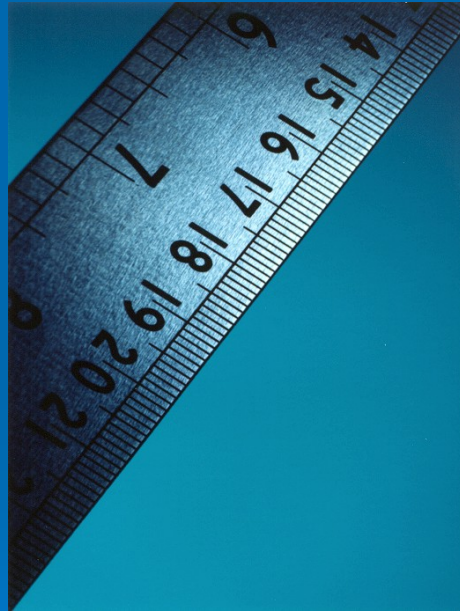


***THE ENERGY FORUM***  
***Benchmarking Reserves Reporting***  
***February 23, 2006***



*“STAY TUNED FOR FUTURE  
DEVELOPMENTS!”*

# *A View to The Future by Ron Harrell, Chairman at Ryder Scott Company*



Disclaimer—The views expressed herein are solely those of the presenter and do not constitute professional advice.

# Three short topics.....

- *Suggest close attention be paid to SPE/WPC/AAPG efforts to refine definitions and guidelines for reserves AND resources*
- *Whatever happened to “Certifying the Certifiers”*
- *A global standard for “A Competent Person”?*



## *SPE/WPC/AAPG becoming world standard*

- CERA report recommending adoption by SEC of SPE Definitions generally well-received
- Genuine concerns about SPE becoming *de facto* FASB for reserves reporting
- Adoption of SPE definitions by IASB and by United Nations very significant

# *What about “Certifying the Certifiers”?*

- *Significant progress but “with a twist”*
- *The word “Certification” makes many people and companies nervous*
- *The word “Training” seems acceptable and is can accomplish the same goals*
- *Next 3 slides will detail progress to date.....*

# ***AAPG will launch its “NEW” Training Program at April Conference***

- AAPG has invited SPEE, SPE and WPC to participate in cooperative industry effort
- WPC has training and certification program now underway in Venezuela
- SPEE Board has approved first training class at June annual conference
- SPE has new “Reserves Education Committee” in cooperation with the SPE Oil & Gas Reserves Committee to oversee their level of potential cooperation in a joint industry training initiative



# ***SIMPLIFIED TRAINING PROGRAM OUTLINE***

- Any person/organization can originate proposed training module
- Industry Endorsement Committee — 2 reps each from AAPG, SPE, SPEE & WPC to approve, modify, reject training module; approve instructors
- Approved modules bear logos of 4 organizations
- Internationally- accepted CEUs awarded to those who successfully complete training modules.
- Training materials must provide attribution of information but without commercialization



# ***“COMPETENT PERSON” STANDARD***

- Well defined term in many professions
- Term not widely used or understood in US reserves estimating and reporting
- “Competent Person” term will need to be defined in connection with both the United Nations and International Accounting Standards Board applications
- Suggest input and guidance from AAPG, SPE, SPEE and WPC



*Thanks for listening and....*

➤ **STAY TUNED FOR  
UPDATES DURING 2006**