



The API Inion

Editor: Erik Rike

THE INDEPENDENT OPERATOR RIDES!

API CHAPTER MEETING

Holiday Inn

Superdome

330 Loyola Avenue

11:30 a.m.

Wednesday,
March 25,
1998

The Size of the
Prize:
The Business
Potential of the
Deep Offshore

Tim McDonald
Amoco

(details on back cover)

Cash Bar

With reservations: \$15.00
Without reservations \$20.00

Phone Martine Sherlock for
reservations: 529-3630

Ocean Energy (OE) is a company started only a few years ago when prices of oil and gas were pretty low. Not a very good time to start, would you say? "Not so," said Bill Flores, VP of Operations for OE, at the API January regular meeting. If you combine skills and savvy well enough, you get a company now worth about \$1 Billion.

Mr. Flores said the strategy was simple: (1) increase production from premium properties with good exploration potential; (2) use new 3-D Seismic technology; and (3) assemble experienced professional and field personnel. If you increase volume and lower costs, you increase margin and that's the name of the game. With that strategy, OE increased daily production from 15MBOE in 1994 to 42MBOE by late 1997. Proved reserves more than tripled (30 to 95 MMBOE). Bill explained that they did this on existing owned properties, with joint ventures (mostly with Shell), and with deepwater exploration.

Among companies doing drilling in the GOM, they are third behind only Chevron and Shell. They exceed Texaco, Exxon and Vastar. OE runs 10 rigs currently and operates 90% of the 724 wells in which they

have an interest. They have some 328,000 net acres under lease (gross ½ million). OE had 20 people employed in 1994; they have over 300 today, according to Flores.

OE is now engaged in a merger with United Meridian (UM), resulting in a quite large "high growth" independent. UM adds internationally focused growth potential in West Africa and Asia, including deepwater in those areas. Both companies have high technical and operational expertise in their respective areas that is recognized by the Major companies, putting them in a lead position for joint venture developments. Both companies are already high growth (79%/year for OE and 31%/year for UM).

The "New Ocean" company will have an almost even mix of oil and gas, with half of the reserves in GOM, a quarter on-shore USA, and a quarter international. Internationally they will expand into Cote d'Ivoire, Equatorial Guinea, Pakistan, and Bangladesh, all including some 15 Million acres, according to Bill. They anticipate capital expenditures in 1998 approaching \$400 Million in North America and \$200 Million elsewhere. The new company will

CHAIRMAN'S MESSAGE

Join me in thanking Andy Thomas for his efforts during 1997 as Chairman of API Delta Chapter. Through the year, we greatly expanded the vision of the Delta Chapter, created a management structure to facilitate that expansion and started several new and important initiatives based on the new vision. I look forward to the opportunity and challenge presented to the new board to continue turning vision into action and action into results. The 1998 Delta Chapter Board consists of some very capable, energetic and committed people that can "make things happen."

As an industry organization, we must be mindful of several basic needs. We need to provide a tangible benefit to our membership and to our industry; we need to provide a positive service and communication link to our community; we need to be positive role models for and on behalf of our industry. Above all, we must stay proactive and relevant. I assure you the Delta Chapter Board of Directors is focused on all these needs and the initiatives created to satisfy them.

We ask you in the Chapter to help. Every newsletter contains a list of the Officers and Directors. Seek these people out and express your ideas and needs relative to the organization. That feedback is invaluable in helping us keep direction and vision that is sensitive to you and your company. Try hard to make time in your busy schedule to attend our general meetings and other functions. They provide excellent learning and networking opportunities in a setting that extends beyond individual disciplines. Our industry is incredibly dynamic and changing every day, and it is only through integrated communication and networking that we keep pace. The API Delta Chapter will continue to provide an ever stronger forum for this opportunity.

We will be detailing our initiatives in the newsletter throughout this year. We look forward to serving you, and we look forward to seeing you soon!

*Sandy Andrew
Chairman*

API Board Members 1998

Sandy Andrew TDC Energy Industry Networking	Chairman 529-3630, fax: 529-5541
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Mike Utsler Amoco Production Co. -UBU Industry Information/Involvement	3rd Vice Chairman 586-2878, fax: 586-2811
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Tony Richards Amoco Offshore Business Unit	586-2978, fax: 586-2882
Benjamin Waring Waring & Associates	832-5921, fax: 833-8375

CLOVIS THE CRAWFISH

A BIG HIT

The API Delta Chapter's donation to the Louisiana Children's Museum for the production of *Clovis Crawfish on the Bayou* (co-produced with the Jefferson Performing Arts Society) was a great success. Many API members and their families were able to enjoy the show, compliments of the Children's Museum. As can be seen by the Children's Museum letter (below), the Museum benefited from it in many ways, including parents' enthusiastic feedback and the Museum's developing interest in more programs incorporating "drama." API's educational goals were also satisfied, and API received considerable positive publicity as a result of its participation in this event. The API Delta Chapter hopes to continue to utilize its charitable funds in thoughtful, directed programs to improve Louisiana's future.

Clovis the Crawfish

February 12, 1998

The Delta Chapter of the American Petroleum Institute
c/o Mr. Andrew Thomas, Esq.
1100 Poydras Street
New Orleans, LA 70163-1800

Dear Members:

On behalf of the Louisiana Children's Museum I wish to express our sincere gratitude for the generous support of "Clovis Crawfish on the Bayou." This children's play was truly delightful and our audience members, young and old, laughed at the humor and shrieked as Clovis' friends encountered the evil Simone Spider villainess. Most important, the play imparted the values of being kind to one's friend — even if one's friend is an armadillo with a Texas accent!

We truly enjoyed showcasing the Clovis performance. The books of Mary Alice Fontenot came to life thanks to your generosity and the wonderful work of Bill Szymanski and the Jefferson Performing Arts Society. From start to finish they were a true joy to work with.

Your sponsorship of our educational programs and exhibits allows us to enhance the visits of over 185,000 children and families per year. We greatly appreciate your continued support.

Sincerely

Lola A. LeBlanc
Education Director

LOUISIANA CHILDREN'S MUSEUM

420 Julia Street • New Orleans • Louisiana • 70130 • (504) 523-1357 • Fax (504) 529-3666

SYNERGISTIC TEAM ORGANIZATION

(Sponsored by Subsurface Consultants & Associates, LLC)

April 2, 1998

API Delta Chapter Sponsored Training

For: Anyone who is a member of a multidisciplinary team, including geologists, geophysicists, petroleum engineers, drilling engineers, landmen, draftsmen, geologic and engineering technologists, project managers, advisors and upper management.

The success of projects falls squarely on the shoulders of the team leader or project manager. Learn the winning methodologies in project management from planning to task analysis to documentation by using an actual field study. All projects begin with a good plan and solid project management. Murphy's Law states that a carelessly planned project takes three times longer to complete than expected. A carefully planned project will only take twice as long.

As Dwight D. Eisenhower said, "plans are worthless, planning is essential." Good project management is a must if your exploration, development, or acquisition analysis and the development of a project Gantt Chart and CPM are critical to the success of projects. Learn the A to Z of managing, organization and implementing a successful project plan. Learn why certain projects succeed while others fail. What is your project "driver" time, budget or performance? The answer can impact the success of your project.

Many companies using the "team concept" are not applying the synergistic approach to multidisciplinary teams. Learn how to structure and implement true synergistic multidisciplinary teams for maximum results. Teamwork is the essence of synergy where $1+1+1=7$. All members of a project must contribute and participate. Team development is the single most powerful contributing factor to achieving common goals.

Leave with the necessary information and skills for implementing successful team projects. Learn the difference between the true team concept and the lip-service given by many companies. The course teaches how to organize a team, define roles and responsibilities, implement and successfully complete a project plan.

Course Content

Project Management

- What is Project Management
- The Fundamentals of POD
- Defining Desired Results
- The Organization of the Team
- Task Analysis
- Project Management Models (CPM's and Gantt's)
- The Dynamics of Project Management (The Plan vs. Planning)
- Project and Physical Plant Organization
- Project Documentation
- POD Exercises

Synergistic Teams

- Synergism
- Concept of True Synergistic Teams
- Creation, Support and Assessment of Synergistic Teams
- Responsibilities and Roles of Team Members
- Project Management
- Team Leadership
- Win-Win Strategies
- Effective Synergistic Team Communication
- Synergistic Team Decision Making and Conflict Resolution
- Synergistic Team Meetings
- Synergistic Team Exercises

**Special API Chapter Tuition:
\$315**

**For enrollment or information:
Kim Gatte, (318)234-8557**

***API Chapter sponsorship does
not represent an endorsement
of any product or service.**

COILED TUBING TECHNOLOGY

(Presented by Rike Service, Inc.)

April 27-May 1, 1998

API Delta Chapter Sponsored Training *

For: Engineers, top field and rig supervisors, management and service company personnel with good oilfield math proficiency

Stay abreast of the single big growth service in the industry. It is the one area where oil people are still building rigs, making better pipe, inventing accessory tools and finding more ways to make money. Learn what sizes and strengths of pipe are available and where each is best used. Discover the moves toward higher strength, exotic materials and ways to better predict useful coil life. Learn about specialty tools, inflatable packers, wirelines inside pipe strings and where they can be a source of trouble. When taught in the USA, the first 1-1/2 days are designed to certify you as a well servicing supervisor for coiled tubing, meeting MMS well control requirements.

Course Outline

Work Conducted with Coiled Tubing

- Pumping Operations
- Use as a Wireline
- Working Against Well Pressure

Completion & Workover Fluids

- Properties and Additives and Clear Fluids
- Safety Aspects
- Rules of Safety and Control
- Environmental Protection

The Key Elements

- Pipe String
- Circulating System
- Well Control System

Advanced Hardware

- New Alloys and Techniques for Pipe
- New Injectors and "Smart" Units

Wellbore Cleanout and Sand Control

- Mechanical
- High Velocity Fluid Effects
- Sand Control Techniques

Stimulations and Squeeze

Cementing

- Protecting the Pipe String
- Diversion of Fluids
- Squeeze Cementing Techniques

Mechanics of Downhole Operations

- Recovering Lost Wireline Tools
- Jarring
- Fishing for Coiled tubing
- Logging
- Perforating
- Artificial Lift or Flow Efficiency Strings

Drilling and Special Operations

- Options Available
- Bottom Hole Assemblies
- Floating and Platform Operations

Special API Chapter

Tuition: \$840

For enrollment or information:

**Anne Marie Stephens,
827-0161**

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HEAR YE! HEAR YE!



Calling for API Delta Chapter Members interested in participating in the selection of the 1997-1998

API Teachers of the Year in

the 6 parish area or in presenting the award checks (raised through the annual golf tournament) to these teachers. A very small amount of time on one afternoon or evening in April or May 1998 will reap a rewarding experience for Delta Chapter Members. Interested? For more information, call Cathy Vaughn, Education Committee Chairman, at 593-2310.

*JANUARY MEETING
continued from page 1*

be ninth in enterprise volume among all independent exploration and producing companies.

The New Ocean Energy Inc., will have accelerated production growth, high potential exploration opportunities, balanced reserves, and financial strength, said Flores at the meeting. Is this being recognized? Try this: OE stock sold at \$10/share in 1994 and now trades at \$45/share. As J. Paul Getty once said, "Success has only 3 easy rules; (1) get up early, (2) work late, and (3) strike oil!"



- March 18, 1998
API Board Meeting
- March 25, 1998
API General Meeting
- April 5, 1998
Daylight Savings Time Begins
- April 11, 1998
Crescent City Classic 10K Run
- April 15, 1998
API Board Meeting
- April 17-19, 1998
New Orleans Oilmen's Tennis
Tournament, City Park
- April 24-26, 1998
New Orleans Jazz & Heritage
Festival
- April 24, 1998
SPE Golf Tournament, Bayou
Oaks Golf Course
- April 30-May 3, 1998
New Orleans Jazz & Heritage
Festival
- May 4-7, 1998
Offshore Technology Conference,
Houston
- May 20, 1998
API Board Meeting
- May 27, 1998
API General Meeting
- June 4, 1998
AADE New Orleans Chapter Fin,
Feather & Fur Food Fest
Cookout
- July 22-25, 1998
Grand Isle International Tarpon
Rodeo, Grand Isle
- September 5-7, 1998
Grand Isle Redfish Rodeo,
Grand Isle
- September 25, 1998
API Golf Tournament, Bayou
Oaks Golf Course
- September 27-30, 1998
SPE Annual Technical
Conference & Exhibition, New
Orleans

PRODUCING PETROLEUM FOR NON-TECHNICAL PERSONNEL

(Presented by Rike Service, Inc.)

March 30-April 1, 1998

API Delta Chapter Sponsored Training

For: Managers, royalty owners, bankers, executive secretaries, accountants, attorneys, purchasing agents and support personnel in the construction, marine, chemical and manufacturing fields, especially those associated with sales

Learn to speak "oil patch" like a professional! In three days, you have a comprehensive overview of the petroleum production industry. You find out about geology, leasing, drilling, reservoirs, completions, workovers, surface facilities, artificial lift and economics. But you get all without resorting to heavy science or equations.

You have the additional advantage of many movies, slides, pictures (and even some hands-on samples) to help you visualize it all. Extra material is available for those that wish to dig deeper. A thoroughly enjoyable program, where the participants often do a lot of the teaching! Discussion is lively—questions are endless. Why not bring yours?

Course Outline

Geology

- Nature of the Earth's Crust
- Origin of Oil and Gas
- How the Geologists Find Petroleum

Reservoir Behavior

- Main Factors Governing Performance
- Improving Performance
- Predicting Recoverable Assets

Drilling

- Making Hole
- Planning the Well
- The Rig System
- Well Control

Completions and Workovers

- Planning a Well to Fit the Needs
- Maintaining High Productivity
- Rig Systems for Keeping the Well Producing

Surface Production Facilities

- Separators and Storage
- Treating for Sale
- Measurement and Accountability
- Lease Equipment

Getting More Out of the Ground

- Enhanced Recovery Systems
- Artificial Lift
- Rod Pumps
- Gas Lift
- Electric Submersible Pumps

**Special API Chapter
Tuition: \$630
For enrollment or
information:
Anne Marie Stephens,
827-0161**

*API Chapter sponsorship does not represent an endorsement of any product or service.



AMERICAN PETROLEUM INSTITUTE

New Membership Application/Renewal Form

Name: _____

Company: _____

Title: _____

Business Telephone: _____

Home Phone: _____

Street: _____

City: _____

State _____

Zip: _____

Please enclose \$15.00 for annual dues.

Volunteer for Committees?

Mail to: American Petroleum Institute
Delta Chapter
P. O. Box 50110
New Orleans, LA 70150

- Education
- Community Relations
- Industry Affairs
- Golf Tournament/Fund Raising

API WEB SITE FUNDED

The Delta Chapter of API will develop a web site this year. It will inform browsers of our purpose and existence, allow prospective new members to contact the board, and include an "oilfield community calendar." This calendar will combine listings of activities at **all** oil-related professional societies. This will make it easier for members of all organizations to attend each others' functions and make it easier for the various program chairmen to head off conflicts and wasteful duplication.

Tech-Cad, Inc., has agreed to sponsor our web site during the development phase. They develop and market software for the petroleum industry, and their help will be of great value as we get started. They have also donated \$2500 to cover API's costs during the development phase. The API board would like to express its deep gratitude for their generosity.

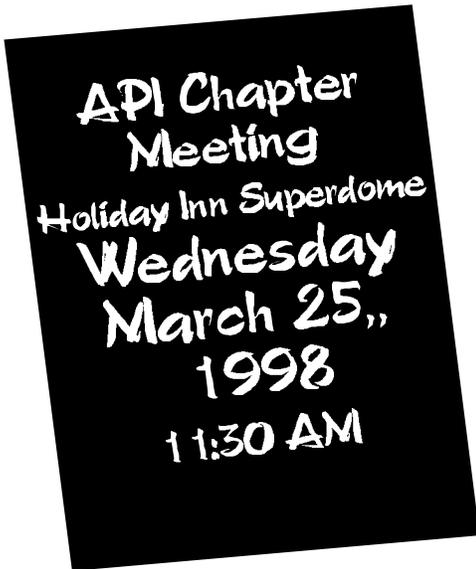
DO YOU KNOW??

We have members with no addresses to send their newsletters. Please call 827-0161 if you can help!

- Dan Settes
- Bill Scott
- Kenny Pittman
- Jim Odom
- Rufus Landry
- "Monster"



THE SIZE OF THE PRIZE



Get key input on Amoco's Offshore Business Unit, Deepwater Management of Planning and Technology, at the March 25 API General Membership Meeting. Tim McDonald, Asset Manager for the Eastern Gulf of Mexico for Amoco, will focus primarily on the business of deep offshore Gulf of Mexico. Tim will share Amoco's perceptions of the full economic potential of the deepwater developments, through their understanding of opportunity assessment, value chain potential, present day enablers and threats, business strategies, and execution. While Tim's focus will primarily be on the GOM, he will briefly cover world-wide deepwater projects by comparison.

McDonald is an Electrical Engineering graduate of the University of Arkansas, and began his career with Amoco in 1982. Tim has held a variety of engineering and management positions with Amoco, including reservoir engineer, automation engineer, strategic planner, acquisitions and divestment engineer, operations engineering manager for the Gulf, and resource manager for the Eastern Anadarko Basin.

Prior to his recent appointment as Asset Manager for the Eastern Gulf of Mexico, Tim was Deepwater Director-Planning and Technology, where he participated in Amoco's deepwater Gulf of Mexico business and strategy development, and acted as a coordinator of various deepwater technology development initiatives.

Come hear about this exciting growth area from a true expert!



AMERICAN PETROLEUM INSTITUTE
P. O. Box 50110
New Orleans, LA 70150

BULK RATE
U.S. POSTAGE PAID
NEW ORLEANS, LA.
PERMIT NO. 777

February 12, 1998

The Delta Chapter of the American Petroleum Institute
c/o Mr. Andrew Thomas, Esq.
1100 Poydras Street
New Orleans, LA 70163-1800

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Your sponsorship of our educational programs and exhibits allows us to enhance the visits of over 185,000 children and families per year. We greatly appreciate your continued support.

Sincerely

Lola A. LeBlanc
Education Director

LOUISIANA CHILDREN'S MUSEUM
420 Julia Street New Orleans Louisiana 70130 (504) 523-1357 Fax (504) 529-3666