better.



cggveritas.com/nautilus

Nautilus and Sentinel are registered trademarks of Sercel.

WASHINGTONWATCH

Canada/U.S. Pipeline Scrutinized

BV DAVID CURTISS

sk the average U.S. citizen where the country gets its oil, and their likely response is the Middle East.

It's common knowledge, and it's wrong. The top suppliers of crude oil to the United States are Canada and Mexico.

In fact, the top five oil suppliers to the United States in May were, in descending order, Canada, Mexico, Venezuela, Saudi Arabia and Nigeria, according to the U.S. Energy Information Administration. They represented 59 percent of U.S. crude oil imports. Canada alone contributed 21 percent, almost double Mexico's 12 percent.

Now, these numbers fluctuate monthly – and for the United States, every barrel of oil, whether imported or produced domestically, is important to ensuring available supply to meet consumer demand. But stable, predictable crude oil imports from Canada are vital to U.S. energy security.

It's a fact that seems lost in the political wrangling over a proposed pipeline to bring more Canadian oil to this country.

In September 2008 pipeline operator TransCanada filed an application to construct the Keystone XL pipeline, an expansion of the company's existing Keystone pipeline project, to bring crude oil from western Canada to Gulf coast refineries in Texas.

The roughly \$7 billion project would involve construction of more than 1,700 miles of new pipeline in Canada and the United States. The 36-inch diameter pipeline would have capacity to transport 900,000 barrels of oil per day. And, according to an



assessment funded by TransCanada and conducted by The Perryman Group, the project would deliver significant economic benefits, both from pipeline construction and subsequent operation.

Because the proposed pipeline crosses from Canada into the United States it requires a presidential permit issued by the U.S. Department of State.

As part of the permit process the State Department conducts an environmental review in accordance with the National Environmental Policy Act to assess the project's environmental impacts and consider possible alternatives.

In April the State Department released a draft environmental impact statement (EIS), inviting designated federal agencies to provide feedback.

The U.S. Environmental Protection Agency (EPA) responded in a letter from Cynthia Giles, its assistant administrator for Enforcement and Compliance Assurance, criticizing the draft EIS's narrow scope, saying it focused too narrowly on the pipeline to be permitted anddid not "provide the scope of detail of analysis necessary to fully inform decision makers and the public."

EPA's concern, among others, is that the crude oil to fill the Keystone XL pipeline is from Canada's oil sands. And while the agency acknowledged the strategic importance of dealing with a reliable trading partner like Canada, it said, "the national security implications of expanding the nation's long-term commitment to a relatively high carbon source of oil should also be considered."

EPA also suggested the analysis of GHG emissions in the EIS should be broadened to include emissions generated by oil sands extraction "to fully disclose the reasonably foreseeable environmental impacts on the U.S. of the Keystone XL project."

House Energy and Commerce
Committee chair Henry Waxman (D-Calif.),
in a letter to Secretary of State Hillary
Clinton, expressed "concern that this project
would have a major adverse impact on
the carbon intensity of U.S. transportation
fuel." He also faulted the draft EIS for not
considering the project's global warming
impacts

Supporters of the Keystone XL project have not been silent.

In a June 28 op-ed in the Washington Examiner, Consumer Energy Alliance president David Holt reminded the State Department that "working to expand America's access to secure, reliable and affordable energy supplies from friends in the hemisphere makes a lot [of] sense. And it just might make a lot of jobs as well ..."

Jobs also were on the mind of Russ Breckenridge of the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, who said the construction industry "is currently facing on average 20 percent unemployment, and in some areas our members are facing 40 percent," Breckenridge said. The pipeline "will begin to put our members back to work with high-quality jobs, with full benefits and worker protection."

Ed Stelmach, Alberta's premier, vigorously defended oil sands development in an op-ed in Politico saying, "[T]hese oil sands have been developed because there is continuing demand for petroleum. We can all agree that alternative energy sources are part of the supply equation to power our future. But until those alternatives are developed commercially – and at a price that consumers can afford – we still require oil and gas to power our lives."

So where does all this leave the Keystone XL project?

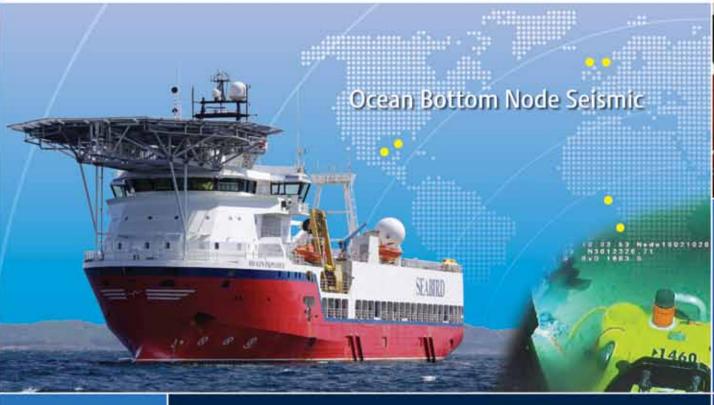
The State Department is currently reviewing the input it received and is preparing a final EIS. Federal agencies will have 90 days after completion of the final EIS to review and provide additional input, before the department makes a final decision on the presidential permit application.

The Keystone XL pipeline, if approved, has to be built, operated and maintained in an environmentally responsible and safe manner. There is no question about that. But an equally obvious point that regulators and politicians must remember is that U.S. consumers need these oil supplies. And Canadian oil sands are a good source.

As Premier Stelmach observed:
"A good neighbor lends you a cup of sugar. A great neighbor supplies you with 1.4 million barrels of oil per day."

Success breeds Success







- MEXICO
- ANGOLA
- GoM
- NIGERIA
- NW EUROPE

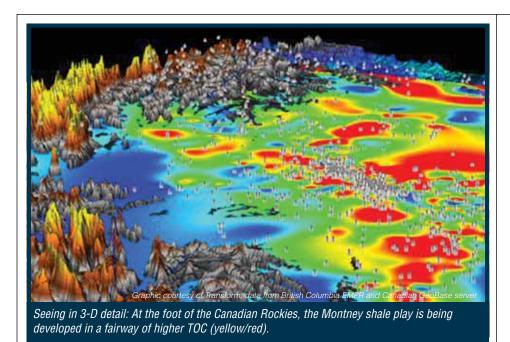
www.sbexp.com

Technology, Experience and Performance

RAISING STANDARD

Dubai T: +971 4 4271700

Houston T: +1 281 556 1666 Oslo T: +47 2240 2700 **Rio** T: +55 21 2494-0283 Singapore T: +65 9180 2605 Trondheim T: +47 7 3879500



Shale Gas from page 28

"Our approach is to integrate all of the geophysical, geological and engineering data," Roth said. "Engineers tend to want to treat the shales as 'gas factories,' laying down a well every 10 or 20 acres and developing the fields in a very methodical mode.

"This works in some cases, but an integrated approach is needed for optimization in most plays," he noted. "For instance, well-to-well production can often vary by a factor of two or more if you haven't used seismic data to determine where the fairways are."

To try to understand the variances in gas shales, Transform has conducted a study that integrates published data, type logs, accessible seismic and microseismic data along with five years experience across most significant North American shale gas basins, according to Roth.

The tabulation of shale gas reservoir characteristics and well log analysis highlights key production differentiators including clay content, pressure and total

organic carbon.

"It's our work with 3-D seismic and microseismic that clearly supports the concept of shale gas 'sweet spot' fairways and converse 'dead zones," Roth said.

"Whether it's faulting in the Woodford, karst collapse chimneys in the Barnett, natural fracturing in the Marcellus or relative clay content across many plays, seismic and microseismic data provide valuable calibration and prediction tools for mapping productive and/or non-productive fairways," he noted.

There's motivation aplenty for folks to perform some scientific detective work on the slew of shale deposits.

Roth noted that 60 potentially economic shale gas plays have been identified in North America, and shale "fever" is spreading quickly overseas in Poland, Germany, Austria and other countries.

And it's not all about gas, owing to the relatively high price for crude oil.

For example, activity is full-speed-ahead in the highly productive Bakken shale oil play in North Dakota, and also in gasliquids-rich shale plays such as the Eagle Ford in Texas.

Marcellus Shale from page 26

and accumulation.

"Far reaching anoxic events such as those associated with modern blooms may have occurred as basin-wide events during the Marcellus deposition, leading to enhanced preservation of the organics," Wrightstone said.

"Just as with modern algal blooms, large anoxic 'dead zones' are created with explosive algae population," he said. "The algae consume the available nutrients and die off, stimulating a bacterial process that breaks down the dead algae.

"The process uses a huge amount of oxygen, creating a 'dead zone' that then kills off the area surrounding the 'bloom,' making it uninhabitable," Wrightstone said. "Since the Marcellus sea was nearly enclosed, repopulation of the basin would have occurred exceedingly slowly.

"Phytoplankton growth within the basin would have continued, with enhanced preservation of the organics owing to lack of a developed marine ecosystem," he added. "Additionally, the nearly enclosed basin would have likely led to a much shallower wave base than in an open marine setting, allowing for reduced oxygenation and preservation on the basin floor."

A Lesson For All?

Organic rock quality varies across relatively small areas of the basin, and some larger regions have superior capabilities for production. These local variations may be partly explained by localized algal blooms, according to Wrightstone.

He succinctly summarized some of the salient points relative to deposition and preservation of the Marcellus:

- The excellent rock properties of high TOC, porosity and permeability found in the Marcellus Shale likely are related in large part to the depositional processes in place during the Middle Devonian.
- ▶ Controls on the depositional processes of the Marcellus Shale may include paleogeography, nutrient sourcing of algal blooms by frequent dust storms and preservation of the organics by basin-wide bloom-related anoxic events.
- ▶ The Marcellus organic-rich units were deposited and accumulated in a "perfect storm" scenario of maximum organic production, maximum preservation and minimum non-aeolian sediment influx.

Even if you're not playing the high-profile Marcellus, you may want to file this info away in your shale folder.

"The important role of algal blooms," Wrightstone said, "is likely to be applicable to many of the other shale plays around the world."

Want to find all the potential in your reservoir quickly?

Unlock



Introducing new DecisionSpace® Earth Modeling software.

Combine proven science with intuitive usability with the Earth Modeling module of the unified DecisionSpace®

Desktop software. Collaborate more closely and efficiently by sharing a common subsurface framework.

Improve understanding of reservoir potential and uncertainty with 3D reservoir characterization. Discover more of your reservoir's potential with user-created workflows, industry-leading algorithms and intelligent defaults.

To get better answers faster, visit

To get better answers faster, visit halliburton.com/landmark/desktop.

High Science Simplified



Landmark Software & Services

C2010 Neilburton, All rights reserved

Asia Pacific Region Busy on Many Fronts

y the time you read this I will have completed my first year immersed in AAPG activities in the Asia Pacific region.

Having enjoyed studying geography in school, I'm excited to be representing AAPG in the Asia Pacific, the largest AAPG region. As you would expect, there are many opportunities for AAPG to serve the geosciences community in this vast area. I'm fortunate to have the insights and expertise of the AP Region Council, led by Joseph Lambiase, with support from Peter Baillie, Mick McWalter and Abul (Shams) Shamsuddin to help me prioritize projects

and deliver value to our members and other professionals here.

Of course, I also work closely with the AAPG staff in Tulsa and have learned so much during this period; personal thanks to everyone concerned.

Here are some of the highlights of our first year of operation – and projects that currently are under way.

▶ AAPG Executive Director Rick Fritz visited Japan, Malaysia and Singapore in



January this year. In Tokyo, Rick met with executives from JAPEX and several major E&P companies and gave a talk to students at the University of Tokyo; in Malaysia, he visited our student chapter at the University of

Malaysia, Malaya, met with representatives from our affiliate, the Geological Society of Malaysia, spent time visiting with Petronas officials and also met House of Delegates

representative Askury Abdul Kadir.

A one-day AP Region strategy meeting was held in Singapore.

One priority is to develop and offer Geosciences Technology Workshops (GTW) and education courses in the Region. I opened a line of communication with our House of Delegates' members who have come through with suggestions for courses that can be done.

My networking also is renewing and creating new contacts with the Region's various industry players and local and regional societies. The South East Asia Petroleum Exploration Society and Petroleum Exploration Society of Australia have given me a warm welcome and are providing strong assistance.

A few ideas were generated through a "wish list" e-mail to members; suggestions for a couple of courses and potential speakers came in but we can do with more. Your suggestions help me build a contacts base for an Asia Pacific Speakers Bureau, which allows us to draw on the expertise in the region, thereby bringing to members access to reputable speakers.

- ▶ The Asia Pacific Region will present its inaugural GTW in Singapore Oct. 27-29, on "Pore Pressure and Related Issues - Special Focus: Asia Pacific." chaired by AAPG member Mark Tingay of the University of Adelaide. Running alongside will be two short courses taught by Tingay and Richard Swarbrick, GeoPressure Technology, U.K.
- Another active AAPG program is the Publications Pipeline Project. Gerrit Wind and his committee members in Houston work tirelessly to source books for donation to universities. What a wonderful idea!

Here in the AP, other individuals work tirelessly to help students – and we hope to get libraries for at least five universities by year's end.

I came onboard with AAPG in the thick of planning for the Region's semifinals competition for the Imperial Barrel Awards. With student teams hailing from countries traversing the region, it took some innovating and technology to complete the presentations and judging without the expense of participants all coming together. We deployed the online WEBEX system – and despite a few bandwidth problems we were able to successfully connect teams and judges and complete the competition.

The team from the China University of Petroleum won and represented the Region at the AAPG Annual Convention and Exhibition in New Orleans. While they finished outside the top three, the AP team received a \$1,000 award - plus an incomparable experience.

With my presence in this region, plus strong support from the AP Region Council, headquarters staff and, not least, our fantastic volunteer members, I hope to tighten the links and scientific exchange between professionals here and the AAPG community worldwide.

I'd love to hear from you on how AAPG can grow and better serve you in the Asia Pacific. Please send your comments to apereira@aapg.org. 🖪



The GeoCare Benefits Insurance Program. Quality Benefits, Affordable Group Rates, Exceptional Service... And Endorsed by AAPG.

Wouldn't it be great if you had access to a full range of quality insurance plans, available at affordable group rates and backed by a commitment to providing you with exceptional service? You do. That's what AAPG's GeoCare Benefits Insurance Program is all about. Whether you need health, life, disability, or a variety of supplemental plans, GeoCare Benefits can help meet those needs. And, every plan has been researched, approved and endorsed by AAPG's Committee on Group Insurance. GeoCare Benefits. It's insurance you can trust.

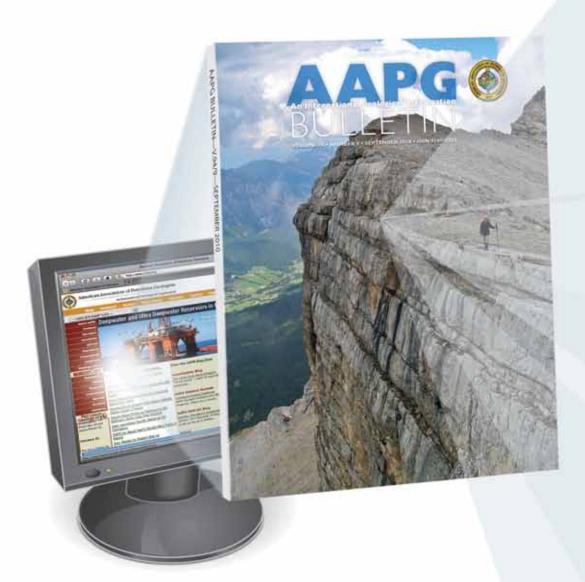
Why Take a Chance on Your Insurance Coverage? Get Quality Coverage at Affordable Group Rates, Through Plans That Are Recommended by AAPG's Committee on Group Insurance. Call 1-800-337-3140 or Visit Us on the Web at www.geocarebenefits.com for More Information, Including Features, Eligibility and Renewal Provisions, Exclusions, Limitations and Rates.





GeoCare Benefits Insurance Program, P.O. Box 189, Santa The Group Plans: AD&D, Health, Life, and Disability Plans are underwritten by New York Life Insurance Co. (51 Madison Ave., New York, NY 10010). Coverage is subject to approval by New York Life. The Medicare Supplement Plans are underwritten by Transamerica Life Insurance Company, Cedar Rapids, IA; and in NY, Transamerica Financial Life Insurance Company, Harrison, NY. The Cancer Expense and In-Hospital Plans are underwritten by Monumental Life Insurance Company, Cedar Rapids, IA. Transamerica Life Insurance Company, Transamerica Financial Life Insurance Company, and Monumental Life Insurance Company are AEGON companies.

Download Your NEW September 2010 Bulletin Now!



The AAPG Bulletin is a technical journal that is recognized in the industry as the leading peer-reviewed publication for information on geoscience and the associated technology of the energy industry.

The link below takes you to the Members Only login page where, with a few key strokes, you can click on a link for the Bulletin Online, the current issue, or for the Bulletin Archives, all issues of the Bulletin to date. Online as searchable html and .pdf files, the current issue is always available by the first of every month.



Article highlights include:

Understanding reservoir property distribution E&P

Paola Ronchi, Andrea Ortenzi,
Omella Borromeo, Michele Claps,
and William G.Zempolich



The Kashagan field structure is a huge isolated carbonate platform in the Pre-Caspian Basin. Reservoir Unit I displays a complex distribution of reservoir

properties, due to the interplay between depositional characteristics and early and late diagenetic imprints.

Characterizing clastic wedges

Caroline Gomez-Veroiza and Ronald I. Steel



Sediment partitioning analysis along the Iles clastic wedge in Wyoming and Colorado uses a source-to-sink correlation method that allows high-resolution correlation across

long distances. It can be applied to other basins of similarly low depositional gradient.

Hydrocarbon migration in fault openings

Likuan Zhang Xiaorong Luo, Qianjin Liao, Wan Yang Guy Vasseur, Changhua Yu, Junqing Su, Shuqin Yuan, Dunqing Xiao, and Zhaoming Wang



The authors introduce an empirical method to assess hydraulic connecting capacity of a fault for hydrocarbon migration over geological time. It is based on the recognition that hydrocar-

bon in reservoirs should depend on the behavior of the fault during hydrocarbon migration.

Reduced reservoir performance

John G. Solum, J. P. Brandenburg, Stephen J. Naruk, Olga V. Kostenko, Scott J. Wilkins, and Richard A. Schlutz



Deformation bands from extensional settings may be indicative of discrete damage zones associated with normal faults, while deformation bands from contractional settings

may indicate much more areally extensive deformation band networks and, thus, be a greater risk of reservoir degradation, of substantial dolomite bodies.

WWW.AAPG.ORG SEPTEMBER 2010

Lecture season begins in October

DL Speakers Announced for N.A. Tours

even speakers, representing the latest in geoscience research, geologic understanding and practical applications, have been named for the North American tours of this year's AAPG Distinguished Lecture program.

The lecture season will begin with two tours in October and continue through next spring. International Distinguished Lecturers are yet to be announced.

AAPG's Distinguished Lecture program, funded largely by the AAPG Foundation, is the Association's flagship initiative for spreading the latest in science, technology and professional information.

North American speakers take two tours during the season, one going to eastern locales and one to western locales. Each tour lasts about two

Last year's tours (North American and international) attracted 11,077 attendees to a total of 169 lectures.

This year's roster once again will talks that vary widely in subject content, from the Marcellus Shale to tight-gas

sandstone reservoirs to coastal facies models to mud volcanoes in offshore Eastern Trinidad.

The speaker list to date includes experts from both industry and academia - and features the delayed tour of speaker Steve Cumella, this year's Haas-Pratt Distinguished Lecturer.

Cumella, geologist with Bill Barrett Corp., in Denver, was unable to complete his tour last year due to various conflicts.

The Haas-Pratt lecture is a domestic tour provided by contributions from the

late Merrill W. Haas, in honor of famed geologist (and Haas' mentor) Wallace Pratt. The funding is granted for a lecture of an applied nature dealing with the exploration and discovery history of a field, or a subject having economic implications.

Cumella will offer two lectures:

- "Geology of the Giant Continuous Gas Accumulation in the Mesaverde Group, Piceance Basin, Colorado."
- "Important Characteristics of Rocky Mountain Tight Gas Accumulations."

He will tour eastern North American sites Dec. 6-17, and western North American sites Feb. 28-11.

There are two other specially funded speakers:

☐ Matthew D. Jackson, senior lecturer in geological fluid mechanics and reservoir engineering, Imperial College, London, England, is this year's Allan P. Bennison lecturer.

The Bennison DL is an international lecturer who makes a U.S. tour, funded by contributions from the late Allan Bennison, a long-time Tulsa geologist.

He is offering two lectures:

- "From Outcrop Analog to Flow Simulation: Understanding the Impact of Geologic Heterogeneity on Hydrocarbon Production."
- "Integrating Production Geoscience and Engineering: Can Smart Wells Mitigate Uncertain Reservoir Behavior?" His tour dates are Nov. 8-19 and March 14-25.

☐ Joann E. Welton, senior research associate at ExxonMobil's Upstream Research Lab in Houston, is this year's J. Ben Carsey lecturer.

The Carsey lecture is an annual domestic tour provided by contributions from J. Ben Carsey Jr. of Houston, to establish a named lecturer in memory of his father, who served as AAPG president in 1967-68.

Welton will offer two talks:

- "Evaluating Siliciclastic Reservoir Quality in a Changing World."
- "Grain Coats on the Brazos: Using Modern Studies to Understand the Origin of Porosity-Preserving Early Clay Grain Coats."

She will tour western North American sites Nov. 8-19, and eastern North American sites Jan. 31-Feb. 11.

Other North America lecturers this season include:

- □ Scott A. Barboza, research scientist and team leader, ExxonMobil Upstream Research Co., Houston, He will offer two lectures:
- "Mud Volcanoes: A Dynamic Model Motivated by Observations Offshore Eastern Trinidad."
- "Consequences of Multiple Phases of Tertiary Uplift and Erosion on the Thermal Evolution of Mesozoic Source Rocks, North Slope - Chukchi Sea, Alaska."

His tours are Oct. 25-Nov. 5 (eastern North America) and Jan. 31-Feb. 11

Continued on next page





Exploration in the Black Sea and Caspian Regions: Historical Past, Promising Future

Organised in association with the Ukrainian Association of Geologists and supported by the Government of the Ukraine

A 3-day conference and exhibition covering the full spectrum of exploration in this exciting area:

- Comprehensive technical programme of over 200 presentations
- Poster sessions
- More than 20 exhibitors and sponsors
- 5 fascinating pre-conference field trips
- Networking opportunities including a cocktail reception and gala dinner
- Meet, discuss, and share ideas with over 500 attendees

This conference is a must for those currently working or considering working in the Black Sea and Caspian Regions. Register now!

















EXPLORER

Continued from previous page

(western North America).

☐ Ron Boyd, principal geologist for the stratigraphy and quantitative modeling group, ConocoPhillips Subsurface Technology, Houston. He will offer two lectures:

▶ "A One-Way Ticket From Antarctica to the Tasman Abyssal Plain via the Great Barrier Reef – Sediment Dispersal on the Eastern Australian Margin."

Coastal Facies Models."

His tours are Nov. 1-12 (western North America) and Feb. 7-18 (eastern North America).

☐ James L. Coleman Jr., director of the Eastern Energy Resources Science Center, U.S. Geological Survey, Reston, Va. He will offer three lectures:

▶ "Tight-Gas Sandstone Reservoirs: The 200-Year Path From Unconventional to Conventional Gas Resource and Beyond."

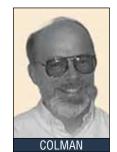
▶ "Examination of Potential Factors Affecting Successful Exploration and Production of Devonian Marcellus Shale Gas, Eastern United States."

▶ "Tight-Gas Sandstone Reservoirs: 25 Years of Searching for 'The Answer.'" His tours are Jan. 10-21 (eastern North American) and Feb. 14-25 (western North America).

☐ Donald Arthur Medwedeff, consulting research scientist, Chevron Energy Technology Co., San Ramon,

Medwedeff's lecture is titled "Insight













in Lieu of Truth: An Approach to Probabilistic Fault Seal Analysis." His tours are Oct. 11-22 (western North America) and March 7-18 (eastern

North America).

For more information on the

For more information on the speakers, their tours or the DL program go online to www.aapg.org.

60th Annual GCAGS/GCSSEPM Convention

Presents

The Stricklin Symposium: Forming and Filling of the Gulf of Mexico Basin: Triassic, Jurassic, and Cretaceous Tectonics, Source Rocks, and Petroleum Systems

> Oct. 12, 2010 • 8:20 am – 4:10 pm San Antonio, Texas

> > Symposium Conveners:

T. E. Ewing, Frontera Exploration Consultants, San Antonio, Texas E. A. Mancini, Texas A&M University, College Station, Texas

8:20 Thomas Ewing: Introduction to the Stricklin Symposium

8:30 James Pindell: History of Tectonic Modeling and Implications for Depositional Architecture in the Gulf of Mexico (GOM): Where we Should Go from Here

9:00 Jim Harris, Rob Crossley, Nick Stronach, Paul Valdes, and Roger Proctor: The Plate Tectonic, Paleogeographic, and Paleoclimatic Context for the Development of the Mesozoic Gulf of Mexico

9:30 Steve Creaney: A View of the Genetic Development of Gulf of Mexico Petroleum Systems

10:00 Break

10:30 Ernest Mancini and Wayne Ahr: Jurassic Depositional Systems, Facies, and Reservoirs of the Northern Gulf of Mexico

11:00 Thomas Lovell and Amy Weislogel: Detrital Zircon U-Pb Age Constraints on the Provenance of the Late Jurassic Norphlet Formation, Eastern Gulf of Mexico: Implications for Paleogeography

11:30 – 1:00 GCSSEPM and Stricklin Symposium Luncheon (ticketed event): Roger Sassen: Preservation of Methane in Deep, Hot Reservoir Rocks

1:10 Robert Scott: Cretaceous Stratigraphy, Depositional Systems, and Reservoir Facies of the Northern Gulf of Mexico

1:40 Thomas Ewing: Pre-Pearsall Geology and Exploration Plays in South Texas

2:10 Marco Flores Flores, Jorge Lavín, Noemí Aguilera, and Marco
Peña: The Kimmeridgian Oolitic Banks and their Exploration Potential in the
Marina de Campeche Zone, Southeastern Mexico: Biostratigraphical and
Sedimentological Implications

2:40 Roger Sassen: Laminated Lime Mudstone of the Upper Jurassic Smackover Formation: Source of High-Sulfur Oil and Gas

3:10 Andrew Petty: Stratigraphy and Petroleum Exploration History of the Smackover Formation (Oxfordian), Northeastern Gulf of Mexico

3:40 Russell Dubiel, Peter Warwick, Lauri Burke, James Coleman, Kristin Dennen, Colin Doolan, Catherine Enomoto, Paul Hackley, Alexander Karlsen, Matthew Merrill, Krystal Pearson, Ofori Pearson, Janet Pitman, Richard Pollastro, Elisabeth Rowan, Sharon Swanson, and Brett Valentine: Geology and Assessment of Undiscovered Oil and Gas Resources in Mesozoic (Jurassic and Cretaceous) Rocks of the Onshore and State Waters of the U.S. Gulf of Mexico Region

To register for, sponsor, or exhibit at the GCAGS 2010 Convention, please go to www.gcags2010.com

Image courtesy of Ron Blakey, ronald blakey@nau.edu

AAPG GEOSCIENCES TECHNOLOGY WORKSHOP



ASIA PACIFI



Special Focus: Asia Pacific

Questions? E-mail apereira@aapg.org

28-29 October 2010, Singapore

The Asia Pacific contains some of the world's deepest and most rapidly formed basins and associated high magnitude overpressures. Join us at the region's inaugural GTW to discuss the challenges in finding and developing the significant resources of the region. Sharing their expertise will be 18 noted professionals, including Richard Swarbrick and Nader Dutta, who will present Keynote Addresses.

Highlights include:

- Asia Pacific Case Studies
- Geomechanics
- Fractured & Unconventional Reservoirs
- Understanding Overpressures
- Frontiers in Pore Pressure Prediction

Workshop Registration

Before Members US\$795 15 September Non Members US\$845

After Members US\$845

15 September Non Members US\$895

· Basin Modeling

Plus Pre- and Post-Workshop Courses



Pore Pressure Prediction: Principles and Pittalls, Dr. Richard Swarbrick, GeoPressure Technology, UK • Wednesday, 27 Oct.

Designed for all but experienced predictors, the focus will be on understanding where and why pressure prediction works well in certain areas and how to recognize where this is not the case.



Petroleum Geomechanics, Dr. Mark Tingay, University of Adelaide • Saturday, 30 Oct. An introduction to the fundamentals of petroleum geomechanics with particular emphasis on how present-day stress information is applied to exploration and production issues.

Short Course Registration

With GTW Registration Members: US\$445 Non Members: US\$545
Short Course Only Members: US\$545 Non Members: US\$595

Courses priced individually

Register online at www.aapg.org/gtw

WWW.AAPG.ORG SEPTEMBER 2010

Play-Based Exploration (PBE)

New Services from R&A

Consultation

proper techniques for consistent assessment and valuation

Associates

So

Rose

industry-unique course addressing all aspects of quantitative common risk segment mapping, and analysis of play-specific data

flexible, elegant solution designed to manage the process for preparation of Common Risk Segment maps for both play-specific and prospect-specific chance

For more, visit www.roseassoc.com

Better analysis leads to more informed investment decisions.

Transferring E & P Risk Assessment Expertise Instruction • Software Tools • Practical Consultation

WWWUPDATE

AAPG Website Goes Mobile

ead any good sites lately - on your MOBILE DEVICE?

About three years ago I bought the first iPhone the day it was released. Within 24 hours I wondered how I had managed my day-to-day life without it. I enjoyed it that much and found it that handy.

Today I now have an iPhone 4 and many of my friends and family have smart phones or mobile devices.

The teens and young adults use the text feature a lot but most of my peers use their phones for their schedule and for reading websites and books while traveling.

Today, "there's an App for that" is quoted

almost as much as "where's the beef?" once was.

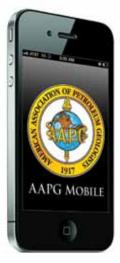
Two Questions, Two Answers

When at the annual meeting in New Orleans two questions were often asked of the AAPG Web team: When will you have a mobile version of the AAPG website and will there be an App developed by AAPG?

The mobile site is now available and optimized for iPhones and Android-based phones. When you type www.aapg.org into your phone's browser you will be given the option of viewing the full site or mobile version. We suggest you save a bookmark of the mobile version to your device's desktop.

We took a survey to learn that deadlines, news, EXPLORER and BULLETIN articles, and meeting information were the top sought-after information.

So that's what we've featured first on the AAPG Mobile site.



iPhone users may bookmark this site with "Add to Home Screen" and have an App-like experience with AAPG Mobile.

The blogs have been updated, too, to be more readable on your mobile device. In fact, you'll see this little block that looks like a piece of decorative tile just to the right of each blog.

This tile is the new QR code for that blog. Ever seen those before? Well, they will start cropping up on business cards, advertisements. brochures, possibly letterhead.

"QR" stands for "quick response." According to

Wikipedia the codes originated in 1994 out of Japan where these two-dimensional codes were designed to be quickly interpreted by scanners.

There are many Apps that are scanners that any smart phone can use to access a QR code.

Businesses and individuals are able to create these QR codes, publish them and send you to websites or specific URLs within their websites for more information.

You simply launch your QR scanner on your phone; point the phone's camera at the code; and the next thing you know the phone is launching a web page in its browser.

It's pretty cool.

Where's the App?

The AAPG web team discussed developing an App for AAPG and discovered that the best experience we can provide to all smart phone and mobile device users will be browser-based.

There will be no App developed but an App-like experience is provided (see graphic). But we do encourage a QR scanner App. You can find a list of those in the Blogzone - blog.aapg.org/web/. Good browsing!



Registration opens in September!

Make plans to attend the OTC's new event focusing on the cutting-edge technologies and innovative practices needed for exploration and production in the Arctic. Senior explorationists and technical experts will share their knowledge, vision and ideas on the exploration and geology of the U.S., Canadian, Russian, Norwegian, and Greenlandic (Danish) onshore and offshore arctic basins. There will also be networking activities and an exhibition with leading companies focused on the Arctic.

ARCTIC TECHNOLOGY CONFERENCE

AN OTC EVENT

7-9 February 2011 . George R. Brown Convention Center Houston, Texas, USA

WWW.ARCTICTECHNOLOGYCONFERENCE.ORG



An OTC event, managed by AAPG

PROFESSIONAL

P. Jeffrey Brown, to senior associate (play based exploration), Rose & Associates, Houston. Previously engagement leader, Decision Strategies, Houston.

Peter Carragher, to senior associate, Rose & Associates, Houston. Previously vice president-geoscience and exploration, BP Exploration, Houston.

Bill M. Francis, to vice presidentgeology, Silver Oak Energy Partners, Fort Worth, Texas. Previously vice presidentoperations, Encore Acquisition Co., Fort Worth.

Stu Hirsch, to geological adviser, Hess Corp., Houston. Previously senior geologist, Chesapeake Appalachia, Charleston, W.Va.

Michael Langeler, to geologist, EnCana O&G, Dallas. Previously exploration manager, Cornerstone E&P, Irving, Texas.

Dave Muller, to senior geological adviser, Apache, Tulsa. Previously senior district geologist, Samson, Tulsa.

Emily Oatney, to country manager, Chevron Denmark, Copenhagen, Denmark. Previously exploration adviser, Chevron Europe, Eurasia and Middle East operating company, London, England.

Chet Paris, to Rocky Mountains exploration manager, Newfield Exploration, Denver. Previously geological adviser, Noble Energy, Denver.

Mark Schneider, to senior associate, Rose & Associates, Jakarta, Indonesia. Previously manager-technical coordination, CNOOC Southeast Asia, Jakarta, Indonesia.

Artur Stankiewicz, to global fluids domain head, Schlumberger, Clamart, France. Previously subsurface and planning manager, Shell Abu Dhabi, Abu Dhabi, U.A.E.

Kurt Stropoli has retired as senior applications geoscientist with Paradigm in Houston. Stropoli resides in Alpine, Texas.

Garven Paper Wins Pacific Levorsen Award

Grant Garven, with the Tufts University department of geology in Medford, Mass., has been named winner of the Pacific Section's A.I. Levorsen Award for the best paper at the recent annual Section meeting in Anaheim, Calif.

Garven's paper was "A Geohydrodynamic Study of the Role of Faults on Petroleum Migration in the California Borderland Basins.'

His co-authors were Byeongiu Jung, also of the Tufts University geology department, and James R. Boles, department of earth science, University of California-Santa Barbara.

Garven will receive his award at the next Pacific Section annual meeting, to be held in Anchorage, Alaska, on a date to be determined.

GCAGS Sets 60th Annual Meeting in San Antonio

varied technical program that examines both the onshore and offshore activity – and potential - of one of the world's most prolific regions has been planned for this year's AAPG Gulf Coast Association of Geological Societies annual meeting, which will be held Oct. 10-12 at the Henry B. Gonzalez Convention Center in San Antonio.

The theme for the meeting - GCAGS' 60th annual - is "Weathering the Cycles." Also meeting will be the Gulf Coast Section of SEPM.

The technical program will include a special daylong Stricklin Symposium on Tuesday, Oct. 12, titled "Forming and Filling the Gulf of Mexico Basin:

Triassic, Jurassic and Cretaceous Tectonics, Source Rocks and Petroleum Systems.'

Other technical sessions include:

- Organic Shales of the Gulf Coast - Controls On Reservoir Quality and Producibility.
- ▶ Carbon Sequestration Risks, Opportunities and Implications for EOR.
- Water for A Growing Region -Geology, Water Quality and Resource Management.
- Integrated Answers in Subsurface Exploration for Shelf-to-Ultradeep Opportunities.
- Preparing for the Crew Change in the Geoscience Work Force.

The program also includes a

opening session featuring AAPG President Dave Rensink and a keynote address by past AAPG president Scott Tinker, plus two luncheons:

- Monday's All-Convention Luncheon will feature John Hofmeister, founder and chief executive for Citizens for Affordable Energy, talking about "Why We Hate the Oil Companies: Straight Talk From an Energy Insider."
- ▶ Tuesday's Divisions Luncheon will feature Lee Shephard, direction of the Institute for Conventional, Alternative and Renewable Energy at the University of Texas at San Antonio, talking about "Realizing America's Energy Future."

For more information go online to www.gcags2010.com/index.html.

Frontiers of Unconventional Thinking...Saddle Up for the Ride





INTERNATIONAL CONFERENCE &

12-15 September 2010 | Calgary TELUS Convention Centre | Calgary, AB, Canada





For fastest service, register online at www.AAPG.org/Calgary



WWW.AAPG.ORG SEPTEMBER 2010

2010 Open Enrollment Course Schedule

Rose & Associates

Risk Analysis, Prospect Evaluation & Expl. Economics

Calgary, Alberta October 4 – 8, 2010 Aberdeen, Scotland October 4 – 8, 2010

Houston, Texas October 18 – 22, 2010

Register at: www.roseassoc.com/instruction
Questions: allisondunn@roseassoc.com
Ph: 713/528-8422

Transferring E & P Risk Assessment Expertise
Instruction • Software Tools • Practical Consultation

FOUNDATIONUPDATE

TGS Offers \$upport

The Tulsa Geological Society has thrown down a financial gauntlet to help raise money for one of the AAPG Foundation's most popular programs.

TGS Council members recently voted to offer a challenge grant of \$6,250 to alumni and friends of the University of Tulsa and the University of Arkansas to help fund a subscription at each of those schools to the Foundation's Digital Products university program.

A \$12,500 AAPG Datapages online subscription provides students, faculty and visitors of the university complete access to the entire Datapages digital library in perpetuity.

The online digital archival library currently consists of over a million pages of geological information consisting of numerous society collections, AAPG publications and other regional publications – a substantial and continually expanding petroleum geology library.

TGS members as well as alumni and friends of the universities of Tulsa and Arkansas can make donations to the challenge grant online at foundation.aapg. org/donate.cfm; just select "Digital Products Fund," and then select the university of your choice.

The 2011 AAPG Grants-in-Aid Program is currently accepting applications from qualified master's or Ph.D. candidate geosciences students who may require funding for their research.

With over \$200,000 available – and grants awarded up to a maximum of \$3,000 – applicants are encouraged to review the procedures and begin the online submission process early.

This year's application deadline is Jan. 31.

Additional funding for the Named Grants-in-Aid Program has been provided by Rosann Hooks, who generously donated in memory of her late husband, James E. Hooks, a Chevron vice president and Foundation Trustee Associate who passed away in September 2002.

The James E. Hooks Memorial Grant is restricted to Hook's two alma mater's, Florida State University and Texas A&M.

For additional details of this or any Foundation program, or to donate by phone, contact Foundation manager Rebecca Griffin, at 918-560-2644.

Foundation (General)

Seymour R. Baker Gerald R. Baum Michael William Bennett Douglas Charles Bleakly BP Foundation Matching gift for Jacek M. Jaminski Janet Sue Brister Alex S. Broun Michael C. Burkard Dean Lynn Callender Susanna Sofia Calvo Martin Macdermott Cassidy Robert Randall Chanpong Richard Eugene Church David Kingsley Curtiss Donald William Davis Edward Louis Davis James Harrison Davis
In memory of Merril Haas
Giancarlo Davoli Tim Paul Dooley Edwin Harris East James William Eberhardt
EOG Resources

Matching gift from Stephen Burke Parrish Erwin Jr ExxonMobil Foundation

Matching gift for Wayne Schild
John Sturges Eyres
Ellis Charles Fernalld
Dennis J. Fischer
Mark W. Fletcher
Michael Alan Fogarty
Michael Alan Fogarty
Michael C. Forrest
William J. Furlong
Enoch Amakiri George
Ernest Gomez
Edwin Robert Goter
Thomas Edgar Green Jr.
George A. Hall
Neil Wallace Hamilton
Stuart D. Harker
Philippe Eric Heer
W. Daniel Heinze
Dave Hixon

Dave Hixon
In memory of Keith Young
William J. Hlavin
Michael Frances Hoffmann
John D. Humphrey
Robert Bruce Hunter
Tony Jolly
Suhattaya Kaewla-iad
Wayne Russell Kemp
Robert Winfield Koch
Max Allen Krey
Kurt Matthew Ley
Sitian Li
James Warren Lovekin
Roy Burvil Luck
Alberto R. Luna
George M. Markey Jr.
Robert L.W. Martin
Terry Wayne Massoth

Continued on next page

CALL FOR ABSTRACTS

Submit your abstract online before 23 September 2010

MAKING THE NEXT GIANT LEAP IN GEOSCIENCES



Industry professionals and students are invited to submit abstracts to the AAPG 2011 Annual Convention & Exhibition. The technical program committee encourages abstracts that relate to any of the topics listed below. Planned sessions and formats (oral or poster) may be modified depending on actual submittals.

THEME 1: Molecules to Marketplace: The Business of Energy

This theme will include business energy experts from domestic and international companies who will discuss active oil and gas trends, price, demand and advice on what might happen in the future.

THEME 2: Global Deepwater Reservoirs: Giant Leaps in E&P

This theme will present state-of- the-art geoscience investigating deepwater reservoir studies and deepwater depositional environments in fields located offshore of the Gulf of Mexico and Africa.

THEME 3: Worldwide E&P: Opportunities in the New Decade

This theme will cover exploration and production onshore or offshore. It will include significant new plays and studies of geological trends from countries of the world including Americas, Brazil, Middle East and Asia.

THEME 4: Challenged Resource Frontiers

Challenged Reservoirs will cover multidisciplinary aspects related to the characterization, assessment and understanding of gas and oil resources from less-than-conventional reservoir systems in both the U.S. and international arena. We encourage contributions ranging in scale from 'pore-throat to basin'.

THEME 5: Mudstones and Shales: Unlocking the Promise

This comprehensive theme will include U.S. and international gas- and oil-productive mudstone case studies, systems geology and geochemistry, exploration, assessment and ranking techniques, reservoir characterization and evaluation, and drilling and completion technologies.

THEME 6: Siliciclastics: Advancing Research to Resource

This theme covers all aspects of siliciclastic research and reservoir characterization including, fluvial, shallow marine and deepwater settings, diagenesis and reservoir modeling.

THEME 7: Insight into Carbonates and Evaporites

This theme will include oral and poster sessions about carbonate and evaporite research (ancient and modern), carbonate reservoirs, reservoir modeling, seismic interpretation and oil and gas studies of carbonates.

THEME 8: Breakthroughs: Tectonics, Salt and Basin Analysis

This theme will hold sessions concentrating on basin analysis, petroleum systems and studies of structure and tectonics worldwide, including faulting styles and salt tectonics.

THEME 9: Integrating New Technology, Geophysics and Subsurface Data

This theme will have abstracts and sessions relating to geology integrated with geophysics and applied to exploration and production, including surface and subsurface GIS mapping technology.

THEME 10: Energy and Environmental Horizons

This theme will have energy and environmental sessions important to today's natural resource and environmental geologists. Papers coordinated by the AAPG's Energy Minerals Division (EMD) will address alternative energy resources. The Division of Environmental Geologists (DEG) will coordinate papers on environmental geology.

THEME 11: The Next Geo-Generation: Who, What and Where

This theme will explore the trends and dynamics of young professionals (1-10 years) in the energy industry through an exciting speaker program and poster sessions. Covered topics will include managing career development, attracting and retaining geoscience staff and forecasting new career pathways.





www.AAPG.org/Houston2011

Continued from previous page

Barry C. McBride James S. McGhay Larry Richard Moyer Larry Nation Alexey Nechayuk Ellen West Nodwell Robin L. Petrusak Hayat A. Qidwai Victor O. Ramirez Barry Joseph Rava Betty May Robertson

In memory of Clifford G. Flittie Kweku-Mensah O. Sagoe Daniel William Sellers Daniel R. Shaughnessy Peter Edwin Sikorski David John Sivils George C. Soronen John Stanfield Spaid Edward Anthony Steiner Charles Edward Stelting Cynthia G. Suek Gregory Scott Thomas Natalia Alexsandrovna Tkacheva

Ravi T. Venkateswaran Phillip Gene Von Tungeln Keith R. Whaley Jennifer Lynn White Henry B. Wilkinson III James Charlton Wise William V. York

Awards Fund Best Student Paper and Poster Award

Ellen West Nodwell

Christopher Howard Bradley Paul H. Dudley Jr.

In memory of Ted Longood
Ellen West Nodwell

Bridge Fund

Ben Brigham Denbury Resources William L. Fisher Stephen M. Trippe The Unconventionals LLC

Daniel A. Busch Library Fund

David Ray Grogan Arthur M. Van Tyne In memory of W.H. "Tex" Young Jr.

Continuing Education Fund

Douglas Charles Bleakly David Ray Grogan Digital Products Fund Wayne Russell Kemp

Jerry Edward Tochterman Sr. Harshad Trivedi In memory of R.C. Slocum

J. Marc Young Jeffrey Raymond Zoller

Matching gift for Richard Nagai Chevron Humankind Matching gift for Amy E. Whitaker
Frank Beecher Cressy Jr. Nicholas B. Harris Teacher of the Year Award Neil S. Summer

> Eddie David Named Grant Thomas L. Johnson

In memory of Jack Smith Gary W. Smith In memory of Jacquelin W. Smith Michael R. Wisda In honor of Eddie David

San Diego State University
Robert Randall Chanpong

Patrick Thomas Gordon

Michael Alan Fogarty

Douglas Charles Bleakly

Douglas Charles Bleakly

Knut Henrik Jakobsson

Orville Roger Berg George William Krumme

David Ray Grogan

Daniel William Sellers

Robbie Rice Gries

Scot W. Krueger

BHP Billiton

George Mark McAleenan

Kweku-Mensah O. Sagoe

Texas A&M University

Tulane University

University of California Santa Cruz

University of Colorado

University of La Paz, Bolivia

University of Michigan

University of Tulsa

Virginia Tech University

Wichita State University

Distinguished Lecture Fund

Grants-in-Aid Fund

In honor of Bill Muehlberger
W. Clay Hunter

Fred A. and Jean C. Dix Named Grant

Robert K. Goldhammer Memorial Grant

Grants-in-Aid Committee Named Grant Rebecca L. Griffin

James E. Hooks Memorial Grant Rosann F. Hooks

In memory of James E. Hooks
Jayne L. Sieverding

James E. Kilkenny Memorial Grant Robert G. Lindblom

In memory of Jack C. West

Arthur A. Meyerhoff Memorial Grant Christopher Howard Bradley

Ohio Geological Society Named Grant John Lawrence Wicks Steven Paul Zody

Halbouty Fund Patrick Thomas Gordon

James A. Hartman Student Fund Michael Alan Fogarty

K-12 Education Fund Arthur William Browning Donald William Davis Samuel Arthur Friedman In honor of Jay Gregg
Patrick Thomas Gordon Edwin Robert Goter

Samuel Cole Guy In honor of Robert Ardell Luc Francois-Marie Jacobs Ragnar E. Johnson Jr. Robert Winfield Koch In memory of Ernest Espenschied
Robert G. Lindblom

In memory of Walter M. Beier Sandy Meyer Susie Moore Michael James Murphy Susan Smith Nash Ellen West Nodwell Gene R. Robinson Edward Carl Roy III Kevon Michael Smith Stephen J. Szydlik John Anderson Willott

Dean A. McGee **Distinguished Lecture Fund** Christopher Howard Bradley

Pratt BULLETIN Fund

M. Dane Picard

E.F. Reid Scouting Fund

Christopher Howard Bradley Norbert Everett Cygan In honor of David H. Glenn Terri Duncan Ronald L. Hart

Bryan Haws

Visiting Geoscientist Fund Lee Travis Billingsley In memory of Ed Roy George Mark McAleenar In memory of Lyndon Bell

> Austin Weeks Memorial **Undergraduate Grant Fund**

Rogers J. Bailey Curtis L. Johnson Richard D. Nehring
In memory of Ben Hare
and Amos Salvador





CALL FOR PAPERS

The Rocky Mountain Association of Geologists and the American Association of Petroleum Geologists will produce a special publication for release in 2011. The publication theme is

The Application of Structural Methods to Rocky Mountain Hydrocarbon Exploration and **Development**

We are seeking submittals from authors involved with recent investigations.

Our publication objective is to provide a venue for authors to share new ideas, methods, and applications relating structural geology to hydrocarbon exploration and development. We are seeking papers that discuss regional aspects of structural geology as well as papers that focus on smaller scale issues, such as defining field parameters and optimizing production. The format for this publication will be digital.

Possible topics include:

Regional structural framework concepts

Application of structural methods to Rocky Mountain resource plays

The role of faulting and fracturing

Applications of geophysical techniques including: 3-D and 4-D seismic, multicomponent seismic, and potential field data

Utilization of borehole imagery

Relevance of borehole seismic methods

Please submit your title and abstract by October 15, 2010.

CONTACT INFORMATION: RMAG Office: 303-573-8621, admin@rmag.org

Editors

Connie Knight: cnknight@comcast.net Jerry Cuzella: jerryc49@aol.com Chuck Kluth: ckluth@mines.edu



RMAG / DAPL / DGS / IPAMS / SPE

Join Us Friday/Nov. 5/2010

SPECT FAIR & TECHNOFEST

11th ANNIVERSARY

COLORADO CONVENTION CENTER / DENVER, COLORADO

One stop shopping for the latest PROSPECTS! *SOFTWARE!* DATA! SERVICES!

ATTENTION!

PROSPECT CREATORS / SOFTWARE DEVELOPERS DATA VENDORS / SERVICE COMPANIES

EXHIBITORS: get a 10'x9' booth for your Idea

+ 2 admissions

SPONSORS: support this event to receive 1-10 associate admissions

Details www.rockymountainexpo.org

2009 Attendance: 1,000+ prospects total 1 billion bbl oil potential represented

WWW.AAPG.ORG SEPTEMBER 2010

MEMBERSHIP&CERTIF

The following candidates have submitted applications for membership in the Association and, below, certification by the Division of Professional Affairs. This does not constitute election nor certification, but places the names before the membership at large.

Any information bearing on the qualifications of these candidates should be sent promptly to the Executive Committee, P.O. Box 979, Tulsa, Okla. 74101.

Information included here comes from the AAPG membership department.

(Names of sponsors are placed in parentheses. Reinstatements indicated do not require sponsors.) Membership applications are available at www. aapg.org, or by contacting headquarters in Tulsa.

For Active Membership

Colorado

Rhoades, Matthew J., consultant, Englewood (S.A. Sonnenberg, J.E. Wellborn, M.C. Carr); Sitchler, Jason, Schlumberger Data & Consulting Services, Littleton (E. Gomez, S.D. Sturm, T. Numelin)

Indiana

Pigott, Robert Lee, Earthcad Consulting, Evansville (J.A. Rupp, T.H. Stark, D.L. Gelhausen)

Louisiana

Sloan, Robert F., Shell Oil, New Orleans (H.J. Brook, T.V. Wilson, R.J. Stancliffe)

Chapman, James Benjamin, SandRidge Energy, Oklahoma City (R.S. McCarty, M.A. Thomas, S.D. Nath); Cruse, Anna M., Oklahoma State University, Stillwater (J.W. Higgins, J.O. Puckette, J.M. Gregg)

Texas

Abele, Stanley Thomas, Seismic Micro-Technology, Houston (reinstate); Aular, Julio, Halliburton, Houston (N.G.K. Boyd, C.M. Gell, R.L. Chambers): Barker. Neville. OHM Rock Solid Images, Houston (R.C. Cooper, S.W. Singleton, G. Flanagan); Guu, Jeng-yih, Nexen Petroleum, Plano (reinstate); Jung, Kyungtae, Samsung Oil & Gas USA, Houston (K. Hogenson, G.E. Stachura,

Dues are Payable Online

reminder: Pay your 2010-11 dues now online to avoid losing your membership benefits.

AAPG continues to offer the graduated dues structure - no member is denied participation based on their income.

M. B. Anderson); Ofoma, Innocent C., Eni Petroleum, Richmond (J.O. Otiocha, J.D. Doyle, K. Yang); Suhrer, Michael E., Ingrain, Houston (E. Diaz, J.P. Dvorkin, J.M. Spaw)

Wyoming

Tomasso, Mark, Enhanced Oil Recovery Institute, Laramie (J.R. Steidtmann, E.C. Potter, J.R. Underhill)

Colombia

Cogollo, Magda Lucia, CTP Ltda., Piedecuesta (M. Garcia-Gonzalez, I.D. Olaya-Lopez, V.O. Ramirez)

Student dues will remain at the \$10 rate, and Chevron will continue its support as the corporate sponsor of the Student Sponsorship Program.

Payments are accepted online, or contact the membership department at 918-584-2555.

Ecuador

Hidalgo, Juan Carlos, Schlumberger, Quito, Ecuador (M. Rivera, D. Burger, R.H. Vera)

Graham, Rodney William, Petro Matad, Ulaanbaatar (D. Janchiv, J.E. Warme, J.C. Coogan)

Nigeria

Awobadejo, Olanrewaju O., Total E&P Nigeria, Lagos (M.O. Odebode, O.O. Ogunkoya, K.A. Ojoh); Ayodele, Irewole John, ConOil Producing, Lagos (O.T. Odusote, M.L. Afe, S.O. Akande)

Certification

The following are candidates for certification by the Division of Professional Affairs.

Petroleum Geologist

Colorado

Arthur E. Rowley, Williams Production RMT, Denver (reinstatement)

Denise M. Cox, Storm Energy, Panama

City (C. Caughey, D. Sacrey, M. Party)

Texas

Steven A. Earle, Carrizo Oil & Gas, Houston (SIPES reciprocity); Janet M. Combes, consultant, Houston (SIPES reciprocity)

Washington

Paul T. Doughty, PRISEM Geoscience Consulting LLC, Spokane (L. Fairchild, B. Quartero, T. Andrews/J. Nurkowski)

Carbon Storage from page 22

interpretation of seismic data (commercially available and perhaps acquired specifically for the study).

In fact, ION contributed its GulfSPAN seismic data library to the investigation, according to Bob Peebler, CEO at ION. Additionally, a 3-D seismic survey was provided by Formosa Plastics and its subsidiary, Neumin Production Co.

"The results of this study should provide the next step in making geostorage of CO₂ a commercial reality," Meckel said, "and may provide the impetus for the future creation of a georepository State of Texas Submerged Lands."

Contributing to the enthusiasm is the fact that sub-seafloor CO₂ storage has the potential to generate significant capital for public education in Texas.

The Texas General Land Office has a longstanding requirement to direct revenues generated from resource utilization on state lands into the Texas Permanent School Fund, Meckel said.

Texas Land Commissioner Jerry Patterson has said oil and gas exploration in the Gulf alone has brought more than \$6 billion to the fund. He emphasized that oil and gas are finite resources, noting that CO₂ storage may replace some of the revenue lost as those resources deplete.

"It's a new way to think about sequestration in terms of managing long-term liability while distributing benefits," Meckel noted.

STION OF PETE



Come Be Part Of The 'IN' Crowd!

Participate in AAPG's Geoscience Technology Workshops (GTW's)

New Ways to Look at Old Data: New Pay Zones, Increased Production, **Expanded Regional Plays**

November 8-9, 2010 • Houston, TX

How are new ways to look at old data resulting in new pay zones, increased production, and even new regional plays? How can you find and determine the best way to produce oil that's been "left behind"?

This AAPG Geoscience Technology Workshop provides you with answers, ideas, and opportunities.

Sessions include using existing data for effective hydraulic fracturing for horizontal wells, ways to look at old well log data to find new fields and new productive zones, integrating core information and old seismic with new technologies for better imaging of reservoirs, combining old and new data for enhanced oil recovery, and bringing together old and new data to better understand shale reservoirs.

Deepwater and Ultra Deepwater Reservoirs in the Gulf of Mexico

January 18-19, 2011 • Houston, TX

Practicing geologists, engineers, and geophysicists will make active, dynamic presentations on how to improve exploration and development, operations, and appraisal efforts in deepwater and ultra deepwater reservoirs.

Focus will be mainly on the the Gulf of Mexico, but we will discuss case studies in other areas. Change is occuring quickly, and keeping up to date with new regulations and operating procedures will receive special emphasis. Included are sessions on how new geological and geophysical data can help decision-making, and what new processing and interpretation methods can tell us.

Each session will include an IPOD discussion (in-depth discussion on issues, problems, opportunities, and directions).

Success in the Marcellus: Reservoir and Field Studies, Cores, Geomechanics, Geochemestry May 24-26, 2011 • Baltimore, Maryland

This workshop will feature presentations on case studies, reservoir and field studies, cores, geomechanics, geochemistry, 3D seismic, and imaging to optimize your Marcellus operations.

What makes this workshop special? Not only does it take an interdisciplinary approach, you'll have a chance to discuss the unique structural setting that gives the Marcellus its unusual qualities. If you have not had a chance to see the Marcellus in outcrop, and to look at its natural fractures and joints, you'll have the opportunity to go on a virtual field trip as Marcellus experts and professors discuss their work and show their high-quality

Each session will include an IPOD discussion (in-depth discussion on issues, problems, opportunities, and directions). As a special added bonus, our goal is to have an informal core workshop during lunch and poster sessions.

INFORM - DISCUSS - LEARN - SHARE • THE AAPG GTW EXPERIENCE

For information on these AAPG GTW's, please log on to our website at http://www.aapg.org/gtw.

AAPG FOUNDATION





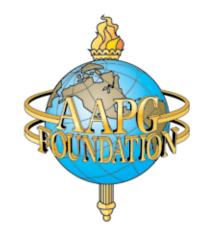
The AAPG Foundation K-12 Education Endowment will allow us to sponsor, train and support teachers in their efforts to bring more geology-related topics to the classroom, sparking the early interest of students and encouraging more of them to enter a geoscience field.

Currently, the AAPG Foundation provides support to successfully established programs, such as Earth Science Week, More! Rocks-in-your-Head workshops and the Bookout Initiative.

There is a need for additional outreach to students, teachers, parents and the general public, to educate them about the invaluable role of geosciences in major issues such as global climate change and world energy needs.

How can YOU help?

You may direct your tax-deductible contribution toward the AAPG Foundation "K-12 Education Fund." A gift may be made online at foundation.aapg.org/donate.cfm, through the mail or by phone. Should you wish to receive a 5-year pledge commitment form or further details about the K-12 Education Fund, please contact Rebecca Griffin, 918-560-2644, rgriffin@aapg.org



WWW.AAPG.ORG SEPTEMBER 2010

EXPLORER

READERS'FORUM

Rising to the Occasion
The outrage over the explosion and

sinking of the Deepwater Horizon in the Gulf of Mexico is palpable, and justifiably so. The question the offshore industry must now face is: How do we as an industry respond to this disaster in such a way to preserve offshore drilling and restore confidence in what is clearly a vital component of our future domestic energy supply?

One possible approach is to reevaluate every offshore project in terms of the probability of the occurrence of an undesirable risk event, and the consequence of such a risk event.

Reducing risk to effectively zero may not seem practical to many (and is theoretically impossible), but in light of recent events, that clearly must be our goal.

An article in the June EXPLORER outlined the top 10 worst oil spills in histor

Several conclusions can be drawn from that data:

▶ The worst oil spill in history was an intentional act that occurred as Saddam Hussein was retreating from Kuwait in 1991.

▶ Only one of the 10 worst oil spills occurred onshore, in Central Asia. Without minimizing the severity of such an accident, onshore spills are usually not as catastrophic in terms of environmental damage.

Seven of the worst oil spills involved tankers

Given the relatively high frequency of tanker spills (seven) between 1978 and 1991, it struck me as odd that there has not been a major tanker related spill since 1991. The probable explanation is the mandate, pursuant the Oil Pollution Act of 1990, to phase out single-hull tankers in favor of double-hull tankers.

My point is to recognize the dramatic re-engineering and re-design response that was taken in light of the high number of tanker related accidents.

The one remaining spill not yet discussed is the 1979 lxtoc #1 well, which like the Deepwater Horizon exploded and sank in the Gulf of Mexico in such a way that made it very difficult to control the damage.

Although the well was in shallower water, the similarity of technical issues hindering efforts to control the damage in both wells cannot be ignored.

Times are different now than they were in the 1970s, 1980s and early 1990s. Industry's response to the Deepwater Horizon and Ixtoc spills must be faster than the response to the tanker spills. The opportunity to take control of this situation is now, and must be accepted by the entire industry working in concert with one another

on a common goal, or we will collectively lose control of this situation and pay the price for decades to come.

This is not just BP's problem; it is now the entire industry's issue to deal with. We can either rise to the occasion and lead this reengineering and re-design effort, or for the foreseeable future react to well-intentioned but ill-informed knee-jerk reactions.

John M. Stafford Highlands Ranch, Colo.

Ethanol? No!

I am disappointed over the big push to make ethanol. Ethanol is polluting, low energy and it raises the cost of food.

Why don't I hear a push to use natural gas to power our vehicles?

Natural gas is high energy, clean burning, cheap and plentiful. There are 200 drilling rigs drilling for natural gas in the United States today.

U.S. automakers already build cars that run on natural gas for the foreign market.

Another loan of \$30 million was made to a plant in Colwich, Kan., to build a cellulose ethanol plant. This \$30 million would have built dozens of natural gas filling stations.

Converting our vehicles would save the United States one-half billion dollars a day that we spend on foreign oil.

Marvin E. Frankamp Wichita, Kan.



Past officer and AAPG award recipient Erik P. Mason died July 31 in Leiden, Netherlands, after a sudden illness. He was 56.

Mason was on assignment for Royal Dutch

Shell working in Europe and Sub-Saharan Africa, after a distinguished career as a geologist, team leader and manager in exploration in the Americas. He had assignments for Shell in New Orleans, the Netherlands and Houston.



He received his

bachelor's from Principia College and joined Exlog and later joined Phillips Petroleum in 1982 after earning a master's at Oklahoma State University. He joined Shell in 1988.

Co-editor of AAPG Methods in Exploration #14 on horizontal wells, Mason was the general chairman of the 2000 AAPG annual meeting in New Orleans. His latest duty for AAPG was chair of the Geoscience Events Oversight Committee.

He served as AAPG vice president in 2003-04 and received the AAPG Distinguished Service Award in 2007. He was an AAPG HoD delegate, served on many committees and was a member of the Division of Professional Affairs.

Family and friends have established the "Erik Mason Memorial" through The AAPG Foundation. Contributions will be designated to support the scholarship established at Oklahoma State University and are accepted by the AAPG Foundation.

Karl H. Arleth, 85 Houston, June 16, 2010 Donald Wallace Baird, 86

Sun City West, Ariz., 2010 Donald R. Baker, 83

Denver, July 19, 2010 Jaime Barcelo-Duarte, 56 Villahermosa, Mexico

June 29, 2010

Daniel A. Bradley, 87

St. Laurent, Canada

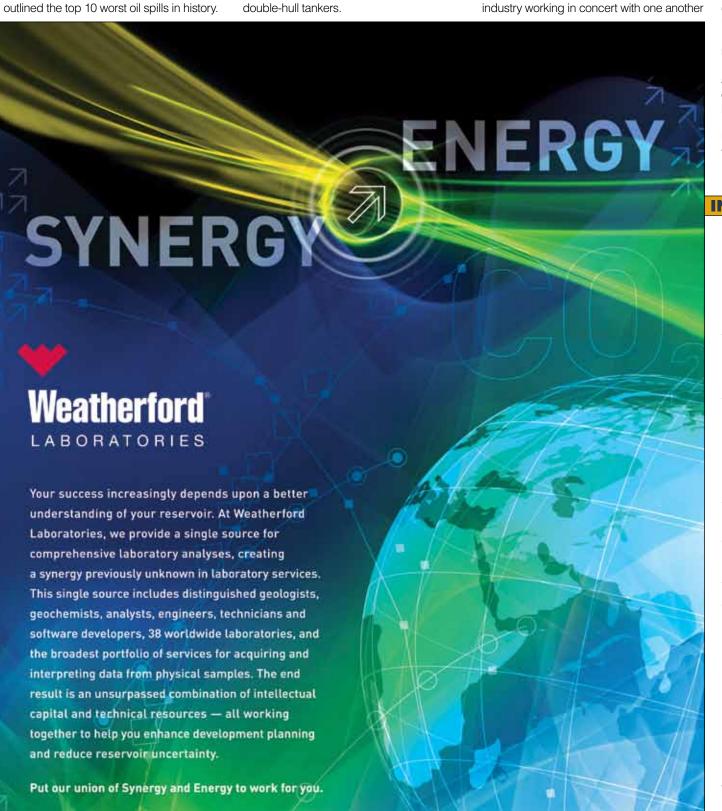
April 30, 2010 Jay T. Garske (AC '62) Denver

Warren Wall Hagist, 82

Morrison, Colo., June 19, 2010 Gerhard Cyril J. Jansen, 79

San Clemente, Calif. February 2010 Erik Paul Mason, 56

Leiden, Netherlands, July 31, 2010



Weatherfordlabs.com

HIGHER STANDARDS

NORTH AMERICA NAInquiries®weatherfordlabs.com

EUROPE EUltrouiries@weatherfordlabs.com LATIN AMERICA

MIDDLE EAST/NORTH AFRICA

ASIA PACIFIC APInquiries@weatherfordlabs.com

You can reach about 30,000 petroleum geologists at the lowest per-reader cost in the world with a classified ad in the EXPLORER. Ads are at the rate of \$2.90 per word, minimum charge of \$60. And, for an additional \$50, your ad can appear on the classified section on the AAPG web site. Your ad can reach more people than ever before. Just write out your ad and send it to us. We will call you with the word count and cost. You can then arrange prepayment. Ads received by the first of the month will appear in the subsequent edition.

CLASSIFIEDADS

TWO ENDOWED FULL PROFESSOR POSITIONS OSU BOONE PICKENS SCHOOL OF GEOLOGY

POSITION AVAILABLE

The Boone Pickens School of Geology at Oklahoma State University (OSU) seeks applications for two endowed chairs: the Chesapeake Energy Corporation Chair of Petroleum Geoscience and the Devon Energy Corporation Chair of Basin Research. We are particularly interested in candidates with interests in one or more of the following: unconventional energy resources, petrophysics reservoir characterization/modeling, tectonics of sedimentary basins, depositional and diagenetic systems, and basinal fluids. These chairs will be filled at the level of Professor, will carry tenure in the School of Geology, and will be effective August 2011. Applicants must have a Ph.D. degree in geology or related field and have an outstanding record of research. The applicant must be committed to excellence in teaching both undergraduate and graduate students, will be expected to supervise M.S. and Ph.D. level graduate students and develop courses in her or his specialty.

The successful candidates will join a faculty of eleven geoscientists and will take leadership roles in a department that has close ties to the petroleum industry. The School's teaching and research facilities include state of the art geophysical field and laboratory equipment and software, the Devon Visualization Laboratory, and a wide range of petrographic and geochemical instrumentation. The School also has a recently renovated field camp facility near Canon City, Colorado.

Candidates should submit a letter of application, including a discussion of research interests and approach to teaching, along with a curriculum vitae and contact information for three references to: Endowed Chair Search, Boone Pickens School of Geology, 105 Noble Research Center, Oklahoma State University, Stillwater, Oklahoma 74078-3031 Screening of candidates will begin on November 8, 2010 and continue until the position is filled. More information about the Boone Pickens School of Geology can be found on the web http://geology. okstate.edu along with additional information about these opportunities. Inquiries may be directed to Dr. Todd Halihan (todd.halihan at okstate.edu) or Dr. Jay Gregg (jay.gregg at okstate.edu). Committed to health and safety Oklahoma State University maintains a tobacco free work environment. Oklahoma State University is an Affirmative Action/Equal Opportunity/ E-Verify employer committed to diversity.

Petroleum Exploration Geologist Newfield Exploration

Seeking Geologist, responsible for conducting detailed prospect analysis and play fairway assessments within the Mid-Continent Region plus the generation and presentation of prospect ideas and leads to management. This position would be

The successful applicant will generate and update maps, logs, cross-sections and corporate databases with new tops, correlations, shows and other pertinent geological data. Develop regional, multi-county stratigraphic framework and subsurface correlations.

Minimum qualifications, ten years of experience, knowledge of Mid-Continent upstream oil and gas, experience with conventional and un-conventional plays, experience doing play-fairway analysis assessments. Send resume to klefler@newfield.com.

Production Engineer (2)

BS/MS Chemical or Petroleum Engineering 10+ yrs. O&G Production. Understand completions, multiphase fluid flow, wellbore hydraulics, etc. Located in Santa Barbara or Bakersfield CA \$150-200,000 + BONUS. Company pays relocation, US Citizens only - send resume to Kathi@whalenbryan.

Whalen Bryan Personnel -

Reservoir Engineer (2)

PE degree 5+ yrs. E&P 5+ yrs. , US citizen only. Multiphase fluid flow, wellbore hydraulics, reservoir characterization and economic analysis. Know Gas life & ESP's. Located in Santa Barbara or Bakersfield CA \$150-200,000 + BONUS- Company pays relocation - send resume to Kathi@whalenbrvan.com

Pipeline Compliance Coordinator (2)

5 yrs. Exp. Pipeline operation, maintenance or construction exp. Santa Barbara or Bakersfield \$60-80.000 +.Resume to Kathi@whalenbrvan.com

Continued on next page



located in Tulsa, OK







Interested Companies and Students see: www.csun.edu/geology/aapg-seg.htm for registration information

Student poster presentations,

Networking, field trips, and more...

WWW.AAPG.ORG SEPTEMBER 2010 4



FACULTY POSITIONS

Petroleum Geosciences

Petroleum Geosciences Department is seeking applications for the following positions:

Chair Professor, Distinguished Professor Professor, Associate Professor, Assistant Professor Senior Research/Teaching Associate Research/Teaching Associate

Department faculty will be expected to teach undergraduate and graduate courses, develop an active research program, and to engage in professional and institutional service activities. Opportunities to interact with PI industrial stakeholders and other local industries will be a key feature in the development of a research program.

Institution: The Petroleum Institute (PI) was created in 2001 with the goal of establishing itself as a world-class institution in engineering education and research in areas of significance to the oil and gas and the broader energy industries. The Pl's sponsors and affiliates include Abu Dhabi National Oil Company and several major international oil companies, namely Shell, BP, Jodco and Total. The campus has modern instructional laboratories and classroom facilities and is now in the planning phase of three major research centers on its campus. The PI is affiliated with the Colorado School of Mines, the University of Maryland (College Park), the University of Minnesota and Johannes Kepler University in Linz, Austria. Recent additions to collaborating institutions include Rice University and University of Texas, Austin. The growth of the PI is instrumental to meet the business and research needs of the fast growth of the UAE industry. For additional information, please refer to the PI website:

For details on the positions and to submit your application, please go to:

http://www.pi.ac.ae/jobs

Review of applications will begin immediately and will continue until successful candidates are selected. Only shortlisted applicants will be notified.



FACULTY POSITION IN PETROLEUM GEOSCIENCE CONOCOPHILLIPS SCHOOL OF GEOLOGY AND GEOPHYSICS MEWBOURNE COLLEGE OF EARTH AND ENERGY UNIVERSITY OF OKLAHOMA

The University of Oklahoma invites applications and nominations for a tenure-track or tenured faculty position in petroleum geology. The rank is open, from Assistant through Associate to Full Professor levels. Depending on experience and qualifications, the successful candidate may be appointed as a tenured Associate or Full Professor in an endowed professorship or chair. The applicant is expected to add significantly to the University's petroleum geology/geophysics education and research programs. Applications are being solicited from both academia and industry.

The successful candidate must have a demonstrated research record and the vision to establish and lead a strong multidisciplinary research program in petroleum geology, or a closely related discipline. This includes the opportunity to work closely with the Mewbourne School of Petroleum and Geological Engineering and the Oklahoma Geological Survey to investigate concepts, tools and methodologies to better define, characterize and manage oil and gas reservoirs. A qualified applicant should have demonstrated expertise in a range of geoscience technologies. The ideal candidate will also have experience in using these technologies to define and better understand geological features of economic interest, and should be an excellent educator with commitment to both undergraduate and graduate (M.S. and Ph.D.) education. A Ph.D. degree in geology or a closely related field is required. Salary and benefits will be competitive and commensurate with experience and anticipated potential.

The Mewbourne College of Earth and Energy possesses extensive industry-standard software, along with wellequipped and maintained computing labs for geological and geophysical mapping, analysis and interpretation, as rock properties/characterization laboratory facilities. Additional information about the College a the entities that it houses can be found at http://mcee.ou.edu.

Review of candidates will begin October 1, 2010 and continue until the position is filled. The anticipated starting date is August 15, 2011. Applicants are requested to submit a vita/resume, statement of research and teaching interests, and a list of five references who can be contacted, including names, phone numbers, email and complete mailing addresses. Questions or requests for additional information may be addressed Dean Larry R. Grillot, Chair of the Geosciences Search Committee, at (405) 325-3821, or lrgrillot@ou.edu. Applications and nominations should be addressed to Geosciences Search Committee, University of Oklahoma, Sarkeys Energy Center, 100 E. Boyd Street, Room 510, Norman, OK 73019-1008.

The University of Oklahoma is an Affirmative Action, Equal Opportunity Employer. Women and Minorities are encouraged to apply.

Continued from previous page

POSITION ANNOUNCEMENT Assistant Professor in Energy Geoscience

The Department of Earth and Environmental Science of the New Mexico Institute of Mining and Technology invites applications for a tenure-track Assistant Professor position in the broad area of energy-related geoscience. The candidate's research should be original and address significant geophysical, geochemical or geological questions related to energy resources. While we will consider all outstanding candidates, we are particularly interested in those who complement existing strenaths in the department, and will conduct research and teaching in one or more of the following areas: active-source seismology, seismic stratigraphy, geological sequestration of CO2, petroleum geology and basin analysis, and geothermal science.

Applicants must have a Ph.D. in Earth Sciences or a related field at the time of appointment, as well as a significant record of research productivity. Potential for excellence in research, teaching, and building energy industry and academic collaborations are the most important qualifications. Applications are solicited from both academic and industry.

Responsibilities include the development of a vigorous, independent, and externally funded research program supporting M.S. and Ph.D. students, teaching two to three courses per year (graduate and/or undergraduate) student advising, and service to the department, institute, state, national, and international Earth Science communities. The successful applicant will be expected to develop and maintain significant department faculty and student interactions with the energy industry.

Applicants should submit a statement of research and teaching interests and goals, a curriculum vitae, and the names of three or more references to: Energy Geoscience Search, New Mexico Tech, Human Resources Department, 801 Leroy Place, Socorro, New Mexico 87801. Official transcripts of pre-and postgraduate studies will be required if selected to interview. For full consideration, applications should be received by October 1, 2010 (email applications cannot be accepted). For further information, including the complete position announcement, visit www.ees.nmt.edu/professional_ops html, and/or contact search committee chair Peter Mozley (mozley@nmt.edu). New Mexico Tech is an equal opportunity/affirmative action employer.

Research Assistant Professor - Petroleum Systems. University of Western Australia, Centre for Petroleum Geoscience & CO2 Sequestration

We are seeking an early-career high-achieving geoscientist with expertise in petroleum geoscience and petroleum systems to participate in an integrated geoscientific study of the Canning Basin (on-shore Western Australia) to assess its potential for energy resources and CO2 sequestration. The role requires a highly motivated geoscientist with a PhD (or equivalent experience) in basin-related geoscience.

The Centre for Petroleum Geoscience & CO2 Sequestration is a dynamic research environment combining academic and industry-oriented research. The Centre is located in Perth; the centre of the Australian energy industry and an emerging focal point for the petroleum industry worldwide with the development of world-class offshore hydrocarbon resources and CO2 sequestration sites on the Northwest

For further details see: https://www.his.admin.uwa edu.au/jobvacs/external/academic/doc/doc1766912.RTF

Niko Resources Ltd. is seeking an experienced carbonate explorationist in our Jakarta, Indonesia office. Candidates should have industry experience and an expert level background in carbonate depositional

systems and reservoir facies. This role's primary focus is the ability to operate an exploration workstation for the identification of carbonate facies in 2D and 3D seismic data and be highly proficient in mapping drillable prospects. The candidate will be tasked with conducting field programs in remote areas to add to the geological knowledge of Niko's exploration activities. Candidates with the necessary experience are expected to be fully independent but be able to work in a team environment and mentor junior staff members. Niko Resources Ltd operates numerous exploration PSCs in Indonesia and this position would be a key leading member of the team tasked to identify drilling opportunities. For the candidates, this is a unique opportunity to work as part of an aggressive team of explorationists, to develop prospects, and to have their prospects drilled in a short time frame. Send resume to <u>Irothenberg@nikoindonesia.com</u>

INVESTMENT OPPORTUNITY

Pin Money Investments, LLC

- · Private Portfolio Management
- Investment Advice
- · Equity Research

L.J. Bonnie Snyder Portfolio Manager info@pinmoneyinvestments.com http://www.pinmoneyinvestments.com

FOR SALE

Mudlogging units with easy to learn software. Very reliable, full featured, portable units. Contact Automated

(303) 794-7470

www.mudlogger.com

MISCELLANEOUS

Party Celebrating Dr. Wayne's World

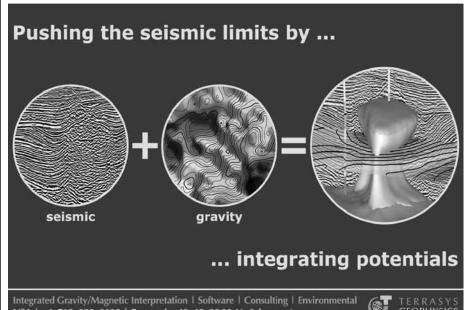
Dr. Wayne Pettyjohn, professor emeritus, Oklahoma State University holds the record for most piezometers (43) at a residence. Aside from training graduate students and professionals, Wayne provided a course that retooled approximately 1300 professionals from the petroleum industry to the water industry to provide employment from the oil bust during the 1980's. Due to the vagaries of federal rules, we do not have a list of these geologic professionals. However, we would like to have a party in honor of Wayne on Oct 1st, 2010 in Stillwater, Oklahoma. If you were a student or friend of Wayne's and would like to attend our celebrations of his career, please contact Todd Halihan at todd.haihan@okstate.edu or OSU School of Geology, 105 NRC, Stillwater, OK 74078 for more information

SAMPLES TO RENT

International Sample Library @ Midland -Formerly Midland Sample Library. Established in 1947. Have 164,000 wells with 1,183,000,000 well samples and cores stored in 17 buildings from 26 states, Mexico. Canada and offshore Australia. We also have a geological supply inventory.

Phone: (432) 682-2682 Fax: (432) 682-2718

Eliminate pilot holes and drill more horizontal payzone with SES technical GEOSTEERING SOFTWARE! SES is for geologists who are dissatisfied with drafting-tool methods of geosteering. Free trial, www.makinhole.com. Stoner Engineering LLC



DIRECTOR'SCORNER

Defining and Parsing the 'Hiccup'

By RICK FRITZ, AAPG Executive Director

embership numbers are an interesting barometer of an association's health. The general ups-and-downs of AAPG membership are clearly tied to the price of oil and gas.

The primary factor, of course, is the number of available jobs.

A secondary and perhaps more important driver for membership is most effectively stated as "program attractiveness." This



is something that almost every association tries to define and develop for membership.

For AAPG, "science" is the key for "program attractiveness." That is why a good technical program drives attendees to a conference. You can walk in to your boss and say, "I need to go to this meeting, because it has an attractive program that will help me do my job better."

Other factors defining program attractiveness include networking opportunities and continuing education.

For the past five years AAPG membership has been steadily increasing. This is largely due to the number of new young people coming into our profession, but also due to growth of the non-U.S. membership. For the first time since the "boom" in the early 1980s AAPG's membership topped 38,000 total members, but then something happened – we had a hickup

Before I explain the "hiccup," please let me explain how AAPG's membership cycle works.

On July 1 of each year we drop all members who have not paid their dues the previous year. As a result the highest membership in any one year is on June 30, and the lowest is on July 1 (see chart).

Each year we send the dues statement in March, followed by several reminders. We also hire a service to contact all of the unpaid members once or twice a year.

This process has been very successful.

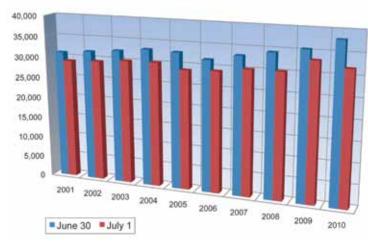
For example, for the fiscal year ending June 30, 2009, we had 35,530 members – but we dropped 2,301 of that number, so on July 1, 2009, we had a total membership of 33,229.

On June 30 of this year we had 38,044 members, but we had to drop 6,167. As a result, on July 1 we were down to 31,877 total members.

This is an unusually high number of drops

For the past 10 years, the leaderships' greatest concern was the decline in Active members within AAPG. Of course, this decline is primarily due to the aging of our membership. As a result we have activated various methods to attract more Active members. These methods include:

AAPG MEMBERSHIP TOTALS



- ▶ Emphasis on transfers to Active.
- Graduated dues.
- Corporate memberships.

As a result the decline is now around 1 percent, down from a decline at the beginning of the decade of nearly 5 percent. So Active membership is not a key part of last year's variance.

Based on our analysis, the dropped members contain a high number of students leaving university and a high number of new associates (young professionals).

This variance is tied to our significant increase in students over the past five years – from an average around 4,000 to more than 7,000 total students last year. Currently we have 211 student chapters – 92 U.S. and 119 non-U.S.

As a result of this "hiccup" we are

surveying students and young professionals to determine their employment status and plans for professional development. Economic conditions and lower natural gas prices have led to fewer jobs and more stress on staying employed. This always places negative pressure on professional development and activity in professional societies.

Another reason for the "hiccup" is many of the students like AAPG programs, stay with us for a while after graduation but then move on to other professions.

Nevertheless, we are not giving up. We are using all our

resources to contact dropped members. As a result, many of them of renewing their membership. Often a simple factor like a change of address is the reason for a lapse in membership.

You can help. Look around you and just ask. Most members join because someone took the time to ask if they would like to be part of AAPG. With online applications, we have made it extremely easy to apply.

The good news is membership is still high and AAPG is still a very attractive program.

Bick

DIVISIONS'REPORT

DEG Aims to Expand Focus, Membership

By MARY K. HARRIS, President, Division of Environmental Geosciences

s the newly elected Division of Environmental Geosciences (DEG) president for 2010-11, please let me introduce myself.

I became an AAPG member in 1984

while in graduate school at the University of Idaho, where I was actively involved in an AAPG student chapter. My affiliation with DEG began when the organization was formed in 1992; I served as an original member of the first Hydrogeology



I am excited about serving as DEG president and believe the next year offers many opportunities for the division.

In past years, DEG's major areas of technical focus have included hydrogeology, environmental geophysics and carbon sequestration as it relates to the petroleum industry. Over the next year we intend to expand our technical focus areas to include:

- Hydraulic fracturing.
- Produced water.
- ► Enhanced oil recovery.

Environmental impacts of oil spills.

We plan to sponsor special

editions on the above topics in our Environmental Geosciences Journal – our new editor-in-chief Kristin Carter has assembled an impressive editorial staff with a broad experience base, and is very interested in addressing issues that inherently link petroleum geology with the environment.

As with AAPG's other divisions, international growth is a goal for the coming year. DEG has initiated a membership drive to attract new national, international and student members by implementing a "no dues" policy for AAPG members who join DEG.

Further, DEG is partnering with the Geological Society of London to arrange a series of semi-annual conferences on carbon sequestration topics (thanks to Peter Lloyd, DEG Advisory Board).

DEG also is working to have a more visible presence at international meetings while continuing to sponsor sessions and short courses at regional and annual meetings. DEG will continue to partner with both EMD and DPA on joint sessions and other interactions, as appropriate.

All of these are ambitious goals and require assistance and support from both

the DEG Executive Council and Advisory Board. My experience in working with DEG members on these groups over the past few years has been rewarding to say the least, as these individuals are clearly committed to both their professions and to the division.

As geoscientists and AAPG members, we should all be good stewards of our natural resources and support protection of our environment. This message has been amplified in the wake of the Gulf Coast oil spill. The spill has impacted the petroleum industry in the offshore gulf, and will eventually bring more regulation both offshore and onshore.

It is encouraging that several large players who routinely work in the Gulf of Mexico plan to invest in a more complete spill-response infrastructure. Perhaps this will encourage the government to engage with the petroleum industry more proactively on these matters.

While the spill is an environmental accident of unforeseen proportion, I agree with past DEG president Mike Jacobs' last column (June EXPLORER), where he recognized the need for a balanced approach to exploration and production while protecting the environment.

The industry also should step forward to address the engineering and safety issues associated with the spill, as well as promote

research of oil spill remediation. Tidal areas, beaches and coastal environments are important to all of us.

To quote Mike Jacobs, "I think it is fair to say the recent events taking place in the Gulf of Mexico highlight some of the purposes behind the existence of the DEG."

It is DEG's duty to communicate with the public regarding how AAPG responds – not only to the current Gulf Coast crisis but to all environmental issues affecting our industry.

As the DEG president I willingly take on this responsibility to promote education and communication between and among AAPG members and the public about these issues.

I challenge every AAPG member to become an active DEG member. By doing so, you will not only help us educate the public regarding energy and environmental matters, but you also will benefit by being kept abreast of the latest research, which offers value to both the petroleum industry and the environmental community at large.

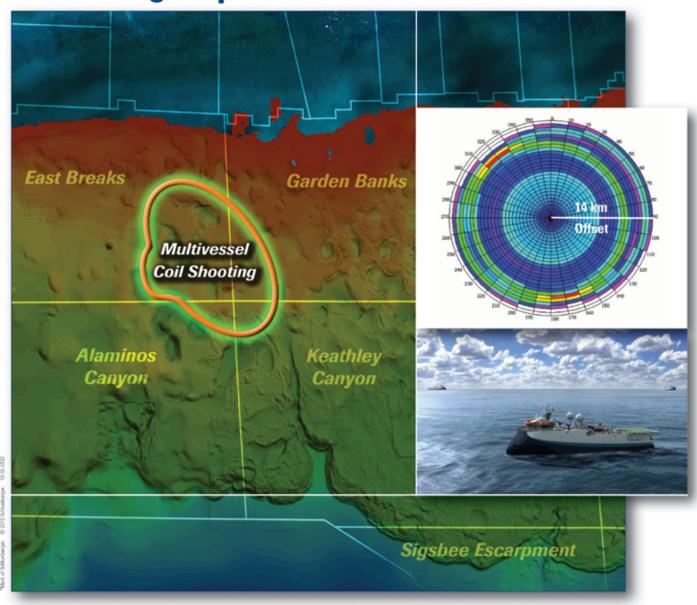
Please consider joining DEG to promote these important messages involving the environmentally safe development of our natural resources.

Remember, good science makes for a healthy earth.

WWW.AAPG.ORG SEPTEMBER 2010

Multiclient Services

Multivessel Coil Shooting Survey Now being acquired in the Western GOM



Full-azimuth acquisition to improve the illumination of complex geology

Coil Shooting* multivessel full-azimuth acquisition—a method of acquiring ultralong offset marine seismic data while following a circular path—takes geophysics further by enhancing current multi- and wide-azimuth techniques. Enabled by the Q-Marine* seismic system, Coil Shooting acquisition addresses some of the many challenges associated with imaging beneath salt or basalt, and is equally effective in other complex geological situations.

This multiclient survey covering approximately 130 Gulf of Mexico OCS blocks is our first using this technique.

We listen to your challenges.

We understand your needs.

We deliver value.

To learn more about our imaging products and new acquisition projects, call +1 713 689 1000.

www.multiclient.westerngeco.com/gom

