

THE PROFESSIONAL GEOLOGIST

VOLUME 16, No. 6

August, 1979

16th ANNUAL MEETING September 19-22, 1979
Lafayette, Louisiana

16th AIPG ANNUAL MEETING DETAILS

The 16th Annual Meeting of the AIPG will be held in Lafayette, Louisiana September 19-22, 1979. It is being held in conjunction with the Festival Acadiens which will be held on Saturday and Sunday, September 22 and 23. The Festival Acadiens is a food festival and is a tradition in Lafayette. This Festival promises to be just the thing to end an outstanding annual meeting!

The theme of the meeting will be "Waste Disposal - Approaching a National Crisis?" There will be an impressive group of nationally recognized speakers addressing the subjects of disposal of salt water, the disposal of nuclear wastes and the disposal of chemical wastes. The speakers sessions will be held on Thursday, September 20th and Friday, September 21st.

There are several tours and events which you won't want to miss. One of the most interesting activities is the Salt Dome Tour. The 1979 Annual Meeting Committee has outdone themselves in arranging these tours as few trips into the salt domes are allowed. The trip involves approximately a one hour drive from Lafayette. Upon arrival at the mine, there will be a short talk describing the geology of the salt domes and the mining methods. Then the tour will descend by elevator to the working level, 1,365 feet below the surface. The mine galleries are large (50 feet wide and 25 feet high) and you will be driven around in vehicles to the main points of interest. The tour will last about an hour and a half.

There will also be a relaxing trip to the Atchafalaya Basin. This trip has been planned so that both the geologist and spouse can enjoy the tour. There will be a short slide presentation at the Holiday Inn North to familiarize everyone with planned stops and the overall trip. Present plans are to drive across the Atchafalaya Basin where the entire Mississippi River levee system will be discussed. This is a beautiful drive on the new I-10 bridge across some 20 miles of swampland. The tour will come back through the Breaux Bridge area to see one of the Pleistocene Terraces. Then the tour will take us for a drive through "Cajun Country" to St. Martinville where a stop will be made at Evangeline Oak on the Bayou Teche. The next stop will be in New Iberia where a tour of "The Shadows", one of the many Antebellum homes in this area, is planned. The next leg of the trip will be south of New Iberia to the marshland and up on the surface mound of one of the 5 Island piercerent salt domes. If time permits, a short trip will be made through the one and only Tabasco plant located at the last stop on Avery Island Dome. The trip will be taken in air-conditioned buses with restrooms. To make it an enjoyable afternoon, there will be beer, wine and soft drinks available.

There are also several events planned for the spouses. Wednesday afternoon there will be a Ladies Mardi Gras Luncheon and on Thursday there will be a tour of an Acadien Museum. Spouses are also welcome on the Salt Mine Tours and the Atchafalaya Basin Tour.

Friday afternoon there will be a Barbeque and Cajun Band activity for both members and spouses, and you all know how delicious Cajun food is, well, just imagine how good the band will be! Something you surely won't want to miss!

There will be an Ice Breaker Cocktail Party on Wednesday, September 19 at 6:00 p.m. This should be a refreshing way to top off a tour to the Salt Dome or to relax after a long day of meetings!

The Annual Banquet will be Thursday evening, September 20. The dinner will be preceded by an cocktail party at 6:00 p.m. and dinner will start at 7:00 p.m. The Banquet Speaker will be Dr. Daniel N. Miller, Jr., State Geologist-Wyoming. Dr. Miller, a native of St. Louis, Missouri has been State Geologist of Wyoming and Executive Director of the Wyoming Geological Survey since 1969. He has had 11 years experience in the exploration phase of petroleum industry operations in the Texas Gulf Coast, the northern Rocky Mountains and Canada. Miller also served 6 years as Professor and Chairman, Department of Geology, Southern Illinois University.

The subject of Dr. Miller's presentation will be "Geologists at the Interface": or Who are those other people, a slightly humorous but realistic characterization of the many roles that geologists play with elaboration on regionalism, and the interaction between educational-scientific-professional-and-governmental organizations.

The Annual Business Meeting will be Saturday morning, September 22 at 8:30 a.m. All members are urged to attend this meeting. After the Annual Business Meeting there will be two Consultants Workshops and one Academia Workshop. The first Consultants Workshop begins at 10:30 a.m. on the subject of "Pros and Cons of Incorporation". The second Consultants Workshop begins at 2:00 p.m. on the subject of "Are the Activities of Federal and State Geological Surveys Infringing on the Private Consultants Practices". The Academia Workshop will begin at 2:00 p.m. also. The subject of this workshop is "Certification or Registration of Geologists; Influence on Governmental Agencies and Universities".

Don't forget to partake of the Festival Acadiens on Saturday and Sunday. The food and the culture are not to be missed!

For further information on the 16th Annual Meeting, please contact AIPG Headquarters.

BUSINESS AFFAIRS OF THE INSTITUTE

Annual Meetings:

16th Annual Meeting - Lafayette, Louisiana
September 19 - 22, 1979
General Chairman: A. J. Gaudin
Headquarters Hotel: Holiday Inn North

Other Annual Meetings:

17th Annual Meeting - Mobile, Alabama
September 22 - 25, 1980
General Chairman: Jack H. Bryan
18th Annual Meeting - Williamsburg, Virginia
November 5 - 7, 1981
General Chairman: John Kent Kane II
19th Annual Meeting - Pasadena, California
October 13-16, 1982 (NOTE: DATES NOW SET)
General Chairman: Howard T. Anderson

AIPG NATIONAL COMMITTEES

AGI Governing Board Representative

Edward E. Rue

Annual Meetings Committee

A. Wayne Wood, Chairman

Awards Committee

Adolf U. Honkala, Chairman

Consultants Committee

Russell G. Slayback, Chairman

Cooperative Evaluation Committee

Richard M. Winar, Chairman

Employment Survey Committee

Wallace B. Howe, Chairman

Environmental Geology Committee

Paul DuMontelle, Chairman

Ethics Committee

Rudolph K. Hoagberg, Chairman

External Appointments Committee

Raymond C. Robeck, Chairman

Headquarters Committee

Andrew G. Alpha

Jay G. Marks

William A. Newton

Historian

George W. White

Legal Action Committee

Fred L. Stead, Chairman

Legislative & Regulatory Committee

Larry D. Woodfork, Chairman

William E. Cutcliffe, Vice Chairman

Membership Committee

Richard A. Wasteney, Chairman

National Research Council Representative

Larry L. Sloss

Nominating Committee

Jack B. Graham, Chairman

Policy Board

M. O. Turner, Chairman

Professional Employment Standards

Ralph H. Espach, Jr., Chairman

Professional Guides Committee

Daniel N. Miller, Jr., Chairman

Public Affairs Committee

Randall T. Chew, III, Chairman

Registration Alert Committee

William E. Cutcliffe, Chairman

APPLICATIONS RECEIVED

ANDREWS, Joe A.; Lexington, KY
CURRY, John G., Jr.; Minneapolis, MN
CYR, Ellie R.; Nazareth, PA
DOLENCE, J. D.; Rhinelander, WI
HAHN, William F.; Denver, CO
HYLBERT, David K.; Morehead, KY
IRWIN, Raymond E.; Albuquerque, NM
JACKSON, James B.; Broken Arrow, OK
JONES, Philip M.; Houston, TX
PEASE, Rodney W.; Houston, TX
PETERSEN, George E.; Topeka, KS
SCHWENDEMAN, James F.; Albuquerque, NM
SIGLER, James P.; Cambridge, OH
SMITH, Earl W.; Norman, OK
THOMAS, Hugo F.; Coventry, CT
THOMPSON, Dan Albert; Tuscaloosa, AL
THORNBURG, Robert C.; Pittsburgh, PA
VAN HORN, Robert G.; Columbus, OH
VILLAUME, James F.; Allentown, PA
YUNDT, Paul D.; Greenville, KY

If any Member has any recommendations, positive or negative regarding the qualifications of any of the above applicants, please mail your comments to General Headquarters within 30 days. Your comments will be held confidential within the Executive Committee and Screening Board of the local Section.

NEW MEMBERS

ABBOTT, David M., Jr. #4570; Denver, CO
BEHNKEN, Fred H. #4554; Rock Island, IL
BOOY, Emmy #4555; Golden, CO
HALL, William J. #4556; Albany, NY
HOLSKEY, William A. #4557; Lebanon, VA
HYNES, Jeffrey L. #4558; Denver, CO
JONES, David C. #4559; Laramie, WY
MacMILLAN, Logan T. #4560; Longmont, CO
ROSCOE, Michael S. #4561; St. Clairsville, OH
SMITH, Donald R. #4562; Birmingham, AL
STEVENS, David L. #4563; Denver, CO
TESSEM, Earl V. #4564; Richardson, TX
TOLLEY, Michael A. #4565; Kirkwood, MO
WARNER, Joel B. #4567; San Diego, CA
WESTLY, Robert L. #4566; Tampa, FL
WYATT, Ronald W. #4568; Pittsburgh, PA
ZAFER, Jaffrey S. #4569; Lexington, KY

Please take a moment and welcome these new members. If they are in your area, give them a call - if not, drop them a note. This can go a long way in helping to strengthen our Institute.

SCREENING

At the March 31, 1979 meeting of the Executive Committee, the Committee reaffirmed the requirement that three of sponsors on an application for membership must be members of AIPG. In addition, it was noted that all sponsors must be geological scientists. The strict adherence to the "3-AIPG" members as sponsors was effective as of May 1, 1979.

It was also noted that members asked to sponsor an applicant can do so by careful checking of qualifications, training and performance. Long-time, direct personal contact can to a degree be replaced by careful investigation with regard to the applicant's overall professional capabilities. If you have any questions regarding sponsorship of an applicant, please contact Mrs. Dare at Headquarters.

AIPG LOGO CONTEST WINNER

The winner of the AIPG Logo Contest is Mr. William Atlee, CPG 2861, of Midland, Texas. Mr. Atlee's design will soon be seen on the new masthead for "The Professional Geologist" and will be available from Headquarters for Section and personal stationary and business cards.

SEARCH FOR EXECUTIVE DIRECTOR

The Executive Committee is now actively working on the recommendations of the Search Committee for the new Executive Director. Interviews were held with prospective candidates and the Executive Committee is currently evaluating these interviews.

DIRECTORY OF CONSULTING CERTIFIED PROFESSIONAL GEOLOGISTS

It's happening - the "Directory" shall be! At its meeting on July 14, 1979 the Executive Committee of AIPG authorized the formation of an ad hoc committee to establish and publish the "Directory" at no expense to the normal AIPG budget.

The results of the questionnaire enclosed in the April issue of "The Professional Geologist" show strong support for such a directory. These results are summarized as follows:

1. Do you think such a "Directory" is worthwhile? Yes-420 (86%) No-67 (14%)
*A very large majority favor such a directory.
2. Would you purchase an ad in such a "Directory"? Yes-269 (55%) No-199 (41%) No response (4%)
*A sufficient number would purchase an ad to make the directory economically feasible.
3. Assuming a wide distribution, how much would you spend for an ad? \$50-\$150 - 259 (53%); \$150-\$300 - 28 (6%); \$300-\$500 - 4 (1%) No response (40%)
*Slightly over half of the respondees indicated they would spend \$50 to \$150. The 40% who did not respond leaves the question of "What is it worth to you", still open. Probably, with a more detailed explanation, the "worth" can be better established. This response further reinforces the economic feasibility of the undertaking.
4. Should there be a policy restricting persons or firms from placing an ad? i.e.:
 - a. Advertiser must be in full-time consulting Yes-193 No-219 (inconclusive)
 - b. Advertiser must be a principal of the firm Yes-216 No-176 (inconclusive)
 - c. Advertiser must be an AIPG member Yes-382 No-53 (conclusive)
*Responses to these questions suggest that:
 - a. Professors or others not engaged in full-time consulting could advertise.
 - b. Preferably the firm advertising should include an AIPG member as a principal in the firm; however, the need for more thorough evaluation of this question is evident.
 - c. Consultants or firms employing geologists can't advertise unless at least one member of the firm is an AIPG member.

Firm must be _____% in geological work (minimum percentage of total work performed).

*Slightly over half the respondees feel that 50% or more of the work load of a firm advertising should be in the geological fields.

The objectives of this Directory are:

1. To provide potential users with a list of well-qualified, certified consulting geologists.
2. To provide qualified consulting geologists with a means of advertising their services in a professional directory and to have advertising seen outside the field of geology.
3. To promote AIPG as the certification arm of the geological community.
4. To encourage consulting geologists who are not now AIPG members to join our Institute.

The "Directory", as now envisioned, will consist of the following parts: (1) an introduction, in which the qualifications for certification are explained; (2) an alphabetical listing of consultants and firms consisting of business card type ads or expanded ads ranging from perhaps 1/10 to 1/2 page size detailing areas of specialties and address(es) of office(s); (3) a specialties listing referring back to the alphabetical listing; and (4) a geographical listing referring back to the alphabetical listing.

It is now intended that copies of the "Directory" will be mailed free to all potential users such as State agencies that are frequently asked for lists of consulting geologists; Federal agencies that may employ consultants and are also asked for lists of consulting geologists; banks, international agencies; and all other appropriate entities. In addition, continuous ads may be placed in selected journals announcing the availability of the "Directory". These journals would reach various groups of potential clients such as bankers, public officials, engineers, large corporations, and others to be identified.

Participating consultants and other AIPG members could get a limited number of copies of the "Directory" for their own distribution. Additional copies might carry a charge to help defray the costs.

All costs connected with the "Directory" will be borne by the consultants or firms listed in the "Directory". It is also envisioned that some type of management fee will be paid to AIPG for those services performed by the AIPG staff. It is intended that this service will be of benefit to all members of AIPG, not just the consultants who support the "Directory".

The ad hoc committee, which is yet to be appointed, will formulate the specifics of this game plan and manage the entire undertaking. Any volunteers?

For further information, please contact the undersigned.

John S. Fryberger CPG 1801
AIPG Secretary-Treasurer

POSITION OPENING

"Gas Storage Operations Engineer" - Requires approximately 5 years technical experience in gas storage engineering, operations and administration and/or related reservoir production experience. Degree required -- preferably in Petroleum Engineering, Geology or Ch.E.

Location: Detroit, Michigan. Please send detailed resume, including salary history, in confidence to John Hart, President, Executive Recruiting Group, Robert Heller Associates Corp., 25 Valley Drive, Greenwich, Connecticut 06830.

APPOINTMENTS GEOLOGISTS CAN FILL

The AIPG External Appointments Committee is trying to assist Federal and various State officials fill vacancies in their departments. At this time there are the following vacancies:

1. Director - U. S. Bureau of Mines - Presidential Appointment
2. Mineral Information Director - U.S.B.M. - Washington, DC
3. Mineral Research Director - U.S.B.M. - Washington, DC
4. Resources Manager - BLM Santa Fe, New Mexico office - GS-340-14
5. Colorado - State Engineer (Water) - Civil Service.
6. Colorado - Director Water Conservancy Board Civil Service.

If you are interested in any position or know of other vacancies, please contact Ray Robeck, Chairman of the External Appointments Committee (303) 233-4748.

PROFESSIONAL PARAGRAPHS

Roy O. Lindseth, CPG 4213, was elected President of the Association of Professional Engineers, Geologists, and Geophysicists of Alberta (APEGGA) for 1979-80. Congratulations and best of luck, Roy!

James E. Slosson, CPG 1109, represented the geology profession on the Citizens Committee on U. S. Forest Service Management Practices in California. The committee was initiated by the California Resources Agency and the Governor's office to review the federal RARE II program. The end product of the committee hearings throughout the State and summary of findings are contained in a report just released entitled "Today, Tomorrow - Report of Citizens Committee on U. S. Forest Service Management Practices in California" which can be obtained from the Resources Agency in Sacramento. Questions pertaining to geology and geotechnics included: adequate incentives for continued exploration and production of minerals on public lands; fair market return for the resources extracted or used; the efficient allocation of resources; the awareness of the timber industry of geologic hazards and the greater utilization of geologic and geotechnic expertise by the U. S. Forest Service for land use planning, road construction, and timber harvesting; the effects of off-road vehicles and other recreational uses on soil erosion; the identification of potential erosion, landslide and slope stability, and sedimentation problems associated with recreation and resources development. The RARE II process was a computer compilation of existing resource data on the various undeveloped areas and the committee determined that in many instances the data was not complete. A major problem appeared to be that those making management decisions on national forests in California failed to heed research findings and the advice of technical personnel. It will be a major step forward for the profession if the findings of this committee are utilized in the management of California resources by the government and should serve as a model to other states.

Regulations governing the siting and design of LNG facilities and transmission of the liquified natural gas within the State of California has just been released by the Public Utilities Commission. Dr. James E. Slosson, CPG 1109, authored the section governing the geologic/

seismic criteria as well as Appendix B (the detailed guidelines for the geologic/seismic reports). The guidelines will assure full consideration of all geologic and seismic factors which can affect the design of facilities, structures, systems and components relative to effects of natural phenomena such as earthquakes, landslides, soil and/or slope failures, floods and tsunamis. The criteria are based on state-of-the-art geological, geophysical, and geotechnical knowledge, available seismological information, and all other data pertaining to geological and geotechnical hazards. Revisions will be drafted as necessary when new data develop relative to factors which can affect the facilities. The criteria have been developed to provide assurance that LNG facilities can be constructed at a proposed site without undue hazard to public health and safety. The new regulations should also serve to eliminate confusion that has previously existed in the application for permits for these critical facilities.

TAX TREATMENT OF RETAINED OVERRIDING ROYALTY INTERESTS By Leroy Gatlin, CPG 566

The tax treatment by court law and followed by the United States Internal Revenue Service on a retained overriding royalty interest is so contrary to reason that it creates a very serious operating problem for a geologist who puts his own money in mineral leases - be it oil and gas or any other mineral. This tax treatment is very damaging, in that it affects the economic heart of the independent or consulting geologist and could result in restricting or destroying this segment of the mineral industry. Many of the professional geologists who engage in creating ideas for prospects are not aware of this inequity when they retain an overriding royalty interest under their prospect. These geologists could suffer disastrous effects financially by not adjusting their business to remove this tax burden, as contrasted to aligning their business interest with the advantage of ownership - which, by the way, is the reward of our private enterprise system. This adjustment needs to be done prior to the end of each taxable year. Failure to do this will result in a punk Christmas.

The basis for this tax inequity is in the method used by the Internal Revenue Service in establishing a value, for tax purposes, of a retained overriding royalty interest. The method is based, initially, on a tax case titled *Palmer vs. Bender*, 287 U. S. 551, dated 1932. It can be found discussed in the "Tax Coordinator" prepared by the Tax Research Institute of America, Inc. under Depletable Economic Interest, code number N-2503. There have been other subsequent cases to support this court law. Since the IRS Code is based on a ruling of the courts, there is no latitude for negotiating the value of a retained overriding royalty interest and its value, for tax purposes, is based on the original cost of the leases.

A simple example of this inequity is cited:

When "X" purchases an oil and gas lease from "Y" for \$16,000 and sells it to "Z" for \$20,000, retaining an overriding royalty interest, "X" finds his tax liability in the transaction to be based on a net profit of \$20,000 (subject to depletion), instead of the net profit of \$4,000 which he actually received. In this example, "X" can be an independent professional geologist, "Y" a mineral owner, and "Z" an independent mineral investment company which purchases mineral leases.

The current procedure used by the Internal Revenue Service, based on court law, for evaluating a retained overriding royalty interest is to consider the purchase price (\$16,000) as the value of the retained overriding royalty interest. The basis for this interpretation is the view that "X" actually subleases the mineral interest to "Z" since he retains a continuing economic interest in the mineral property. This is in the face of the fact that in the sale of the mineral leases by "X" to "Z" there is a clear-cut and undivided partition of the interest and no ownership or control in the working interest is retained by "X", the seller. This "sublease" view appears to be the result of an accountant playing attorney, or an attorney playing accountant, or both playing "oil man for a day."

There can be no argument that the retained overriding royalty interest in the created prospect is a continuing economic interest. The serious inequity is in the method of establishing the value. Under the current interpretation no consideration is given for the percent or fraction of the total that the retained economic interest represents. The value of the purchase price is established as the value of the retained overriding royalty interest, regardless of whether the retained overriding royalty interest is 1% or 100%.

The crux of the matter is that our Federal income tax people need a professional approach to evaluation of a retained overriding royalty interest on non-producing minerals. (What group is better qualified to give them this professional approach that the professional geologist?) It is important that the membership understand that the present approach to evaluation applies to retained economic interest in all minerals, not just oil and gas. Professional geologists dealing in clays, gravels, etc. are affected in the same manner as a geologist dealing exclusively in oil and gas.

The professional approach can be insured by furnishing the United States Internal Revenue Service with a law with a general rule to use as a rebuttable presumption, and it should be that a retained overriding royalty interest be valued at its fraction of the whole, times the original purchase price of the leases. This would allocate the basis of the evaluation between the amount sold and the amount retained. So, if "X" keeps a 16th of the whole as overriding royalty interest its value would then be 1/16th of \$16,000, or \$1,000. This general evaluation, being a rebuttable presumption, can be set aside by the testimony of a professional geologist who, by the way, is the only man with the proper background to do this type of work.

The conclusions drawn from this study are as follows:

1. There is a serious inequity in a tax law that establishes the value of a retained O.R.R.I. (a continuing economic interest) in minerals on the basis of the arbitrary approach that uses the total cost, rather than on the proportionate percent of the total cost that the retained O.R.R.I. represents.
2. This tax law is very damaging in that it affects the very economic heart of the independent or consulting geologist and can result in restricting or destroying this segment of the United States mineral industry.
3. Many of the professional geologists who engage in creating ideas for prospects are not aware of this inequity when they retain an O.R.R.I. under the prospect. They could suffer disastrous effects financially in calculating their annual tax liability.

4. Since this inequity has been created in the tax law by court decisions, it will be necessary to correct this by Congressional action. Interested geologists should contact their United States Senators and Representatives and appraise them of this inequity. In contacting these legislators, they should be completely informed of the current method employed by the IRS, its inequity and with the suggested method of correcting the present arbitrary approach to evaluating a retained overriding royalty interest.

5. The professional approach can best be insured by furnishing the United States Internal Revenue Service with a law with a general rule to use as a rebuttable presumption. This law should state that a continuing economic interest (a retained O.R.R.I.) be valued at its fraction of the whole, times the original purchase price of the leases. This general rule, being a rebuttable presumption, can be set aside by the testimony of an expert witness.

PUBLICATIONS AVAILABLE FROM HEADQUARTERS

The following is a list of the Practices and Guides series available from Headquarters. A check must accompany your order. All guides are still "tentative" editions.

APPRAISAL OF HIGH BULK, LOW UNIT VALUE MINERAL DEPOSITS - \$3.00 per copy.
COLLEGE CURRICULA FOR PROFESSIONAL PRACTICE OF EARTH SCIENCES - \$3.00 per copy
GUIDE TO REGISTRATION OF GEOLOGISTS - \$2.00 per copy
ORGANIZATION AND CONTENT OF A TYPICAL GEOLOGIC REPORT - \$2.00 per copy
THE PROFESSIONAL GEOLOGIST AS AN EXPERT WITNESS - \$2.50 per copy
UNDERSTANDING MINERAL RESOURCES - \$4.00 per copy
USE OF GEOLOGY IN RECLAMATION OF SURFACE MINED LAND - \$2.50 per copy
VALUATION OF METALLIC ORE DEPOSITS - \$2.00 per copy
GEOLOGIC LOGGING AND SAMPLING OF ROCK CORE FOR ENGINEERING PURPOSES - \$4.00 per copy
INVESTIGATION OF POTENTIAL MINERAL AGGREGATE SOURCES - \$2.00 per copy
USE OF GEOLOGY AT PORTLAND CEMENT OPERATIONS - \$3.00 per copy

AIPG MINERAL RESOURCE POSITION STATEMENT

In the July issue of "The Professional Geologist" appeared the condensed version of the AIPG Mineral Resource Position Statement. Headquarters has available both the full-length version and the condensed version of this statement, and if any AIPG members knows where copies of these statements could be distributed and utilized, please send those names and addresses to AIPG Headquarters, P. O. Box 957, Golden, CO 80401 and copies will be mailed.

AIPG WASHINGTON REPORT
Legislative and Regulatory Activity Watch List

Compiled monthly by your Legislative and Regulatory Committee, Larry D. Woodfork, Chairman, Morgantown, WV and AIPG Washington Legislative Counsel, James U. Hamersley, 1800 M Street NW, Ste. 1040, Washington, DC 20036 (202) 223-4338

SENATE AND HOUSE BILLS

<u>Bill No.</u>	<u>Description</u>	<u>Sponsors</u>	<u>Hearing Schedule</u>	<u>Committee Status</u>	<u>Final Deposition</u>	<u>AIPG Input</u>	<u>AIPG Position</u>
HR 3636	Alaska Lands	Udall (D-AZ)	Completed	Sent to House	Passed	Previous Testimony	
S 8	Alaska Lands	Jackson (D-WA)	None	Hearings not yet scheduled			
S 366	1872 Mine Law Revision	Jackson (D-WA)	None	Hearings Possible			
	Bill to RARE II Lands (roadless area review evaluation) (OR lands under legislative consideration in S 812 & S 1369-Hatfield (R-OR))			Senate Hearings 3-6-79 House Hearings 3-8-79 Long legislative process expected. To be done on a state by state basis		Testimony 2-8-79	Geological evaluation for future potential required before any land withdrawals. AIPG encourages passage
HR 990	Non-Profit Corporation Tax Reform	Conable (R-NY)	None				
S. 600	Antimerger of petroleum companies	Kennedy, (D-MA)		Hearing 4-6-79	Precedence given to S 1246		
HR 8	Prevents 8 major oil companies from obtaining federal coal and uranium leases	Udall (D-AZ)			Defeated in late June by 2-1 margin as an amendment to Morehead synfuels bill (HR 3930)		
S 222	Alaska Lands	Durkin (D-NH)	None set				
S 1176	Alaska Lands	Gravel (D-AK)					
S 82	Petroleum Industry Competition Act (Vertical Divestiture)	Bayh (D-IN)		Bill not given a chance of passage; Senate hearings			AIPG opposes divestiture
S 493	Deep Seabed Mining Act	Melcher	Completed	Mark-up set July		Previous Testimony	
S 1246	Petroleum Industry Competition Act	Metzenbaum (D-OH)	Completed	Chances of passage still slim, though activity has increased. Reported out of subcommittee 7-12-79, full committee consideration in fall.			AIPG opposes divestiture
HR 2759	Deep Seabed Mining Act	Studds (D-MA)	Hearing 7-10-79				
S 902	Would increase competitive leasing & make other reforms. Title VII Administration may also propose oil & gas)	Jackson (D-WA)	Hearing 7-12-79	To be extensively marked up		Statement 7-23-79	AIPG opposes competitive leasing as proposed in S 1309
HR 4373	Companion to HR 902	Miller (D-CA)	None scheduled				
HR 3919	Windfall Profits	Ullman (D-OR)	Completed. Senate hearings 7-25-79				

RULES AND REGULATIONS

Agency Description

Comment Deadline

AIPG Input

Dept. of Interior STRIP MINING Office of Surface Mining Reclamation & Enforcement (Dept. of Interior) has adopted final regulations to implement a nationwide permanent program for the regulation of coal exploration and surface coal mining and reclamation operations and the surface effects of underground coal mining by the States

April 12, 1979

Testimony, 3-18-79 to maintain law to assure geologists participation. Senate testimony 6-21-79

NEW PUBLICATIONS

Mr. L. Frank Pitts has available a map of the lower 48 plus Alaska which could be of great interest to AIPG members. The thrust of the map and short text is that there are many more areas in the U. S. in which exploration for oil and gas could be conducted. Many of these are deep and will cost money to explore. Some interesting facts are noted - only 1½% of the wells drilled in 1978 were to 15,000' or deeper and at present rates the cost of a well doubles every 2,800'.

These maps are "place-mat" size and might be of use to some AIPG Sections for meetings or to other societies.

These maps (in color!) are available in lots of 100 at 5¢ per map plus shipping. Please write to: Mr. L. Frank Pitts, Pitts Oil Company, Meadows Building, Dallas, Texas 75206.

Handbook of Mineral Law

Your Editor has had the opportunity to investigate in detail this completely revised 1979 edition by Terry S. Maley, CPG 4075. It should be of great interest and value to many of our members. The information contained is current as of January 1, 1979.

Since the first edition of the book was written in 1976, there have been many significant new developments in mineral law. The first edition covered primarily those aspects of mineral law that pertained to mineral property acquisition. The second edition greatly expands the scope of the first edition by not only revising and updating the material, but also including a detailed discussion of many new topics such as operating requirements, reclamation laws, environmental laws, water law, mineral taxation, Indian lands and mine safety requirements.

This book is a practical reference for attorneys, land managers, geologists, engineers, and government resource managers whose work involves the acquisition and management of mineral resources. It should be particularly useful to those who are overwhelmed by the proliferation of laws and regulations that govern mineral activities and need a single up-to-date reference that offers an organized review of the entire subject.

Copies (at \$24.00 each) may be ordered from: MMRC Publications, P. O. Box 1186, Boise, ID 83701 (208) 343-9143

Loss Prevention Program Available from ASFE

The Association of Soil and Foundation Engineers (ASFE) has announced availability of a new loss prevention tape dealing with the relationship of fees, quality of performance, and exposure to professional liability problems.

According to ASFE President R. Wayne Weinfurter, CPG 2710, the new program utilizes dramatization, sound effects and voice-over narration to illustrate key points for principals and employees of consulting geotechnical engineering firms.

One of the issues discussed is lowering fees for a project in hopes of obtaining additional work from the client. The program points out that the level of effort provided often is dictated by the fee involved; by performing at a low fee, there is temptation to limit services. Limited services can result in complete or inadequate engineering. The program suggests that it is a professional responsibility to point out forcefully that a limited scope may be so restrictive that it

prevents the report from being adequate.

Another dramatized example discusses types of clients most prone toward involvement in claims of negligence. Typical among these, the tape points out, are schools, churches, other organizations whose construction involvement is in the hands of a committee, limited partnerships and underfinanced developers. Typical causes of problems are identified along with measures for their avoidance.

The final example relates to a foundation problem of unknown cause. It points out how offering to perform the investigatory and related work without fee can lead to liability exposure -- a jury may interpret the effort as an admission of guilt -- and inability to obtain the fee which should have been paid, even when the investigations shows clearly that the problem had nothing to do with the work of the geotechnical consultant.

The program on fees is the first of four new programs being developed by ASFE as revisions to earlier programs. The cost of the tape is \$25.00. For more information on ASFE tape cassette programs or other publications and loss prevention aids available from the group, contact ASFE at 8811 Colesville Road, Suite 225, Silver Spring, Maryland 20910.

MEETINGS AND CONFERENCES

SEXG Schools on 3-D Seismic Techniques

September 18-19, 1979

Stouffer's Greenway Plaza Hotel; Houston, Texas

November 3-4, 1979

Fairmont Roosevelt Hotel; New Orleans, Louisiana

For further information, contact Mrs. Wanda T. Fee, Continuing Education Coordinator, SEXG, P. O. Box 3098, Tulsa, OK 74101 (918) 743-1365

Society of Exploration Geophysicists 49th Annual International Meeting

Program details on the 49th Annual International Meeting of the Society of Exploration Geophysicists were unveiled in July with the mailing of the first announcement to SEG members worldwide.

In addition to specific information about the New Orleans meeting in the Rivergate Convention Center, November 4-8, 1979, the announcement provides SEG members with their first opportunity to reserve hotel rooms for the meeting in the historic "Crescent City".

With attendance expected to hit 6,500, this year's meeting will mark the third time SEG has convened in New Orleans since Society members first gathered there in 1956. Host for the 49th Annual International SEG meeting is the Southeastern Geophysical Society, headquartered in New Orleans.

The meeting is being coordinated by a special New Orleans Steering Committee headed by General Meeting Chairman, E. R. Brumbaugh, with Shell Oil Company.

Other principles on the committee are: General Vice-Chairman, William G. (Pat) Hazen, with William G. Helis Estate; Technical Program Chairman, Aubrey J. Bassett, also with Shell; Arrangements Chairman, Jack B. Garrison, Exxon Company USA; Entertainment Chairman, Edward C. Austin, Gulf Oil Exploration and Production Company; and Spouses Program Chairman, Mary Petrocco.

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MEETINGS AND CONFERENCES (cont.)

Developed around the theme "Geophysics - Exploration Vanguard" the technical program will deal with geophysical tools and techniques now in the forefront of the industry. Sessions covering all aspects of geophysical exploration from mining through seismic reflection methods, are being scheduled for the Rivergate.

A Governmental Affairs Session is scheduled again this year, Monday afternoon, November 5. It will follow the traditional Kickoff Luncheon which recognizes 1979 SEG award recipients and features the keynote address of T. Norman Crook, SEG President.

Entertainment, carrying the unique flavor of New Orleans is planned. Beyond the traditional Ice Breaker Cocktail Party, Sunday night, November 4, entertainment includes three nights of riverboat cruises aboard the famous Mississippi "President". The moonlight cruises will include New Orleans Jazz, a nostalgic journey through dance music plus Disco. Delegates and spouses will have the opportunity to choose one of the three nights for their showboat cruise down "Old Man River".

A new Spouses Program, prepared by Ms. Petrocco, includes tours of some of the famous southern plantations, strolls down the picturesque streets of the Vieux Carre and visits to the New Orleans garden district.

Exhibitors are now blocking booth space for the Exposition portion of the meeting, still one of the most popular attractions for delegates with its emphasis on the latest equipment and services available to the industry. For further information, contact: Joe J. Robnett, Jr., (504) 561-4701 or Robert Eilers, (918) 743-1365.

Symposium II on Unconventional Methods in Exploration for Petroleum and Natural Gas

September 13-14, 1979
Dallas, Texas - Dallas Hilton Inn

This symposium is planned as a means of speeding the diffusion of technology. Under the auspices of the Institute for the Study of Earth and Man at Southern Methodist University, the second such symposium in 11 years brings together top scientists to share exploration methods. For information about registration contact Marion Hustis at the Institute of the Study of Earth and Man, Southern Methodist University, Dallas, Texas 75275 or call (214) 692-3488.

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