

Table of Contents

- President's Perspective
- 2008 Annual Plan Approved/2009 Draft Annual Plan Completed
- 2009 Offshore Technology Conference Selects RPSEA as an Invited Organization
- Welcome New Members
- Technical Forum Series Continues
- How Does the Selection Process Work?
- Fellowship/Scholarship Program Recipient Spotlight
- Meet RPSEA's New Employees
- Oil & Gas Innovation Center Provides a Valuable Service
- Calendar of Events

President's Perspective

Welcome to RPSEA's new online monthly newsletter. It includes news, information, highlights and updates for all RPSEA related topics. We hope you enjoy the new format, and that it will further streamline and enhance our communication to you to keep you abreast of our activities. While you've been receiving regular e-mails and notices of events, press releases and the like, this format allows us to share just a little bit more about the organization and our staff.

Of particular notice this month is the approval of our 2008 Annual Plan. With the 2007 Annual Plan program underway and strong interest from proposers for new projects in 2008, RPSEA is excited and anxious to post its next solicitations. Stay tuned for more details. And finally, the 2009 Annual Plan process has begun and the federal advisory committees will meet in September to review and comment on RPSEA's 2009 Draft Annual Plan.

Regarding the 2007 Annual Plan, RPSEA selected a total of 43 excellent projects. It always seems like the first time through anything is the hardest. This was certainly the case for our first year process moving from project selections to contract awards. The nature of our federal contract has taken quite some time to negotiate with each of the proposers. But, we are getting awards out the door each day and now have almost half of our selections either executed and in research or consented by the government to subcontract. While we are working to streamline and simplify the process, getting research actually underway has been the undisputed highest priority since RPSEA first submitted its proposal to manage Section 999 in February 2006.

A special recent honor was RPSEA's selections as an Invited Organization to the 2009 Offshore Technology Conference. Read more below.

Speaking of project selections, many of you have asked just exactly how are projects selected. In this issue we look at that question on the Unconventional Resources Program. It's a rigorous process involving technical reviewers and a final advisory committee recommendation, all predicated with a well-defined framework to organize and prioritize proposals. It's anything but "one man behind a curtain," and competition was fierce as we received many extraordinarily strong proposals.

In seeking to maximize the leverage of the RPSEA network, we've highlighted the Oil & Gas Innovation Center. This unique organization facilitates the transfer and application of technology developed outside of the oil and gas industry, generally by established companies, into oil and gas applications.

I hope to see many of you at our upcoming events in Washington and Denver, otherwise, I'll be back with more exciting news next month.

[Back to Table of Contents](#)

2008 Annual Plan Approved/2009 Draft Annual Plan Completed

RPSEA's 2008 Annual Plan was signed and approved by the Secretary of Energy on August 20. This allows the 2008 Annual Plan process to begin with request for proposals (RFPs) to be issued and project proposals to be submitted. RPSEA thanks our members for being patient this year in this process. RPSEA submitted its comments for this Annual Plan in November 2007. The federal advisory committees reviewed and commented on the plan and submitted their findings to DOE in March 2008. After a long wait, the Secretary of Energy has finally approved the plan. Approval of the Annual Plan releases the 2008 program funding and clears the way for 2008 solicitations.

RPSEA completed the 2009 Draft Annual Plan (DAP) at the end of July by RPSEA and submitted it to the National Energy Technology Laboratory (NETL), operating under the U.S. Department of Energy, for approval. After review and comment by the federal advisory committees, the final version will be forwarded to the Secretary of Energy for signature and approval. When the DAP is approved, the same process will continue with RFPs being issued for project proposals. Please click here to view the DAP on NETL's website: http://www.fossil.energy.gov/programs/oilgas/ultra_and_unconventional/2009_Annual_Plan/2009_Annual_Plan_Section_999_DOE_August.pdf.

[Back to Table of Contents](#)

2009 Offshore Technology Conference Selects RPSEA as an Invited Organization

RPSEA's role at the 2009 Offshore Technology Conference (OTC) is one of honor and gratitude. OTC has named RPSEA as an Invited Organization, a recognition based on outstanding contributions to the offshore industry. The OTC Program Committee submits a recommendation to its Board of Directors for its selection of the Invited Organization, and the Board votes on the recommendations. Each year, the Board may invite one or more technical organizations (Invited Organization) to develop special programming to provide a focused supplement to the OTC program. The technology presented by the Invited Organization will normally complement and extend the technology traditionally presented by one or more of the Sponsoring Organizations.

Art Schroeder, RPSEA offshore ultra-deepwater technology/commercialization manager, recommended RPSEA for the selection, and RPSEA was submitted to the Board along with the other proposed groups, and selected. As the Invited Organization, RPSEA will organize a 2.5-hour session during the 2009 OTC program and will receive an honorarium for its participation. The three most recent Invited Organizations were the Society for Underwater Technology (SUT) in 2008, French Oil and Gas Suppliers and Services Council (GEP) in 2007 and The Energy Institute (U.K.) in 2006.

Founded in 1969, OTC is the world's foremost event for the development of offshore resources in the fields of drilling, exploration, production, and environmental protection and is held annually at Reliant Center in Houston. OTC ranks among the largest 200 trade shows held annually in the United States. Attendance consistently exceeds 50,000, and more than 2,000 companies participate in the exhibition. For more information, visit www.otcnet.org.

[Back to Table of Contents](#)

Welcome New Members

Please welcome the following organizations who have joined RPSEA in 2008 thus far: BJ Services, Tomball, Texas; Centre for Marine CNG, Inc., Newfoundland, Canada; DCP Midstream, LP, Houston, Texas; EnCana Oil & Gas (USA), Inc., Denver, Colo.; Maxwell Resources Corporation, Oklahoma City, Okla.; NanoRidge Materials, Houston, Texas; Nautilus International, LLC, The Woodlands, Texas; Noble Energy, Inc., Denver, Colo.; Ohio State University, Columbus, Ohio; SiteLark, LLC, Dallas, Texas; Tejas Research & Engineering, LP, The Woodlands, Texas; The Discovery Group, Inc., Denver, Colo.; VersaMarine Engineering, LLC, Houston, Texas; and, Western Standard Energy Corp., Williston, N.D.

RPSEA is proud to partner with these organizations fulfilling our mission of providing a consortium of premier U.S. Energy research universities, industry and independent research organizations. Our membership has grown to 132 members. Welcome aboard! To view all RPSEA members, please click here: www.rpsea.org/en/cms/?324.

[Back to Table of Contents](#)

Technical Forum Series Continues

It's that time of the year to begin the technical forum series. RPSEA forums take place throughout the country over the course of several months to gather input from each of you for our annual plan. This series will determine RPSEA's focus for the 2010 Draft Annual Plan. Nineteen forums have been held to date in the last two years, hosted by member organizations, in which 940 individuals have participated. The forums are theme based, allowing technical experts from our members and others within the oil and gas industry to present and discuss technical topics that address specific research and development perspectives. This process allows you, the meeting participants, to prioritize these ideas they feel should be addressed by the RPSEA program.

The first of this forum series is the Long-Term Environmental Vision for Ultra-Deepwater Exploration and Production Research Forum on October 2 in Galveston, Texas. Texas A&M University, Texas A&M University at Galveston, Houston Advanced Research Center and RPSEA are sponsoring the forum.

A reception will take place the evening before the forum on October 1 at The Tremont House at 6 p.m. for all those attending the forum to enjoy networking and fellowship. Also, a block of rooms with a special rate has been reserved for the night of October 1 for all those who need accommodations at The Tremont House. Ask for the RPSEA block of rooms. This special rate ends September 23.

Limited seats are available and RSVPs must be made by September 26 for both the forum and the reception separately on RPSEA's website. Click here to register for the forum: www.rpsea.org/en/cev/114.

[Back to Table of Contents](#)

How Does the Selection Process Work?

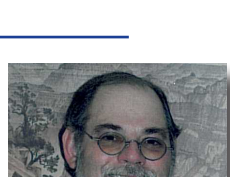
Many of you have asked just how the selection process works. For the Unconventional Resources Program, proposals submitted are divided into topic areas such as Completion, Reservoir Engineering, Resource Assessment, etc. for review in order to align the technical expertise and experience of reviewers with the content of the proposals. Prior to considering individual proposals, the Onshore Program Advisory Committee (PAC) assigns priorities to each of the topic areas for each of the targeted resources (currently gas shales, tight sands and coalbed methane). The highest priority resource/topic area combinations are given the most weight in project selection, although all proposals with competitive technical review scores are considered for funding. Three or more reviewers provide technical evaluations of the proposals within each topic area. To the greatest extent possible, all of the proposals within a topic quantitative area are evaluated by the same set of reviewers. The PAC selects proposals for funding based on the technical review scores and the priorities associated with the various topic areas and targeted resources. Factors, such as balance among the time scales associated with technology and resource development, diversity of technical approach and the geographic distribution of targeted resources, are considered by the PAC when developing a portfolio of projects intended to maximize the probability of meeting program goals.

Proposals submitted for the Small Producer Program are evaluated by the Small Producer Regional Advisory Group (RAG), consisting of representatives of small producers operating in various geographic areas, as well as academia and researchers with experience working with small producers on topics related to the program theme, currently Advancing Technology for Mature Fields. In addition to technical merit, alignment with program goals and capabilities of the proposer, the RAG considers factors such as balance among technology time scales, diversity of technical approach and the geographic distribution of resources impacted when selecting projects intended to maximize the probability of meeting program goals.

[Back to Table of Contents](#)

Fellowship/Scholarship Program Recipient Spotlight

RPSEA created the Fellowship/Scholarship Program to establish long term industry/education partnerships. RPSEA members Schlumberger and Strata Production designate financial resources through RPSEA to award multiple scholarships to the following member universities: Colorado School of Mines, Louisiana State University, New Mexico Institute of Mining and Technology, Stanford University, Texas A&M University, The University of Texas at Austin, University of Oklahoma and West Virginia University. The most promising graduate students with studies relevant to the oil and gas industry are competitively awarded fellowships to help with their education and/or research activities. Through private funding from these two members, \$225,000 is established for these member universities to provide much needed support for 16 students per year for three years.



Dr. Ira Pasternack, Ph.D. was awarded RPSEA's first fellowship in 2003 through the Fellowship/Scholarship Program. This month, RPSEA spotlights Dr. Pasternack in the following interview and is proud of his accomplishments.

1. What was the title of your dissertation?
The Lewis Shale Petroleum System, Eastern Greater Green Rive Basin, Wyoming and Colorado

2. Where did your project take place?
 My dissertation study area covered approximately 9,300 square miles (24,000 square kilometers) in southwestern Wyoming and northwestern Colorado. The largest town within the study area is Rock Springs, Wyoming.

3. What school were you attending during the fellowship (include city and state)?
 I attended the Colorado School of Mines located in Golden, Colorado.

4. What was your degree and major when you graduated while working on the fellowship?
 I was awarded a Doctor of Philosophy in Geology.

5. What was the time frame spent on the entire project?
 I started my dissertation research in September, 2001 and graduated May 11, 2007.

6. Why did you pick this focus for your project?
 I selected my dissertation topic to develop a better understanding of unconventional (low permeability) gas reservoirs.

7. What were the major accomplishments of your project?
 a. Laterally continuous markers within the lower Lewis Shale were correlated throughout the eastern Greater Green River Basin ("GGRB") and provided the basis for new basin-wide structure and isopach map interpretations.
 b. Isopach map anomalies identified several areas within the eastern GGRB where syndepositional tectonics influenced lower Lewis Shale sediment-distribution patterns including both reservoir and source rocks.
 c. Paleosubstructure at the time when initial petroleum charging commenced at the second largest Lewis Shale field, Hay Reservoir, differs from present-day structure. Early charging may have prevented later diagenetic destruction of the reservoir by impeding precipitation of pore-lining illite clay. This model provides a new explanation for variable well performance observed at Hay Reservoir. The model has applications in both future development and exploration for other Lewis Shale fields.
 d. Total organic carbon (TOC) analyses of a continuously sampled core interval through the most organic-rich interval of the Lewis Shale, the informally named Asquith Marker interval, provided more representative results compared to traditional spot sampling methods. A good correlation exists between TOC and normalized gamma-ray logs. The relationship between TOC content and gamma-ray response was used to map the average organic content of the Asquith Marker interval in 65 study area wells. Asquith Marker average TOC values range from 0.7 to 3.3 weight percent.
 e. Published and unpublished vitrinite reflectance data were used to map the thermal maturity of the Asquith Marker in the study area. Thermal maturity of the Asquith Marker ranges from vitrinite reflectance of 0.5 to 2.3 percent.
 f. Shales closely associated with the key reservoir sandstone at Hay Reservoir contain sufficient TOC at appropriate levels of thermal maturity to be an effective local source rock.

8. How did RPSEA help you achieve your project goals?
 The funding I received from RPSEA allowed me to focus on my dissertation research rather than petroleum industry work to cover my family's living expenses. This also provided me the opportunity to mentor other students as they conducted their own Lewis Shale research, which, in many cases, was integrated into my petroleum system study.

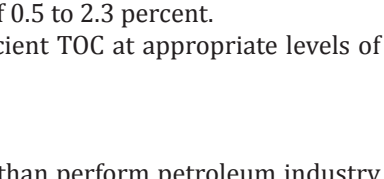
9. How have you grown both personally and professionally from your fellowship with RPSEA?
 I have a much better understanding of how to conduct reservoir and source rock evaluations and integrate them into a petroleum system model. I have also developed my project management skills.

10. What is your role today?
 I am a geologist on the Jonah Field Development Team for EnCana Oil and Gas (USA) Inc. in Denver, Colo. My primary responsibilities have been to optimize the Jonah Field Development. I have managed/mentored several recent graduate geoscientists as well as summer intern projects as part of this effort.

[Back to Table of Contents](#)

Meet RPSEA's New Employees

RPSEA is growing! Felipe Armaza joined RPSEA in January 2008 as Energy Analyst. He recently graduated from The University of Oklahoma. Danette Mozisek joined RPSEA in March 2008 as Communications Coordinator. Previously, she was Director of Communications with St. Xavier High School. Mary Jaime joined RPSEA in April 2008 as Subcontracts Administrator. Previously, she was the Procurement Specialist with Servisair. Felipe, Danette and Mary look forward to working with you in the future.



Danette, Mary and Felipe

[Back to Table of Contents](#)

Oil & Gas Innovation Center Provides a Valuable Service

The Oil & Gas Innovation Center is a subscription service showcasing technologies developed in other industries, but having applicability in the petroleum industry. This resource is unique, because it focuses exclusively on the technology needs of the petroleum industry.

Subscribers receive detailed information about important new advances without incurring the time and expense required to identify these promising breakthroughs. Corporations join as either members or sponsors and the employees of those organizations receive unlimited access to the site content.

Technology profiles include full contact information for the early stage companies developing these innovations. Site subscribers use this information to interact directly with the technology companies of interest to them. The Oil & Gas Innovation Center is supported entirely by annual subscriber fees and does not participate in any commercial transactions with subscribers and profiled technology companies.

On October 29, 2008, the site subscribers and 10 of the most promising technology companies, profiled so far on the site, will meet on the Rice University campus in Houston. This exciting one-day event will include presentations and demonstrations from the early stage technology companies.

RPSEA is not affiliated with the Oil & Gas Innovation Center and does not provide any financial support for this initiative; however, RPSEA endorses the underlying technology transfer concept as you will see the Oil & Gas Innovation Center logo on RPSEA's homepage. Many of the leading companies in the petroleum industry are already subscribing to this valuable service. Any RPSEA members not currently subscribing are invited to contact John Barratt at jbarratt@oilandgasinnovation.com to learn how they can also join. For more information, go to www.oilandgasinnovation.com.

[Back to Table of Contents](#)

Calendar of Events

- 9.8 RPSEA Member Reception, Washington, D.C.
- 9.9 RPSEA Board of Directors Meeting, Alexandria, Virginia
- 9.9-10 DOE Ultra-Deepwater Advisory Committee Meeting, Alexandria, Virginia

Click here for more information, to register and the complete calendar:

[Back to Table of Contents](#)