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Our Perspective

"Our Industry WILL Solve Our Human Resource Crisis"

Many obstacles and barriers have faced our industry since Spindletop was discovered in 1901. Those people who solved the problems that led to operational and technological breakthroughs built the huge global oil business that exists today. And today, it's not a question of whether we can solve our human resource needs, it's a question of who will find and implement these solutions. Those individuals and their companies will prosper.

We believe the answers will be found in the six following areas:

- Communicating well that the energy industry is an honorable place to work.
- Effectively recruiting and utilizing all global human resources, no matter where they are.
- Delegating responsibility and feedback throughout each organization.
- Delivering targeted performance and technical mentoring, training, and technology transfer.
- Implementing new technologies to help reduce manpower needs and brand energy as a high-tech industry.
- Finding bridge solutions to solve short-term resource problems.

In the next newsletter issues, we will address these solutions one at a time. Please see the first part of this series, [Focus One: Communication - It's Up to You!](#), below.

Your Friends at Collarini

Upcoming Events

[The Energy Forum](#) [GSPEC 2005 - Gulf States Petroleum](#) [Exhibition & Conference](#)

April 20-22, 2005
Hilton New Orleans Riverside
New Orleans, Louisiana

GSPEC will feature prospects, services, technologies, and equipment. The show will offer over 80 booths, 14 workshops, exhibitor presentations, and numerous other networking opportunities.

[Registration and Information](#)
Or Contact **The Energy Forum**
(832) 478-0100

[SPE-GCS](#) [ELP's Emerging Engineers Conference](#)

May 5-6, 2005
Marathon Conference Center
5555 San Felipe
Houston, Texas 77056

Industry insight on topics directed towards young engineering professionals. Career management and interpersonal skills workshops will cover management strategies and conducting interviews.

[Registration and Information](#)
Or Contact **SPE-GCS**
(713)779-9595

Upstream News

Acquire or Explore - That is the question

As it has been since Jed Clampett first discovered oil while hunting, companies trying to grow their business (and who isn't?) have two choices: they can acquire, either assets or whole companies, or they can grow organically through the drill bit. Some companies choose one avenue exclusively. Others use a combination.

When was the last time you heard your team brag about the wonderful asset package they have a great chance of acquiring? The one in your core area with upside potential at just the right price? While there are always opportunities for the diligent seeker, it is more difficult to grow your firm at a healthy pace if acquisition and exploitation is your only strategy. A number of our "acquire and exploit" clients are telling us that they are beginning to look at exploration to enhance their balance sheets. This is not an easy task for an organization that previously has not possessed an exploration mindset or the skills to practice it.

Depending on your circumstances, there may be several solutions. First, you may choose to develop the structure and talent pool entirely on your own. This will have quite an impact on the culture of the organization and will require change management driven from the first management level down. Exploration is risky business. The risk can be managed, but entirely new processes need to be developed, the staff needs to be educated, etc. If this route is chosen, you will probably require outside help to build the exploration team. Finding just the perfect geologists and support group right for you is not easy.

Second, you may find it more promising to align yourself with a firm that has a good background and talent pool in exploration. It saves you time and trouble compared to developing the expertise in house. However, it brings a whole new group of people to the table who are used to doing things their own way. Make sure the fit is a good one culturally.

Finally, and not a bad choice, you may form a new group with other partners. A choice such as this one may be easiest on your firm, since the organization can remain status quo except for the team managing the venture. The downside is that you will have to split the spoils. On the other hand, this model does spread the risk among the partners.

In the next newsletter, we will discuss the acquisition side. In the meantime, we want to share some exciting news! Collarini Associates is now offering Jim Haag's great course on acquisitions and divestments. This course is packed with all of the things you need to know to succeed in the A&D arena. Jim's new book "The Acquisition and Divestiture of Petroleum Property – A guide to the Tactics, Strategies, & Processes Used by Successful Companies" is hot off the press. Our first offering of the course will be in New Orleans this summer. It can also be offered in-house for your company. Additional information will be available shortly on our website, www.collarini.com, or you may contact us at training@collarini.com or 832-251-0160.

Talent Pool

The following biographies are just a small sampling of the kind of talent available in our talent pool of over 11,000 experts. Please call our placement managers if you are interested in learning more about these professionals, or check out our website for more candidates.

Senior Reservoir Engineer with 24 years of experience in exploration and production with large and small oil companies. Experienced in thermal recovery, chemical flooding, risk management, well testing, reservoir modeling, enhanced oil recovery, and waterflood management. Geographic areas worked include most domestic basins. Computer skills include Crystal Ball, @Risk, Microsoft Office, GEMS, WEM, ARIES, Dwight's PowerTools, IHS P2000, GeoGraphix, JTI Horizontal, Petroleum Experts MBal, and Landmark VIP. **Ask for R102.**

Engineering Technician with five years of experience as a technician following 11 years as a lease operator with major oil companies. Highly experienced in reservoir and production engineering support. Highly skilled with decline curve, production data, input of well test data, and completion chart preparation. Experienced in data acquisition. Proficient in Excel, Freelance Graphics, Lotus 1-2-3, Oracle Discoverer, and R & R Report Writer. **Ask for TE90.**

Production Engineer with 27 years of experience as an oil and gas generalist. Comprehensive background in all aspects of drilling, completion, workover, reservoir management, petrophysical evaluations, economic evaluations and sales. Highly skilled in all aspects of production engineering. Knowledgeable in safety and safety training. Geographic areas worked include south and east Texas, New Mexico, and Louisiana. **Ask for P434.**

International Exploration Geologist with more than 24 years experience in generating prospects, and evaluating a variety of exploration opportunities, including basins, plays, and acquisitions with both large and small oil companies. Proficient in using Stratworks, SMT EarthPak, HDS Log Analysis, GMA Cross-sections, MapInfo, ArcView, and Rose Risk/Reserve Analysis software. Worldwide geographic experience in a wide variety of settings. **Ask for G1600**

Geoscience Technician with 15 years of experience with producing and service companies. Experienced onshore and offshore, domestic, and international. Skilled in data collection and archiving, updating maps, cross-section construction, digitizing maps, contouring, and various other drafting functions. Proficient in the design and construction of montage layouts, show maps, brochures, and presentation slides. Skilled in Microsoft Office, Lotus notes, Paradox, Canvas, GeoGraphix, UNIX, ArcView, and numerous in-house programs. **Ask for TG116.**

Senior Petroleum Geologist with 22 years of international and domestic experience with a large independent and major oil and gas companies. A field studies specialist, who works well in a team setting to integrate geologic interpretation with engineering and seismic data for a thorough understanding of reservoirs. Skilled in log analysis, reservoir mapping, and volumetrics, utilizing multiple geologic applications. Skilled in both UNIX and PC Landmark suites of applications, Prizm/Geographix, reserves spreadsheets, GeoQuest, Probe, Petrel, Accumap, and Windows. **Ask for G1021.**

**Review *thousands of talented people* in more
than 30 upstream disciplines at**

www.collarini.com

Upstream Careers

Solving the Human Resource Crisis

Focus One: Communication - It's Up to You!

A freshman at the University of Texas related a conversation with another student majoring in chemical engineering. The freshman mentioned he was enrolled in petroleum engineering, which shocked the future chemical engineer. When the freshman asked why it was surprising, the chemical engineering student replied, "Well, you don't look weird!" Further discussions revealed the chemical engineering student believed the world would deplete its oil soon, and that petroleum engineering is near extinction as a field of study. How many other people think the same way?

Consider these numbers: The number of U.S. schools offering degrees in petroleum engineering has dropped from 34 to 19 since 1980. The U.S. Bureau of Labor Statistics reports that in 1983 there were 33,000 petroleum engineers; there were only 18,000 by 2002. Over the same period, the number of geoscientists dropped from 65,000 to 48,000. In turn, there were 276,000 computer systems analysts in 1983 and 1.7 million in 2002. Although these numbers may not be exact, the trends for the oil and gas industry employment are certainly downward.

What can we do, then, to arrest the decline of oil industry professionals? A good start would be a comprehensive education campaign. The underlying message must be that our industry is an honorable place to work, with many opportunities to learn and apply cutting edge technology. The public must be convinced that providing clean, reasonably priced, and readily available energy is essential to our future and that our industry has the ability to provide safely energy for all people and to protect the environment. According to the API, the U.S. oil and gas industry spent \$10.1 billion in 2003 protecting the nation's environment. That increases annually; since 1994, an estimated \$88 billion has been spent on this effort. As a result, even as the demand for oil and natural gas grows, the pollution levels are decreasing.

The road ahead for the industry in attracting talent is going to be very rocky. Success in turning the tide of bad reputation will require cooperation and collaboration on a grand scale. There will need to be a commitment to increasing educational funding and working with others to develop and deliver a long-range plan to improve communicating data, technology, training, and internship opportunities.

Consider talking about these facts to your non-industry friends: (www.api.org)

- 1.4 million Americans work in the oil and gas industry. Petroleum based products are an irremovable part of every person's every day life – from beauty supplies and toys to building and medical equipment.
- Over \$88 billion were spent in ten years to protect the environment. Billions more are committed each year on future projects. The industry has been at the forefront of creating cleaner air. Did you know that it takes 33 new cars to generate the emissions of a 1970s model?
- Sophisticated technologies allow the oil and gas industry to explore and produce hydrocarbons using less and less space. A drilling pad constructed in 1977 would have covered about 65 acres; it takes less than nine acres today. And consider the advantages of directional drilling where, through technology advances, wells may now be drilled miles away from where the oil and gas reserves lie.

Many of the organizations supporting the oil and gas industry have done a fantastic job to raise awareness and have helped with informing the public about industry issues. We need their help, and we need to support them. But we must realize that each of us individually is responsible to engage in positive conversations about our industry and our companies.

If each of the 1.4 million Americans who work in our industry had done a good job communicating these issues, our student of chemical engineering would probably have seen the petroleum engineer in a different light!

About Us

Connecting the Industry's Experts...

[Collarini Energy Staffing Inc.](#) is a full-service agency specializing in the placement of exploration and production personnel including the disciplines listed below (other supporting personnel are managed upon request):

Accountants and supporting personnel
Administrative assistants
Business analysts
Civil engineers
Clerks
Database administrators
Drilling engineers
Drilling operations supervisors
Electrical/Instrument engineers
Geologists
Geophysicists
Health, safety and environmental personnel
Landmen and supporting personnel
Management personnel
Material/Corrosion engineers

Naval architects
Operations supervisors
Petrophysicists
Process engineers
Procurement personnel
Production/Completion engineers
Production operations supervisors
Project managers
Reservoir engineers
Subsea engineers
Surface/Topsides engineers
Technical writers
Technicians, drafting and graphic
Technicians, engineering
Technicians, geoscience

Reservoir Solutions the Industry Trusts...

The [Collarini Associates](#) petroleum engineers and geoscientists specialize in evaluating oil and gas reservoirs. Specific projects include integrated field studies, acquisition evaluations, independent reserve appraisals, and exploration and exploitation prospect generation and assessment. Our full divestment services include creation and hosting of electronic and physical data rooms in addition to the technical evaluation. Our teams in Houston and New Orleans are very experienced and stand ready to help you on projects of any size. Try us!

Guiding Careers to the Next Level...

[Collarini Career Management](#) applies its deep understanding of the oil and gas industry and expertise in career issues to help oil and gas companies and professionals build successful organizations and careers. We leverage Collarini's unique combination of industry knowledge and technical expertise to guide companies and individuals during transition, training existing employees for high performance, and designing customized technical training plans for companies and individuals.

Contact Us

11111 Richmond Avenue, Suite 126
Houston, Texas 77082
832.251.0160 (Associates)
832.251.0553 (Energy Staffing)

4200 South I-10 Service Road Suite 230
Metairie, Louisiana 70001
504.887.7127 (Associates)
504.592.4007 (Energy Staffing)

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