



## **Petroleum Exploration Society of Australia Ltd.**

ACN 009 061 278 INCORPORATED IN WESTERN AUSTRALIA

Federal Executive

PO Box 721

West Perth

WA 6872

### **PESA PRESIDENT'S REPORT**

#### **INTRODUCTION**

This report will be delivered on behalf of the Federal Executive of PESA Ltd to the Twenty-Second Annual General Meeting to be held in Rooms Nos. 1 and 2 at the Perth Convention Center (the same venue being used for PESA's Farmin Seminar) on Sunday 10th April 2005. Drinks and nibbles will be served from 5PM to 5:30PM and the AGM will start at 5:30PM and close at 6PM.

#### **CHANGING OF THE GUARD WITH PESA'S PURPOSE UNCHANGED**

This is my second opportunity to Chair PESA's Annual General Meeting. This is also a traditional and healthy juncture in PESA's lifecycle. It is time for PESA's Membership to thank the existing Federal Executive and pass your society's federal roles and responsibilities to the incoming 2005/6- 2006/7 Federal Executive. The incoming PESA Federal Executive will include society officers from the WA Branch (Federal President, Secretary and Treasurer) and the ACT Branch (Federal Vice President) along with myself, as past-President

My past two years as PESA's President have been a very satisfying. All that has been achieved for PESA members reflects very well on the magnificent collaborative voluntary efforts of PESA members spread across Australia. I am truly grateful for the advice and support provided by all the people who generously gave (and give) of themselves by serving on PESA's Board and PESA's Branch, Education, Publication, and Membership Committees. I am especially thankful for the collaborative efforts of PESA's Executive VP (David Cliff – PESA WA / Hardman), PESA's Executive Treasurer (Mike Hanzalik – PESA SA / Santos), PESA's Executive Secretaries (both Evelina Paraschivoiu – PESA SA / PIRSA and CSIRO and Bronwyn Camac – PESA SA / Australian School of Petroleum), PESA's immediate Past President (John Carmody – PESA NSW / Apex Energy), PESA's Secretariat (Rowley Butters – PESA WA / Consultant), PESA's Education Committee Chair (Phillip Lock – PESA Vic-Tas / ExxonMobil) and PESA's publisher (Brian Wickins – PESA WA / RESolutions Resource & Energy Services).

I also welcome the nominated incoming PESA Federal Executive team – who are:

- President David Cliff (PESA WA / Hardman);
- Vice President Tom Loutit (PESA ACT / FrOG TECH)
- Treasurer Kenrick van Noord (PESA WA / Baker Atlas); and
- Secretary Cecilia D'Ercole (PESA WA / DOIR)

I am enthusiastically supportive of these nominees and herewith recommend their election at PESA's AGM in Perth on Sunday 10 April 2005.

At this juncture in PESA's lifecycle – it is also appropriate to articulate PESA's long-standing and unchanged purpose. The Petroleum Exploration Society of Australia (PESA) is a national, not-for-profit organisation representing the interests of all professionals and practitioners in the upstream petroleum industry.

The purpose and objectives of the Society are to:

- Promote professional excellence in the upstream petroleum industry throughout Australia. This is fostered by providing forums to communicate innovations and lessons learnt to individuals on a national basis;
- Present views and facilitate discussion of technical and professional matters pertinent to the upstream petroleum industry;
- Foster and provide continuing education for the benefit of PESA members and students progressing towards a career choice;
- Nurture the spirit of research on matters pertinent to PESA members and their upstream petroleum industry colleagues and;
- Maintain a high standard of professional conduct on the part of its members
- The emphasis of the Society is primarily geoscientific although most aspects of the upstream industry are catered for. The Society is governed by a Federal Executive (Board).

Six geographic branches are responsible for most of the organisation of events. The six Branches respectively cover PESA operations for the Australian Capital Territory, New South Wales, Queensland / Northern Territory, South Australia, Victoria / Tasmania and Western Australia.

## FINANCIAL POSITION

The Annual Financial Report for the year ended 31 December 2004 shows that PESA is continuing to operate on a sound financial basis. The audited statements are attached for your perusal.

Current liabilities to year-end 2004 are \$63,447; a decrease from \$96,596 at year-end 2003. The consolidated net assets of your Society at the end of 2004 were \$786,678; up \$34,834 from \$751,844 in 2003. The increases in the year to 31 December 2004 in PESA's net assets (+4.6%) and retained surplus (+7.0%) manifest income from dues, a net operating surplus from PESA publications, continuing to enhance desirable services for members including but not limited to a paid secretariat for education events; secure on-line payment system; enhancement to the online events database; and online word-search and paper download facilities. PESA's Board remains dedicated to the sustainable delivery of desirable and highly valued services to PESA Members. The Society's assets are more than just adequate to sustain all traditional and new additional services planned for members.

In 2004, the Society's resources (money and people) were focused on:

- Monthly luncheons and evening seminars with notable and topical speakers at locations convenient and attractive to branch members, commonly run in collaboration with key universities and cognate professional societies (such as SPE, ASEG, AMPLA and SPWLA affiliates);
- Bi-monthly publication of PESA News;
- Maintaining PESA's website ([www.pesa.com.au](http://www.pesa.com.au)) which features highlights from PESA News, a petroleum E&P industry training calendar, contact lists for PESA Branch and Federal Executive officers, notice of university scholarships available from PESA, price lists for PESA publications with instructions for purchases, employment opportunities, and instructions to authors wanting to submit articles and papers for PESA publications.

- ❑ Ongoing development costs for sustainable expansion of PESA's website services to include online membership renewals, online payment for events and online access to PESA, APPEA and other publications. The project to implement PESA's online technical paper download service has progressed and will leverage on APPEA's agreement to provide its highly regarded treasure-trove of past conference proceedings for this purpose. Subscriptions are forecast to offset ongoing operating costs, including the expense to make additions to what will be an evergreen technical papers database. From inception - by visiting PESA's website - anyone will be able to word-search and peruse abstracts from APPEA Journals, proceedings from PESA Basin Symposiums and PESA Journals. Complete papers will be downloadable for a modest price and complete volumes of papers can also be ordered online. In time – we hope to expand the contents to cover all petroleum E&P conference proceedings – with this becoming a cost-effective Australian industry-wide tool-of-trade. This also opens a window for the world to see the vast expertise and prospectivity in Australia. It is a service to PESA members, their employers, authors and the community at large. At the end of 2004, a total of 41 APPEA, PESA and NZ Petroleum Conference proceedings volumes (20,785 pages) published in the term 1985 to 2004 and not already in a digital form have been scanned to enable accessibility via PESA's imminent online technical paper download service PESA's.
- ❑ Planning and convening *PESA Basin Symposiums* and publishing expansive *Symposium Proceedings* once every two years in lieu of hitherto traditional biannual *PESA Journal*.
  - The 2<sup>nd</sup> Eastern Australasian Basins Symposium was held in Adelaide in September 2004; and
  - PESA and the American Association of Petroleum Geologist (AAPG) have mutually agreed to convene the West Australian Basins Symposium as a part of the AAPG International Conference in Perth in October 2006, with PESA as the host for that event; and
  - The 3<sup>rd</sup> Eastern Australasian Basins Symposium in 2008 – which will most probably be jointly organised by the PESA ACT and PESA NSW Branches. Further details will be determined in 2005.
- ❑ Collaborating with organizations to leverage benefits PESA Members. In 2004, key events convened and planned are:
  - The ASEG-PESA Conference held in Sydney, August 2004; and
  - The Northern Territory Government's Central Australian Basins Symposium, July 2005 in Alice Springs
  - 2007 and 2012 events are under consideration for (see details under **Conferences**)
- ❑ Quarterly Board meetings and roughly monthly Branch Committee meetings;
- ❑ Gratis first year Student Membership, half-price Student Membership for second and ensuing years plus scholarships and grants for deserving PESA Student members;
- ❑ Travel grants to interstate PESA Student Members to attend the Eastern Australasian Basins Symposium and the ASEG-PESA Conference;
- ❑ Subsidised registration fees for PESA Student Members at the Eastern Australasian Basins Symposium and the ASEG-PESA Conference;
- ❑ Support for secondary science (and in particular earth science) education;
- ❑ Contracting a professional organiser for PESA's distinguished lecturer tours to both reduced time imposts on PESA officers and overall costs to the Society
- ❑ Australian Geoscience Council membership. The AGC provides PESA with the leverage of 7,500 members with a common interest in sustaining a vibrant future for geoscience education in Australia and;
- ❑ Social events (annual dinners, golf-days, etc)

I would like to express the Society's gratitude to KPMG for their continued support in auditing the Society's records.

## **PESA'S FEDERAL ORGANISATION, OFFICERS AND OPERATIONS**

**Attachment 1** details PESA's Executive Board, Federal Committees and Subcommittees in 2004.

It is worthwhile to note that PESA ACT have graciously agreed to defer the rotation of PESA's Federal Executive to the ACT Branch to March 2007 so the PESA Federal Executive will be resident in Perth when PESA WA will host the 2006 AAPG International Conference.

PESA's Board includes thirteen members: six Branch Presidents; five Federal Executive officers (president, Vice President, Secretary, Treasurer and Past-President); and two non-voting individuals – the Company Secretary (who also fills the role of Secretariat) and the Chair of the Education Committee. Four PESA Board meetings were convened in 2004 as follows:

- Sunday 28 March in Canberra (prior to PESA AGM and APPEA Icebreaker);
- Friday 18 June in Brisbane;
- Sunday 19 September in Adelaide (prior to the 2<sup>nd</sup> Eastern Australasian Basins Symposium); and
- Friday 6 December in Melbourne.

An army of additional PESA volunteers (7 Vice Presidents, 7 Treasurers, 6 Membership Secretaries, 7 Secretaries as well as Conference, Publications and Education Committees), PESA's Secretariat and PESA's Publisher work in parallel to provide information for consideration at each Board meeting. On behalf of all PESA members - I thank all the people for their valuable inputs to PESA's ongoing programs and new projects.

I am pleased to observe that the Boards' and PESA Committees' missions were accomplished with respect to sustaining excellence in delivering traditional services. The Board is also making progress to enhance traditional services and implement new, desirable, high-priority services to PESA's members. All progress is being made in a way to ensure services are both high quality and sustainable within financial and human resources constraints. PESA's financial protocols are provided in **Attachment 2**.

### **FEDERAL SECRETARIAT**

Rowley Butters continued to efficiently manage the PESA Secretariat and the PESA's Company Secretary roles with laudable effect, including the smooth running of our membership database and the provision of timely annual statement of accounts.

I believe it is particularly significant to emphasise just how important Rowley has been to the Society. Rowley's experience and 'being there' have, time and time again, been linchpin in keeping PESA on track. Together with Past Presidents and incoming Presidents (who first serve 2 years as VPs), Rowley provided continuity amongst less experienced (but no less enthusiastic!) PESA Board members. It is also very appropriate for PESA to thank Bev Butters for all her kind voluntary efforts that also underpinned PESA's operations over many years. On behalf of all PESA members, I extend PESA's best wishes to Rowley and Bev Butter, knowing that Rowley plans to relinquish his role as PESA's Company Secretary and contract Secretariat from the 2005 PESA Annual General Meeting.

At the time of writing, your Board is well-advanced in its search for a very suitably experienced and enthusiastic person to provide PESA Secretariat and PESA's Company Secretary services. It is likely a new incumbent will be introduced at our April 2005 AGM.

### **PESA PUBLICATIONS**

PESA News, PESA Journals and PESA Symposium Proceedings have attained and sustained exemplary quality.

The consistent high quality of PESA News is quite an achievement – and credit is due to PESA’s Publication Committee, consistently excellent editing Adrian Williams, ab fab watched words from Peter Purcell, the skills and talents of the Resolutions team led by Brian and Adriana Wickins - our PESA News and Website Publisher, all those who contribute articles and of course, PESA’s advertisers.

The 772 page proceedings of the 2<sup>nd</sup> Eastern Australasian Basins Symposium is widely acknowledged as setting a benchmark for both technical and aesthetic excellence. The EABS<sup>2</sup> Proceedings is available in both full-color hard copy and on DVD. The digital form provides (zoom) access to exceedingly high-resolution images of cores, seismic and map interpretations. All authors are congratulated. The editors –Peter Boulton (PESA-SA), Rhodri Johns (PESA-SA) and Simon Lang (PESA-SA) worked wonders in having the Symposium DVD ready to schedule and the print version is a testament to exemplary efforts.

### **PESA PUBLICATION COMMITTEE (PPC)**

The PPC is responsible for attracting excellent content for PESA News and PESA’s website. The PPC also provides stewardship for PESA publication services. In 2003-4, David Cliff (VP PESA) has been the PESA’s Board incumbent PPC Chair. The incoming PESA Federal VP (from PESA ACT) will become the PPC Chair for 2005-6.

The PPC met regularly throughout the year to oversee all PESA publications and ensure that they functioned smoothly and were financially sound. Each State Branch also provides an editor to liaise with the Publications Sub-Committee. To foster ever-better web-based services, the PPC now has two distinct teams. Details follow.

- ❑ **PESA NEWS COMMITTEE (PNC).** PESA’s Federal VP is the PNC Chair. Adrian Williams (PESA WA) is the National Editor for PESA News. Peter Baillie (PESA WA) is the PESA Journal editor. Brian Wickins (PESA WA) is the PNC Technical Advisor. The PNC is a part of the PPC and reports to PESA’s Board via the PPC’s Chair. This is a ‘breakout’ of a team that has for decades, consistently provided good stewardship for PESA publications. The PNC has representatives from each branch. This provides every Branch with an opportunity to consider all insipient plans for enhancements to PESA News services to members.
- ❑ **PESA WEBSITE COMMITTEE (PWC).** PESA’s Federal VP is the PWC’s Chair. The PWC is a part of the PPC and reports to PESA’s Board via the PPC’s Chair. This team has representatives from each branch. Damien Ryan (PESA ACT) is the PESA Webmaster – and sustains a focus on the functionality of PESA’s Website. The PWC provides every Branch with an opportunity to consider all insipient plans for enhancements to PESA’s web-based services to members;
- ❑ **PESA JOURNAL EDITOR-IN-CHIEF:** Peter Baillie (PESA WA) remains as the PESA Journal Editor-in-Chief; providing expert continuity in all PESA Basins Symposium Proceedings, which now constitute the PESA Journal. Peter provided very valuable support for the 2004 Proceedings for the 2<sup>nd</sup> Eastern Australasian Basins Symposium;
- ❑ **PESA’S PUBLISHER:** Brian Wickins (RESolutions and Oilfield Publications) remains PESA’s valued publisher of PESA News. The marketing skills of the RESolutions team buttress the commercial success of the Publications division.

Highlights for each of PESA’s three main publications in 2004 follow:

- ❑ **PESA NEWS:** The Society’s flagship, PESA News, sets a worldwide industry standard in quality of presentation. It is both maintaining its high standard and continuing to be an excellent forum for members’ news, gossip, technical articles, industry news, etc. Significant effort is made to at least offset the cost of publication with advertising revenue. The financial outcome from PESA News in 2004 was a welcome surplus of \$15, 839, up 25% from the 2003 net surplus (\$12,707).

Adrian Williams continues as the editor of the PESA News for a fourteenth consecutive year. Adrian's exemplary contributions deserve accolades – and on behalf of PESA's membership – I offer thanks to, and congratulate Adrian.

- ❑ **PESA JOURNAL:** EABS and WABS Proceedings are now designated as *Special Editions of the PESA Journal*. The latest Special Edition of the PESA Journal was published in September 2004 – the Proceedings of the 2<sup>nd</sup> Eastern Australasian Basins Symposium.
- ❑ **PESA WEBSITE:** The information on PESA's Website continues to expand in scope.

## **PESA MEMBERSHIP**

### **NEW PESA MEMBERSHIP COMMITTEE (PMC)**

The PMC reports to the Board via its Chair. Chris Dyt (PESA WA) is the incumbent PMC Chair. This team provides focused stewardship for the Membership database and renewals. The PMC Chair serves a 2-year term and rotates between each of the six PESA Branches. The Branch that will provide the next Federal Vice President is offered the opportunity to provide the PMC Chair. This allows the Branch that will provide a Federal Executive to gain insights into the running of PESA's Federal operations over four years – through both the Membership Committee Chair and Federal VP roles. From April 2005 – the PMC chair will be offered for a two-year term to the PESA ACT Branch, but may also be retained by the incumbent (Chris Dyt) or may be taken up by an enthusiastic volunteer from any Branch – by agreement of the Board.

### **GENERAL MEMBERSHIP**

The Board has unanimously agreed to leave PESA Membership dues unchanged.

For membership January to December 2005 – if paid before 30<sup>th</sup> April 2005, dues are

- ❑ Active / Associate Members (Inc. GST)     \$55.00
- ❑ Australian Based Students (Inc. GST)     \$27.50\*
- ❑ Overseas Members                             \$70.00 (Australian Dollars)

For membership January to December 2005 – if paid after 30<sup>th</sup> April 2005, dues are:

- ❑ Active / Associate Members (Inc. GST)     \$66.00
- ❑ Australian Based Students (Inc. GST)     \$33.00\*
- ❑ Overseas Members                             \$80.00 (Australian Dollars)

\*Students first year of membership is free

A *Nomination Fee* of \$11 (inc. GST) applies to all applications for membership by non-members.

This year the membership has decreased by 8% (131 fewer financial members) over the previous year. The demographics of PESA's membership will be assessed to establish the most significant drivers for this decrease – so gains may be made. Membership growth is crucial for our Society and I encourage all members to renew their membership if they have not already done so, and to encourage colleagues and friends who may not be members to join. PESA membership figures for the past five years are tabulated in the following table.

### PESA Financial Membership by Branch

| Branch       | 2000         | 2001         | 2002         | 2003         | 2004   |
|--------------|--------------|--------------|--------------|--------------|--|
| ACT          | 70           | 72           | 78           | 68           | 76   |
| NSW          | 225          | 249          | 260          | 274          | 285  |
| QLD/NT       | 238          | 215          | 239          | 241          | 163  |
| SA           | 238          | 210          | 211          | 235          | 249  |
| VIC/TAS      | 202          | 199          | 172          | 189          | 178  |
| WA           | 462          | 640          | 695          | 628          | 551  |
| <b>TOTAL</b> | <b>1,435</b> | <b>1,585</b> | <b>1,655</b> | <b>1,635</b> | <b>1,504</b><br>Includes 2 o'seas<br>members not<br>affiliated with any<br>particular Branch |

One of the inevitable challenges for branch membership secretaries, PESA's Secretariat and PESA News mail-outs is that PESA Students Members and the average E&P industry professional move around. Members are encouraged to inform their Branch Membership Secretaries or PESA's Federal Secretariat ([pesa.sec@bigpond.com.au](mailto:pesa.sec@bigpond.com.au)) to enable the Society to meet the challenge of keeping up with relocations or all PESA Members.

#### STUDENT MEMBERSHIP

PESA has long provided students with half-priced Society membership. The Board has agreed to continue first year gratis membership for Student Members and the traditional half-priced Society membership (\$27.50 pa) thereafter. That is a terrific deal for the 'upstream of upstream'.

#### SUPPORT FOR PESA STUDENT MEMBERS

In addition to gratis first year membership and half-price membership for subsequent years, PESA offers a number of scholarships, grants, reduced costs for luncheons and low-cost to gratis tuition at PESA training events.

#### PESA SCHOLARSHIPS, GRANTS AND REGISTRATION SUBSIDIES FOR UNIVERSITY STUDENTS IN 2004

PESA scholarships and grants aim to have a positive influence on education and University research to foster a bright future in the upstream petroleum industry throughout Australia. In 2004, PESA Branch, Federal, and Symposium funds were the source of more than \$40,000 in scholarships, grants and subsidies given to deserving PESA student members undertaking petroleum-related studies at Australian universities.

On behalf of PESA's membership, I express thanks to Phil and Jenny Lock for the administration of, and recommendations (to PESA's Board) for the 2004 PESA Post-Graduate Scholarship program.

The PESA Board is very pleased to note that Mark Dawson is the recipient of the 2004 PESA Federal Post Graduate Scholarship. This decision manifests the combined priority and quality of Mark's research, distinctions, grades and achievements. Mark's research focuses on Permian Stratigraphy in the Werrie and Sydney-Bowen Basins in NSW.

It is also worthwhile to commend other very worthy applicants – as follow.

#### **WINNER – 2004 PESA FEDERAL POST GRADUATE SCHOLARSHIP**

Mark Dawson     *University of New England, NSW*     *Coal measures, coal seam methane and petroleum*

#### **CERTIFICATE OF HIGH COMMENDATION**

Emma Nelson     Australian School of Petroleum, U of Adelaide, SA     In situ stress measurements - applications to petroleum exploration and development

#### **CERTIFICATES OF COMMENDATION (ALPHABETIC ORDER)**

Carl Hopley     University of Wollongong, NSW     Modelling the evolution of SE Australian deltas

Kaia Little     Australian School of Petroleum, U of Adelaide, SA     Greenhouse gases and CO<sub>2</sub>CRC

Paul Lyon     Australian School of Petroleum, U of Adelaide, SA     Fault seal and breach, Penola Trough, Otway Basin

Details for application for the 200 PESA Federal post-graduate scholarship (\$5000) will be promoted throughout 2005 and can also be downloaded from PESA's website ([www.pesa.com.au](http://www.pesa.com.au)). Applications will close 30 September 2005.

#### **PESA DISTINGUISHED MEMBERSHIP AWARD**

Ian Grierson (PESA NSW) was the recipient of the PESA Distinguished Membership Award in 2004. Details were published in PESA News (June July 2004, page 21) There are no nominations for this award in 2005.

#### **PESA MERITORIOUS SERVICE AWARDS**

Peter Baillie (PESA WA) was the recipient of the PESA Meritorious Award in 2004. Details were published in PESA News (June July 2004, page 20).

I am very pleased to announce that PESA's Board has unanimously endorsed the nomination of John Mebberson to receive PESA's Meritorious Service Award in 2005. Members will be asked to ratify this award at PESA's Annual General Meeting in Canberra on 10<sup>th</sup> April 2005. The PESA-NSW Branch nominated John. Details of John's meritorious service are provided in **Attachment 3**.

#### **CONFERENCES**

PESA continued to deliver and plan to deliver excellent conferences. These include:

- PESA's 2<sup>nd</sup> Eastern Australasian Basins Symposium (**EABS<sup>2</sup>**) in September 2004 in Adelaide and the ASEG-PESA Conference in August 2004 in Sydney both proved to be exemplary and absolutely terrific events. The respective organizing committees delivered to plan and budgets. PESA applauds you. These two events:
  - Attracted 1000+ people;
  - Enabled sharing of lessons learnt, innovations and interpretations as a foundation for improved petroleum E&P endeavors;
  - Provided a very focused opportunity for exhibitors to engage their customers and;
  - Bestowed fond memories.

Particular thanks are extended to authors, presenters, sponsors and exhibitors. Attachment 5 acknowledges the 69 sponsors and supporters for PESA's flagship conferences in 2004. Many thanks to you all.

- ❑ Plans to ensure collaborative success have been established to convene a Central Basins Symposium in Alice Springs in 2005
- ❑ PESA's Qld/NT Branch will convene its annual Symposium in Brisbane in September 2005. The traditional annual PESA Q/NT Symposium for 2004 was a part of **EABS<sup>2</sup>**.
- ❑ The West Australian Basins Symposium will be a 'stream' in the American Association of Petroleum Geologist (AAPG) International Conference in Perth in October 2006. PESA will be the host society for this event
- ❑ The 3rd Eastern Australasian Basins Symposium in 2008 – which will most probably be jointly organised by the PESA ACT and PESA NSW Branches. Further details will be determined in 2005.
- ❑ Discussions have commenced to convene a PESA-ASEG-SPE-SPWLA Conference in Perth in 2007
- ❑ PESA has confirmed its willingness in principle to take a risk-sharing position in organizing the 34th International Geological Congress (IGC) in 2012 in Brisbane. The Australian Geoscience Council will be the host society for this event. PESA's likely roles will be:
  - Contributing to the development of the organising committee guidelines;
  - Taking a lead role in the Sponsorship Sub-Committee;
  - Risk: sharing at some level to be agreed; and
  - Possibly running the 4<sup>th</sup> Eastern Australasian Basins Symposium as one of the key IGC streams or opting to run EABS IV at a time that avoids conflict with the 34<sup>th</sup> IGC.

## PESA EDUCATION INITIATIVES

PESA training events aim to deliver high priority training from world-class educators. At least three, often four and sometimes more education events are scheduled each year. Early and frequent communication with aligned professional societies identified hot topics and scope for collaboration – resulting in ‘bang for buck’ training events in 2003.

| Event  | Educator  | Topic   |
|--|---|---|
| PESA's Visiting Distinguished Lecturer <b>PVDL</b>                                 | <b>Andrew Scott</b><br>Altuda Energy Company<br>Andrew is also an AAPG International Distinguished Lecturer | <b>Lecture:</b> Application of a coalbed methane exploration model to delineate basin sweetspots<br><b>Lecture:</b> How to explore for coalbed methane in frontier regions with limited data<br><b>Workshop:</b> An integrated coalbed methane exploration model: defining coalbed methane sweetspots |
| Esso Australia Distinguished Lecturer <b>EDL</b><br>Kindly sponsored by ExxonMobil | <b>Dr Steve Flint</b><br>University of Liverpool  | <b>Workshop:</b> High Resolution Sequence Stratigraphy: prediction of reservoir characteristics within the seismic volume<br><b>Lecture:</b> Recent advances in deepwater sequence stratigraphy and reservoir prediction<br><b>Lecture:</b> Non-marine sequence stratigraphy; where are we?           |
| Special event coordinated with PESA Branches                                       | <b>Adrian Williams</b><br>A&C Consultants Pty Ltd   | <b>Short Course:</b> Basic Petroleum Exploration  |
| Special event organised by PESA – ACT and open to PESA Members from other Branches | <b>Dr Alan Judd</b><br>Alan Judd Ltd  | <b>Workshop:</b> Shallow Gas, Gas Hydrates and Seabed Fluid Flow  |

For 2005, as a trial, your Board has agreed to reduce the risk of a financial loss by any Branch from Distinguished Lecture and Workshop tours. The funding model adopted (on a trial basis) entails financing national education tours on a national basis with the aim standing firm –sustainable delivery of hot topics taught well at attractive prices.

## **PESA'S INDUSTRY REVIEW AT THE 2004 APPEA CONFERENCE**

Top marks go to Dr. Robbert Willink (PESA, Origin and APPEA) for a very entertaining Academy Awards style Annual Industry Review at APPEA in 2004. Thanks are also extended to the companies nominating for the awards and to both Peter Power and Bruce McKay for joining me on the judging panel. The details were published in Volume 2 of the 2004 APPEA Journal and represent a valuable snapshot of Australian exploration endeavors. In brief – from amongst very competitive world-class candidates – the truly significant Australian exploration efforts and outcomes were recognised by PESA as listed in **Attachment 6**.

## **PESA'S SCORECARD**

Staying relevant to members is the Board's mission. The key traditional services delivered to PESA members in 2004 were:

- Excellent luncheon meetings;
- Valued publications – especially PESA News and PESA Online (website),
- Supporting, convening and planning Basin Symposiums and Conferences for 2004-12;
- High priority, multi-city training events
- PESA Grants and Scholarships;
- Deal-days (farmin symposiums) and recaps of E&P highlights at APPEA conferences and;
- Stewardship of the Society's funds and membership list.

Sustainable implementation of innovations under development since 2003 remains a key focus for PESA's Board. In 2004, your Board put considerable effort into establishing mutually advantageous terms for third party services in relation to PESA's publications, website and database management. As a result – PESA remains on-track to provide desirable and affordable online services for membership renewals, online payment for events and online access to PESA, APPEA and other publications.

## **CONCLUDING COMMENTS**

I am very grateful for the opportunity to 'give-back' to the industry that has afforded me great opportunities to see the world while having neat problems to solve...well at least try to solve.

PESA's resilient relevance to the E&P community in general and PESA's members in particular depends on both exuberant, dedicated Branch and Federal Committee volunteers and the generosity of their employers (some of whom are one and the same). PESA's success in delivering services to the E&P community would not be possible without that laudable and magnanimous support. I congratulate and thank you one and all.

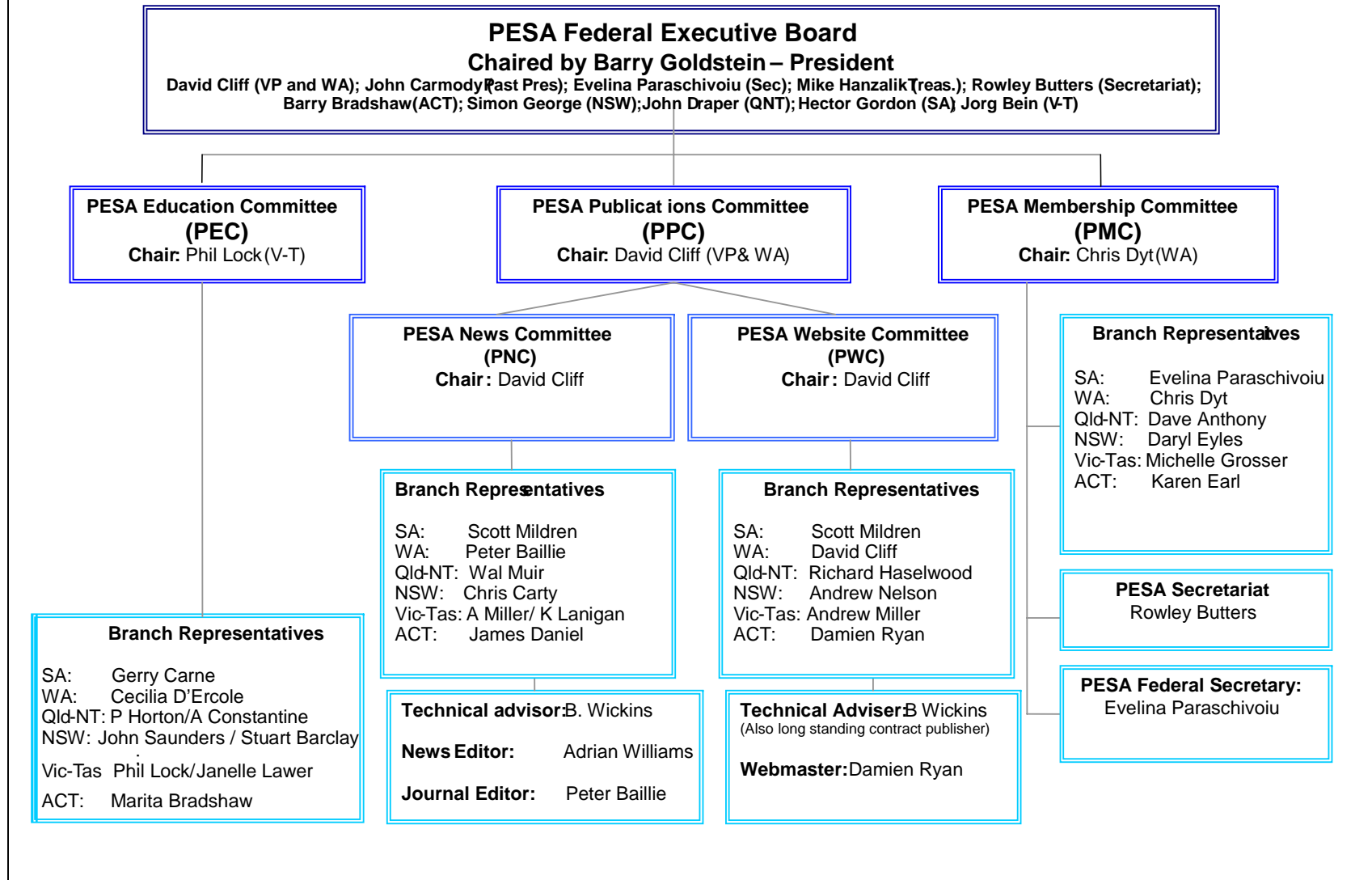
Finally I would like to wish you all the best for a successful 2005.

Cheers

**Barry A Goldstein**

President PESA Ltd

**ATTACHMENT 1. PESA's Executive Board, Federal Committees and Subcommittees in 2004**



## **ATTACHMENT 2      PROTOCOLS FOR PESA'S FEDERAL BUDGET APPROVALS**

PESA's Board articulates its budget approval protocols as follow:

1. PESA Branches and PESA Federal budgets (for calendar years) must be tabled for review and approval on an annual basis at 4Q PESA Board meeting in each year;
2. Annual PESA Branch budgets cannot exceed the financial capacity of a Branch's accounts;
3. The annual PESA Federal budget cannot exceed the financial capacity of PESA's Federal accounts and requires approval by PESA's Board (e.g. the Presidents of each Branch and the Federal Executive officers);
4. Account statements (forecast versus actuals) for both PESA Branch and PESA Federal budgets are required on a quarterly basis.
5. All PESA Branch and PESA Federal budget items or variations to budgets amounting to  $\geq \$25,000$  require approval by PESA's Board (e.g. the Presidents of each Branch and the Federal Executive officers).
6. All budgets and increases to approved budgets with a value of  $\geq \$25,000$  need PESA Board approval (e.g. the Presidents of each Branch and the Federal Executive officers).
7. Contracts with a value  $\geq \$25,000$  must be subject to tender process
8. Contracts with a value  $\geq \$25,000$  can have maximum 2 year terms
9. Contracts covered under approved budgets with a value  $\geq \$50,000$  require approval by PESA's Board (e.g. the Presidents of each Branch and the Federal Executive officers).
10. Contracts not covered under an approved budget with a value  $\geq \$25,000$  require approval by PESA's Board (e.g. the Presidents of each Branch and the Federal Executive officers).
11. Extension, renewal or amendment of contracts with a value  $\geq \$25,000$  require approval by PESA's Board (e.g. the Presidents of each Branch and the Federal Executive officers).
12. Remittance(s) within approved budgets  $\geq \$25,000$  require PESA Board approval, with the national President + national Vice President + national Treasurer being able to agree to make payments  $\geq \$25,000$  in emergencies, provided that budget has already been approved by the board. This represents a protocol for an audit of agreed services versus approved costs for material remittances.
13. Purchase orders will constitute the check and balance procedure for approved budget items where a fee for service is charged (e.g. no contract between PESA and the service provider exists).
14. PESA Branch approvals can be sought and given by email with results of Branch positions confirmed in the minutes of the next board meeting.

### **ATTACHMENT 3. NOMINEE - PESA MERITORIOUS SERVICE AWARD IN 2005**

#### **– JOHN MEBBERSON**

PESA's Board has unanimously endorsed the nomination of John Mebberson to receive PESA's Meritorious Service Award in 2005. Members will be asked to ratify this award at PESA's Annual General Meeting in Canberra on 10th April 2005. The PESA-NSW Branch nominated John.

John graduated from Sydney University in Geology and worked for Esso Australia Ltd from 1970 to 1992 in various professional and management positions covering Bass Strait, Cooper-Eromanga, Canning and Perth Basins, as well as the Timor Sea and US Gulf Coast.

From 1992 to 1999 he was director and principal of Mebberson Geological Services Pty Ltd, providing geological, management and training services to the oil and gas upstream industry in Australia and overseas, particularly the NW Shelf, Sumatra, Kalimantan and the Philippines. John joined Roc Oil Company Limited in October 1998 as Senior Explorationist, initially working on Roc's Mongolia and African assets. He was subsequently appointed Perth Basin Coordinator for Roc in February 2002, then Regional Manager- Australia in 2003.

John served as a PESA (NSW) committee member during 1991-2002. He was Branch President during 1993-95, and again during 1997-99, and to date is the only NSW Branch committee member to serve two terms as President. He was also Secretary from 1997 to March 2001. During this period he played a key role in maintaining the high standard of speakers at monthly technical meetings and of the short courses. For several years John helped line up presenters, prepared the meeting flyers, took members' bookings and ran the meetings. This was a level of commitment to NSW Branch that has been equaled by few others. As a consequence, the Branch's membership recovered from a low point of below 200 after the closure of the Ampolex and Parker & Parsley offices to over 230 within a few years.

From 1996 to 2001 John and Barbara Mebberson organised and ran the PESA Farmin Seminar, held immediately before the APPEA Conference each year. This continued to be a very successful event, and has benefited both PESA (NSW) and the industry, particularly the smaller operators.

While forced to step down from the NSW Branch Committee in late 2002 due to increasing responsibilities at Roc, John continues to be an active supporter of PESA's activities.

We nominate John Mebberson to receive the PESA Meritorious Service Award in 2005. This nomination is based on John's exemplary record of service to PESA and to our industry during most of the 1990's, as discussed above.

**ATTACHMENT 4** Sponsors and supporters for PESA's 2<sup>nd</sup> Eastern Australasian Basins Symposium and the ASEG-PESA Conference in 2004

| EVENT   | PESA'S EABS II  |   |   | ASEG-PESA CONFERENCE  |                                       |
|---|---|---|---|---|---------------------------------------|
| HIGHEST LEVEL SPONSORS                                | ❖ Santos –<br>❖ PIRSA -   | Principal Sponsor<br>Principal Sponsor  |   | ❖ WesternGeco -<br>❖ Oil Search -<br>❖ Veritas -  | Platinum<br>Gold<br>Gold              |
| SPONSORS AND SUPPORTERS OF BOTH EVENTS (ALPHABETIC)   | ❖ Apache<br>❖ PIRSA   | ❖ Beach Petroleum<br>❖ Santos   | ❖ Geoscience Australia<br>❖ Stuart Petroleum  | ❖ Origin Energy<br>❖ Sydney Gas   | ❖ Mineral Resources NSW<br>❖ Woodside |
| SPONSORS AND SUPPORTERS OF EITHER EVENTS (ALPHABETIC) | PESA'S 2ND EASTERN AUSTRALASIAN BASINS SYMPOSIUM  |   |   | ASEG-PESA CONFERENCE  |                                       |
|   | <ul style="list-style-type: none"> <li>• Robert Annells</li> <li>• C02 CRC</li> <li>• Dawnpark/Standard</li> <li>• EPIC Energy</li> <li>• ExxonMobil</li> <li>• Halliburton</li> <li>• IGNS - NZ</li> <li>• Kuank Koo Sing</li> <li>• Minter Ellison</li> <li>• Petrosys</li> <li>• Schlumberger</li> <li>• SRK Consulting</li> <li>• Victoria Petroleum</li> </ul> | <ul style="list-style-type: none"> <li>• Australian School of Petroleum</li> <li>• Cooper Energy</li> <li>• Eastern Star</li> <li>• Essential Petroleum</li> <li>• Geodynamics</li> <li>• Innamincka Petroleum</li> <li>• Innovative Technological Geoexploration</li> <li>• Kelly Scientific Resources</li> <li>• NT Geologic Survey</li> <li>• Predrill Stresses International</li> <li>• Safety &amp; Risk</li> <li>• SEAGas</li> <li>• Wiltshire Geological Services</li> </ul> | <ul style="list-style-type: none"> <li>• Century Resources</li> <li>• Crown Minerals NZ</li> <li>• ECOS</li> <li>• Exoil Ltd</li> <li>• Great Artesian O &amp; G</li> <li>• JRS Petrol. Research</li> <li>• McDonald Steed</li> <li>• Owen Nugent</li> <li>• PetroPeople</li> <li>• Scope Energy</li> <li>• Vernon E Faulconer</li> <li>• W.L. Gore &amp; Associates</li> </ul> | <ul style="list-style-type: none"> <li>• Australian Worldwide Exploration</li> <li>• BHP Billiton</li> <li>• EAGE</li> <li>• Encom Technology</li> <li>• ENI</li> <li>• Geosoft Inc.</li> <li>• Hardman Resources</li> <li>• Micham Industries</li> <li>• Mosaic Oil</li> <li>• Multiwave Geophysical</li> <li>• OMV Australia</li> <li>• Outer-Rim Exploration Services</li> <li>• Roc Oil</li> <li>• SEG</li> <li>• Seismic Asia Pacific</li> <li>• Tap Oil</li> <li>• Velseis</li> </ul> |                                       |

## Attachment 6. Summary of PESA's 2004 Industry Awards for Achievements in 2003

| <b>PESA Awards for Exploration in 2003</b>                          | <b>Well (Basis for Award)</b>  | <b>Explorers (Operator)</b>                              |
|---|--|--|
| Most significant new discover, offshore Australia                   | Ravensworth 1 oil discovery, Exmouth Sub-basin, WA 155P                              | <u>BHPBilliton</u> , Apache Energy & Inpex Alpha         |
| Most significant new discovery, onshore Australia                   | Worrior 1 oil/gas discovery, SA Cooper Basin, PEL 93                                 | <u>Stuart Petroleum</u> & Cooper Energy                  |
| Most significant appraisal of an existing field, offshore Australia | Cliff Head 3 & -4 appraisals, Perth Basin, WA 286P                                   | <u>Roc Oil</u> , AWE, Wandoo Petroleum, Voyager & Itochu |
| Most significant appraisal of an existing field, onshore Australia  | Tinker 2H, 3H & 4H appraisals, Surat Basin, PL 16                                    | Mosaic Oil   |
| Most courageous exploration well in a frontier area                 | Gnarlyknots 1 in the Great Australian Bight, EPP 29                                  | <u>Woodside Energy</u> , Encana & Anadarko               |
| Most impressive discovery by an Australian company overseas         | Chinook-3 oil discovery in the Gulf of Mexico, USA<br><br>8406m TD in 2684m WD!!!!!! | <u>BHPBilliton</u> with Petrobras, Amerada Hess & Total  |

Additional PESA awards announced at PESA's Annual Review of Industry Activities at APPEA 2004

| <b>Special PESA Awards for 2003</b>   | <b>Basis for Award</b>   | <b>Recipient(s) of Award (Operator)</b>               |
|---|--|---|
| PESA Lifetime Achievement - Hall of Fame for Continued Capital Raising in the Face of Adversity | Issue of 150 Million Shares Pursuant to a Prospectus dated 22 October 2003 | Victoria Petroleum                                    |
| Best Cinematography of a Petroleum Operation  | Image of Cliff Head 3 production testing, offshore Perth Basin, WA 286P    | <u>Roc Oil</u> , AWE, Itochu, Voyager Energy & Wandoo |