

*Petroleum Engineering
Industry Advisory Board Meeting
Tuesday, September 26th, 2006*

*Marriott Riverwalk, San Antonio, Texas
Valero Room*

3pm – 4:30pm

MINUTES

Present: Harvey Westbrook, Amit Sharma, Jay Paul McWilliams, Matt Hill, Jeff Corey, Tom Engler, Dr. Her-Yuan Chen, Gary Plisga

1. Welcome to the 2006 Industry Advisory board meeting was given by Gary Plisga.
2. A brief discussion of the SPE Industry and Academia Dialogue Session, September 23rd, 2006 chaired by the SPE was then presented by Gary Plisga and Matt Hill. A copy of the agenda and the minutes prepared by Matt and Gary are attached to the minutes.
3. Approval of minutes of the October 2005 meeting. The minutes of the October 2005 meeting were approved by the IAB members.
4. Department Update:

Dr. Chen presented the department update and began the presentation by stating that Dr. Engler would be on sabbatical for the upcoming school year. Dr. Engler would be devoting time to on campus research and the day to day operations would be handled by Dr. Chen.

Total Students Enrolled 39

Total Graduate	17
Masters	14

Total Undergraduate 22

Freshman	1*
Sophomore	5
Junior	5*
Senior	10

*1 Freshman, 1 Junior: Transfer Students entering fall 2006

The major emphasis of Dr. Chen's presentation was that for the first time the department had not registered any student directly from high school to the program. There are approximately 20 undecided engineering students that are currently being courted by the department.

Discussion followed on how the department could change its recruiting program to assist the Admissions Office. This could be done by specifying where to recruit, i.e. East Coast, New York, Pennsylvania/Mid-West.

The discussion turned to having the alumni visit local school guidance counselors to present information about the PE department from Tech, and generate student interest for next semester or 2007. The department brochure should be reworked and made flashier. A mini-disc presentation should also be made available to schools for prospective students to look at.

The admissions should also target special interest groups such as returning military personnel, blue collar students, etc.

The problem is two-fold. One is an immediate need for freshman students and the other is to develop a long-term strategy for attracting students in the future.

5. Old Business:

Endowment Efforts: Tom Engler mentioned there was a possibility that an existing scholarship fund could be converted to the endowment program. The existing funds total approximately \$500,000. The final details have to be worked out but the party involved is receptive to the idea. Tom stated that efforts now are to solicit for matching funds, resulting in a fully endowed position.

6. New Business:

Energy bill and Research: Appropriations for DOE fossil fuel energy research was not renewed. This caused a loss of \$14 million in continued research projects, of which the PRRC was severely hurt. In place of the energy bill RPSEA will allocate \$50 mm yearly nation-wide for 10 years. New Mexico Tech is heavily invested into the RPSEA effort and is the lead organization for Tech Transfer and Small Producers.

7. Action Items:

1. Improve presentation about PE department in the brochure and on mini-disc. Jeff Corey agreed to help Dr. Chen accomplish this in a short period of time.
2. Update the website and make it better and more user-friendly.
3. Use alumni to target local high schools and get information out to prospective high school students. This will be to meet the immediate need for freshmen. Also address targeted audiences for presentations, i.e. community colleges, returning military personnel and working class neighborhood high schools.
4. Make a list of PE department and New Mexico Tech's areas of strength.
5. Jay Paul to make a presentation to the engineering students on how to act, dress and talk to recruiters during interviews. This should include SPE, Chemical and mechanical.

The meeting was adjourned with the possibility of the next meeting to coincide with the OTC in Houston during the first week of May 2007.

Society of Petroleum Engineers

Industry and Academia Dialogue Session

**23 September 2006, SPE Annual Technical Conference & Exhibition
San Antonio, Texas, U.S.A.
3:00 to 6:00 p.m.**

The Society of Petroleum Engineers invites you to participate in the 2006 ATCE Industry and Academia Dialogue Session in Conference Room 7 of the Henry B. Gonzalez Convention Center. Important issues for the industry related to obtaining the highest quality professionals needed to conquer tomorrow's technical and social challenges will be discussed in this informal session.

This session will provide an opportunity for representatives from industry, government, and academia to work together to build a stronger educational experience for petroleum engineers, leading to meaningful contributions to the industry.

While the session is informal, several topics of interest will be on the agenda for our panel leading the meeting.

- Research and Development
- Innovations in Engineering Education and Educational Standards
- Cooperative University Programs and Collaborations Between Universities
- Strengthening Industry/Education Partnerships

After the session, SPE will host a mixer for informal discussion and networking. There is no registration or charge for this session. However, we would greatly appreciate an RSVP of your intention to attend. Send it to Tom Whipple at twhipple@spe.org

Minutes to the Industry and Academia Dialogue Session

23 September 2006

SPE ATCE San Antonio, TX

The attendance for the meeting was comprised of 85% from academia and 15% from industry. Several academic attendees were concerned that this was what always happened and wondered how to attract better representation from industry. A general discussion was held concerning industry participation; however, no salient points were established on how to improve industry participation.

The first topic discussed was faculty salaries had to be increased to prevent existing faculty from joining the industry. Colorado School of Mines has just recently lost 9 faculty members and Montana Tech lost its department chair.

There were three options raised to help stem the losses: The first option was direct endowments by industry. For some reason academia thinks industry should be responsible for increasing faculty salaries and not the universities or schools. The discussion included requesting money from industry to give directly to faculty members. This discussion continued until an industry representative said "This will never happen no matter how much academia wanted it." At this point the discussion was ended.

The second option was to add prestige. The lack of a fellowship grant from the NSF, such as the "Fulbright" grant does not exist for petroleum engineering academia. It is thought that if such a prestigious grant could be established in Washington, D.C. that members of academia would not leave for industry if such a grant was available. I wonder why academia does not work with NSF to determine what would be required to set up such a grant. SPE representative said it could not lobby for funding through NSF and SPE will not get into fund raising but may be able to help channel money raised by others.

The third option was how can academia attract more representation and advice from industry and the general SPE organization? After discussion there was a loose consensus that perhaps academia should visit industry and ask what they need worked on rather than academia putting forth a proposal of what they wanted to work on. This is apparently a very new and unique idea with many in the room not sure it would work. Academia should contact alumni for meeting and to determine what industry wants done. Academia stated a "need" to know industry's 3-5 year plan to help them focus their respective departments. Industry suggested a portfolio approach where petroleum engineering departments created a portfolio of projects/interests and show this to industry/companies after asking them "What problems do you have?" Look at industry/companies as PE departments market and segment. Some departments should focus on independents and not big oil and vice-versa. Industry mentioned that it was very busy and that the portfolio would let industry quickly understand what the department was doing and how it could help.

Then the state of the world wide “Competency” was discussed and the results of the 1st test, given in Abu Dhabi, were presented. The test will be administered by the SPE in various locations to assess the competency of Petroleum Engineers world wide. This test would not be for use in the USA or Canada. Any US or Canadian engineer with an FE or PE would have automatic reciprocity but not the other way around. On the 1st test several engineers refused to take the test incase they failed, 6 out of the 27 failed and the rest showed varying degrees of competency. Industry mentioned a possible unintended consequence of this test. Since not all practicing engineers in the US and Canada hold an FE or PE certification they are now excluded from expat work unless they take the test for certification. Prior to the test they had to provide schooling information, work histories and show a need for their abilities. Now a 15+ year engineer will have to be certified before working as an expat.

The final discussion involved how to set up a colloquium and obtain good industry representation. The location could be the Woodlands or Galveston Island which are both close to Houston yet far enough away to allow trips back to the office which has been a serious problem in the past. One industry representative stated the last colloquium she attended was the most depressing 5 days of her life when all she heard was continual whining from academia that industry needs to give more money to help the faculties. Several members of academia admitted this was true but did not know how it could be prevented. At the end of the discussion no new ideas, points or topics were brought out that would help have an active and robust colloquium with industry.