



# The APInion

Editor: Erik Rike

## API on the Offensive

The National API office has been reorganized for more efficiency and more effectiveness. Mr. Andy Radford, API representative from Washington D.C., explained this to the Delta Chapter in July. They have four major functions:

- **Advocacy** – API speaks for the industry on Capital Hill, in State Legislatures, and with Federal and State regulatory bodies.
- **Analysis** – API serves as the industry think tank. They sponsor research ranging from economic analysis to toxicology testing to public opinion polling. API believes that no matter the issue, a persuasive case begins with facts.
- **Standards** – Over 500 equipment and operating standards are used worldwide. Many are referenced in federal and state regulations.
- **Quality** – The API monogram program licenses over 1100 plants in 63 countries. API also has programs that certify tank, pressure vessel, and pipeline inspectors, and an engine oil-licensing program.

The National API office has five major committees with major company top executives as chairmen, as follows:

General Committee  
Jack Little, Shell

Drilling and Production Operations  
Peter Velez, Shell

Exploration Affairs  
Larry Wooden, Shell

Environmental Conservation  
Troy Vickers, Amoco

Standardization  
Jim Heimer, Exxon

The reorganization creates business units in the place of departments, explained Radford. The units include Upstream, Downstream, pipeline, marine, natural gas, and allied industries. Each business unit now operates with a great deal of autonomy. Less bureaucracy is involved; decisions are timely.

Andy discussed some of the big issues currently facing the Exploration and Production segments of the Industry, for which API is addressing special attention, including the following:

- **Production Waste** – focusing on the state review programs. Audits of state regulatory programs are being conducted to ensure that they are following a set of guidelines developed by the stakeholders in the program.

### API CHAPTER MEETING

(Joint Meeting with IADC)

Intercontinental Hotel  
444 St. Charles Avenue  
12:15 p.m. (Be Prompt!)

**Thursday  
September  
24, 1998**

**“A STEP CHANGE  
FOR SAFETY”**

**Andrew Inglis**  
President  
BP Exploration, Inc.  
(details on back cover)

Cost: \$20.00  
Reservations Required  
Phone Martine Sherlock by noon,  
Monday, September 21, 1998 for  
reservations:  
529-3630

*Continued, page 3*

# CHAIRMAN'S MESSAGE

One of my favorite western toasts was written by cowboy artist and writer C.M. Russell and goes like this:

Here's hoping your trail is a long one  
Straight and easy to ride  
May your dry camps be few  
And God ride with you  
As you head for the great divide.

Respectfully borrowing the same format, I came up with a new version:

Here's hoping that during this downturn  
We can all hold on to the faith  
And regardless of commodity prices  
Our reserves can still be replaced.  
Here's hoping the "suits" will remember  
That knee jerk reactions don't work  
Except for maybe on Wall Street  
Where the birds of prey are all perched.  
And the folks that raised service prices  
I hope saved a nickel or two  
So they can keep paying those people they hired  
Cuz they've got families just like me and you.  
And to the feds who are constantly skimming  
From each cubic foot and barrel we make  
We may not need tariffs and subsidies  
But we could darn sure use a few breaks.  
And last to the members of OPEC  
May your self control and reason not cease  
Let's all work for stabilization  
So we can enjoy decent prices in peace.

(I hope Mr. Russell is not rolling over in his grave.)

Speaking of our federal government, I have one little thought to leave with you. Upon hearing a glowing talk in support of a "Royalty Sharing Bill" being developed on Capitol Hill, a realization I've had before hit me once again. Now let me first say that in the context of the current tax, royalty and lease bonus setup I applaud any effort to redistribute federally collected dollars back to the coastal states that support the offshore industry.

I can't help thinking, however, that a much more cost-effective way to support these coastal communities might be to collect fewer dollars in the first place. This would result in better economics for the producers, stimulate activity and bring jobs and improvements in those very same coastal communities. The problem is that once the federal government gets a revenue stream established, they think of the money as theirs to magnanimously distribute as they choose. Well, it may end up as theirs, but it starts out as ours!

*Sandy Andrew  
Chairman*

## API Board Members 1998

|  |  |
|--|--|
| Sandy Andrew<br>TDC Energy<br>Industry Networking                            | Chairman<br>529-3630, fax: 529-5541          |
| C. Don Sustendal<br>Amoco<br>Industry Information/Involvement                | 1st Vice Chairman<br>586-2771, fax: 586-5914 |
| Dennis Renear<br>Cal Dive International<br>Community Involvement             | 2nd Vice Chairman<br>366-5997, fax: 366-5999 |
| Mike Utsler<br>Amoco Production Co. -UBU<br>Industry Information/Involvement | 3rd Vice Chairman<br>586-2878, fax: 586-2811 |
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| Bart Walker<br>Estate of William G. Helis                                    | Secretary<br>523-1831, fax: 522-6486         |
| Andrew R. Thomas<br>Schully, Roberts,<br>Slattery & Jaubert                  | Past Chairman<br>585-7800, fax: 585-7890     |

### Directors:

|   |  |
|---|--|
| Cathy Vaughn<br>BCM Foundation                | Community Involvement<br>593-2323, fax: 593-2301               |
| John Pope<br>Taylor Energy                    | Community Involvement<br>581-5491, fax 589-0592<br>(0411)      |
| Carlos Guzman<br>Shell Offshore, Inc.         | Industry<br>Information/Involvement<br>588-4787, fax: 588-0398 |
| Doug Tymkiw<br>Ernst & Young, LLP             | Community Involvement<br>581-4200, fax: 596-4233               |
| Bob Huffman<br>Halliburton                    | Industry<br>Information/Involvement<br>593-6700, fax: 593-6822 |
| Michael K. Brown<br>1st Chicago NBD           | Industry Networking<br>(713) 654-7391,<br>fax: (713) 654-7370  |
| Dwight Paulsen<br>EDG, Incorporated           | Industry<br>Information/Involvement<br>828-1175, fax: 828-0673 |
| Erik Rike<br>Rike Service, Inc.               | Newsletter Editor<br>827-0161, fax: 822-7599                   |
| Kenneth W. Sellers<br>Mobil E&P U.S., Inc.    | Industry Involvement<br>566-5380, fax: 566-5118                |
| Tony Richards<br>Amoco Offshore Business Unit | 586-2978, fax: 586-2882  |
| Benjamin Waring<br>Waring & Associates        | 832-5921, fax: 833-8375  |

•Loyalty – The industry is at odds with MMS over MMS planned revisions to royalty collection regulations. Main problem – where should the production be valued, at the lease or some other central collection point?

•Toxic Release Inventory – The EPA is planning to issue proposed regulations for inclusion of E&P industry into the Toxic Release Inventory (TRI) program in Spring 1999. API believes we are a poor fit in this program because of the nature of our waste (mostly produced water) and our facilities. API is working on alternatives to TRI reporting for EPA to consider as more effective, and less costly ways of achieving their goals.

Finally, Mr. Radford indicated that the national API office is considering new and useful ways to work with the local Chapters

## PRODUCTION OPERATIONS

(Presented by Oilfield Production, Training, Inc. & Consulting & Safety Specialists, Inc.)

**October 16-November 17, 1998**

API Delta Chapter Sponsored Training

*For: Production operators, platform operators, relief operators, production technicians, and line supervisors with a minimum of 2 years offshore production experience*

This 15-day seminar covers the reservoir, the well, facilities, processes, procedures, tests, safety, regulatory issues and forms. The forms are used by an operator in his daily work of producing and selling crude oil and natural gas. Some forms are also used to report safety and environmental compliance. The seminar is in 3 parts, each part requiring 5 days. Training begins at 7:30 a.m. on Friday, to accommodate a Wednesday or Thursday crew change day. Training will be conducted in Thibodaux, and the tuition fee includes all training manuals and box lunch daily.

Special API Chapter Tuition: \$6250

For enrollment or information:  
Keith Benoit (800-736-3343) or Otis Waguespack (504-624-3701)  
(API Chapter sponsorship does not represent an endorsement of any product or service.)

## How Devious Are You? Take the Machiavellian Test to Find Out!

*(from Studies in Machiavellianism, by Richard Christie and Florence L. Geis, Academic Press, New York, NY)*

Published originally in the 15<sup>th</sup> century, Niccolo Machiavelli's book, *The Prince*, discusses the use of manipulation and power as a technique for controlling other people. The term "Machiavellian" has come to be used to describe devious, manipulative people who are motivated only by their own self-interest.

How Machiavellian are you? This test may help you find out. Respond to each statement below by using the following scale:

- 1 = Disagree strongly
- 2 = Disagree mildly
- 3 = Neutral; no opinion
- 4 = Agree mildly
- 5 = Agree strongly

- |   |  |
|---|--|
| <ol style="list-style-type: none"><li>1. The best way to handle people is to tell them what they want to hear.</li><li>2. When you ask someone to do something, it's better to give the real reasons than reasons that might carry more weight.</li><li>3. Anyone who trusts anyone else is asking for trouble.</li><li>4. It's hard to get ahead without cutting corners a little.</li><li>5. It's safest to assume that everyone has a vicious streak that will come out if given the opportunity.</li><li>6. You should act only when your action is morally right.</li><li>7. Most people are basically good and kind.</li><li>8. There is no excuse for lying.</li><li>9. Most people get over more easily</li></ol> | <p>the death of a parent than the loss of a property.</p> <p>10. Most people won't work hard unless they're forced to.</p> |
|---|--|

### Scoring

For items 2, 6, 7 and 8, reverse your score so that 5 becomes 1, 4 becomes 2 and so on. Then add up all ten numbers for your total score. A score of 25 is average. A higher score—38, or example—would classify you as High Mach. A significantly lower score makes you a Low Mach.

# Failing to Communicate on Purpose

Teams often blame their problems on a failure to communicate. But often team members “fail to communicate” on purpose. This failure provides certain benefits. If your group has communication problems, look closely. Are team members gaining something when they muddy the waters of communication? Some of the benefits of poor communication include:



- It allows people to hide poor planning. (If others never see the complete picture, they won't know when a team member is in over his head.)
- It makes it easier for a person to deny what he said later on. That way, a team member can reserve the right to change his mind without looking inconsistent.

- Sloppy communication is always a good way to mask true intent and keep agendas hidden.
- If the message is fuzzy, there will be little opposition or criticism.

- People can say two things at once.
- The poor communicator doesn't have to share credit for good ideas.

In short, lack of communication is the best way for the incompetent to hide incompetence. With this in mind, you must constantly evaluate your team's (as well as your own) communication behaviors to see if you are reaping any of the above rewards.

From: *Managing People (Including Yourself) For Project Success*, Gordon Culp and Anne Smith. Van Nostrand Reinhold, 115 Fifth Ave., NY 10003.

## DRILLING & COMPLETIONS FOR THE EXPLORATIONIST

(Presented by Rike Service, Inc.)

**November 9-13, 1998**

API Delta Chapter Sponsored Training

*For: Exploration managers, geophysicists, data processors and exploration geologists with little or not rig-site experience*

The effective exploration man must increasingly interface with the drilling and production man to insure that his efforts are being used to the most profitable advantage. The rig-site, drilling, completion and production problems are often a mystery to the exploration geologist/geophysicist after many years experience. Learn how the rig functions, what the parts are, and what the funny names mean. Find out the good and bad role of the drilling fluid, why wells are lost and why some cost so much more than others. It's not necessarily due to "hard drilling." Learn about the casing strings, cementing and why many cement jobs are less than

perfect. Discover what "completion" means and why every well is not the "barn-burner" you discovered. Never again hesitate to have a good planning session with the drillers, since you will talk their language.

**Major Topics Covered:** The Drilling Rig \* Predicting and Controlling Pressures \* Drilling Fluids \* Casing Program \* Completions \* Maximizing Benefits

**Special API Chapter Tuition: \$840**

For enrollment or information:  
Anne Marie Stephens (827-0161)

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

# APPLIED SUBSURFACE GEOLOGICAL MAPPING

(Presented by Subsurface Consultants & Associates, LLC)

**October 19-23, 1998**

API Delta Chapter Sponsored Training

*For: Geologists, geophysicists, geotechnologists, managers, and engineers concerned with the exploration and development of hydrocarbon reserves*

Few geoscientists have had any formal training in the fundamental principles and methods that underlie accurately constructed subsurface maps, whether the data is a seismic interpretation, well log correlations, or both.

Learn those fundamental methods that have been used by the most proficient prospect generators in the industry, as well as an introduction to some of the more recent advances in mapping that are useful in subsurface geologic

mapping. Mapping techniques, examples and exercises for extensional and compressional tectonic settings are the core of the course. Diapiric and wrench related structures are also covered.

**Major Topics Covered:** Philosophical Doctrine of Mapping \* Directionally Drilled Wells and Directional Surveys \* Log Correlation Techniques (Vertical and Deviated Wells) \* Integration of Geophysical Data in Subsurface Mapping \* Cross Sections \* Fault Surface Mapping (Four Major Petroleum Habitats) \* Introduction to Structural Balancing (Compressional and Extensional) \* Isochore/Isopach Map Construction

Special API Chapter Tuition: \$1125

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

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

# CORROSION IN OIL & GAS FIELDS

(Presented by Rike Service, Inc.)

**October 19-23, 1998**

API Delta Chapter Sponsored Training

*For: Engineers, managers, field technicians and chemists*

A thorough treatment of corrosion problems commonly encountered during oil and gas operations, starting from drilling and completion to the final transmission and storage. Obtain a full understanding of the principles of corrosion engineering and the discussion of a variety of mechanisms leading to the failure of materials.

Learn to prevent corrosion through various methods, including proper material selection. Get the right balance between problem-solving and case history studies as well as between theory and application.

**Major Topics Covered:** Principles \* Corrosion Areas in Oil and Gas \* Predicting Behavior \* Prevention \* A Corrosion Mitigation Program

Special API Chapter Tuition: \$840

For enrollment or information:  
Anne Marie Stephens (827-0161)

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- September 16, 1998  
Board Meeting
- September 24, 1998  
General Meeting (coincides with IADC National Meeting in New Orleans)
- September 25, 1998  
API Golf Tournament, Bayou Oaks Golf Course
- September 27-30, 1998  
SPE Annual Technical Conference & Exhibition, New Orleans
- October 20-22, 1998  
Permian Basin International Oil Show, Odessa, TX
- October 21, 1998  
Board Meeting
- October 25, 1998  
Daylight Savings Time Ends
- November 11-14, 1998  
IPAA Annual Conference, New Orleans
- November 11, 1998  
Board Meeting
- November 16-18, 1998  
Deep Offshore Technology 98, New Orleans
- November 18, 1998  
General Meeting
- November 26, 1998  
Thanksgiving Day
- December 5, 1998  
AADE New Orleans Chapter Christmas Social
- December 15, 1998  
Board Meeting
- January 19, 1999  
Board Meeting
- January 26, 1999  
General Meeting

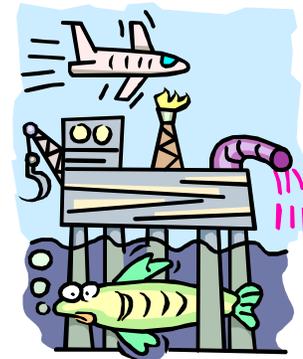
Probably the best known examples of oil and gas production's harmony with the environment occur offshore. In the Gulf of Mexico and offshore California, the legs of producing platforms lure a wide array of aquatic plant and animal life. Healthy populations of sea birds provide noisy testimony to good fishing. Offshore California, otters and other marine mammals live easily near platforms; sea lions snooze on nearby buoys; and California grey whales continue their normal north-south migrations.

A 3-1/2 yearlong, highly detailed scientific study in the Gulf of Mexico has recently shown that produced water discharges from offshore platforms do not pose a human health threat to consumers of fish and mollusks. The very thorough study documented that organic and inorganic compounds associated with the produced water do not accumulate to levels in the edible tissues of fish that would be harmful to the animals or to human consumers. This study covered platforms from a variety of areas in both shallow and deep waters.

Much of the sampling took place in the heart of the oil patch off Louisiana, where the density of platforms and number of discharges are the largest. This study, conducted for the Environmental Protection Agency, was financed by 81 oil and natural gas companies under the auspices of the Offshore Operators Committee. The study team included several major consulting firms, a contract laboratory and two universities.

A five-year study by a Santa Barbara harvester to determine if the mollusks were safe for consumption also showed that the water is so clean, in this case around a Shell platform offshore Huntington Beach, California, that harvested mussels can be temporarily stored in cargo nets under the water, keeping them fresh in their natural, nutrient-rich habitat. Moreover, because the mussels are not collected from the ocean floor, there's not a grain of sand in them.

The study also confirms that the platform jackets form massive artificial reefs that attract thousands of varieties



of fish and other marine species, including starfish, anemones, rock scallops and barnacles. These organisms attach themselves to the offshore structures and use them as a place to hide, feed and multiply. In fact, the study shows that virtually every inch of the Shell platform substructures is covered with life.

Just as producing platforms create healthy artificial reefs, so, too, do platforms no longer needed for producing operations. Since the Gulf of Mexico has few naturally occurring reef ecosystems, the states of Louisiana and Texas initiated "Rigs to Reefs." This program encourages offshore producers to decommission and leave behind their platforms on the sea floor when operations cease. Thus the former oil and gas platforms become permanent artificial reefs, continuing to provide fish and shellfish with shelter and abundant food, and offering countless hours of enjoyment to sport fishers and recreational divers.

In preparation for removal of four platforms offshore Santa Barbara County, California, Chevron hired a marine biologist to design a sophisticated monitoring system to safeguard wildlife during platform removal. Observers used sonar to keep watch over fish activity, while others, in planes and helicopters, flew over the area looking for whales, seals, sea lions and dolphins. The company scheduled removal operations to minimize interference with the migration of the California grey whale. Also, sounds of killer whales were broadcast to scare away seals and sea lions before divers set off explosive charges to sever the piles that anchored the jackets to the seabed.



# AMERICAN PETROLEUM INSTITUTE

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### **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

## PROJECT MANAGEMENT

(Presented by Subsurface Consultants & Associates, LLC)

**October 2, 1998**

API Delta Chapter Sponsored Training

*For: Members of multidisciplinary teams, including geologists, geophysicists, petroleum engineers, drilling engineers, landmen, draftsmen, geologic and engineering technologists, project managers, advisors and upper management*

“Plans are worthless, planning is essential,” said Dwight D. Eisenhower. Good project management is a must if your exploration, development or acquisition projects are to be successfully completed. Task analysis and the development of a project Gantt Chart and CPM are critical to the success of projects. This course teaches the A to Z’s of managing, organizing 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. Learn the winning methodologies in project management from planning to task analysis to documentation by using an actual field study example in the exercises.

**Major Topics Covered:** Definition \* Fundamentals \* Defining Desired Results \* The Organization of the Team \* Task Analysis \* Project Management Goals (CPM’s and Gantt’s) \* Dynamics of Project Management (The Plan vs. Planning) \* Project & Physical Plant Organization \* Project Documentation \* POD Exercises

Special API Chapter Tuition: \$315

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

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API Chapter  
Meeting  
Intercontinental  
Hotel  
Thursday,  
September  
24, 1998  
11:30 AM

## A STEP CHANGE FOR SAFETY

Be sure to call in your reservations early to join us for our Chapter Meeting, Thursday, September 24, 1998 at the Intercontinental Hotel. This is a joint meeting with IADC in conjunction with their conference being held in New Orleans.

Andrew G. Inglis, President of BP Exploration, Inc., in Houston will address our gathering regarding "A Step Change for Safety," a program initiated by BP, who has gathered drilling contractors and others to structure this program.

Inglis is a Chartered Mechanical Engineer who joined BP Engineering in 1980. He spent the first part of his career as a mechanical engineer working on various North Sea projects. In the late 1980's, he moved to a series of commercial roles in BP Exploration—both in Aberdeen and London. After time spent in the BPX Executive Office, Andy moved to Alaska in 1994 as the Asset Manager for the Kuparuk Field. He returned to London in 1996 to take on the role of Chief of Staff in the BPX Executive Office. Then, in 1997, Andy became President of BP Exploration in Houston.

Be sure to join us to hear Andy discuss the goals and strategies of this innovative project.



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