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SOCIETY OF EXPLORATION GEOPHYSICISTS

2002 Annual Report of the Society of Exploration Geophysicists

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Executive Committee Reports

Walt Lynn, president

The 2001-2002 term of the SEG Executive Committee has been very busy. However, as I discuss below, much of what has been accomplished, is in progress, or being planned is a direct result of the strategic planning done by the previous Executive Committee. Without a doubt, one of the most significant events of this past year was the hiring of our new executive director Mary Fleming who joined us from the American Statistical Association. She holds degrees in biostatistics, mathematics, public health, and English. While the search for a new ED was in progress, Jack Ingram, SEG director of finance, filled in admirably and kept progress going on all fronts. My fellow members of the Search Committee, Ken Lerner, Jamie Robertson, Paul Cunningham, Zee Wang, and also Human Resources manager Judy Paull, deserve hearty thanks for their time, efforts, and dedication through the nine-month search process.

Education. There are numerous events and items to report on geoscience education. First is the continued growth of the university student sections. SEG now has 110 student sections worldwide—an increase of 10% since September 2001. The new sections are the University of Manitoba Geophysical Society, University of Kurukshetra Geophysical Society (India), Universidade Federal Fluminense Geophysical Society (Brazil), University of Port-Harcourt Geophysical Society (Nigeria), Moscow State University Geophysical Society, Ankara University Geophysical Society (Turkey), Kiev University Geophysical Society (Ukraine), University of Toronto Geophysical Society, University of Nigeria, Nsukka Geophysical Society, Kasakh National Technical University Kazakhstan Geophysical Society, SEG Student Section-Licio Cernobori, University of Trieste (Italy), and Peking University Geophysical Society (China). The growth of the student sections is representative of the growing international interest and membership in SEG and is a tribute to our Geoscience Education staff and global representation of SEG.

Also related to student sections is a PC-donation and recognition program sponsored by the SEG Foundation and organized by the SEG Global Affairs Committee. This past year, SEG donated PCs and software to eight different university student sections in China, Bulgaria, and Azerbaijan. The major purpose of the program is to recognize the students and faculty of the student sections for their research, teaching, and importance in the

future of exploration geophysics. The PCs help provide a networking capability with other geoscientists around the world and, through donations from companies like Landmark and GeoSoft, provide learning opportunities through the use of geophysical and geological software.

Another major event was the grand opening of the revamped and revitalized Geoscience Center last October. The center, located in the Tulsa Business Office, has become an extremely popular education center for all ages. The center and its associated “traveling museum” reach more than 150 students and teachers per week. As of this writing, we are beginning discussions with the Tulsa Mayor’s office and American Association of Petroleum Geologists (AAPG) to expand the Geoscience Center and to seek funding from sources outside SEG.

The Distinguished Lecture and Distinguished Instructor Short Course programs continue to be a major success of the Geoscience Education programs. Special thanks are due to Kurt Rudolph, Geoffrey Dorn, and Leon Thomsen for their dedication and efforts in maintaining the high standards of these programs set by their predecessors. Because of the growing international makeup of our membership, we have begun to capture the Distinguished Lectures online for Web-based playback. There is a great future potential in this mechanism for all sorts of education, including Continuing Education courses, DISC, and technical presentations from our conferences and workshops.

Another area of concern and interest is geoscience education of students in grade school through high school. As mentioned in the Membership section of my report, the geoscience industries are in growing competition to attract good talent to our professions. Moreover, a solid geoscience education is becoming more and more necessary for all people so that they can make informed decisions and vote intelligently on the growing number of issues related to the earth and our environment. SEG has education material available to anyone to assist lecturing or discussing geophysics at the middle- and high-school level. Similar material exists in many other geoscience societies, and we have made steps to help build a network to facilitate knowledge of what is available and how to access it. One particular effort in this regard is our closer work with the American Geological Institute (AGI). Among other things, AGI organizes Earth Science Week every year. This generally occurs around the second week of October. Since its inception four years ago, it has grown to involve all 50 states in the United States and 30 other countries.

Publications. This past year, SEG has put all of the issues of *GEOPHYSICS* and *THE LEADING EDGE* online. Those who elected to receive or subscribe to the electronic versions of *GEOPHYSICS* and *TLE* when instituting or renewing membership have full access to current and past issues of these journals. If not, one can still readily browse abstracts and, for a fee, download articles. This project had been in the works for some time and represents SEG's next step into the world of electronic publication. One of the many advantages of electronic publication is the instant cross-referencing of journal articles. If the cross-referenced articles are *TLE* or *GEOPHYSICS* articles, then one mouse click takes you immediately to that article. If the article is from another journal, one click takes you to the abstract of that journal and then, depending on access authority and article availability, one can access (either for free or for a fee) the complete article and reference list.

The world of electronic publication is rapidly growing and evolving. As neat as much of the future seems, there is still a lot of uncharted territory. One effort to forge into this territory is a joint project with AAPG and the Geological Society of America (GSA). We are well into a feasibility study to create a geoscience electronic-journal (e-journal) aggregate. The aggregate simply means an interconnected set of journals and publications. Initially, this aggregate would connect journal articles via references among the three societies. The initial target group consists of university and institution libraries. Subsequently, the aggregate would be open to all geoscience societies to link into creating a true geoscience e-journal aggregate. The pilot project has funding from a number of corporations and is overseen by seven different geoscience societies. We should know the technical and commercial feasibility of the e-journal by spring 2003. Should this be successful, our goal is to connect all geoscience journals and publications into a single aggregate.

Meetings and events. No one who attended SEG's 2001 Annual Meeting in San Antonio will ever forget that convention. Despite the tragedies that occurred on September 11, the meeting finished in a successful but somber manner. Since that meeting, SEG has been an active sponsor of meetings, conferences, and events including: the AAPG/SEG Student Expo in Houston, Texas; Earth Science Week; 7th South African Geophysical Conference in Drakensberg, South Africa; 7th International Congress of the Brazilian Geophysical Society in Salvador, Brazil; 4th Conference and Exposition of the Society of Petroleum Geophysicists (India) in Mumbai; GEO 2002, Bahrain; Offshore Technology Conference, Houston, Texas; 3rd Balkan Geophysical Congress and Exhibition, Sofia, Bulgaria; 10th Geophysical Symposium of AMGE, Veracruz, Mexico; and the 4th International Azerbaijan Geophysical Conference, Baku, Azerbaijan.

This activity continues for 2002-2003. The conferences in this time frame include Cairo 2002. SEG will be cosponsoring this meeting with AAPG, the Egyptian Petroleum Exploration Society (EPEX), the Egyptian Geophysical Society (EGS), and the European Association of Geoscientists and Engineers (EAGE). This event is the first in which SEG and AAPG join forces in organizing an international meeting.

For the first time, at the SEG 2002 Annual Meeting in Salt Lake City, we will capture the electronic presentations (with author's permission) of the technical presentations. In some cases, we will capture the audio as well. The goal, of course, is to capture the material for future playback for members who could not attend the meeting or a particular presentation. Although in an experimental mode this year, I see this as definite trend of meetings in the future. Furthermore, we are sharing our experiences with AAPG and the Society of Petroleum Engineers (SPE) to learn from one another so that we can accelerate and refine the use of Web-based presentations.

Membership. SEG membership continues to grow. We now have 17 500 members from more than 100 countries. Forty-seven percent of our members now reside outside the United States, which underscores the increasing international makeup of SEG. Despite our growth, the average age of our members also continues to grow. Today, the median age of an SEG member is nearly 50. This is also true for other geoscience societies such as AAPG and SPE. This concern has led to several meetings and initiatives to help promote geosciences as a major discipline or career path to students. If we are to have a pool of educated talent for future hiring and education, we must be much more proactive in promoting geosciences to our youth.

This was the first year for the new Global membership category: This membership allows geoscientists in low-income countries to become SEG members at no cost. As of August 8, SEG has 620 Global members.

This past year, SEG, AAPG, and SPE agreed to a reciprocal membership arrangement among our societies. The agreement is that any Active member of any of the three societies can automatically qualify to become an Associate member of the other societies. Dues still have to be paid, but one can bypass the references and much of the paperwork to join. You will find a button on the SEG Web site that will walk you through the steps of becoming a member of AAPG and/or SPE. This applies to Active members only, which is another reason why qualified Associate members should transfer their membership to Active status.

Finance. SEG finished its fiscal year (June 30) in the black, despite the revenue shortfall at our 2001 Annual Meeting in San Antonio. Although SEG is a healthy organization financially, we continue to closely monitor our

revenue and expenses. One ongoing concern is the large financial dependence that we have as an organization on the annual meeting. Consequently, we have investigated several alternative sources of income this past year and are hopeful in joining in some other geoscience-related endeavors to improve our income. Our Executive Committee took a hard look at annual dues and decided that, even though dues have remained constant since 1991, we did not need to raise them at this time.

Intersociety cooperation and initiatives. We have made a major push to work with other societies in areas of mutual and complementary benefit. I have mentioned several already, including reciprocal membership with AAPG and SPE, the e-journal aggregate with AAPG and GSA, the joint meeting in Cairo with AAPG, EPEX, EGS, and EAGE, and joint education initiatives with AGI and other member societies.

Several more initiatives are under way. One is to evolve the AAPG/SEG Student Expo held in Houston every year into a Virtual Student Expo (VSE). The Student Expo has been a great success but is limited to students and companies who can attend in Houston. In the VSE, students would present their material online and be able to connect with a far wider range of potential employers.

Finally, we recognize that exploration geophysics is not just a tool for the petroleum and mining industries but has value in many other fields. As such, we are building, and in some cases rebuilding, bridges to other geoscience societies such as the American Geophysical Union (AGU) and the Environmental and Engineering Geophysical Society (EEGS).

Final thoughts. Any professional organization exists for the benefit of its members. As SEG has become more and more geographically diverse, we find ourselves evolving many programs to meet the needs of a truly international organization. This is reflected most in the growing use of the Internet for communication, education, and other business.

As I have traveled around the world representing SEG, it is remarkable and humbling to see the high esteem in which our organization is held. This is undoubtedly because of the prior and ongoing selfless dedication and great work of our members, committees, and staff. This year's work on the Executive Committee was made much easier by the strategic planning groundwork provided by the 2000-2001 Executive Committee. Our committee continued this work with an expanded strategic planning update session in August, and I hope this effort continues on into the future. As a friend once told me, "If you don't know where you are going, any road will get you there." The SEG definitely has a solid road map.

I had the wonderful pleasure of working with a truly fine group of colleagues on the Executive Committee and with the SEG staff in Tulsa. My employer, Petroleum

Geo-Services, deserves hearty thanks for its significant contribution to the SEG in providing my time and travel throughout my two years on the Executive Committee. And last, but actually foremost, thanks to Heloise, Justin, and Everett for putting up with all the time I was away from home. This has truly been an experience of a lifetime and has been a real joy and honor.

Mike Bahorich, president-elect

It has been an honor and a pleasure to serve on the 2001-2002 Executive Committee. The committee shares a common vision to make SEG the best that it can be, and many stimulating and fruitful exchanges were held under the capable leadership of Walt Lynn.

It is no secret that our industry is going through tumultuous times with mergers and acquisitions at a frantic pace. This means that, yet again, geophysicists face uncertainty. However, SEG is the ideal refuge for our colleagues who are displaced or underemployed because it represents the world's largest network of geophysicists.

Another crisis that is about to impact our profession is a huge wave of retirements over the next decade. This will subject our industry to an unprecedented loss of human capital. Many are concerned, based on current college enrollments, that there will not be enough qualified people to fill industry's requirements for geoscientists in the near future.

SEG's leadership has, in recent years, attempted to address this problem by facilitating interaction between industry and students in ways that benefit both groups. AAPG/SEG Student Expos have been held in Houston for the last several years, and American Association of Petroleum Geologists (AAPG) held its first spring student job expo at the University of Oklahoma last year. Although the student job expos have been successful, many students, especially international students, still do not have sufficient access to industry contacts. As a result, SEG, Geophysical Society of America (GSA), and AAPG are jointly developing a "Virtual Student Expo" or "VSE" which will allow industry representatives and students to meet and interact on a worldwide basis via the Internet. Recruiters from the industry are participating in the development of the software and process.

This year SEG teamed up with the industry to directly support students financially. Through a generous donation from Halliburton, students of geophysics worldwide can now become SEG members at no cost. This should greatly benefit those students who would not have been able to afford membership. They can now begin their careers with all the benefits that come with SEG membership. It is very likely that these young members will feel part of the geophysical community and want to have a geophysical career. Students can benefit tremendously by getting to know seasoned geophysicists with successful careers. I am proud to report that SEG offers

numerous opportunities for students and working geophysicists to interact and develop relationships.

Our international membership continues to grow; nearly half of SEG's membership now lives or works outside the United States. Membership costs have been a barrier to many geophysicists from developing nations. However, through another corporate donation that pays the full cost of "Global memberships," this barrier has been torn down, and SEG membership is now readily available to virtually any geophysicist.

SEG has continued to build a close relationship with the International Association of Geophysical Contractors (IAGC), an organization that represents the companies that are the financial backbone of our Annual Meeting. This year, we have been developing a philosophical framework for how our societies can best function together. SEG and IAGC agree that our two associations are linked for mutual benefit and desire to continue to improve how we assist each other. We will continue to make every effort to ensure that SEG's Annual Meeting is relevant and provides value to IAGC members.

Another Executive Committee project this year was a graphical scorecard with clear objectives for SEG's permanent staff in Tulsa, Oklahoma. Objectives and priority weighting were established for each department and performance expectations defined so that staff can focus on the most valuable activities to our members. A few key objectives for next year include:

- Develop a long-term strategy for meetings outside the United States.
- Make plans for an international property expo and other sources of revenue so that SEG members do not face a dues increase.
- Develop and implement an advertising plan to stabilize revenue.
- Work with AAPG, GSA, and other relevant organizations to determine the feasibility of an online geoscience e-journal aggregate.
- Review subscription pricing policy and develop a plan for future journal and publication pricing.
- Develop a long-term strategy for continuing education and get the program profitable within 18 months.
- Continue to develop a close relationship with sister societies and work together on appropriate projects.
- Implement full project accounting.
- Bring in more than 1000 new members.

I would like to express my sincere thanks to all of the SEG volunteers and committee chairmen for a job well done. I especially thank Walt Lynn, Craig Beasley, Rosemary Knight, Fred Aminzadeh, Terry Young, and Gérard Herman for a fun and productive year on the SEG Executive Committee. I would also like to thank executive director Mary Fleming and the SEG staff for their tireless efforts.

Craig Beasley, 1st vice president

It has been an exciting and stimulating year to serve on the Executive Committee, as I'm sure it always is. But before I go into my report and address some of the things I consider unique to this year, I'd like to first express my appreciation to the SEG membership for electing me to serve them as first vice president. It is an honor and a pleasure to have the opportunity and responsibility, both to continue the fine traditions set by previous Executive Committees and at the same time search for new ways to benefit our members. No society can remain static and survive very long. And not many in our Society can be accused of being static—even those whose specialty is statics! So it is both a daunting and rewarding task to serve on the Executive Committee: daunting because the bar is set high and rewarding because of the excellent people with whom one has the opportunity to meet and work.

Several things have made this a year with unique challenges. The first and most obvious is that we are the group that took the reins just after the terrible September 11 attacks. Much has been said and written about these events, but restricting our view to just SEG and our affairs, it is amazing how we have been affected. The attendance at the meeting in San Antonio was affected immediately as people planning day trips or late arrivals to the convention canceled their plans. And, of course, the ensuing economic turmoil has had its effect on energy demand and capital spending which ultimately affects our industry in a magnified way. One of the challenges for our Executive Committee has been to plan for the future in a prudent way, which has kept fiscal issues at the forefront.

Of the committees that I have liaised with, the most active has been Continuing Education. The focus on education has continued to be strong with excellent offerings in the Distinguished Lecture and Distinguished Instructor Short Course programs. Web-based information continues to expand, and online registration is available in most cases. One of the other highlights of my involvement this year has been in working with the Tulsa staff on a video to promote SEG. This video will be invaluable in our efforts to attract students, communicate with other societies and professions, and serve as a general purpose education tool for the industry. It is well along in production and should be finished soon after SEG's Annual Meeting in October.

There is much that occurs in the Executive Committee meetings that does not fall exactly under the responsibility of a committee or the staff. In this area many issues have been debated and some action taken. Global membership received a lot of attention this year and is a successful program as shown by the increasing membership. Perhaps the most exciting such topic was how to change and enhance the Annual Meeting. The feeling among this Executive Committee is that the meeting must continue

to evolve rapidly to remain vital and relevant to the membership. As a result, the meeting in Salt Lake City will feature some of those changes but preserving the traditional style and flavor that distinguishes the SEG Annual Meeting. It has been a great year, and I look forward to perhaps serving the Society again in the future.

Rosemary Knight, 2nd vice president

I began my term on the SEG Executive Committee with a new vision in place for SEG, prepared by the Executive Committee of 2001-2002. I selected one of the six missions defined in the vision statement: *Promote and expand the use of geophysical science in engineering and infrastructure development and for environmental purposes.* Strategies were given with this mission to act as a guide for our Society. These four strategies provided a framework for my work within SEG over the past year.

Strategy 1: Increase intersociety relations with emphasis on non-E&P societies. Intersociety relations is an important part of many SEG committees. To date, most of the activity in this area within SEG has involved collaborations with the Society of Petroleum Engineers and American Association of Petroleum Geologists. In the area of near-surface geophysics new connections need to be established with other earth science and engineering societies. An exciting initiative is under way that will bring together near-surface geophysicists from the Near-Surface Geophysics Section of SEG (NSG) with those in the Environmental and Engineering Geophysical Society (EEGS) and American Geophysical Union (AGU). The three groups are collaborating to organize oral sessions, poster sessions, and workshops at the spring 2004 AGU meeting. The theme of the AGU spring meeting is "Science Serving Society." The theme of the near-surface part of the meeting will be "Geophysics—Finding Solutions" and will focus on the use of geophysics for addressing problems involving groundwater, subsurface contaminants, natural hazards, and other environmental and engineering near-surface issues.

Strategy 2: Act to improve the environmental image of our Society and industry. Improving the environmental image of our Society and industry requires educational and outreach activities. One of the best ways for SEG to accomplish this is through the ongoing activities of the American Geologic Institute (AGI). AGI is currently developing and publishing approximately 10 booklets in an Environmental Awareness Series. In the past year I had the opportunity to become involved with AGI by participating in the review of the booklet on Petroleum and the Environment. I consider our participation with AGI to be a critical part of explaining, in an accurate and balanced way, environmental issues facing society and the role and importance of geophysics.

Strategy 3: Promote public awareness of the beneficial applications of geophysics to environmental, engineering, and infrastructure problems and issues. The SEG

Web site has become an excellent source of information for students and the general public interested in knowing "what's geophysics?" I have been working with the near-surface community to develop materials in the area of near-surface geophysics. This will likely evolve as a collaborative effort between NSG and EEGS to develop materials that can communicate the importance of this emerging field of applied geophysics.

Strategy 4: Increase geophysicists' understanding of environmental problems and issues and encourage proactive identification of geophysical solutions. The last strategy encourages us to introduce geophysicists within SEG and elsewhere to the emerging challenges facing society. This strategy is one that I will take with me as work-in-progress. While the vision statement of SEG shows a strong commitment to environmental and engineering geophysics, there is still much to be done to ensure that SEG, through the awareness and activities of its members, plays a leadership role in encouraging geophysicists to address environmental and near-surface problems.

Fred Aminzadeh, vice president

Before you read my report please see the warning label. THIS IS NOT GOING TO BE A TYPICAL ANNUAL REPORT. When I began writing my report as the SEG vice president, I looked at some of the reports from the past Executive Committee members. The common thread: How the experience was challenging, rewarding, exciting, and pleasurable. While *pleasurable* may be a bit too strong a word to describe some of *my* experiences, I do share many of the sentiments of my predecessors. What I would like to talk about, though, is to compare my "campaign promises" in my position statement, often forgotten after the election is over, against what I was actually able to accomplish. I have to emphasize that the credit should go to all the SEG members who empowered us, to other Executive Committee members who initiated and/or supported many of the initiatives, our predecessors who laid the foundation, and of course, the SEG staff who actually implemented the ideas. Among my goals for my term I focused on Globalization, Education, and Technology as three main thrusts of SEG. I said: *members deserve to GET more.*

Globalization. We built on the earlier initiatives, instituting the new "Global membership" category. This will allow a larger group of geophysicists around the world to participate in the SEG activities. As of August 8, Global membership is 620. Without sponsorship, most of these members would not have been able to benefit from and contribute to SEG due to financial considerations. SEG's Global Affairs Committee (GAC) and its chairman, Tim Berge, should be commended for establishing a strong network of volunteers in different regions and countries across the world to bring geophysicists together. Many

geophysical conferences are supported by SEG in different parts of the world. Among some of the recent and forthcoming ones are those in Australia, Azerbaijan, Bahrain, Brazil, Bulgaria, Egypt, China, India, Indonesia, Mexico, Russia, South Africa, and Venezuela. Thanks also goes to Brian Spies, chairman of the Ad Hoc Southeast Asia/Pacific Steering Committee who has helped coordinate the activities of local SEG sections and associated societies in the Southeast Asian region.

Education. During SEG's 2001 Annual Meeting in San Antonio, I gave a specific challenge to five regional coordinators of GAC to establish at least two new student sections in each region. I am pleased to report that by the last count, we have 11 new student sections in those regions. In collaboration with AAPG, we have undertaken the task of distributing used journals and publications abroad. In addition, efforts are ongoing to use new approaches to expand geophysics education. Although we are in the early stages, it should not be long before educational materials, as well as portions of the meetings and conferences, are readily available through the Web. More effective use of SEG's services, including online references (GEOPHYSICS and THE LEADING EDGE), are made possible through PCs for the Student Sections program supported by the SEG Foundation grant. Student sections in China, Bulgaria, Azerbaijan, and Vietnam are among the recipients.

Technology. In spite of hard times for research in the industry, new ideas are proliferating, with one unique distinction—shortened time between idea origination and usage. The Research Committee (RC) continues to play an important role in making this a reality through organizing workshops, forums, and other activities. According to Walt Lynn, the RC is an unusual bunch. (I am modifying his comment slightly.) Because research by its very nature is supposed to be innovative, original, and different, we take Walt's comment as a compliment. Ali Tura is finishing his two-year term as the chairman of this somewhat vocal committee, and we thank him for his perseverance. Workshops organized by RC continue to be very well attended. Building on the success of the first generation SEG/EAGE modeling work, the RC is carrying out a feasibility study for its elastic version. They are establishing closer ties with the American Geophysical Union (AGU) for better cross-fertilization of geophysical technology used in different domains. Another recent RC initiative is online technical discussions, to help rapid flow of ideas and knowledge. This is of particular importance when researchers are isolated due to ever-shrinking R&D groups everywhere. The committee is also contributing to the ongoing efforts to publish review papers on different aspects of geophysical technology.

In closing, I have one thing to say to my fellow SEG members. PLEASE PARTICIPATE AND BE MORE ACTIVE. This is our Society, and we are in this together. In a professional society nothing useful gets done unless members get

involved. SEG has the unique distinction of having a very high percentage of its members attending its Annual Meetings. Let us have a higher level of participation in every other aspect of the Society from training to mentorship, from publishing to reading *TLE*/GEOPHYSICS, from Foundation activities to student sections, from voting to running for office. *We will get more if we give more.*

Terry Young, secretary-treasurer

As secretary-treasurer, I have had the pleasure of serving on the Finance Committee with my two immediate predecessors, Richard Verm and Jack Kruppenbach, and with Jack Ingram, SEG's director of finance. I am pleased to report that SEG's financial results for year ended June 30, 2002 reflect total revenues of \$8 824 585, total expenses of \$8 402 985, and net income of \$421 600. It is important to note that our Society currently operates according to a financial model that is heavily dependent upon the (financial) success of the Annual Meeting to balance the Society's total operating budget. Throughout this past year both the Finance Committee and the Executive Committee discussed the wisdom of continuing to operate by this model, versus developing other sources of revenue.

This year it has also been my pleasure to serve as liaison between the Executive Committee and other committees: Membership, SEG Foundation Scholarship, Exhibitors, and the 72nd Annual Meeting Steering Committee. The activities of these committees are discussed elsewhere in this report, so I will only highlight two items. First, the work of the Membership Committee would be greatly facilitated if we had a more robust participation on this committee by representatives from the local sections. Second, the Steering Committee for the 72nd Annual Meeting in Salt Lake City has made some significant changes to enhance the Honors and Awards and Presidential Session, and to strengthen the Applied Science Program with an outreach to the science teachers and students in the Salt Lake City area. Central to these changes is the invitation to Robert Ballard, founder and chief scientist of the JASON Foundation for Education and president of the Institute for Exploration, to serve as the meeting's keynote speaker for the benefit of delegates, teachers, and students alike.

Gérard Herman, editor

This has been an exciting year for GEOPHYSICS. Since January, we have had an electronic version of all GEOPHYSICS (and *TLE*) papers. Our readers don't have to store all back issues on overloaded bookshelves anymore; in fact, it is a lot easier to access old papers online than trying to find the paper copy in one's own pile. The online version has interesting features like forward referencing (i.e., a list of more recent papers referring to a

particular paper). Many members have requested the online version in addition to their paper copy, so we consider the online version as a great success.

A second major step forward is the introduction of our online peer review system. This system eliminates a lot of clerical work and enables the editorial staff to better monitor the review process. The review cycle will be shortened as the whole process becomes more transparent to the authors.

All the above improvements could not have been realized without the tireless efforts of the GEOPHYSICS manuscript tracking staff members Judy Wall and Sheral Danker, publications director Ted Bakamjian, and last but not least, my predecessor Chris Liner who played an important role in the preparatory discussions. Of course, quite a few more SEG staff members have been involved

in maintaining the quality of our journal, and I would like to take the opportunity to thank them also.

Following are statistics reported for papers submitted July 1, 2001–June 30, 2002. The length of the review cycle, one of our major concerns, has not changed much. Bringing this cycle time down has been one of the main reasons for introducing the online peer review system. It is too early to see the effects of this system that went live May 15, but it is encouraging that the review cycle time did not increase significantly, despite the tremendous demands on the SEG staff to start up the new system while maintaining the old system. I expect that, because the startup efforts are more or less completed, the cycle time will go down in the course of this year.

Total number of papers submitted for publication in GEOPHYSICS July 1, 2001–June 30, 2002: 237.

Table 1. Origin of papers submitted for publication in GEOPHYSICS by country July 1, 2001–June 30, 2002

USA	98
Canada	21
United Kingdom	14
Australia	11
Italy	11
Norway	9
Germany	9
Brazil	7
China	7
France	6
India	6
Egypt	5
Turkey	5
Japan	4
Netherlands	3
Switzerland	3
Poland	2
Russia	2
Saudi Arabia	2
Syrian Arab Republic	2
Taiwan	2
Argentina	1
Czech Republic	1
Denmark	1
Finland	1
Israel	1
Mexico	1
Romania	1
Sweden	1
Total	237

Table 2. Origin of papers submitted for publication in GEOPHYSICS by employer July 1, 2001–June 30, 2002

Universities	146
Research Institutes	29
Governments	22
Service Companies and Manufacturers	21
Oil Companies	17
Consultants	2
Total	237

Table 3. Manuscript handling statistics

Year submitted July 1–June 30	Average number of days required for first review
1991-92	172
1992-93	157
1993-94	184
1994-95	182
1995-96	211
1996-97	186
1997-98	205
1998-99	214
1999-00	212
2000-01	211
2001-02	156

Table 4. Manuscript handling statistics

Year published July 1–June 30	Average number of days between acceptance and publication
1991-92	176
1992-93	181
1993-94	178
1994-95	210
1995-96	N/A
1996-97	N/A
1997-98	180
1998-99	177
1999-00	202
2000-01	208
2001-02	213

Reports of the Standing Committee Chairmen

Advisory

Bill Barkhouse, chairman

The Advisory Committee met three times this year and communicated frequently by e-mail. We are expected to provide continuity and “institutional memory” on topics spanning several years. We were often asked as to what advice we provide. Questions this past year seemed to primarily seek our sage advice on ideas for revenue generation or future SEG long-term strategic planning. Additionally, we responded to a handful of queries from SEG members. Members were interested in interacting with the Advisory Committee even though many questions could be readily addressed by SEG’s Web site. All in all, the year reinforced the positive recognition that our Society is a very good community and network of geophysicists willing to share their knowledge and learning.

Seventy-Second Annual Meeting

Pieter Hoekstra, general chairman

In the Announcement for the SEG International Exposition and Seventy-Second Annual Meeting in Salt Lake City, Utah, October 6-11, 2002, the fact that the meeting will be the beneficiary of the many fine facilities constructed for the Winter Olympics, and the beautiful scenery of the State of Utah, were stressed. This appears to have struck the right cord. All indications are that this will be a successful meeting.

The heart and soul of our annual meetings are the Technical Program and the exhibits. A record number of abstracts were submitted both for oral and poster presentations. This year the number of poster papers will be double that of last year. This trend needs to be further encouraged, because the quantity of oral presentations that can be accommodated in 10 concurrent sessions is limited. The acceptance rate, by the Technical Program Committee, about 80% of submitted abstracts, was similar for oral and poster presentations, so that we can expect excellence in both. The exhibits of our Annual Meeting remain the world’s largest technical exposition of exploration geophysics. This year it features more than 250 companies from around the globe.

The objective of the Applied Science Education Program is to increase the awareness of exploration geophysics among high school science students. In the past, the main vehicle for accomplishing that was to bring science teachers to special programs at our annual meetings. For the 72nd Annual Meeting, the Steering Committee chose to invite both teachers and students from Salt Lake City and the surrounding area to a presentation by explorer, oceanographer, and marine geophysicist, Robert D. Ballard on Monday morning. This event will be held in Abravanel Hall, next to the convention center, that seats about 2700, providing ample seating for both students and delegates. Other programs are scheduled for selected science teachers and students following the presentation.

Each year discounts are offered for advanced registration, because early registration considerably facilitates planning. To give delegates a further personal stake in advanced registration, this year we are offering full delegates a voucher for the new *Encyclopedic Dictionary of Applied Geophysics, Fourth Edition*, by Robert E. Sheriff.

The 2002 Steering Committee, the SEG staff, and the Executive Committee are proud to offer this chance for delegates, spouses, and students to join us in Salt Lake City and be part of the global community in exploration geophysics. Committee Members are Pieter Hoekstra, general chairman; Randy White, general vice chairman; Mike Powers, Technical Program chairman; Greg Wood, arrangements chairman; Ray Vogler, Special Programs chairman; Chuck Diggins, International Showcase chairman; Terry Young, Applied Science Education Program chairman; Kim Hardesty, Exhibitors Committee chairman; and Marilyn Wood, Spouse Program chairman.

Constitution and Bylaws

Walter E. Johnson, chairman

The Constitution and Bylaws Committee has added new members Bill Barkhouse and Jack Kruppenbach. Bill has served as SEG president, and Jack as secretary-treasurer. Their input is extremely valuable.

Two “housekeeping” changes were made to address two issues. One was to clarify the benefits of Global membership and the other was to align the Bylaws with current office procedure for Corporate membership. A more sweeping change to dramatically overhaul the structure of SEG was rejected.

The constitutions and bylaws were reviewed for two organizations seeking affiliation with SEG. Minor changes were suggested for the Italian EAGE-SEG bylaws. The constitution and bylaws of the Geophysics Society of Turkey included a very complete description of all facets of geophysics. Anyone interested in seeing this, should contact me at: walterejohnson@juno.com.

The chairman, on behalf of the Constitution and Bylaws Committee would like to thank the SEG staff for their excellent advice and support.

Continuing Education

Rod Cotton, chairman

This last year has been a year of considerable change within the Continuing Education Committee. After a three-year stint, Don Herron and Bob Bruce retired as chairman and cochairman, and were replaced by me and Joe Mills, respectively. Both Herron and Bruce have provided strong support to the new officers. This has been truly appreciated and thanks are warmly proffered.

More recently, Peter Duncan, chairman of the DISC subcommittee, retired from that position and was replaced by Frank Brown. Duncan is the DISC program in the sense that he has been the hero who energized it from the beginning. He has been a large factor in the success of this program. All SEG members and the CE Committee in particular owe Duncan a most sincere vote of thanks.

Duncan reports that the DISC program attracts between \$30 000 and \$60 000 in sponsorship annually which is significant funding toward the cost. Ideally, this program could be endowed, which would take between \$2-3 million. Obtaining excellent instructors is no longer a problem, and the presentations are well organized by the SEG Business Office.

Following Fred Hilterman's excellent course *Seismic Amplitude Interpretation*, Leon Thomsen's *Understanding Seismic Anisotropy in Exploration and Exploitation* is being well received. Our thanks go to these distinguished instructors. The course continues to be offered to about 20 locations worldwide. Olivier Dubrulle has been selected as Distinguished Instructor for 2003. The DISC subcommittee has already identified potential instructors for 2004.

From July 2001 to June 2002, the CE program reached more than 350 participants. As in the past, a key part of the successful 16-course offerings during this period comes from four courses contracted by individual companies and SEG sections. Furthermore, a growing new trend is that four of these 16 offerings were outside the United States.

Prior to taking up the present positions on the CE Committee, I was the chairman and Mills, vice chairman, of the subcommittee for distance learning, along with other members, Steve Henry and Jim DiSiena. This subcommittee authored and published a paper on e-learning in *THE LEADING EDGE*. Henry subsequently retired from that subcommittee because of business pressures and travel commitments. The CE Committee warmly thanks Henry for his valuable contributions. Rather than seeking replacements for officers, the decision was taken to fold the work of the subcommittee into the main CE Committee. A number of investigations had been made into distance learning opportunities with companies that provide those services and offers of free demonstrations have been received. The committee believes that distance learning is more valuable in our industry than most because of the dispersion of our members around the globe. Further, this dispersion is not simply to large foreign centers of population and industry but to the nooks and crannies of the world where training is not available due to high travel costs and small potential enrollment.

The CE Committee sponsored a workshop on distance e-learning at SEG's 2001 Annual Meeting in San Antonio. Presenters were drawn both from within geophysics and from IT companies that specialize in providing services and platforms for distance learning programs. Following formal presentations that included live demonstrations from the Web, several booths were set up for the IT companies to demonstrate their technology. The session wound up with an open forum discussion with a panel of expert presenters. The committee is aware of the Executive Committee's interest and intentions with program broadcast and is monitoring this progress closely with a view to participating as soon as a continuing education aspect becomes available.

Participation with sister societies is also monitored. CE cooperation with AAPG is well established with courses at each annual meeting, and the DISC program is shared with the EAGE. Monitoring sister society activity includes distance learning. We were invited to participate in the Florence EAGE session on knowledge management after its representatives attended our San Antonio distance learning workshop, and we have participated in an SPE experimental distance learning program.

It is the hope and desire of this committee to establish distance learning in the SEG as a permanent part of SEG's Continuing Education program.

This CE program and its new initiatives would not be possible without the outstanding professional instructor team, the dedicated committee members, and the effective SEG Continuing Education staff, in particular, Bill Underwood and Meta Peters. My thanks and the appreciation of the Society goes out to them.

Development and Production

Mike Wilt, chairman

The Development and Production (D&P) Committee has an event-filled annual cycle. We sponsor a summer forum, a workshop, and luncheon at the Annual Meeting, and provide articles for an annual D&P special section in *THE LEADING EDGE*, where our members are primary contributors. In addition, we are involved in special publications such as the reservoir geophysics book update described below.

Obviously the SEG 2001 Annual Meeting in San Antonio was an anomaly. The D&P luncheon and workshop were both held after September 11—clearly the attendance was affected, but the show did go on. I want to especially thank Gene Sparkman who chaired the luncheon and Nazih Al-Najjar and Keith Hirsche who hung in there for the workshop. This was difficult for everyone, but both events were successful.

The 2002 D&P Forum was held August 25-30 at the Silvertree Hotel and Snowmass Conference Center in Snowmass, Colorado. It was titled *Improved Prediction, Productivity, and Profitability Using Geophysical Tools*. Mike Wilt and Raj Raghavan were cochairmen, and the Forum was cosponsored by SEG and SPE this year, as is the case every second year.

The Forum definitely had a high-tech flavor. Featured sessions included the instrumented oil field, “while drilling” technology, and high resolution surface and borehole geophysics. In addition the forum featured an informal geological field trip organized by the Colorado School of Mines.

The 2003 D&P Forum is tentatively scheduled for July 20-25 in Big Sky, Montana. The chairman is Ashley Francis and the tentative topic is *Using D&P Technology to Add Value to Existing Oil Fields*. This is expected to be very well attended due to the timely nature of the topic and the favorable site and dates.

SEG's 2002 Annual Meeting will feature a number of D&P events. There will be an open committee meeting, a D&P luncheon, a post-convention workshop, and a number of technical sessions dedicated to D&P topics. Once again the workshop will feature highlights from the annual summer Forum.

An update to the very popular SEG publication *Reservoir Geophysics* is in preparation. Clearly, D&P technology has changed markedly over the past 10 years and these changes will be reflected in this new edition. Editor Dave Johnston is in the process of selecting articles to reprint, but there is also space for original manuscripts. We can expect completion of this book within the next year.

Finally, my two-year term as D&P Committee chairman is coming to an end. The new chairman will be

Keith Hirsche, a long-time D&P Committee and Forum contributor, and Forum cochairman in 2001. He will bring experience and many good ideas. He will officially assume duties as chairman after the SEG 2002 Annual Meeting.

I wish to express my appreciation to all who have helped me during these past two years—Kristi Smith, who has been invaluable and relentless in getting the work done, John Eastwood, Wayne Pennington, Gene Sparkman, Ashley Francis, Keith Hirsche, and many more. It has been fun.

Distinguished Lecture

Peter Cary, chairman

The Fall 2001 SEG/AAPG Distinguished Lecturer was Kurt Rudolph. His lecture was titled *DHI/AVO Analysis Best Practices: A Worldwide Analysis*. His tour was organized by the American Association of Petroleum Geologists (AAPG). The next joint SEG/AAPG lecture tour in the fall of 2002 will be organized by SEG, because these duties alternate between the two societies from year to year.

Geoffrey A. Dorn served as the Spring 2002 Distinguished Lecturer. His lecture, *The Role of Visualization in Resource Exploration and Development*, was very favorably received at 18 sections/associated societies.

The Fall 2002 joint SEG/AAPG Distinguished Lecture series will be presented by Jerry Harris. His lecture *Crosswell Seismic Profiling: the Decade Ahead* will be presented at 23 locations around North America and Great Britain.

The Spring 2003 Distinguished Lecturer is Art Weglein who will speak on the topic of multiple attenuation.

Bob Hardage, who was the Technical Program chairman for the SEG 2001 Annual Meeting, will serve as Distinguished Lecture Committee chairman after SEG's 2002 Annual Meeting. Peter Cary will serve on the committee until the 2005 Annual Meeting.

Exhibitors

Kim Hardesty, chairman

The Exhibitors Committee was created several years ago as a voice for all exhibitors, both large and small, to relay their concerns to the SEG leadership at the Annual Meeting. The committee chairman and members are available throughout the year to aid exhibitors by answering any questions regarding exhibiting at SEG's Annual Meeting. Also, SEG has provided the committee with a “Help Desk” during booth setup so volunteers

from the committee can assist exhibitors with any concerns. The committee will meet with most exhibitors one-on-one. Our goal is to respond quickly if our exhibitors need assistance with any matter before or during the Annual Meeting.

Committee members are Micki Allen, Bill Bartling, Denise Burke, Carmen Comis, Kim Hardesty, Maureen Iglesias, Michelle Kluge, Phil Newby, Dixie Poché, and Nina Redl.

Several issues were raised during the exhibitor's luncheon at the 2001 Annual Meeting in San Antonio. Most issues were location specific and have been addressed with the Salt Lake City Convention Center. Steve Emery, of the SEG Business Office, reviewed and satisfactorily answered questions about other issues raised during the exhibitor's luncheon. Although several issues were raised at the luncheon, the consensus was that most issues were minute compared to the atrocity on September 11, 2001.

As of July, Emery has estimated that 934 booths have been sold for the 2002 Annual Meeting and that more inquiries are coming in from prospective exhibitors.

Exhibitor representatives and the SEG Business Office have a close working relationship. This ensures a successful Annual Meeting and a continuation of the standard of excellence established at past events. It has truly been my pleasure working with the SEG Meetings Department and members of the Steering Committee. Together with my committee, I look forward to a very successful 2002 Annual Meeting in Salt Lake City.

SEG Foundation

Dick Baile, chairman

Lee Lawyer, vice chairman

Gene Sparkman, treasurer

The Foundation Board of Directors enacted the following on behalf of the Foundation:

1. Submitted revised Foundation bylaw amendments to the SEG Executive Committee for their review and approval as follows:

Changed term of directors from seven to three years with the provision that candidates for directors, (appointed by the SEG Executive Committee) be selected from a list recommended by the Foundation Board of Directors and the SEG Executive Committee.

Eliminated the honorary director classification and created in its stead the classification of *emeritus director*. Present honorary and past directors of the

Foundation automatically are reclassified as emeritus directors.

Provided for emeritus directors to be invited to participate fully in Board meetings with the provisions that they shall not vote.

(Note: The Board expressed unanimously the opinion that maintaining an ongoing relationship with all former Board and honorary directors will be of great value.)

Housekeeping items:

All checks drawn on Foundation funds in amounts of \$1000 or more require two signatures by persons approved by the Board.

Copies of the check register to be submitted to the Foundation treasurer on a monthly basis, along with monthly summary statements to the directors.

Reduced the number of fund classifications to Scholarship and Continuing Education: All other previous classifications will fall under "Special Programs" as, and when, needed.

2. With assistance from investment advisor UBS Paine-Weber, the Board adopted a formal investment policy that established guidelines for asset allocation and portfolio management. The stated objectives are to: increase the Foundation corpus to \$17 500 000 in the next five years; limit expenditures to 5% of the corpus; and maintain asset allocations of 55-60% in equities and 40-45% in fixed income and money market funds.

3. Revised published statements of endowment amounts required to fund grants of \$1000 for education, related awards, etc., from \$15 000 to \$20 000 to reflect realistic earnings.

4. Established a Foundation newsletter to be published quarterly with distribution to the SEG Executive Committee, council members, board members, trustee associate members, presidents of SEG sections, and major contributors of funds to the Foundation. It is hoped that distribution can eventually be increased to include all SEG members through inclusion in THE LEADING EDGE. The newsletter is designed to keep as many as possible abreast of Foundation activities by listing major donors to Foundation funds and by publishing meeting schedules and general information about programs supported by the Foundation.

5. Honor society of the SEG Foundation. The Board of Directors established an honor society to recognize indi-

vidual donors who have contributed \$1000 or more to the Foundation. The categories are: \$100 000 and above, Chairman's club; \$50 000-\$99 000, President's club; \$10 000-\$49 999, Platinum club; \$5000-\$9999, Gold club; and \$1000-\$4999 Silver club.

The names of the above club members will be updated and published quarterly. Corporate donations in amounts of \$5000 or more will be published annually in the newsletter.

The Foundation Board of Directors is dedicated to increasing contributions to the Foundation general fund. In addition to the above, the Foundation established an ad hoc committee, headed by board member Gary Servos, with Bill French and Sam Evans serving as committee members, to develop programs and means of funding designed to attract individual and corporate financial support. Their findings were to be presented to the Board of Directors by August 2. As earlier stated, the hope is to expand the Foundation corpus to \$17 500 000 within the next five years. In this regard, the Foundation unfortunately has sustained diminished values in its equity portfolio. Also, fewer donations from individuals and corporations have been received as a result of a severely lower stock market, corporation mergers, cost cutting, etc.

The Foundation funds are under professional management and diversified to, hopefully, maximize value over a long period of time. As of June 30, the Foundation net asset value was \$8 026 462.

The Board of Directors thank all for their generous contributions of time and talent to further the goals of this worthwhile program.

SEG Geoscience Center

Gary Hoover, chairman

The Geoscience Center at the Geophysical Resource Center in Tulsa provides geoscience education for K-12 students, the general public, and SEG. The other primary function is archiving of valuable historical instrumentation and information on geophysics and the SEG community. The committee meets at the SEG Annual Meeting and at the Geoscience Center in early spring and in summer.

Geoscience Center opening. The official opening of the Geoscience Center took place on October 11, 2001, during Earth Science Week. Approximately 300 people attended, including educational, governmental and industry officials, teachers, general public, SEG members, and staff. The group enjoyed refreshments while touring the displays, assisted by the Geophysical Society of Tulsa Auxiliary. The new A/V kiosks, the historical

instrumentation displays, and the hands-on educational materials were featured attractions.

The founder of the SEG Museum (now the SEG Geoscience Center) and the first chairman of the SEG Museum Committee, Craig Ferris, attended with his wife Sue. Craig was presented an award by Bob Wyckoff in recognition of his contributions to the geophysical profession and for establishing the SEG Museum. The important contributions of former committee members Dick Fentem and Buddy Lawrence were also acknowledged.

Guy Flanagan presented a \$6130 check to GSC coordinator Susan Henley for the Geoscience Center Bricks Campaign. The contribution was made on behalf of the SEG Gravity and Magnetism Committee which made an outstanding effort to raise money in support of the Geoscience Center and in recognition of the work of Craig Ferris.

SEG Foundation Trustee Associates chairman Lee Lawyer recognized the support of the Foundation and the Executive Committee that was critical to the development of the Geoscience Center. He also recognized the work of Henley, the Geophysical Society of Tulsa, and other volunteers.

Doodlebugger unveiling. The Geoscience Center was again a focus of attention when the Doodlebugger statue was unveiled at the Geophysical Resource Center on May 2. SEG executive director Mary Fleming and SEG president Walt Lynn opened the ceremony. Representatives of the SEG Foundation and numerous other honored guests attended. Gary Hoover dedicated the Geoscience Center and Susan Henley presented a description of the center's programs. Lee Lawyer, the "father" of the Doodlebugger project, and sculptor Jay O'Meilia then unveiled the statue.

Archival. Additional historical instruments have been donated, including a borehole gravimeter and a Maeder gravity meter obtained by Guy Flanagan from Ivy Iverson's collection. The Geoscience Center is initiating a program to loan out surplus instrumentation to other science centers and to universities to reduce storage and to make room for incoming equipment.

The preservation of historical information is another important function of the Geoscience Center. Ray Brown is addressing this area and has collected several items and pictures of historical importance. He has written descriptions of the work of early geophysicists who made significant contributions. A recent major addition is a collection of pictures and memorabilia of Henry Salvatori. This was obtained with the assistance of the WesternGeco heritage companies. We believe that the Geoscience Center is making an important contribution to the Society by collecting and preserving historical materials, and we encourage others to participate in identifying and obtaining available materials and infor-

mation. Much of the historical work can be viewed on the Virtual Museum at www.seg.org/museum/VM.

Virtual Museum. As one of the online supports for the Geoscience Center, the Virtual Museum primarily serves as an archive in which SEG members and the public can view pictures and read descriptions of the historical holdings of the physical museum. It also includes an extensive online biographical library of the many geophysicists who have made significant contributions to the Society and to the field of exploration geophysics.

Over the past year, under the direction of John Knapp, the presentation design of many of the SEG Web pages has been improved and errors in the description of instruments have begun to be corrected. A new area called “exhibits” is under development that will showcase historically significant developments in geophysics and new technologies. Currently, the interactive 3D seismic atlas is available.

Educational programs. With the opening of the Geoscience Center, a major goal has been accomplished. Attention is now moving from exhibit construction to developing additional hands-on educational programs and bringing students and the general public into the Center. At this time, tours by student and adult groups are occurring on a regular basis and will be increasing. Consequently, the Geoscience Center is developing programs to recruit and train docents to increase volunteer support.

In addition to public school groups, recent tours have included the Oklahoma Department of Mines, The Discover Tulsa Summer Deaf Camp, the Tulsa Engineering Foundation, recreational centers, and homeschoolers. A core of staunch volunteers—including Marvin Hewitt and his daughter Dona Sherwood, Charles Perry, Bob Wyckoff, and Fred Murray of the Tulsa Geological Society—has provided valuable assistance with the tours.

Susan Henley and Bill Underwood have created a scouting program to assist U.S. Boy Scouts and Girl Scouts of America in meeting geoscience merit badge requirements.

Outreach programs. Now that the Geoscience Center is established, distributing its programs to SEG sections and other science centers is being emphasized. A current example is the recreation of the center’s marine mural in the Offshore Energy Center in Galveston, Texas. This artistic mural, depicting marine data acquisition, will soon be placed on a wall in the OEC alongside a plaque describing the SEG and its role in offshore energy development. Placing GSC exhibits and informational kiosks in other science centers to disseminate knowledge on SEG is another goal.

The development of an exhibit to honor J. C. Karcher, father of the reflection seismograph, is being planned.

This exhibit, proposed by Craig Ferris, will display Karcher’s original seismic records and link his discovery to the modern seismic industry.

The hands-on education tools developed at the Geoscience Center and contributed by other geoscientists and teachers are being distributed to visiting teachers and students. The committee is working with the Student Sections/Academic Liaison Committee to provide geoscience educational materials to teachers around the world.

Global Affairs

Tim Berge, chairman

The mission of the Global Affairs Committee (GAC) is to assist SEG in its transition to become a truly global organization. The GAC is involved in the promotion of SEG activities in countries outside the United States and helps serve SEG members in those countries. Membership in the GAC is voluntary and open to all SEG members, and it is encouraged for those members with global interests.

The GAC was successful this year both in adding to existing programs and implementing new ones.

Global membership program. In 2002, the Global membership program was approved by the Council and by the SEG membership. It was designed to provide SEG membership to our colleagues in third-world countries who may otherwise not be able to participate in SEG. Additionally, Apache Corporation generously paid the membership fee for the first 1000 Global members (who are new SEG members for 2002-2003). As of August 8, we have 620 Global members.

Student sections’ growth and SEG/AAPG publications distribution programs. This year we have established a liaison team within the GAC to help facilitate the formation of student associations worldwide. We have also added student sections in 11 universities and have initiatives at several others. This team helps distribute used publications abroad in conjunction with AAPG.

PCs for student sections/SEG Foundation grant. This program is in its second successful year. A computer was presented to the University of Mining and Geology in Sofia, Bulgaria, at the Balkan Geophysical Conference. Installations are also scheduled for Azerbaijan and Vietnam. Other installations are possible depending on availability of funds. This is an excellent way to assist students in their geophysical pursuits.

The GAC chairman appoints two coordinators for each region (Africa, Asia, Europe, former Soviet Union, Latin America, Middle East, Pacific, and the United States.) Currently, there are more than 40 country rep-

representatives. Coordinators and representatives assist the communication flow, market SEG membership and services, and report on geophysical activities in their area of the world.

GAC hosts its own Web page to enhance communication with its members.

GAC also provides advice to SEG in support of meetings, workshops, or speakers for conventions or meetings outside the United States and appoints a liaison to work with the Annual Meeting International Showcase Committee.

GAC meets twice annually—at the SEG Annual Meeting and four to eight months later. It also meets at many SEG-sponsored meetings. All SEG members who are interested in global affairs or in the goals of the GAC are invited to attend.

It has been a year of continuity and growth; however, there are still significant challenges to SEG globalization that the GAC will address in the coming year. I am confident that the leadership of the new chairman, Shane Coperude, will ensure that it continues to serve a useful role within SEG.

Gravity and Magnetism

Chuck Campbell, chairman

Guy Flanagan, vice chairman

As the 2001–2002 year draws to a close, I realize how eventful it has been. This is a transition year in which I will pass the chairmanship to my vice chairman Guy Flanagan. Guy and I have worked well together, and I fully support his vision for the committee's future. Our next vice chairman is Alan Herring, who will bring fresh and new approaches to old problems.

The G&M committee convenes twice a year, once at midyear and again at the Annual Meeting. Our role is to enthusiastically promote and expand the use of gravity and magnetism methods. I have confidence that our new leadership will do their best to fulfill that role.

Once again, we have seen trends in our industry that tend to defy prediction; however, the G&M Committee has had another year which is deemed a success. In spite of a relatively flat exploration business, there has been significant gravity and magnetic data acquisition throughout the year, indicating that our aim of enlightening the exploration community about the use of potential fields data has continued to be successful. We have seen continued consolidation of services in our industry sector through the past year, and time will tell if this is ultimately the best thing for our science.

The SEG 2001 Annual Meeting in San Antonio was somewhat eclipsed by stunning events on the world stage. We will all remember September 11. In spite of the tragedy, SEG's leadership handled the ongoing con-

vention in a professional fashion, which we can all be proud to be a part of. Committee activities in San Antonio included fewer sessions than in past conventions due to significantly fewer paper submissions, but the sessions, posters, and luncheon talk were well attended.

For the SEG 2002 Annual Meeting in Salt Lake City, our committee has helped to produce three technical sessions of G&M papers and at least two other sessions which will present G&M related papers. A fine technical luncheon speaker has been arranged and close coordination with the Mining and Geothermal Committee has been essential in providing a program that will have minimal mining and G&M overlap. Our thanks to those who worked with us to make this happen. The committee supports and encourages Michal Ruder's excellent two-day *Gravity and Magnetism for Explorationists* course, which will be held on the Saturday and Sunday before the convention in Salt Lake City. Lastly, the committee is sponsoring a postconvention workshop on *Noise Sources in Gravity Data*. Many thanks for the efforts to prepare this workshop go to Mark Ander.

Our *TLE* feature, *The Meter Reader*, continues to be a popular and well-read column. Thanks to Dale Bird and others on the Gravity and Magnetism Publications Subcommittee. Unfortunately, our work on the project to update SEG's first monograph, *Elementary Gravity and Magnetism for Geologists and Seismologists*, by L. L. Nettleton, has stalled for the moment. It is a disappointment to me that this could not have been completed in time for release on the 30th anniversary of the original publication, but we will continue our efforts on this update.

We await the determination of the SEG Technical Standards Subcommittee on our forwarded data standards proposal for a grid exchange data format. Our efforts on a data standard for point data exchange continue, and we look forward to additional discussion on this subject. Thanks to Alan Reid, Dave Pratt, Mike Norris, Ian MacLeod, Richard Hansen, and Dale Bird for contributing data standards.

We continue to acknowledge the Houston Society of Potential Field Geophysicists in its ongoing efforts and continued provision of a bimonthly dinner meeting with interesting gravity and magnetic presentations. Our thanks are due to the present cochairmen, Afif Saad and Bob VanNieuwenhuise.

As we close the books on another successful year for the G&M Committee, please remember that the committee is you, the active members of our industry. Without your support we could not enjoy the successes we have had. I know Guy and Alan have new ideas regarding the committee that will be exciting and welcome. Let us all give them the same level of support that I have enjoyed from this community during my tenure.

Thank you for your support and for helping us to be

one of the most successful committees in SEG. It has been a pleasure serving you.

Honors and Awards

Fred Hilterman, chairman

One of the most important functions of a professional society is honoring those who have made important contributions to the profession and to science. By unanimous agreement of the Honors and Awards Committee and the Executive Committee, the 2002 honorees are:

Maurice Ewing Award: Gordon F. West for his important contributions to the science of geophysics, both personally and through his supervision of generations of graduate and undergraduate students. Among other achievements, Gordon developed the theory behind the UTEM method.

Honorary Membership:

L. Decker Dawson for his long service to the geophysical community—through his service to SEG, SEG Foundation, Permian Basin Geophysical Society, International Association of Geophysical Contractors, and various other professional and charitable organizations.

Michael Schoenberger for his extraordinary service to the Society as president, editor, committee chairmanships (eight), author, and continuing educator.

Virgil Kauffman Gold Medal: Michael L. Batzle and Zhijing (Zee) Wang for their original and continual development of the petrophysical transforms that estimate the elastic properties of pore-fluid saturants.

Enterprise Award: James Patrick Cunneen for founding Aerodata Holdings Ltd., an airborne geophysical company that grew into a major world player within the minerals and petroleum energy industry.

Reginald Fessenden Award: Maurice Gidlow and George Cameron Smith for their theoretical development and practical implementation of the seismic fluid factor for rock property estimation and detection of hydrocarbon zones.

J. Clarence Karcher Award: Rob Vestrum for his research efforts in the area of wave equation migration in anisotropic media, specifically for the tilted transverse isotropic (TTI) case.

Oleg V. Mikhailov for his fundamental contributions to the electroseismic phenomena and multicomponent data processing.

Life Membership: Samir Abdel Moaty for his years of dedicated service to SEG, especially in fostering cooperation between SEG and the Egyptian geophysical community.

John G. Caldwell for his dedicated service to SEG, and for fostering a greater understanding and awareness of seismic effects on marine environmental conditions.

Richard Wayne Verm for his dedicated service to SEG, and for his contribution to the development of the Society's electronic services.

Special Commendation Award: M. Al-Chalabi for providing the industry with a clear understanding of velocities and their interrelationships in terms of such qualities as velocity heterogeneity and rms-velocity bias.

John W. Stockwell Jr., Jack K. Cohen (deceased), Einar Kjartansson, and Joshua (Shuki) Ronen for their exceptional contributions and continuing service in the free dissemination of the Seismic Unix package (SU) through the Colorado School of Mines—Center for Wave Phenomena.

Distinguished Achievement Award: Kansas Geological Survey in recognition of the Exploration Services Division's outstanding contributions to the international geophysical community through the advancement of near surface seismic methods.

Best Paper in GEOPHYSICS 2001:

Discrimination between pressure and fluid saturation changes from time-lapse seismic data
Martin Landrø

Honorable Mentions (GEOPHYSICS):

Seismic migration problems and solutions
Samuel H. Gray, John Etgen, Joe Dellinger, and Dan Whitmore

Prestack Gaussian-beam migration
N. Ross Hill

Use of multiattribute transforms to predict log properties from seismic data
Daniel P. Hampson, James S. Schuelke, and John A. Quirein

Potential-field inversion: Choosing the appropriate technique to solve a geologic problem
João B. C. Silva, Walter E. Medeiros, and Valéria C. F. Barbosa

Best Paper in THE LEADING EDGE 2001:

The petrophysical basis for shallow-water flow prediction using multicomponent seismic data
Alan R. Huffman and John P. Castagna

Honorable Mentions (TLE):

The next wave in reservoir monitoring: The instrumented oil field

David E. Lumley

Quantitative evaluation of the geotechnical risk associated with a stratigraphic trap in the Neuquén Basin of Argentina

Jean-Pierre Blangy

Best Paper Presented at the 2001 Annual Meeting:

Imaging through gas clouds: A case history from the Gulf of Mexico

Steve Knapp, Nigel Payne, and Tony Johns

Honorable Mentions (Best Paper):

MEMS for geophysicists

Jon Tessman, Bruce Reichert, Jim Marsh, Jeff Gannon, and Howard Goldberg

Can joint PP and PS velocity analysis manage to corner δ , the anisotropic depthing parameter?

François Audebert and Pierre-Yves Granger

AVO processing: Myths and reality

Guillaume Cambois

Best Poster Paper Presented at the 2001 Annual Meeting:

A look into the Val Verde Basin, Texas

Azad Khan, Catherine Ferris, Carl Burdick, and Neil Grant

Honorable Mentions (Best Poster Paper):

A detailed 3D seismic interpretation of a salt dome and its caprock, a case study in the northeastern Netherlands

Ed Duin

July/Ramadan: A 3D imaging project of 6 surveys

Frederic Billette and Jim Mika

Best Student Paper Presented at the 2001 Annual Meeting:

Two-phase flow in complex porous media using Lattice-Boltzmann method

Youngseuk Keehm

Awards of Merit (Student Papers):

Amplitude-preserved common image gathers by wave-equation migration

Paul Sava

Shear-wave velocity dependence on fluid saturation

Reynaldo Cardona

Optimization of the shape of Gaussian beams

Karel Zacek

Best Student Poster Paper Presented at the 2001 Annual Meeting:

No 2002 award.

On behalf of the Honors and Awards Committee, I congratulate the distinguished recipients of these honors and awards and thank them for their contributions. The Honors and Awards process succeeds by receiving nominations from individual SEG members, SEG committees, and SEG sections and associated societies. We thank all who submitted nominations for 2002 awards and who provided supporting letters and other documentation. Nominations for those who were not selected will be retained for consideration by future Honors and Awards committees.

The Honors and Awards Committee comprises the past five SEG presidents: Fred Hilterman, Rutt Bridges, Brian Russell, Bill Barkhouse, and Sally Zinke. I thank my colleagues for their diligent and thoughtful efforts in researching and considering the nominations for SEG's awards—a process that has consumed many hours of their time in 2001-2002. Chairing this committee concludes my presidential obligations to SEG, and I sincerely appreciate the opportunity to have served SEG during the past seven years.

Interpretation

Chris Thompson, chairman

The SEG Interpretation Committee convenes routinely at least twice each year with its sister committee from AAPG, the Geophysical Integration Committee (GIC)—once at the SEG Annual Meeting and once at AAPG's convention—to exchange ideas, plan projects, and pursue mutual interests. Additional meetings can be called by the chairman to discuss special events and urgent needs. The role of the Interpretation Committee (IC) is to enthusiastically advance and expand the methods, technologies, and tools to improve interpretation quality and to benefit the geologic and geophysical interpretation community. This has been achieved by: (1) encouraging our members, interpreters at large, and companies to publish their case histories in society journals and conventions; (2) promoting continuing education; and (3) organizing workshops. The IC is aware of today's competitive environment and wants to be the sounding board for what interpreters want, the conduit for providing what services they need, and the catalyst for making their jobs better and easier.

The committee is truly an integrated committee: our members come from many disciplines and practice skills to face various challenges of exploration, evaluation, and

development. Indeed, many members are in both SEG and AAPG and are on both committees. The IC is very active in helping its constituents. Fortunately, we have quite a few active members who publish papers and books, organize workshops during the annual conventions, and/or promote intersociety activities with the Society of Petroleum Engineers (SPE) and the Society of Professional Well Log Analysts (SPWLA). Additionally, we are always looking for new ideas and people willing to contribute their time and help.

The IC projects with AAPG/GIC last year included:

Publications. A compilation of *Geologic Column* papers from THE LEADING EDGE (1998–2001) is in production and will be a copublished SEG/AAPG book; *Surface Exploration Case Histories: Applications of Geochemistry, Magnetics, and Remote Sensing* is also a joint SEG/AAPG publication scheduled to be produced later this year. *Pitfalls in Interpretation* is a popular series of articles is being assembled for easy accessibility on the Web. Additional material is solicited; please contact Huw James at: hjames@paradigmgeo.com. *The Geophysical Corner* is a column published monthly in the *AAPG Explorer* by AAPG-GIC chairman Randy Ray. Additional articles are always welcome.

Workshops. *Interpretation of AVO, Shear Waves, and Converted Waves* will be the SEG-IC-sponsored workshop at the 2002 Annual Meeting. Interest has been expressed in sponsoring additional workshops on *The Future of Seismic Interpretation*.

Education. *Seismic Interpretation Study Set*. Public and donated seismic data have been collated and formatted for all major Unix and PC workstation platforms. Use of these data is free to colleges and universities for education purposes (but is not available for oil companies). Interested organizations can contact either the SEG Interpretation Committee or the AAPG Geophysical Integration Committee. *Michigan Tech Interpretation Course* is an introductory course funded by the SEG Foundation. It was first offered in August 2001. University students who may not have access to interpretation courses are the main potential participants.

Membership in the SEG Interpretation Committee is open to all who are interested in active participation and discussions with interpreters from all over the world, including professionals from universities, research institutions, and exploration and production companies. Please feel free to contact me at: cthompson@4CExploration.com. SEG-IC looks forward to your participation.

Membership

Russ Opfer, chairman

Membership as of June 30 stands at 17 554 (excluding Corporate members) in 120 countries, which represents an overall increase of 465 from a year ago. We have maintained a steady increase since 1997 and are inching up toward the all time record of 19 202 in 1985. Included in this report are several figures that help portray the membership breakdown by years and classifications.

Figure 1 shows membership history from 1930 in five-year increments as well as the current year. Figure 2 shows that the international growth continues, in part due to the success of the Global membership initiated by the Executive Committee last year. International membership represents 47% of total membership. As of June 30, five hundred twenty-two Global members have joined SEG. Apache Corporation has generously sponsored their dues for 2002 and will continue to do so in 2003. Global membership is available for geophysicists in countries that the World Bank defines as low income and lower middle-income economies. Global membership currently includes online journal options only. The benefits of Global membership will be reviewed at the 2002 SEG Council meeting in Salt Lake City.

Figure 3 enumerates membership categories—Active, Associate, Global, and Student—and such associated statistics as reinstatements, deaths, and resignations for the last two fiscal years.

Figure 4 shows membership by classification for the current year, and Figure 5 for the last 20 years. Corporate membership (listed on Figure 5) shows a notable decrease due to restructuring of this category.

Until June 30, Corporate membership was associated with booth space rental at the Annual Meeting (i.e., with the purchase a Corporate membership a company received a free booth). The Executive Committee approved a change that would provide solid benefits to corporations without requiring booth space rental. These benefits include access to the completed SEG salary survey (exclusive to Corporate members), 50% discount on mail list rentals, special discounted price for in-house CE courses, special recognition on the SEG Web site, at conferences, and more. As of June 30, thirty-six Corporate members have renewed and two have joined as new members, bringing \$20 000 additional revenue to the Society. We want to thank our Corporate sponsors who have remained loyal and supportive to the Society. A new Corporate logo has been designed:



We are very pleased to announce the SEG Student Membership Corporate Sponsorship Program, sponsored by Halliburton Energy Services, Inc., for two years commencing October 1. Under this program, Halliburton will pay the dues of any SEG student member who so elects. If the student member agrees to have Halliburton pay membership dues, Halliburton will receive contact information about the student. Halliburton and the program will also be mentioned at least three times in *TLE* including the announcement of the program in an editorial column. Halliburton will also be recognized on the SEG Web site and at the Annual Meeting. Member Services is working with the student affairs coordinator to promote the program among students and student sections.

We are continually encouraging our Associate members to upgrade to Active in order to vote, hold office,

chair a committee, and serve as a reference. To facilitate international members in transferring to Active, the Global Affairs Committee, with the help of regional coordinators and country representatives, will assist members in locating Active members to serve as references. GAC is providing further assistance to our international members by translating the application process and the Code of Ethics into several different languages. This will be available in print and on the Web soon.

As noted on the SEG Web site, there is a cooperative arrangement among SEG, AAPG, and SPE that enables members classified as Active and in good standing from the three societies to qualify automatically for Associate membership in the other two. Since its inception in February by the Virtual Intersociety Cooperation Committee (VICC), SEG has received 50 membership requests through this agreement.

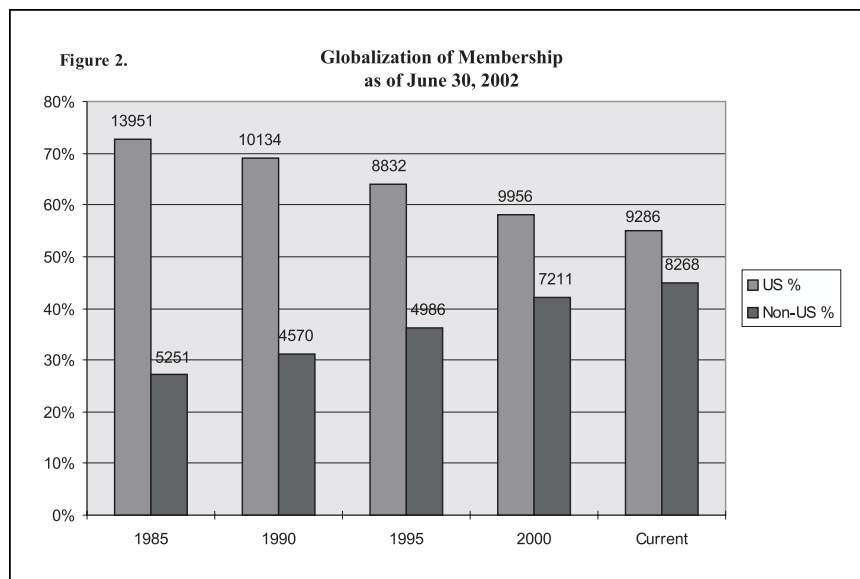
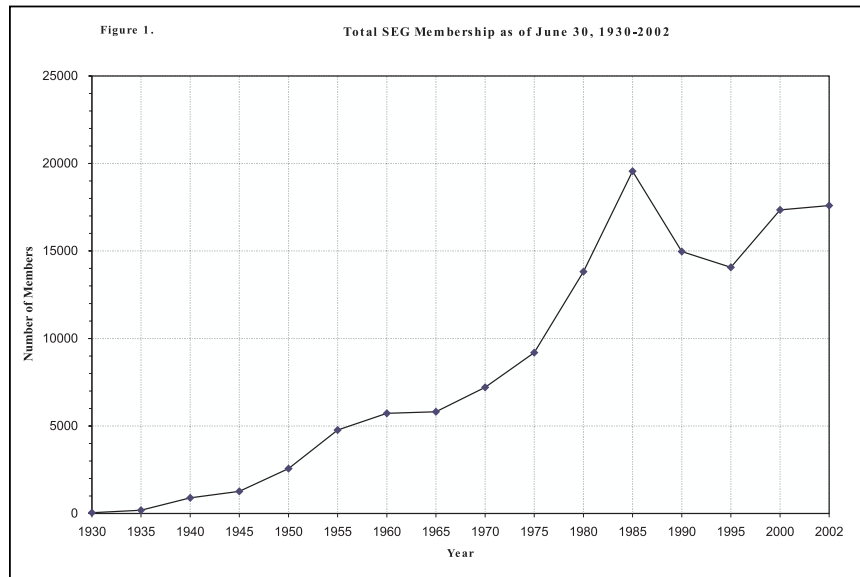


Figure 3. Membership Report: Fiscal Years 2001-2002 (July 1-June 30)

	2000-2001	2001-2002
Active Members	8436	8332
Associate Members	7340	7429
Global Members		522
Student Members	1313	1271
Total	17089	17554
Membership as of June 30	16717	17089
New Member Applicants	1576	2025
Reinstatements	515	201
Deaths	-50	-38
Resignations	-147	-112
Dropped (nonpayment of dues)	-1522	-1611
Total	17089	17554
Net (Decrease)	372	465

Does not include Corporate Members in totals
Current Corporate Members - 38

Figure 4. Fiscal Year 2002 Membership

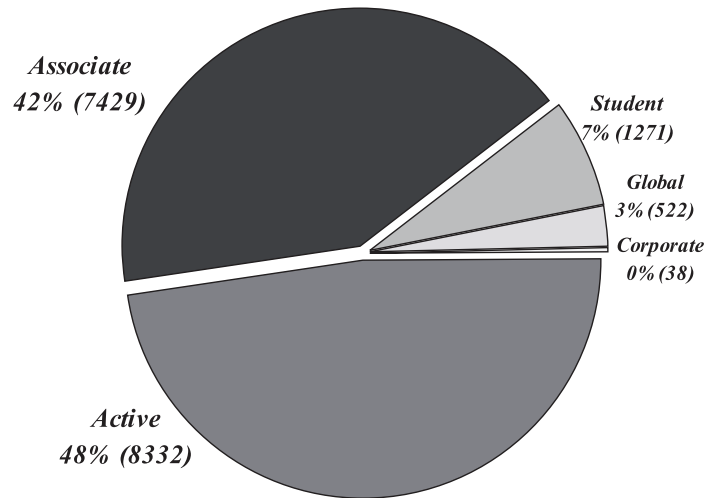
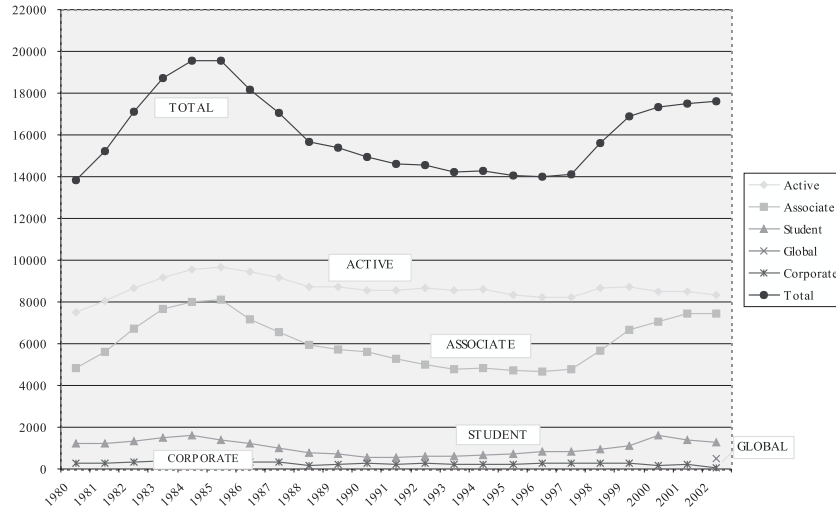


Figure 5. Membership by Classification



Mining and Geothermal

Ken Witherly, chairman

Dick West, cochairman

In the last year, the main activity of the committee was in planning for SEG's 2002 Annual Meeting in Salt Lake City. Continuing a tradition started in 1996, the Mining Committee targets every second year for a strong mining community turnout at the Annual Meeting, (which some of us have colloquially termed a mining summit). From all indications, numbers of papers, short courses, and workshops, this year's Annual Meeting should be a solid continuation of past "summits."

Other events the committee was involved with during the year included:

SEG Honors and Awards. As past Mining and Geothermal Committees, ours has worked to get significant contributions of our fellow professionals recognized by SEG. In 2001, we were very pleased that Doug Oldenburg received Honorary Membership. Our efforts continued through the year, and we hope to see recognition of our colleagues at the SEG 2002 Annual Meeting.

List server. The committee's list server, kindly hosted by Geosoft, continues to provide a useful forum for our global community.

Committee meetings. The annual meeting of the committee was held at the Prospectors and Developers Association of Canada (PDAC) meeting in Toronto last March. The primary topic of discussion was the status plans for the mining program in Salt Lake City.

Succession plans. The committee is pleased to announce that effective with the 2002 committee meeting to be held October 9, Dick West will assume the role of chairman and Mary Poulton, of the University of Arizona, will become the cochairman.

Future plans. The committee is examining possible initiatives to broaden the mining community involvement with other geoscience groups.

Committee on Nominations

Sally Zinke, chairman

The Committee on Nominations for this year included past SEG presidents: Sally Zinke (chairman), Bill Barkhouse, and Brian Russell, and representatives from four SEG sections: Frank Everett (Geophysical Society of Tulsa), Perry Kotkas (Canadian SEG), Ki-Ha Lee (Korean

Society of Exploration Geophysicists), and Truong Minh (Vietnam Society of Exploration Geophysicists). The committee received suggestions for potential candidates from a number of SEG members and committees. After meeting at the SEG 2001 Annual Meeting in San Antonio, the Committee on Nominations participated in several conference call meetings to finalize a selection of candidates for SEG office. Candidates were contacted, and the following list of nominations was submitted for the ballot process:

President-elect	Peter Duncan Zhijing (Zee) Wang
First vice president	Paul S. Cunningham Wayne D. Pennington
Second vice president	William (Bill) H. Green Michal E. Ruder
Vice president	Samir Abdel Moaty Ali Tura
Secretary-treasurer	Pamela Meredith John R. Sumner
Editor	G�rard C. Herman (second year of a two-year term)

An additional candidate was nominated through the petition process provided in the SEG Bylaws: Yoram Shoham for president-elect. The committee had oversight responsibility for validating the signatures on petitions. The petition results were validated and all candidates submitted biographical information and position statements for publication in *THE LEADING EDGE* and ballot enclosure.

The Committee on Nominations also provides nominations for district representatives to the SEG Council as such slots become open. This year only District 3 required nominations and the committee placed two candidates on the ballot: M. Lee Bell of Houston and Allan Kean of Dallas.

I thank all candidates for their rapid responses during the nominating process. I also commend the Committee on Nominations members for their very active and thoughtful participation as we worked through this process. Many thanks to all.

Online Governing Board

Joe Dellinger, chairman

This has been a pivotal year for SEG's online presence. After years of effort, all technical papers from

GEOPHYSICS and THE LEADING EDGE, including the complete historical archive, are now available online through the American Institute of Physics' Online Journal Publishing Service. This transition has been accomplished without visible disruption, as nearly two-thirds of the \$150 000 cost of placing the archive online has been covered by an increase in subscription revenue.

SEG members can now opt for a subscription to the online service in lieu of receiving a print copy of GEOPHYSICS. As of June, 3574 members (including 522 Global members) have chosen online-only access. An additional 774 members have chosen to pay an extra \$20 to receive GEOPHYSICS both in print and online. Nonsubscribers can also purchase papers online, on a pay-as-you-go basis. Expanded Abstracts from 1982 forward will be available at no charge on SEG's Web site; this project is still ongoing.

AIP's online service includes a powerful search engine that covers the service's entire platform, of which GEOPHYSICS and *TLE* are now part. This should enhance our journals' visibility to authors in related disciplines. SEG now also participates in CrossRef. From 1998 forward, citations in GEOPHYSICS will have active links when viewed online. Click on the link, and it will forward you to where that reference may be found online. Articles in any other CrossRef journal may similarly link to any cited issue of GEOPHYSICS or *TLE*. Last fall, SEG published the Expanded Abstracts Historical Series CD-ROM set (1982-2001) in a portable format based on open Web-browser standards. GEOROM VIII should soon follow.

An online peer review and tracking system for GEOPHYSICS went live in May. The system is a customized version of "Manuscript Central," operated by ScholarOne on its own servers. In July it became possible for reviewers to upload documents that will then travel with the rest of their input. It is now possible for an online review to include equations and figures, something not contemplated by the other online review systems we surveyed. Although the new system has required some major workflow changes for authors, editors, reviewers, and SEG staff, it has generally been well received and appears to be speeding the review process as hoped.

SEG has contracted for development of a Web and e-commerce interface to its membership database. The results will include: a new online Book Mart that will store transactions by member, interfaces for initiating and renewing membership; and registration modules for Continuing Education courses and SEG workshops. The database also will become a repository for a variety of SEG committee and section information that will be published on the Web dynamically rather than via static HTML pages. The results will go live over an extended period starting in August.

With so many major projects in progress, SEG's Web site has received only a few minor touch-ups this year. Nevertheless, improvements to the Web infrastructure have continued behind the scenes. The results should become visible as some of the current major projects are finally completed, freeing up staff time for more work on the "look and feel" of the site.

The Online Governing Board is actively recruiting new members! If you were interested enough in the SEG's online activities to read to this point, why not join our committee and help to design the SEG's future?

Publications

Chris Liner, chairman

The Publications Committee is responsible for working with the SEG Publications staff to produce all special publications other than GEOPHYSICS and THE LEADING EDGE. Our objective is to provide exploration geophysicists with the technical geophysical information they require in their jobs or studies. This report summarizes those books recently published, those which are to be published in the near future, and gives a financial summary of revenues from publications.

Books published in fiscal year 2002: *Advances in Anisotropy Selected Theory, Modeling, and Case Studies (7IWSA)*, edited by Julie A. Hood; *Geophysics in the Affairs of Mankind*, by L. C. (Lee) Lawyer, Charles C. Bates, and Robert B. Rice; *Reflection Coefficients and Azimuthal AVO Analysis in Anisotropic Media*, by Andreas Rüger; *SEG/EAGE DISC Understanding Seismic Anisotropy in Exploration and Exploitation*, by Leon Thomsen; *SEG/San Antonio 2001 Technical Program Expanded Abstracts*; *Seismic Amplitude Interpretation 2001 SEG/EAGE Video Short Course*, by Fred J. Hilterman; *Static Corrections for the 21st Century* (CD-ROM version), by Mike Cox; *The Next Wave in Reservoir Monitoring: The Instrumented Oilfield* (CD-ROM version), by David Lumley; and *3-D Seismic Exploration*, edited by Robert J. Graebner, Bob A. Hardage, and William A. Schneider.

Books expected to be published by SEG/Salt Lake City 2002: *Encyclopedic Dictionary of Applied Geophysics, Fourth Edition*, by Robert E. Sheriff; *Geologic Columns of THE LEADING EDGE*, edited by M. Ray Thomasson and L. C. (Lee) Lawyer; *Magnetotellurics in the Context of Theory of Ill-Posed Problems*, by Mark N. Berdichevsky and Vladimir I. Dmitriev; *3-D Seismic Survey Design*, by Gijs J. O. Vermeer; and *SEG/Salt Lake City 2002 Technical Program Expanded Abstracts*.

Publications director Ted Bakamjian reported that Reference Publications was short of expectations in

sales revenue, in part because of the September 11 attacks' effect on Book Mart sales but also because we had expected to have the *Encyclopedic Dictionary* published and on sale during the current fiscal year. That won't happen until the Annual Meeting. A negative effect on the bottom line also has been that the book ads in *TLE* have been charged at full price to the Reference Publications budget. That practice will not be continued next year. During fiscal 2002, Reference Publications operated at a deficit of \$95 282. Internal advertising charged to Reference Publications totaled \$104 775. The fiscal year budget, created prior to the decision to levy full-price internal advertising charges against Reference Publications, called for a profit of \$66 581.

The Publications Committee consists of a number of dedicated individuals who generously donate their time and effort. These committee members, along with editors, book authors, and SEG Publications staff allow the publication process to work efficiently. The series editors include the following individuals: Cynthia Menant Berlier, Slide Sets; Michael R. Cooper, Investigations in Geophysics; Dan Ebrom, Geophysics Reprints; David Fitterman, Geophysical Monographs; Steve Hill, Geophysical Developments; Gene Scherrer, Geophysical References; Ilya Tsvankin, Translations Committee chairman; and Roger Young, Continuing Education Course Notes.

Research

Ali Tura, chairman

The Research Committee (RC) currently has 82 members. Our 2001 fall committee meeting, jointly with the European Association of Geoscientists and Engineers (EAGE), was held at the SEG 2001 Annual Meeting in San Antonio. Our 2002 winter committee meeting was held in Houston, Texas. A joint EAGE/SEG RC meeting was held during the EAGE 2002 meeting in Florence. Information on the RC, minutes of committee meetings, workshop information, abstracts, and upcoming RC events can be found at our Web site: <http://seg.org/research/>

2001 SEG Summer Research Workshop, July 22-26, Newport Beach: *Synergies in Geophysical, Medical, and Space Imaging*, chaired by David Lumley, organized by Rob Clayton, Geoff Dorn, Bob Stolt, Maarten de Hoop, Stewart Levin, Paul Rosen, and Victor Spitzer. Seven technical sessions, 81 attendees, approximately 50% geophysicists, 50% space and medical imaging specialists.

2001 SEG San Antonio Post Convention Workshops: *Velocity Model Independent Imaging for Complex Media*, organized by Panos Kelamis, Ray Ergas, and Fred Aminzadeh; *Elastic Rock Properties—The Inversion of the Seismic Vector Field*, organized by Reinaldo Michelena, Mrinal Sengupta, Simon Spitz, and Leon

Thomsen; *Wide Azimuth Seismic—True 3D at Last*, organized by Shuki Ronen, Guillaume Cambois, and Xianhuai Zhu; *Beyond Kirchhoff Imaging*, organized by Biondo Biondi and John Etgen; *Changing the Way We Work: E-business and the Internet*, organized by Steve Cole, Kurt-Martin Strack, Biondo Biondi, and Ali Tura; *Gravity Gradiometry Practical Issues*, organized by Manik Talwani, Ed Biegert, and Yoram Shoham. The *Recent Advances and Road Ahead* session was organized by Fred Aminzadeh and Bob Tatham.

2002 SEG/EAGE Summer Research Workshop, May 12-17, Galveston Island: *Geopressure: Conceptual Advances, Applications, and Future Challenges*, chaired by Stan Lee, organized by Mark Alberty, Keven Dodds, Nader Dutta, Jack Dvorkin, Tina Fitts, Ingebret Gausland, Stephan Gelinsky, Hans Helle, Alan Huffman, and Kurt-Martin Strack. Attended by 92 participants from major oil companies, service companies, and universities.

2002 SEG Salt Lake City Post Convention Workshops planned are: *Near Surface Problems and Solutions*, organized by Xianhuai Zhu, Panos Kelamis, Michael Deal, and Carlos Calderón; *Advances and Limitations in Numerical Modeling of Wave Propagation in Challenging Structures*, organized by Joakim Blanch, Arthur Cheng, Leigh House, Denis Schmitt, and Jerry Schuster; *Innovations in Upscaling and Downscaling 3D Petrophysical Properties*, organized by Gopa De and Arthur Cheng; *Passive Seismic Imaging*, organized by Biondo Biondi, Leigh House, and Kurt Marfurt; *Geophysical Applications to Carbonate Reservoirs*, organized by Wenjie Dong, Ali Tura, and Gene Sparkman; *CO₂ Sequestration*, organized by Simon Spitz, Larry Myer, and Rick Gibson; *Showcase of Interpretation Workstations*, organized by Yoram Shoham and Tracy Stark. The *Recent Advances and Road Ahead* session will be organized by Simon Spitz and Yoram Shoham.

2003 EAGE/SEG Summer Research Workshop: *Processing and Imaging Seismic Data: The Velocity-Dependent Versus the Velocity-Independent Approach*, cochairman Biondo Biondi and Simon Spitz. Further details not yet available.

2003 SEG Summer Research Workshop: *Quantifying Uncertainty in Reservoir Property Prediction*, cochairman Fred Aminzadeh and Reinaldo Michelena. Further details not yet available.

Other committee activities include the publication of Y2K review articles that Sven Treitel has been soliciting and editing. Articles that have been or will be published in *GEOPHYSICS* are: *Fundamentals of rock physics*, by Zhijing (Zee) Wang; *Seismic migration problems and solutions*, by Sam Gray, John Etgen, Joe Dellinger, and Dan Whitmore; *Seismic modeling*, by José Carcione, Gérard Herman, and Fons ten Kroode; *Neural networks as an intelligence application tool*, by Mary Poulton; *Supercomputers in exploration geophysics*, by Tom Eliseuson; *Pore pressure prediction from seismic*:

Current status and the road ahead, by Nader Dutta; *Mining geophysics*, by Mike Asten and Misac Nabighian.

SEG/EAGE model data: A task force has been formed to find funding, store the data tapes, and provide full sets when a copy is requested. Members are Bob Wiley, Stew Levin, Leigh House, Kurt Marfurt, Fred Aminzadeh, and Ali Tura.

3D elastic SEG/EAGE data: Computation of a new synthetic 3D elastic data set is currently being considered. This effort is being led by Wiley, House, and Marfurt.

Online technical discussions: A subcommittee is being formed to promote online discussion of research topics. Kurt-Martin Strack and Stew Levin are contacting possible members.

Collaboration with AGU: An action team has been formed to communicate with AGU concerning future collaboration. Action team members are Larry Myer, Biondo Biondi, Arthur Cheng, Xianhuai Zhu, Kurt-Martin Strack, and Rick Gibson.

Reviews

Bill Green, chairman

The goals and modus operandi of the Reviews Committee continued in their well-established forms during the past year. We review technical books of interest to SEG members to aid them in keeping current with the literature related to their professional activities. The committee's work is conducted almost exclusively by e-mail: notices of available books are sent to potential reviewers, reviews are submitted to the reviews editor (aka committee chairman), and the corrected drafts forwarded to the SEG Business Office for publication in *THE LEADING EDGE*. The only manual process is to ship the books from the SEG office to the reviewers.

There was one significant change prior to the SEG 2001 Annual Meeting: Paul Docherty completed a very productive term as head of this committee with a successful recruiting effort to convince me to take over the chair. I would like to thank Paul for all his fine work over the years, and I am very appreciative of the smoothly running systems he created. On the operational side, my tenure led to a revised method for handling books. To avoid complications in sending large sets of books into Canada (i.e., customs charges) for the chairman to redistribute, the books are now held at the SEG until the reviewers are assigned, and then shipped directly to the reviewer.

For the reporting period (June 2001–May 2002), the visible effects of the committee's work were as follows: 53 book reviews appeared in print, by 30 authors from eight different countries. These numbers are substantially larger than reported in 2001, which I believe mainly reflects an operational anomaly. Due to page limits in *TLE*, for a time, there was a growing lag between submission of a review and its appearance in print. This has

now been resolved and the backlog has been cleared.

The only cloud on the horizon for this group is a decline in the number of review books received from publishers. Whether this is just a short-term fluctuation or a reflection of the current economic times is unclear; in any case, if it continues we will have to take a more active role in finding topical books for review.

I would also like to thank Merrily Sanzalone of the SEG Business Office for all her help in handling the logistical side of the review process, and for her great cooperation in adjusting the procedures to accommodate the new chairman.

Any members who would like further information or would like to participate are welcome to contact me via e-mail: billgreen@telus.net.

SEG Scholarship

Richard Cieslewicz, chairman

Having served on the SEG Scholarship Committee for nearly eight years, I have had the privilege of participating in a program that benefits not only the deserving scholarship recipients, but our Society and its participating members and organizations as well. The SEG Foundation Scholarship Program is critical to the success of the Society's efforts to attract bright, young students to our profession and to keep the membership growing and vibrant.

As in past years, the committee met in late April to select scholarship recipients for the 2002–2003 academic year. The committee awarded a total of \$211 750 to 118 deserving students. Of this total, 71 scholarships were renewals and 47 were new awards that were selected from a field of 349 applications. The number of awards and the average amount awarded both represent increases over the 2001–2002 academic year and are a reflection of the tremendous effort put forth by the Foundation Trustee Associates in securing scholarship contributions from a myriad of contributors. The generosity and support of these contributors provides the underpinning for our efforts and combined with the inception of the Double Impact Program in 1997 has resulted in a steady growth in the number and value of awards. Our sincere thanks to the Trustee Associates and the scholarship sponsors for this year.

I also thank Lynne Edleson, Jim Flis, Vicki Messer, Mike McCormack, Karen Dittert, Gokay Bozkurt, and Robert Van Niewenhuise for their enthusiasm and support this past year. In addition to countless hours spent reviewing and assessing the numerous applicants in preparation for our annual award meeting in April, committee members spend a great deal of time communicating with and occasionally mentoring their assigned students, while also monitoring the students' academic progress from year to year.

SEG Foundation Scholarship Sponsors for the 2002–2003 Academic Year

AGIP	\$ 1000
ARCO	\$ 2000
Born, Ted Memorial	\$ 1000
Bridges, Rutt	\$ 1000
Butler Jr., John R.	\$ 1000
Canadian Society of Exploration Geophysicists	\$ 1000
Chevron USA	\$12 000
Conoco Inc.	\$ 3250
Dallas Geophysical Society	\$ 4000
Denver Geophysical Society	\$ 9000
Excel Geophysical Services	\$ 1000
Exxon Upstream Research	\$11 500
Forrest, Michael	\$ 2000
Geophysical Society of Alaska	\$ 1000
Geophysical Society of Houston	\$ 1000
Geophysical Society of Houston/ Carleton-Farren	\$ 2500
Geophysical Society of Oklahoma City	\$ 4000
Geophysical Society of Tulsa	\$ 3000
Gregg, Mark E.	\$ 1000
Harrison, Jim and Ruth	\$ 2000
Hilterman, Fred	\$ 1000
Hewitt, Marvin and Jean	\$ 1000
Hohmann Memorial	\$ 4000
Hron Memorial	\$ 1000
Jack, Ian (University of Birmingham)	\$ 5000
KEGS	\$ 2000
LaCoste	\$10 000
Landmark Graphics	\$11 500
Mazza, Thomas Memorial	\$ 1000
McBride, Barbara Memorial	\$ 1000
McBurney, Charles B.	\$ 2000
Permian Basin Geophysical Society	\$ 1000
Phillips Petroleum	\$ 7500
Schlumberger	\$ 2000
Shaw, Karen Kellogg Memorial/Dallas Geophysical Society	\$ 7000
Shell Oil Foundation	\$ 2000
Sheriff, Margaret S.	\$ 8000
Sheriff, Robert E./Geophysical Society of Houston	\$12 000
Smith, Charlie and Jean/Geophysical Society of Houston	\$12 500
Softball Tournament	\$ 3000
Southwest Louisiana Geophysical Society	\$ 2500
Tilley, Aubra	\$12 000
Veritas DGC	\$ 2000
WesternGeco	\$ 5000

WesternGeco/Salvatori Memorial	\$ 5000
WesternGeco/Savit Memorial	\$ 5000
Wrolstad, Keith Memorial	\$ 1000

Source of Funds

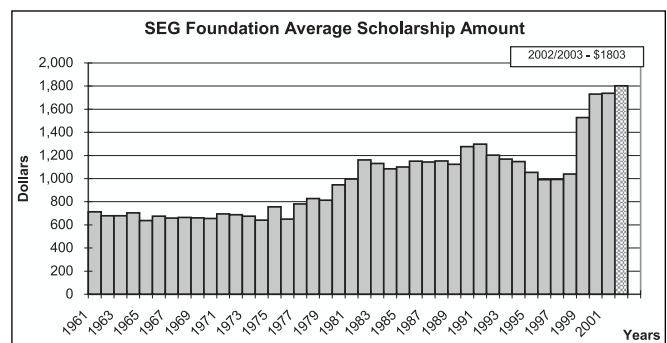
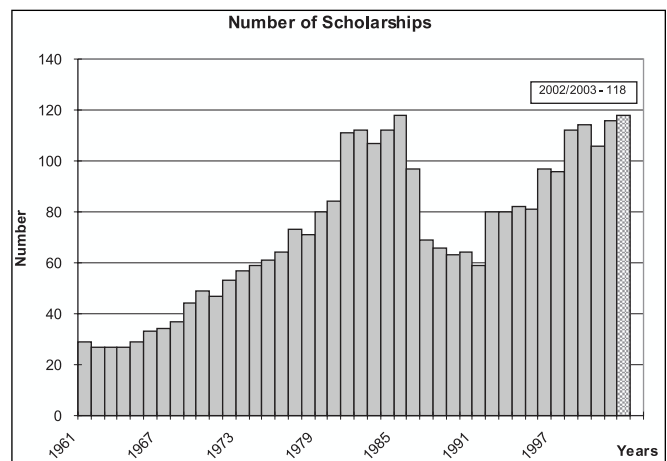
Industry, Sections, Individuals	\$195 250
Other Individual Contributions	\$ 4 000
SEG Foundation	\$ 13 500

Sponsored Scholarships

Corporate	47
Individuals	26
SEG Sections	25
General Contributions and Foundation Fund Contributions and Earnings	20

Funds Committed to Scholarships

Corporate, Individual, Section, Honorary, SEG Membership, Donations, and SEG Foundation Grant	\$212 750
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<u>Name</u>	<u>University</u>	<u>Award</u>	<u>Amount</u>
Andy Aakhus-Witt	Colorado School of Mines	ARCO Scholarship #1	\$1500
Gamal Abdelaal	University of Missouri-Rolla	ExxonMobil Scholarship #1	\$2000
Michelle L. Abraham	University of Oklahoma	Aubra Tilley Scholarship #4	\$2000
Ahmed Omar Alahdal	University of Oklahoma	Geophysical Society of Oklahoma City Scholarship #2	\$2000
Heidi L. Anderson	University of California-Berkeley	Landmark Graphics Scholarship #8	\$2000
Alicia L. Arevalos	Williams College	Phillips Petroleum Scholarship #3	\$1000
Jessica Marie Arnoldi	Texas A&M University	Geophysical Society of Houston Scholarship #1	\$1000
Jianyong Bai	Texas A&M University	Jim and Ruth Harrison Scholarship	\$2000
Richard A. Bale	University of Calgary	SEG Foundation Int'l Scholarship #1	\$1000
Michael J. Beckel	Colorado College	Denver Geophysical Society Scholarship #1	\$1500
Brooke A. Berard	University of Calgary	Shell Oil International Scholarship #1	\$1000
Alison Joy Berenback	Brown University	SEG Foundation General Scholarship #1	\$1000
Erin M. Bruce	Kansas State University	Jean and Marvin Hewitt Scholarship	\$1000
Pablo Buenafama	Texas A&M University	Landmark Graphics Scholarship #4	\$1500
Hoa Quang Bui	University of Oklahoma	Charlie and Jean Smith Scholarship #4	\$2000
Neda Bundalo	University of Houston	Margaret S. Sheriff Scholarship	\$8000
Bethany L. Burton	Colorado School of Mines	Denver Geophysical Society Scholarship #3	\$1000
Reynaldo Cardona	Colorado School of Mines	WesternGeco Scholarship #4	\$2000
Louis Chabot	University of Calgary	Conoco Scholarship #2	\$1750
John Chakalis	Colorado School of Mines	WesternGeco Scholarship #3	\$2000
Tianyou Chen	University of Texas, Dallas	Dallas Geophysical Society Scholarship #1	\$2000
Amy Chen	University of Minnesota, Twin Cities	SEG Foundation General Scholarship #7	\$1000
Emily Chetwin	Stanford University	Charlie and Jean Smith Scholarship #3	\$2000
Shannon Christiansen	University of Utah	Shell Oil International Scholarship #2	\$1000
Yunhui Chu	University of Illinois	SEG Foundation General Scholarship #5	\$2000
Laura Counihan	University of Pennsylvania	Landmark Graphics Scholarship #10	\$1000
Amy L. Daradich	University of Toronto	Phillips Petroleum Scholarship #4	\$1000
Pawan Dewangan	Colorado School of Mines	Denver Geophysical Society Scholarship #2	\$2000
N. Jordan Dimick	Colorado School of Mines	Keith Wrolstad Memorial Scholarship	\$1000
Matthew J. Donnelly	Colorado School of Mines	ExxonMobil Scholarship #7	\$1000
Diana Nicoleta Dragoi	University of Houston	Lucien LaCoste Scholarship	\$10 000
Xiang Du	University of Houston	GSH/Robert E. Sheriff Scholarship	\$12 000
Hamed Zeidan El-Mowafy	University of Tulsa	Geophysical Society of Tulsa #2	\$2000
Jennifer L. Engels	University of Hawaii-Manoa	ExxonMobil Scholarship #6	\$2000
Andrew Michael Frassetto	University of South Carolina	SEG Foundation General Scholarship #2	\$1500
Oron Frenkel	University of California-Berkeley	Landmark Graphics Scholarship #2	\$1000
Rodrigo F. Fuck	Colorado School of Mines	Denver Geophysical Society Scholarship #4	\$1500
Sheel C. Ganatra	Harvard University	SEG Foundation General Scholarship #6	\$1000
Kumar Gautam	Colorado School of Mines	Denver Geophysical Society Scholarship #5	\$2000
Rui Ge	University of Texas, Dallas	Karen Kellogg Shaw Memorial Scholarship #4	\$2000
Paul Edward Gettings	University of Utah	ExxonMobil Scholarship #2	\$2000
Nicholas M. Gregg	University of Missouri-Rolla	Landmark Graphics Scholarship #6	\$1000
Thomas Guenther	TU Bergakademie Freiberg	SEG Foundation Int'l Scholarship #2	\$1000
Jason Gumble	University of Texas, Austin	Permian Basin Geophysical Society Scholarship	\$1000
Ross Haacke	University of Birmingham	Ian Jack (University of Birmingham) Scholarship	\$5000
Andrew M. Hennes	University of Arizona, Tucson	ExxonMobil Scholarship #5	\$1000
Scott Hess	Montana Tech	Phillips Petroleum Scholarship #1	\$1500
Andrew Hinnell	University of Arizona	Chevron Scholarship #	\$2000
Anna E. Holt	Massachusetts Institute of Technology	Veritas DGC Scholarship	\$2000
Biaolong Hua	University of Texas, Dallas	Dallas Geophysical Society Scholarship #2	\$2000
Oziegbe S. Ilaboya	University of Oklahoma	Aubra Tilley Scholarship #3	\$2000
Kristopher A. H. Innanen	University of British Columbia	Ted Born Memorial Scholarship	\$1000
Yue Jia	Southern Methodist University, Dallas	Chevron Scholarship #4	\$1000
Timothy Chad Johnson	Boise State University	Landmark Graphics Scholarship #3	\$1500
James Robert Jordan Jr.	Texas A&M University	Charlie and Jean Smith Scholarship #6	\$1000
Ryan Keisler	University of Texas, Austin	Karen Kellogg Shaw Memorial Scholarship #3	\$1500
Rachel Kessler	Barnard College	Charlie and Jean Smith Scholarship #2	\$1000
Sonja Kisin	University of Houston	Geophysical Society of Houston Scholarship #2	\$1000
Sonja Kisin	University of Houston	John Butler Scholarship	\$1000
Andrew E. Knust	Michigan Technological University	Phillips Petroleum Scholarship #5	\$1000

<u>Name</u>	<u>University</u>	<u>Award</u>	<u>Amount</u>
Artie Konrad	University of California-Berkeley	Conoco Scholarship #1	\$1500
Richard A. Krahenbuhl	Colorado School of Mines	Chevron Scholarship #5	\$2000
Lindy J. Kruger	University of Calgary	SEG Endowed Scholarship (Softball Tournament) #3	\$1000
Jong-Sub Lee	Georgia Institute of Technology	Tim Long Scholarship	\$1000
Chunfeng Li	University of Tulsa	Charlie and Jean Smith Scholarship #7	\$1000
John Londono	Louisiana State University	Southwest Louisiana Geophysical Society Scholarship	\$2500
Shaoming Lu	University of Texas, Dallas	Karen Kellogg Shaw Memorial Scholarship #1	\$2000
Ha Thanh Mai	University of Oklahoma	Aubra Tilley Scholarship #2	\$2000
Circe Malo-Lalande	Ecole Polytechnique de Montreal	Hohmann Memorial (Graduate) Scholarship	\$3000
Anna Marti	University of Barcelona	SEG Foundation International Scholarship #3	\$1000
Aaron F. Mertz	Washington University, St. Louis	Charlie and Jean Smith Scholarship #5	\$1000
Carlyle R. Miller	Montana Tech	Chevron Scholarship #8	\$2000
Kathleen J. Miller	Montana Tech	Michael Forrest Scholarship	\$2000
Justin B. Milliard	University of Montana	Charlie and Jean Smith Scholarship #9	\$1000
David A. Minken	University of Oklahoma	Aubra Tilley Scholarship #1	\$4000
Sarah Minson	University of California-Berkeley	ExxonMobil Scholarship #4	\$1500
Karen M. Mobley	Texas A&M University	Geoph. Soc. of Houston/Carleton-Farren Scholarship	\$2500
Robert D. Monnar	Univ. of Nevada, Mackay School of Mines	Landmark Graphics Scholarship #9	\$1000
Tahirih Motazedian	University of Oregon	Phillips Petroleum Scholarship #6	\$1000
Charley Murphy	University of Western Ontario	KEGS Scholarship - Ontario University	\$1000
Rachel Newrick	University of Calgary	WesternGeco/Henry Salvatori Scholarship	\$5000
Thang Hong Nguyen	University of Oklahoma	Geophysical Society of Oklahoma City Scholarship #1	\$2000
Carlos Nieto	University of Calgary	Excel Geophysical Services Scholarship	\$1000
Sara Old	Texas A&M University	Karen Kellogg Shaw Memorial Scholarship #2	\$1500
Steve Taechun Paik	California Institute of Technology	Geophysical Society of Alaska Scholarship	\$1000
Passakorn Pananont	Cornell University	Chevron Scholarship #1	\$2000
Claire Kathryn Hannah Perry	Institut de Physique du Globe de Paris	Landmark Graphics Scholarship #1	\$2000
Kimberly Pike	University of Alberta	KEGS Scholarship - Canada School	\$1000
Nathaniel Putzig	University of Colorado	Charlie and Jean Smith Scholarship #8	\$1500
Matthew D. Ralston	University of Kansas	Thomas Mazza Memorial Scholarship	\$1000
Kristi N. Rasmusson	Boston College	Chevron Scholarship #2	\$1500
Sarah Richardson	University of Calgary	SEG Endowed Scholarship (Softball Tournament) #2	\$1000
Robert Brent Riley	Texas A&M University	Geophysical Society of Houston Scholarship #3	\$1500
Emily Roland	Colorado School of Mines	Mark E. Gregg/KiwiEnergy Ltd. Scholarship	\$1000
Theodore Royer	Colorado School of Mines	Charlie and Jean Smith Scholarship #1	\$2000
Michael Rumon	Colorado School of Mines	Denver Geophysical Society Scholarship #6	\$1000
Paul Schmieder	University of Tulsa	Geophysical Society of Tulsa #1	\$1000
Sarah Shearer	Colorado School of Mines	Barbara McBride Memorial Scholarship	\$1000
Nicholas O. Sidelnik	Massachusetts Institute of Technology	AGIP Scholarship	\$1000
Satish K. Sinha	University of Oklahoma	Aubra Tilley Scholarship #5	\$2000
Kyle Thomas Spikes	Stanford University	Schlumberger Scholarship	\$2000
Ryan Stepler	University of Oklahoma	Charles B. McBurney Memorial Scholarship	\$2000
Masako Sugimoto	University of Hawaii-Manoa	WesternGeco Scholarship #2	\$1500
Erika Szabo	University of Western Ontario	SEG Foundation Int'l Scholarship #5	\$1000
Weihua Robert Tau	Massachusetts Institute of Technology	Fred Hilterman Scholarship	\$1000
Martin Jordan Terrell	Colorado School of Mines	Chevron Scholarship #3	\$1000
Wes Thelan	University of Nevada, Reno	WesternGeco Scholarship #1	\$1000
Michael J. Tompkins	University of Wisconsin-Madison	Phillips Petroleum Scholarship #2	\$2000
Tobyn W. Van Veghten	University of Missouri-Rolla	Hohmann Memorial (Undergraduate) Scholarship	\$1000
LiFeng Wang	University of Petroleum, Beijing	ARCO Scholarship #2	\$500
Jonathan R. Weiss	University of Hawaii-Manoa	SEG Foundation General Scholarship #3	\$2000
Jonathan Winsor	Memorial University of Newfoundland	Landmark Graphics Scholarship #7	\$2000
Kathleen Wooten	College of William and Mary	SEG Endowed Scholarship (Softball Tournament) #1	\$1000
Lan Lan Yan	University of Calgary	WesternGeco/Carl Savit Scholarship	\$5000
Rhonda Mae Yates	University of Memphis	ExxonMobil Scholarship #3	\$2000
Ken Yoshioka	University of Utah	Chevron Scholarship #6	\$2000
Cleat P. Zeiler	Montana Tech	Landmark Graphics Scholarship #5	\$1000
Yajun Zhang	University of Alberta	Hron Memorial Scholarship	\$1000
Mikhail Zykov	University of Victoria	SEG Foundation International Scholarship #4	\$1000

SEG Student Sections/Academic Liaison

Doug Wyatt, chairman

The SS/AL Committee (SS/ALC) has continued to “push the envelope” to create interest in, and more opportunities for, students of geophysics and the geosciences. The SEG staff has worked diligently and excitedly in promoting the ongoing activities of the SS/ALC while supporting new activities and providing more opportunities for our involved members.

This year the committee has accepted 11 new student sections. The SS/ALC now boasts of 106 (plus four awaiting approval to make it 110) student sections—41 in the United States and 69 in other countries.

In an effort to establish a valid quorum, the SS/ALC initiated a review of the active committee membership. The membership roll had not been updated for three years and the number of SEG members who still claimed active committee involvement was unknown. Initially, 55 names were associated with the committee. After asking all members of their desire to remain involved, the committee was reduced to 24 members. Many of these members are associated with specific committee programs. Several new members have joined since our membership review.

The SS/ALC serves many of the Society’s interests. We have accomplished the following during the past year:

- An SEG Web page has been designed in which students can search various links to geoscience career opportunities such as internships and field camps. This page also allows students to submit their résumés online. These résumés can be downloaded by recruiters and business representatives visiting the site.
- A program to provide geophysicists and geoscientists as speakers for student sections is being implemented. Student sections will be able to host geoprosessionals at their schools for speeches and career workshops.
- The printed newsletter, *The Anomaly*, will be changed to an electronic e-mail format.
- A career poster promoting geophysics will be distributed to all geoscience departments in the United States and Canada. SEG hopes also to send this poster to international universities.
- Increased our cooperation with the AAPG student activities, including: coplanning the highly successful AAPG/SEG Student Expo and exhibiting committee activities in our booth at the AAPG Annual Meeting.
- Completed a wonderful, fun-filled, and well-attended Annual Meeting Student Reception.
- Continued SEG’s participation in the 2002 International Science and Engineering Fair by awarding \$3500 in prizes.

In addition to our accomplishments this year, the SS/ALC has initiated many new activities and programs. These activities and programs will be developed during the coming year and include:

- Modify the annual Student Reception to include specific opportunities for students to meet individually with corporate sponsors prior to the reception and party.
- Initiate interaction with the U.S. Physics Team to promote geophysics as a career for the brightest and best students in the country. SEG’s initial involvement included sending posters and brochures to students and schools and providing SEG members and members of the Executive Committee to speak at award assemblies and the U.S. Physics Team Camp. Other initiatives include sending posters and brochures to the semifinalists and their teachers, sending an SEG speaker to the Oklahoma School of Math and Science awards ceremony and to other school presentations.
- In conjunction with the Geoscience Center and Government Affairs Committee, increase our involvement with the AGI K-12 geoscience program.
- Greater involvement of SEG in sponsoring the International Science and Engineering Fair. Possibilities range from sponsoring the Earth and Space Sciences category to sponsoring a meal or student activity.
- Implement committee fundraising ideas learned from meetings with AAPG.
- Cosponsor the AAPG Spring Student Expo.
- Increase cooperation between SS/ALC and Global Affairs Committee for areas of mutual interest.
- Initiate the “SEG Student Membership Corporate Sponsorship Program” with Halliburton as the first sponsor (for a two-year term) of student membership dues.

All of our activities and initiatives depend on the able, complete, and wonderful support of Leslie Seawright and our SEG staff. Our work depends on the time and commitment of our volunteers. The SS/AL Committee is committed to support SEG’s goals and ideals. We are further committed to support, develop, and encourage geoscience education through SEG involvement in education. It has been a good year!

Technical Standards

Alan Faichney, chairman

SEG-Y Revision 1. The original SEG-Y Data Exchange Format (Revision 0) was published in 1975 and has achieved widespread usage within the geophysical industry. This, in turn, has brought about many propri-

etary variations. Since the initial publication of SEG-Y Revision 0, the nature of seismic data acquisition, processing, and seismic hardware has changed significantly. The introduction of 3D acquisition techniques and high-speed, high-capacity recording media dictate that changes be made to the SEG-Y Revision 0 format. The changes are principally addressed at standardizing the location of header information needed for current processing practices, defining a SEG-Y data set as a byte stream format, and adding format structure to accommodate high capacity storage media.

The PESGB Data Management Group performed a great deal of work in revising the original SEG-Y and, at the beginning of 2000, passed it over to the Technical Standards Committee to start the public review and approval process. Over the past year, the public review process highlighted several opportunities to improve the standard, including, most recently, support for multi-component sources.

The Technical Standards Committee (TSC) has now completed the public review and approval process and has recommended to the SEG Executive Committee that it be adopted as a full SEG standard. At SEG's 2001 Annual Meeting in San Antonio it was agreed that:

SEG technical standards need to be reviewed on a continuing basis. In the past, standards were reviewed on an as needed basis as dictated by changing industry requirements. It was proposed that a formal biannual or triannual review system be employed. After discussion, it was decided that the existing system of review based on activity be continued.

Review committees have been set up for SEG-D and for SPS. The purpose of these groups is to review the suitability of the formats for serving present and future needs of the industry, take account of technological and operational developments, and to form a view on the relative balance of costs between the inevitable disruption caused by modifying a standard and the costs incurred by any inefficiencies in the existing standard.

It is anticipated that both groups will report to the committee at SEG's 2002 Annual Meeting in Salt Lake City, with recommendations on whether the formats need to be refreshed, revised, or replaced.

RODE and the Field Polarity standards are slated for review next.

GXF (Grid eXchange File) Revision 3 was accepted at SEG's 2001 Annual Meeting by the Gravity and Magnetics Committee as a *de facto* standard for the exchange of gridded data, and the Technical Standards Committee was asked to accept it for formal standards approval.

As coordinate reference systems in GXF-3 are described, using names from the European Petroleum Survey Group (EPSG) geodetic data tables, this depends on the successful resolution of the legal issues described below.

In addition to maintaining links with the United Kingdom Offshore Operators Association (UKOOA) and the International Association of Geophysical Contractors (IAGC), the Technical Standards Committee has, over the past two years, been developing closer links with the European Petroleum Survey Group (EPSG), that maintain and publishes a comprehensive data set of parameters for coordinate system and coordinate transformation description.

In the past year, the Technical Standards chairman was invited to sit as SEG's representative to the EPSG Geodesy Working Group and assist in resolving the technical and legal incompatibilities of the two standards bodies.

Good progress has been made, and the technical issues are now resolved, allowing the SEG-Y Revision 1 to use the form of the EPSG coordinate descriptions. While some issues regarding intellectual property and liability still prevent the TSC from fully adopting the EPSG data set, we are confident that these too will be resolved.

Tellers

Frank Everett, chairman

Southwestern Computing Services, Inc., Tulsa, Oklahoma, was retained for tabulation of the ballots for the 2001-2002 election for SEG officers and district representatives.

A total of 7687 ballots were mailed and 2030 (26.4%) received through July 31, 2001. The ballots were opened under my supervision. Other Tellers Committee members present were Dick Banks and Virginia Pendleton. The ballots were delivered to Southwestern Computing where the votes were entered, verified, and tabulated.

The Tellers Committee verified the Southwestern Computing data by checking five batches of ballots, ranging from 30 to 100 each. No errors were detected. On behalf of the Tellers Committee, I approved the tabulation and reported the results.

In late 2001, a second ballot was mailed to the SEG members concerning amendments to the Constitution, Article III, "Membership." The tabulation was completed by the SEG Business Office staff under my supervision.

A total of 8023 ballots were mailed and 1808 (22.5%) received through December 31, 2001. The ballots were opened and sorted as to the "yes" or "no" response. It was decided to "hand count" the ballots because the overwhelming majority of the responses approved in favor of the amendment.

On behalf of the Tellers Committee, I approved the tabulation and reported that the amendments to the Constitution which further clarified the benefits of Global membership (per Article XIX, "Amendments to the Constitution and Bylaws," Section 4) were approved by a majority vote.

THE LEADING EDGE Editorial Board

Gene Sparkman, chairman

This is a special year for THE LEADING EDGE. We are celebrating the 20th anniversary of publication with special articles in each issue recalling how *TLE* has reported the changing contribution that geophysics plays in our world. This period has witnessed the development of 3D seismic, the technology that has probably made the largest contribution to oil and gas reserves additions since the beginning of drilling. The June issue, the actual 20th anniversary of the first issue, sported a new look that represented our intent to maintain a "cutting edge" format that will appeal to our membership. This new look also demonstrates the talent of our staff which, due to a technological revolution in printing, now executes all prepress functions in-house. This has simultaneously reduced costs and improved quality control.

This year was also a key year for *TLE* editor Dean Clark and associate editor Dolores Proubasta who celebrated their 20th anniversary on the SEG staff. I think it is quite a tribute to SEG that such talent has remained with us and put their imprint on the growth of our publication. Jennifer Cobb, assistant editor, and Ian Danziger, production specialist, assist Dean and Dolores in putting *TLE* together each month. Kathy Gamble, whose main responsibility is designing print material for the Meetings Department, designs our covers and does a great job. This cooperation between two of SEG's major departments saves the Society several thousand dollars annually.

TLE continues to operate on the positive side of the financial ledger in spite of the continued loss of advertisers through industry mergers. The *TLE* Board and staff have kept a close eye on costs to assure that we are providing the best value to the SEG membership.

As in recent years, special topics anchor each issue. This has proven a popular method to highlight changing technology because it allows different aspects of a topic to be addressed in the same volume. We have received some criticism that *TLE* has become too technical and is a "short cut" to publication of papers that should be in *GEOPHYSICS*. This is not a new comment. I heard it first back in 1990 when I was on the Executive Committee. The response from that committee still holds: We are a technical society and, although we try to minimize the equations in *TLE*, we recognize that we have a responsibility to get information about developing technology to the membership quickly. On occasion, this means that we present controversial new ideas and interpretations to spur discussions that will help continue the technology development process. We also make a major effort to present interpretation case studies because this is an area of particular interest to the majority of our members and one that SEG publications slighted for many years.

This material may be replacing some of the lighter subjects that were previously carried but we still include many articles on nontechnical topics.

For the Best Paper in *TLE* for 2001 the Board selected: *The petrophysical basis for shallow-water flow prediction using multicomponent seismic data*, by Alan R. Huffman and John P. Castagna from the September issue.

The Board selected two papers from many outstanding candidates for Honorable Mention: *The next wave in reservoir monitoring: The instrumented oil field*, by David E. Lumley from the June issue and *Quantitative evaluation of the geotechnical risk associated with a stratigraphic trap in the Neuquén Basin of Argentina* by Jean-Pierre Blangy from the November issue.

The *TLE* Editorial Board has played a leadership role in 2001 and 2002 by continuing the *TLE* Forum series at the SEG Annual Meeting. The Forum is a high-profile interactive venue for bringing together top experts in areas of growing importance to the SEG membership. *Geophysics and the Environment*, the 2001 topic, focused on the diverse impacts and opportunities that environmental issues present. The Forum to be held at the SEG 2002 Annual Meeting will deal with the broad topic of *Future Computing*. Computing permeates all aspects of geophysics, and this timely topic will give SEG members the opportunity to hear about computing trends from corporate and academic leaders. The *TLE* Forum series for 2001-2002 has been coordinated by Chris Liner (former SEG editor and current chairman of the Publications Committee) and Dolores Proubasta (*TLE* associate editor).

This year the complete archives of *TLE* became available online to SEG members. Contact the SEG Membership Department to get your password to access this archival publication site.

Linda Sternbach and I will be completing terms on the *TLE* Editorial Board at this year's Annual Meeting. I want to thank the SEG membership for the opportunity to participate on this Board because it has been a very rewarding experience. Linda deserves our thanks for the hard work she has done. Her coordination of the cover designs has contributed to the fresh look of *TLE*, and she has been responsible for securing most of the invaluable articles in our *Interpreter's Corner* feature for the past two years. Don Herron is filling my position, and Rebecca Latimer will be filling Linda's position. With the election of Ali Tura to the Executive Committee, Bill Dragoset will also be joining the Board in Ali's stead. Don, Rebecca, and Bill will be joining Rocky Roden, John Eastwood, and Lawrence Gochioco. Rocky will serve as chairman for next year.

Translations

Ilya Tsvankin, Chairman

During the report period (June 2001–June 2002), the Translations Committee considered a number of foreign-language books for possible translation and publication by SEG. The committee met at the SEG 2001 Annual Meeting in San Antonio and then continued discussions by e-mail throughout the year. Books currently being reviewed by the committee include: *Three-Dimensional Magnetotellurics*, by Vjacheslav Spichak (the text is already translated into English); *Inverse Problems in Geophysics*, by Tatiana Yanovskaya and Ludmila Porokhova; *Impedance Imaging Methods*, by Hiromasa Shima, Kazuhiko Kajima, and Hideki Kamiya; and *Statistical Methods of Processing and Interpretation of Geophysical Data*, by Vladimir Troyan and Yuri Kiselev.

Magnetotellurics in the Context of Theory of Ill-Posed Problems, by Mark Berdichevsky and Vladimir Dmitriev, translated from Russian and recommended by the committee to SEG several years ago, is scheduled for publication in 2002. *Velocities and Imaging Techniques in Reflection Seismics*, by Etienne Robein, reviewed last year, is being considered by the Publication Committee as a possible candidate for joint publication with EAGE. The committee has not recommended *Methodology of Acquisition and Processing of Seismic Data*, by Alexander Telegin for translation as a book, but suggested to the author to prepare a series of articles for THE LEADING EDGE based on some of the book's materials.

Tables of contents of the following foreign journals are presently published in GEOPHYSICS on a regular basis.

China

Oil Geophysical Prospecting
Journal of the University of Petroleum

Hungary

Geophysical Transactions of the Eötvös Lorand
Geophysical Institute

India

Journal of Geophysics (formerly Journal of
Association of Exploration Geophysicists)

Japan

Butsuri-Tansa (Geophysical Exploration) of the SEG
Japan

Russia

Geology and Geophysics, Russian Academy of
Sciences, Siberian Branch

Ukraine

Geophysical Journal, Ukrainian Academy of Sciences

Tables of contents of other journals and one-time reports of possible interest to the readership of GEOPHYSICS are published as they become available.

Report of the Ad Hoc Committee Chairman

Ad Hoc Southeast Asia/Pacific Steering Committee

Brian Spies, chairman

The Ad Hoc Southeast Asia/Pacific Steering Committee was set up in early 2000 by president Sally Zinke, with a charter to investigate ways to better coordinate the activities of local SEG sections and associated societies in the Southeast Asian region and avoid potential overlap of their meetings and functions. Members of the committee are Brian Spies (chairman), Alfred Liaw, Toshi Uchida, Djoko Santoso, Shane Coperude, Ananda Pramanik, and John McDonald.

SEG has a long history of international relations and representation, including seats on the Council from districts that represent geographic regions, sections and associated societies, the Global Affairs Committee (GAC) regular international meetings, and an Executive Committee drawn from multiple nationalities and cultures.

A number of national geophysical societies in the Southeast Asia/Pacific region are associated societies of SEG and have seats on the SEG Council. The “associated” status implies an independent relationship, but existing under the SEG umbrella (the term “SEG section” is synonymous with associated society). In the Southeast Asia/Pacific region, Australia, India, Japan, Korea, Malaysia, and Vietnam are associated societies. Many societies do not have association agreements with SEG, for instance Indonesia, New Zealand, and Taiwan. However, SEG members in the region are part of District 10, which has representation on the Council.

The GAC was set up to foster the global nature of SEG and provide links between the Society and other SEG committees and countries around the world. The GAC has a number of regional coordinators and country or state representatives in each of its 11 regions, which include the Asian and Pacific regions.

Even with these mechanisms in place, the center of gravity of the SEG is perceived as being geographically remote from Southeast Asia and western Pacific, due partly to the fact that the SEG Business Office is based in the United States. Geophysical societies in the Southeast Asia/Pacific region have long sought closer ties with SEG, the largest and most well-known exploration geo-

physical society, as well as with each other.

A number of bilateral and multilateral agreements have been proposed, for instance, a steering committee for geophysical activities in East Asia and Australia, was suggested by SEG Japan (SEGJ) and discussed at the SEG 2000 Annual Meeting in Calgary. The purpose of this committee would be to assist coordination of activities of SEG, Korean Society of Exploration Geophysicists (KSEG), SEGJ, Indonesian Association of Geophysicists (HAGI), and the Australian Society of Exploration Geophysicists (ASEG). Discussions on mechanisms to facilitate collaboration in the Southeast Asia/Pacific region, continued at the January 2001 SEGJ meeting in Tokyo, the European Association of Geoscientists and Engineers (EAGE) meeting in Amsterdam in June 2001, and at the ASEG meeting in Brisbane in August 2001.

At the August 2001 meeting, it was proposed that a Southeast Asia/Pacific Geophysical Society Steering Committee be formed, composed of presidents of the relevant societies, to promote and facilitate cooperation and coordination of geophysical activities in the region. It is envisaged that the chairman of the steering committee would rotate between the presidents of the societies, a similar model to that adopted by the Union of Latin American Geophysicists. This new steering committee will carry out the functions of the present ad hoc committee, which will cease operation.

I would like to thank the members of the ad hoc committee and the high-level representatives of the various societies for their enthusiasm and support over the last three years. We can all look forward to close cooperation among societies and coordination of geophysical activities in the region into the future to achieve a common goal of promoting the profession and widening the activities of geophysics.

Reports of the Representatives

AGI Member Society Council

Walt Lynn, representative

The American Geological Institute (AGI) is a non-profit federation of 40 geoscience and professional associations that represent more than 100 000 geologists, geophysicists, and other earth scientists. Founded in 1948, AGI provides information services to geoscientists, serves as a voice of shared interests in our professions, plays a growing role in strengthening geoscience education, and strives to increase public awareness of the vital role that the geosciences play in mankind's use of resources and interaction with the environment. News, trends, and general information regarding the geosciences are disseminated through AGI's primary publication, *Geotimes*, and through its Web site: www.agiweb.org.

I attended AGI's two semiannual meetings (November 2001 and March 2002), as SEG's representative. Additionally, I participated in several other AGI education-related initiatives and meetings throughout the year. Although the AGI staff spends a considerable amount of time and effort monitoring political, environmental, and economic issues related to the geosciences, its primary benefit to SEG members is related to the many educational projects and initiatives. It is my opinion that SEG should continue to participate in these educational areas and that they are well worth the dues that we pay each year to AGI as a member society.

Two geoscience curriculums are now available through AGI. The first, *EarthComm*, is a hands-on inquiry-based Earth-science curriculum program for grades 9-12. It consists of five modules: *Earth's Dynamic Geosphere*, *Understanding Your Environment*, *Earth's Fluid Spheres*, *Earth's Natural Resources*, and *Earth System Evolution*. A nine-module middle-school curriculum program, *Investigating Earth Systems*, is also available. Both of these curricula have been extensively tested in schools throughout the United States and have been received very well. SEG members involved with or interested in education at these levels should take a look at the modules and make them known to their local schools and school boards. Although written in English, they are applicable worldwide.

AGI is in a position to play a major role in coordinating geoscience education efforts in the United States and eventually throughout the world. One such related effort

is through the AGI Education Committee, which last met in April 2002. SEG was represented by Kay Wyatt, Bill Underwood (SEG Geoscience Education manager) and me. The focus of this committee is the reform and emphasis of geoscience education throughout the primary and secondary school levels. It is recognized that geoscience often takes a back seat relative to the other physical sciences—chemistry, biology, and physics. Therefore, we must be more proactive in promoting the value of geoscience education at these levels. Moreover, changing the education mode from text-based systems to inquiry-based systems is gaining momentum. Those interested should request a copy of the report from the National Conference on the Revolution in Earth and Space Science Education (see: EarthScienceEdRevolution.org).

In January I participated, with more than 100 other geoscientists, in a petition to get the Texas State Board of Education to reinstate geoscience-related courses as science credits for high school graduation. This effort is under way in Texas, but the issue is equally pressing everywhere.

At the March AGI meeting, I participated with GSA and AAPG in the presentation of a proposal of a geoscience electronic-journal (e-journal) aggregate. This is a major project for which we are seeking industry funding and geoscience society support to electronically link and archive all geoscience journals and publications. Funding is nearly complete to proceed with a one-year pilot study to test the commercial and technical feasibility of this idea.

SEG will continue to coordinate and communicate with AGI and its member societies to enhance our own educational programs through intersociety cooperation. I highly recommend the AGI Web site for further information. Please pass along any relevant information to your colleagues.

API Central Committee for Telecommunications

Cliff Ray, representative

The API Telecommunication Committee's mission is to support the oil and gas industry's effective management and implementation of telecommunication technologies, resources, regulatory and legislative effects. As a nonvoting member, SEG has an opportunity to be

kept abreast of regulatory and legislative matters that may affect the use of radio spectrum for geophysical purposes.

The fall meeting of the API Telecommunications Committee scheduled for September 24-26, 2001 in Washington, DC, was canceled due to the September 11 terrorist attacks on the World Trade Center in New York and the Pentagon in Washington, DC. I attended the meeting held February 11-13 in San Diego, California. We reviewed the status of a number of items relating to radio spectrum matters affecting the oil and gas industry. Items that may be of interest to SEG members include:

- On February 14, the Federal Communications Commission (FCC) issued a First Report and Order permitting the marketing and operation of certain types of new products incorporating ultra-wideband (UWB) technology. The order includes standards designed to ensure that existing and planned radio services, particularly safety services, are adequately protected from interference. Of particular note is that the order limits UWB to a frequency band of 3.1-10.6 GHz, because there was a concern expressed by the Department of Defense, the Department of Transportation, the aviation industry, and the National Ocean Industries Association that frequencies below 3.1 GHz would interfere with aviation, GPS, and other signals. The FCC qualified its order by stating that the standards it was adopting "may be overprotective and could unnecessarily constrain the development of UWB technology." Therefore, the agency decided that it would review the standards for UWB devices within the next 6-12 months, after it conducted its own tests, and would issue a further rule to explore more flexible technical standards and to address the operation of additional types of UWB operations and technology. It appears the new rules may severely restrict the use of ground penetrating radar (GPR) for geophysical applications. At a U.S. House of Representatives Energy and Commerce Subcommittee on Telecommunications and the Internet hearing on June 5, federal officials stated they are considering ways to correct the problem for the GPR industry.
- The FCC released a Report and Order on August 31, 2001, which, as of December 3, 2001, requires all persons and entities doing business with the commission to obtain and utilize a unique 10-digit identifying number known as an FCC Registration Number (FRN). The FRN is required in addition to the several other "identifiers" currently used by the commission, such as Taxpayer Identification Numbers (TINs). Although TINs are not available to the public, the FCC may share FRNs with other governmental organizations as authorized by the Debt Collection Improvement Act of 1996 and other statutory provisions. Furthermore, unlike TINs, the general public is able to search the

CORES (Commission Registration System) database and obtain an entity's FRN and name.

- On May 24, the FCC released a Report and Order that included new rules for licenses in the 217-220 MHz band. The geophysical community has had access to this band for radio telemetry for many years as secondary users. However, now that this band has been auctioned, more restrictive rules have been placed on the secondary users. For example, wide area (greater than 50-mile radius) or itinerant operations are prohibited for secondary users. Also, frequency coordination will now be required with all primary and secondary users in this band. Secondary users will be limited to 2 watts transmitter output power and be required to adhere to 6.25 KHz channel spacing. The addition of many primary auction winners in this band and the new rules will greatly limit the use of these frequencies for seismic exploration.

Membership on the API Telecommunication Committee provides an opportunity to monitor and present our views relating to radio spectrum regulatory and legislative matters at the biannual meetings. I plan to attend the fall meeting September 23-25 in Washington, DC. Let me know of any particular radio spectrum concerns you may have.

**International Association of
Geophysical Contractors (IAGC)**
Chip Gill, president of IAGC
Jonathan Miller, IAGC vice chairman
Board of Directors
Mike Bahorich, representative

SEG has close relationships with many other professional societies but it is arguable that none is closer nor more important than its ties with the International Association of Geophysical Contractors. Because it is obvious that the two organizations have many common goals and objectives and that the overall health of both groups is vital to the applied geophysical community, SEG's leadership in recent years has been working to further strengthen the Society's ties with IAGC and to implement programs that will benefit both groups.

This year, we have been developing a philosophical framework that describes the roles of the two societies in the overall geophysics community. Although this is still being developed, significant progress has been made in recent months. SEG and IAGC agree that our two associations are inextricably linked. SEG is an association of professional individuals whose primary goal is advancing the science of applied geophysics and IAGC is a trade association, whose members are companies, whose pri-

mary role is maintaining a healthy economic environment for the geophysical industry. As a result, IAGC's activities fall primarily in the areas of government advocacy, developing standards and best practices, and improving the commercial health of the geophysical industry. We also agree that our combined membership clearly has one common issue: the desire to ensure that geophysical data can be acquired in the first place. This is where IAGC focuses a significant part of its efforts and, in fact, IAGC is the voice of all who work in the geophysical industry when it comes to these basic issues.

IAGC has recently undergone a number of changes to make it more efficient and effective. As part of this change, IAGC has looked at the health of the geophysical industry and produced a "State of the Industry" message. The entire report can be seen at www.iagc.com. This is important information for all SEG members, so a part of it is quoted below:

"The industry provides tremendous value to its customers. A viable, healthy, competitive geophysical industry is critically important to the E&P industry.

The ultimate providers of our services—our owners/shareholders—are not being adequately compensated for providing these services, as evidenced by cumulative negative cash flows generated by the industry as a whole the last six years.

Some of the factors which contribute to the geophysical industry's poor financial condition include a customer base shrinking through consolidation, unreasonable transfer of contractual risk without commensurate compensation, and the assumption of rights not granted or the ignoring of restrictions or prohibitions in data license agreements."

IAGC members, the world's major geophysical contractors, are the largest financial supporters of SEG's Annual Meeting. This support comes via purchasing booth space on the exhibit floor, allowing employees to attend (and in many cases paying their registration fees), sponsoring events, and advertising. However, IAGC feels that the value to the geophysical companies of the SEG Annual Meeting is decreasing. Fewer key E&P company decision makers are attending and the Annual Meeting has not made the necessary changes to appeal to these decision makers. The reason for this is that an increasing portion of the geophysical industry's focus is on modeling the reservoir, not exploration (although still important), and those individuals making the spending decisions for these reservoir projects need to be attracted to SEG's Annual Meeting.

IAGC and SEG representatives met several times during the last year to explore ways to improve this situation. IAGC has proposed several steps, which include: choosing moderately priced venues accessible from United States oil centers; developing programs which appeal to a broader audience of geoscientists; marketing annual meetings to key E&P decision makers; and com-

binning SEG's Annual Meeting with that of AAPG and/or other professional societies/associations.

Obviously, implementing some of these recommendations would dramatically change SEG operations and financial underpinning. Thus, they will have to be carefully considered by SEG's leadership.

Offshore Technology Conference (OTC)

Board of Directors

James D. Robertson, representative

SEG is a sponsoring organization of the Offshore Technology Conference, a relationship that dates back to 1968 when SEG accepted an invitation to join with AIME and seven other engineering and scientific societies to establish OTC as an interdisciplinary meeting on technology related to offshore resources. As a sponsoring organization, SEG is entitled to appoint one of the 13 members of the OTC Board of Directors. I have just finished the fourth year of a four-year term as SEG's representative on the board, and had the privilege this year of serving as vice chairman of the board and chairman of the Finance Committee.

The 2002 Offshore Technology Conference was held on May 6-9 at Reliant Park in Houston, Texas. For the first time, the conference utilized a newly constructed convention facility at the park called Reliant Center, which turned out to be an excellent venue for exhibits, technical sessions, and other OTC events. Total attendance was 49 620, an increase of 4% over 2001 registration. A total of 279 technical papers were presented, and 2024 exhibitors from 26 countries occupied 375 200 square feet of exhibit space. Two OTC General Sessions covered the topics: *Offshore Gas Developments: A Critical Factor in Global Energy Markets* and *What Is the Future Model for Offshore Project Execution?* The Active Arena focused on technology, materials, and engineering methods that enhance offshore safety and security.

The 2002 OTC Distinguished Achievement Award for Individuals was presented to Bruce Collipp of Shell Oil Company for his leadership in the development of ocean engineering technologies, including the invention and deployment of the world's first semisubmersible floating platform. The 2002 OTC Distinguished Achievement Award for Companies, Organizations, and Institutions was presented to ExxonMobil Development Company for its Hoover Diana Project, the first simultaneous development of multiple deepwater fields. A special citation was presented to Dana Larson, the Texas Parks and Wildlife Commission, the Louisiana Department of Wildlife and Fisheries, and the Minerals Management

Service for their roles in the Rigs-to-Reefs initiative of the Artificial Reefs Program in the Gulf of Mexico. Harry Longwell, a director and executive vice president of ExxonMobil Corporation, delivered the keynote address at the awards luncheon.

An energy roundtable of industry leaders was held in conjunction with the 2002 OTC, and focused on *The Role of Offshore in a Global Energy Arena*. Matthew Simmons, founder and chairman of Houston-based Simmons & Company International, moderated the roundtable, and Luis Giusti, senior adviser at the Center for Strategic and International Studies in Washington, DC, was the roundtable's keynote speaker. For the second year in a row, three industry breakfasts were held at this year's OTC. Delegates heard discussions on *Business Opportunities in Nigeria's Oil and Gas Sector*, *Geopolitics of Oil and Gas and its Influence on Prices into the 21st Century*, and *Offshore Research Development and Delivery Initiative for U.S. Ultra-Deepwater Oil and Gas Production*.

Exploration geophysics was strongly represented in the 2002 OTC Technical Program by SEG-sponsored technical sessions on deepwater seismic imaging, integrating surface and borehole geophysics, multicomponent seismic in offshore exploration and production, seismic reservoir properties, and geohazards and seafloor imaging. I thank Dan Ebrom, chairman, Guy Purnell, vice chairman, and the other members of the SEG Subcommittee of the OTC 2002 Technical Program Committee for their diligent efforts in assembling these excellent sessions. The hard work of these SEG members is directly responsible for the outstanding representation of exploration geophysics in the OTC technical program and for SEG's success in promoting geophysics to all OTC attendees. I also thank Hugh Hardy and Alf Klaveness for cochairing the Arrangements Subcommittee of the OTC 2002 Conduct Committee and assembling an able workforce of SEG volunteers to assist OTC with meeting arrangements. The efforts of these numerous volunteers were instrumental in assuring that OTC's first year in Reliant Center ran smoothly and successfully. Finally as my four-year term ends, let me note that it has been an honor to serve as SEG's representative on the OTC Board of Directors, and I thank the SEG membership and recent SEG Executive Committees for this opportunity to serve the Society.

OTC Technical Program

Dan Ebrom, representative

This is the first year for OTC in the new Reliant Convention Center, and the facility performed like a champ! This year's unofficial attendance count was about 2000 more than last year—in the neighborhood of

49 600. There was plenty of floor space for exhibiting companies (I heard an unofficial count that more than 90% of the available floor space was occupied by vendors). No longer did convention attendees have to wander in and out of four separate buildings to see all the booths. And with luncheon facilities on site, most attendees at thematic luncheons did not have to leave the building in the heat of the day. There were the usual start-up challenges but remarkably fewer than might have been expected. Parking remains an issue for OTC, but the system of offsite parking with shuttle buses seemed to work well. (I wound up parking in one of the remote lots myself, and I barely had to wait two minutes for a shuttle bus to pick me up.)

The Technical Program was first-rate, with two entire days of geophysics. This included sessions on: *Deepwater Seismics*, by Guy Purnell for SEG and Leslie Wood for American Association of Petroleum Geologists (AAPG); *Integrating Borehole and Surface Geophysics*, by Linda Zimmerman and Ed Stoessel; *Multicomponent Seismics*, by Bob Hardage and Dan Ebrom; and *Seismic Reservoir Characterization*, by Mike Mueller and John Sumner. We had two keynote speakers: Henry Pettingill, of Repsol YPF, on *Deepwater Seismics*, and Bob Tatham, of University of Texas at Austin, on *Multicomponent Seismics*. Geophysical session attendance had a peak of 125 at any given time, and averaged 70-80 attendees per session. (The rooms can comfortably hold three times that audience, so I encourage folks worried about crowds to attend next year.)

Of course there were also sessions of interest to geophysicists even if not specifically focused on geophysics. The session on e-Bizz was especially interesting. Electronic technology is being used to facilitate purchasing oilfield equipment, government oversight (in the United Kingdom), and even realtime monitoring of production/pressure data, and continuous geophysical monitoring. Other great sessions were *Natural Hydrates*, *International Exploration*, *ROVs and AUVs* (that's remotely operated vehicles and autonomous underwater vehicles, I think!), and development of the Girassol field.

The Geophysical Society of Houston (GSH) volunteers were outstanding. They made sure that the session chairmen and speakers always had the audiovisual and logistical support that made the presentations run smoothly. I saw quite a number of the GSH volunteers: Dave Agarwal, Mark Bogaards, Claire Bresnahan, Spud Brundage, Lisa Buckner, Paul Carter, Roy Clark Jr., Shane Coperude, Lynn Coyle, Ken Dinger, Roger Entralgo, Mike Fenton, Alan Foley, Bill Gafford, Ashok Ghosh, Stu Hastings, Stephanie Hrabar, Donald Johnson, Lee Lawyer, Terry MacShane, Jeannie Mallick, William Mason, Keith Matthews, Mike McCardle, Rosemary Mullin, John Parrish, Pat Peck, Robert Perez, John Pezzetta, Art Ross, Scott Sechrist, Bob Sheriff, Pat Starich, Linda Sternbach,

Billy Webster, and Jim Wood, including their “leaders” Hugh Hardy and Alf Klaveness.

Planning for next year’s 2003 OTC has already begun. The OTC 2003 SEG subcommittee include vice chairman Guy Purnell, Fred Aminzadeh, Gene Sparkman, John MacDonald, Ed Stoessel, and our prior OTC technical chairman Linda Zimmerman.

Sessions are being developed on the topics of *Marine Sources and Receivers and Marine Wide-Azimuth Recording*, organizer, Gene Sparkman; *Geohazards*, a joint SEG/AAPG session, Fred Aminzadeh; *Geopressure*, Dan Ebrom; *Deepwater Imaging of Complex Structures*, Guy Purnell; *e-Reservoir Management*, Art Schroeder and Dan Ebrom; and *ROVs in the Deployment of Instrumented Oilfields*, Jerry Beaudoin and Graham Openshaw.

My special thanks to Guy Purnell, the vice chairman for the OTC Technical Program, for the creative work that he expresses in organizing sessions and for making certain that the rest of us meet the deadlines.

See you at the OTC in 2003!



Independent Auditors' Report

To the Board of Directors
SEG Foundation

We have audited the accompanying balance sheets of SEG Foundation (the "Foundation") as of December 31, 2001 and 2000 and the related statements of revenue and expenses and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the SEG Foundation as of December 31, 2001 and 2000 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Sartain Fischbein & Co.

February 5, 2002

SEG FOUNDATION

BALANCE SHEETS

<i>December 31,</i>	2001	2000
ASSETS		
Cash and Investments:		
Cash and cash equivalents	\$ 1,006,914	\$ 1,090,336
Fixed income investment securities	2,745,991	2,468,672
Equity investment securities	<u>4,542,787</u>	<u>4,980,076</u>
Total Cash and Investments	8,295,692	8,539,084
Pledges Receivable , (no allowance for doubtful pledges)	30,105	65,079
Doodlebugger Inventory	10,394	17,575
Prepaid Expenses	2,500	1,600
Exhibits	<u>92,223</u>	<u>32,223</u>
	<u>\$ 8,430,914</u>	<u>\$ 8,655,561</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 93,184	\$ 809
Total Liabilities	<u>93,184</u>	<u>809</u>
Net Assets:		
Unrestricted	2,055,441	2,204,312
Temporarily restricted	1,120,571	1,444,584
Permanently restricted	<u>5,161,718</u>	<u>5,005,856</u>
Total Net Assets	<u>8,337,730</u>	<u>8,654,752</u>
	<u>\$ 8,430,914</u>	<u>\$ 8,655,561</u>

SEG FOUNDATION
STATEMENTS OF REVENUE AND EXPENSES
AND CHANGES IN NET ASSETS

<i>Years Ended December 31,</i>	2001	2000
Changes in Unrestricted Net Assets:		
Revenue and Gains:		
Contributions	\$ 372,498	\$ 99,540
Sale of doodlebuggers	19,500	7,500
Interest and dividends	57,039	80,788
Net assets transferred and released from restrictions	390,393	183,228
Total Revenue and Gains	839,430	371,056
Program Expenses:		
Projects	325,277	291,663
Scholarships	199,500	175,650
Cost of doodlebuggers sold	18,681	7,990
Other	6,952	384
Total Program Expenses	550,410	475,687
Supporting Expenses:		
Administrative fees	201,381	178,695
Facility rent	114,000	114,000
Professional fees	6,402	5,683
Other	3,425	11,581
Total Supporting Expenses	325,208	309,959
Net Gain (Loss) on Investments	(112,991)	74,901
Decrease in Unrestricted Net Assets	(149,179)	(339,689)
Changes in Temporarily Restricted Net Assets:		
Contributions	375,226	450,198
Interest and dividends	212,381	197,025
Net gain (loss) on investments	(443,170)	180,631
Net assets transferred and released from restrictions	(468,142)	(309,648)
Increase (Decrease) in Temporarily Restricted Net Assets	(323,705)	518,206
Changes in Permanently Restricted Net Assets:		
Contributions	78,113	457,565
Net assets transferred and released from restrictions	77,749	126,420
Increase in Permanently Restricted Net Assets	155,862	583,985
Increase (Decrease) in Net Assets	(317,022)	762,502
Net Assets, beginning of year	8,654,752	7,892,250
Net Assets, end of year	\$ 8,337,730	\$ 8,654,752

SEG FOUNDATION

STATEMENTS OF CASH FLOWS

<i>Years Ended December 31,</i>	2001	2000
Cash Flows From Operating Activities:		
Cash received from contributors	\$ 602,811	\$ 730,479
Interest and dividends received	269,421	277,813
Cash received for sale of doodlebuggers	19,500	7,500
Cash paid for doodlebuggers	(11,500)	-
Cash paid for program expenses	(388,855)	(468,453)
Cash paid for supporting expenses	(118,976)	(52,749)
Net Cash Provided by Operating Activities	372,401	494,590
Cash Flows From Investing Activities:		
Sales and maturities of investments	5,214,594	177,361
Purchases of investments	(5,610,417)	(436,842)
Purchase of exhibit	(60,000)	-
Net Cash Used in Investing Activities	(455,823)	(259,481)
Net Increase (Decrease) in Cash and Cash Equivalents	(83,422)	235,109
Cash and Cash Equivalents, beginning of year	1,090,336	855,227
Cash and Cash Equivalents, end of year	\$ 1,006,914	\$ 1,090,336
Reconciliation of Change in Net Assets to Net Cash Provided by Operating Activities:		
Increase (decrease) in net assets	\$ (317,022)	\$ 762,502
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Unrealized (gains) losses on investments	555,793	(256,287)
Change in assets and liabilities:		
Pledges receivable	34,974	(18,824)
Prepaid expenses	(900)	(1,600)
Doodlebugger inventory	7,181	7,990
Accounts payable	92,375	809
Net Cash Provided by Operating Activities	\$ 372,401	\$ 494,590

The accompanying notes are an integral part of the financial statements.

**SEG FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001 AND 2000**

**1. ORGANIZATION
AND SUMMARY
OF SIGNIFICANT
ACCOUNTING
POLICIES**

Nature of Activities: SEG Foundation (the "Foundation"), is a not-for-profit corporation administered by the Society of Exploration Geophysicists (the "Society"). The Foundation encourages and supports scientific, educational, and charitable activities of benefit to geophysicists. The Foundation awards scholarships to students involved in the study of geophysics and promotes research, primarily within the field of geophysics. The Foundation maintains a museum devoted to documents, equipment, films and publications in the field of geophysics. Contributions are received primarily from members of the Society.

Net Assets: To ensure observance of limitations and restrictions placed on the use of resources available to the Foundation, the net assets of the Foundation are segregated according to any restrictions placed on the resources. In the accompanying financial statements, net asset restrictions that have similar characteristics have been combined, though the accounting records maintain more detailed accounts. The net assets of the Foundation are segregated as follows:

- **Unrestricted/Board Designated:** This category reflects net assets that are generally available for authorized expenditures in furtherance of the goals and objectives of the Foundation and represent unrestricted contributions and cumulative earnings of funds other than those whose use has been specified by the donor. The Board of Directors has designated all unrestricted net assets as non-expendable funds. However, when practicable, program and supporting expenditures are limited to 50% of the current year earnings from board designated non-expendable funds.
- **Temporarily Restricted:** This category reflects contributions provided by donors for specified Foundation activities and the earnings of investments thereon. Also included are pledges due in future periods.
- **Permanently Restricted:** This category reflects contributions provided by donors who have explicitly expressed that they wish only the income earned on their donations expended for Foundation activities while the corpus is to remain intact.

**SEG FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001 AND 2000**

**1. ORGANIZATION
AND SUMMARY
OF SIGNIFICANT
ACCOUNTING
POLICIES
(CONTINUED)**

Program Activities: The Foundation's programs consist of the following:

- **Scholarships:** The Foundation provides scholarships to university students in courses of study preparing for a career in the field of geophysics and related sciences.

The Foundation has established a Permanently Endowed Scholarship Fund. Contributions received from donors for this Fund are matched 100% by the Society up to a maximum of \$100,000 per donor and \$500,000 in total. The Foundation received from donors approximately \$78,000 during 2001 and \$230,000 during 2000 specifically designated for this fund and eligible for the Society match. The earnings from investments in this fund will be used to provide scholarships to university students.

- **Continuing Education:** Continuing education program sponsors seminars, lectures and other educational courses to further the scientific understanding of geophysics.
- **Publications:** This program supports publications in the field of geophysics.
- **Museum:** The Foundation has established a museum that consists of historical documents and artifacts which chronicle the science of geophysics.
- **SEG Member Dues:** The member dues program supports the Society by providing assistance to international, unemployed and emerging nation students.
- **Projects:** The Foundation provides support to a variety of projects related to the field of geophysics.

The Foundation has established a Double Impact Program to match contributions to the Foundation. A maximum of \$1,000,000 in unrestricted general funds is available to match contributions received for the Foundation's Behind Education Programs and the Museum, for minimum donations of \$1,000 to maximum donations of \$100,000. The Foundation received from donors approximately \$75,000 during 2001 and \$126,000 during 2000 which were matched as part of this program. The funds matched by the Foundation are placed in permanently restricted net assets.

**SEG FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001 AND 2000**

**1. ORGANIZATION
AND SUMMARY
OF SIGNIFICANT
ACCOUNTING
POLICIES
(CONTINUED)**

Cash and Cash Equivalents: Cash and cash equivalents include cash on hand and all highly liquid investments with a maturity when acquired of three months or less. Cash equivalents consist of money market funds held by a brokerage firm.

Investments: Investments consist of fixed income securities and equity investments and are carried at fair value at December 31, 2001 and 2000. Fair values for investment securities are based on quoted market prices, where available. If quoted market prices are not available, fair value is based on quoted market prices of comparable instruments.

Property and Equipment: Property and equipment are recorded at cost. Property and equipment other than museum exhibits are depreciated over the estimated useful lives of the assets using the straight-line method. Museum exhibits are not depreciated.

Income Taxes: The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Contributions to the Foundation qualify as charitable deductions.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**SEG FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001 AND 2000**

2. INVESTMENTS

Investments, at fair value, consist of the following at December 31:

	<u>2001</u>	<u>2000</u>
Fixed income securities:		
Certificates of deposit	\$ 95,409	\$ 472,103
U.S. Treasury notes	1,327,895	1,305,781
GNMA certificate	55,169	70,347
Corporate bonds	<u>1,267,518</u>	<u>620,441</u>
	2,745,991	2,468,672
Equity investments:		
Common stocks	<u>4,542,787</u>	4,980,076
	<u>\$7,288,778</u>	<u>\$7,448,748</u>

The fair value of fixed income securities at December 31, 2001 by maturity, are shown below:

Due after one year through five years	\$ 95,409
Due after five years through ten years	2,595,413
GNMA certificate	<u>55,169</u>
	<u>\$2,745,991</u>

**3. RELATED PARTY
TRANSACTIONS**

The Society provides substantially all of the administrative and financial services and also provides office space to the Foundation free of charge. The estimated amount of the in-kind contribution from the Society for these services is \$258,000 and has been included as contribution revenue and administrative and rent expense for 2001 and 2000.

During 2001 and 2000, the Foundation received approximately \$379,000 and \$357,000, respectively, of contributions from the Society.

**SEG FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2001 AND 2000**

4. **TEMPORARILY RESTRICTED NET ASSETS** Temporarily restricted net assets are available for the following programs:

	<u>2001</u>	<u>2000</u>
Scholarships	\$ 408,413	\$ 522,437
Continuing education	256,833	266,024
Publications	71,151	98,024
Museum	109,922	104,930
SEG member dues	164,218	186,571
Distinguished programs	90,392	206,114
General	19,642	60,484
	<u>\$1,120,571</u>	<u>\$1,444,584</u>

5. **PERMANENTLY RESTRICTED NET ASSETS** Net assets were permanently restricted for the following purposes:

	<u>2001</u>	<u>2000</u>
Scholarships	\$2,682,380	\$2,526,881
Distinguished programs	711,117	711,117
SEG member dues	597,100	596,737
General	1,171,121	1,171,121
	<u>\$5,161,718</u>	<u>\$5,005,856</u>



Independent Auditors' Report

To the Executive Committee and Members
Society of Exploration Geophysicists
Tulsa, Oklahoma

We have audited the accompanying balance sheets of the Society of Exploration Geophysicists (the "Society") as of June 30, 2002 and 2001, and the related statements of revenue, expenses and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Society of Exploration Geophysicists as of June 30, 2002 and 2001, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Sartain Fischbein & Co.

August 5, 2002

SOCIETY OF EXPLORATION GEOPHYSICISTS

BALANCE SHEETS

<u>June 30,</u>	<u>2002</u>	<u>2001</u>
ASSETS		
Current Assets:		
Cash	\$ 983,264	\$ 616,824
Short-term investments	214,537	101,234
Accounts receivable, less allowance for doubtful accounts of \$30,000 in 2002 and \$15,000 in 2001	815,093	696,115
Inventories, less allowance for obsolete inventory of \$40,000 in 2002	688,641	810,248
Prepaid expenses	250,101	339,278
Accrued interest receivable	26,397	31,469
Total Current Assets	<u>2,980,033</u>	<u>2,595,168</u>
Investments	<u>3,122,478</u>	<u>3,271,098</u>
Property, Furniture and Equipment:		
Land	489,605	489,605
Building	7,799,569	7,826,751
Furniture, fixtures and equipment	673,281	642,612
	8,962,455	8,958,968
Less accumulated depreciation	<u>3,282,545</u>	<u>3,078,480</u>
Net Property, Furniture and Equipment	<u>5,679,910</u>	<u>5,880,488</u>
	<u>\$ 11,782,421</u>	<u>\$ 11,746,754</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 256,790	\$ 322,431
Deferred revenue	<u>2,622,463</u>	<u>2,942,755</u>
Total Current Liabilities	2,879,253	3,265,186
Unrestricted Net Assets	<u>8,903,168</u>	<u>8,481,568</u>
	<u>\$ 11,782,421</u>	<u>\$ 11,746,754</u>

The accompanying notes are an integral part of the financial statements.

SOCIETY OF EXPLORATION GEOPHYSICISTS

STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS

<i>Years Ended June 30,</i>	2002	2001
Revenue:		
Membership dues	\$ 1,021,124	\$ 986,988
Conferences and meetings	4,087,470	3,368,386
Publication sales and advertising	2,135,336	2,280,905
Continuing education	450,299	509,804
Investment income (loss)	(16,322)	112,539
Building lease operations	985,588	952,226
Other	161,090	165,094
Total Revenue	8,824,585	8,375,942
Expenses:		
Membership record services	282,431	295,968
Conferences and meetings	2,192,665	1,967,947
Publications	2,729,959	2,739,185
Continuing education	748,769	650,228
General and administrative	1,333,570	1,353,057
Building lease operations	851,589	872,867
Total Expenses	8,138,983	7,879,252
Excess of Revenue Over Expenses Before Contributions to Foundation	685,602	496,690
Contributions to Foundation	(264,002)	(375,345)
Excess of Revenue Over Expenses	421,600	121,345
Unrestricted Net Assets, beginning of year	8,481,568	8,360,223
Unrestricted Net Assets, end of year	\$ 8,903,168	\$ 8,481,568

SOCIETY OF EXPLORATION GEOPHYSICISTS

STATEMENTS OF CASH FLOWS

<i>Years Ended June 30,</i>	2002	2001
Cash Flows from Operating Activities:		
Cash received from members and other	\$ 8,537,006	\$ 8,200,043
Cash paid to suppliers and employees	(7,885,473)	(8,044,937)
Net Cash Provided by Operating Activities	651,533	155,106
Cash Flows from Investing Activities:		
Purchases of property, furniture and equipment	(171,791)	(217,314)
Purchases and maturities of investments, net	(113,302)	32,816
Net Cash Used in Investing Activities	(285,093)	(184,498)
Net Increase (Decrease) in Cash	366,440	(29,392)
Cash, beginning of year	616,824	646,216
Cash, end of year	\$ 983,264	\$ 616,824
Reconciliation of Excess of Revenue Over Expenses to Net Cash Provided by Operating Activities		
Excess of revenue over expenses	\$ 421,600	\$ 121,345
Adjustments to reconcile excess of revenue over expenses to net cash provided by operating activities:		
Depreciation	380,369	514,569
Unrealized loss on investments	148,619	25,881
(Gain) loss on disposal of property, furniture and equipment	(8,000)	8,000
(Increase) decrease in assets:		
Accounts receivable	(118,978)	(111,557)
Inventories	121,607	(180,223)
Prepaid expenses	89,177	9,693
Accrued interest receivable	3,072	306
Decrease in liabilities:		
Accounts payable and accrued liabilities	(65,641)	(141,825)
Deferred revenue	(320,292)	(91,083)
Net Cash Provided by Operating Activities	\$ 651,533	\$ 155,106

SOCIETY OF EXPLORATION GEOPHYSICISTS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2002 AND 2001

**1. ORGANIZATION
AND SUMMARY
OF SIGNIFICANT
ACCOUNTING
POLICIES**

Nature of Operations: The Society of Exploration Geophysicists (the "Society") was organized in 1930 as a not-for-profit organization. The objectives of the Society are to promote the science of geophysics, especially as it relates to exploration and research, to foster the common scientific interests of geophysicists and to maintain a high professional standing among its members. The Society accomplishes these objectives by publishing scientific literature, conducting continuing education programs and technical meetings and providing other informational services.

The accompanying financial statements include the financial position, results of activities and cash flows of the Society. These financial statements do not include the SEG Foundation (the "Foundation"), a separate not-for-profit organization which receives contributions for public education and other scientific purposes.

Cash Balances: The Society maintains cash balances at several banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$100,000. At June 30, 2002 and 2001, the Society had deposits in excess of the federally insured limit.

Accounts Receivable: Included in the accounts receivable of the Society at June 30, 2002 is an insurance claim for losses sustained at the Annual Meeting and Trade Show held in San Antonio, TX during September 9, 2001 to September 14, 2001. Due to the events of September 11, 2001, the Society has estimated an insured loss in the amount of \$298,597. The insurance company has not yet settled this claim. The estimate of loss recoverable from the insurance company could change in the near term.

Inventories: Inventories of publications for resale are valued at the lower of cost, determined by the moving-average method, or market.

Investments: Investments consist of marketable debt and equity securities which are valued at their fair values in the balance sheet. Fair values for investments are based on quoted market prices. Unrealized gains and losses are included in the statements of revenue and expenses.

SOCIETY OF EXPLORATION GEOPHYSICISTS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2002 AND 2001

**1. ORGANIZATION
AND SUMMARY
OF SIGNIFICANT
ACCOUNTING
POLICIES
(CONTINUED)**

Property, Furniture and Equipment: Property, furniture and equipment is carried at cost. Depreciation is computed using the straight-line method based on the estimated useful lives of the assets. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is included in revenue or expenses. Expenditures for maintenance and repairs are charged to expense as incurred. Major improvements are capitalized.

The lives used in computing depreciation are as follows:

Building	50 years
Furniture and equipment	3 to 10 years

Income Taxes: The Society is a not-for-profit organization under Section 501(c)(6) of the Internal Revenue Code and is subject to income taxes on unrelated business income. Based upon the allocation of costs as prescribed in the IRS regulations, no provision for income taxes was necessary for 2002 and 2001.

Transactions with Foundation: The Society leases building space and provides administrative services to the Foundation. The Society did not charge the Foundation for rent and administrative services in 2002 or 2001. The estimated amount of the in-kind contribution to the Foundation for these services is \$264,000 and \$254,000 and has been included as other revenue (\$150,000 and \$140,000), building lease operations revenue (\$114,000 each year) and contributions to foundation (\$264,000 and \$254,000) for 2002 and 2001, respectively. Additionally, the Society donated \$121,345 in 2001 to the Foundation. Included in accounts payable at June 30, 2001 was \$122,219 which was due to the Foundation. Included in accounts receivable at June 30, 2002 was \$12,582 which was due from the Foundation.

Revenue Recognition: Membership dues and publication subscription revenues are recognized ratably over the applicable membership or subscription period. Revenues relating to meetings are recognized as revenue at the time of the meeting.

Building Lease Operations: The Society owns the land and building where its administrative offices are located in Tulsa, Oklahoma. Office space which is not used by the Society is leased to other companies.

SOCIETY OF EXPLORATION GEOPHYSICISTS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2002 AND 2001

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

2. INVESTMENTS

At June 30, 2002 and 2001, investments were as follows:

	<u>2002</u>	
	<u>Cost</u>	<u>Market</u>
Cash management fund	\$ 214,537	\$ 214,537
Equity investments	1,326,638	1,456,651
Corporate bonds	<u>1,587,466</u>	<u>1,665,827</u>
	<u>\$3,128,641</u>	3,337,015
Less short-term investments		<u>214,537</u>
Long-term investments		<u>\$3,122,478</u>
	<u>2001</u>	
	<u>Cost</u>	<u>Market</u>
Cash management fund	\$ 101,234	\$ 101,234
Equity investments	1,326,638	1,643,070
Corporate bonds	<u>1,582,400</u>	<u>1,628,028</u>
	<u>\$3,010,272</u>	3,372,332
Less short-term investments		<u>101,234</u>
Long-term investments		<u>\$3,271,098</u>
The fair value of fixed income securities at June 30, 2002 by maturity, are shown below.		
Due in less than one year	\$ 304,021	
Due after one year through five years	957,517	
Due after five years through ten years	<u>404,289</u>	
	<u>\$1,665,827</u>	

SOCIETY OF EXPLORATION GEOPHYSICISTS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2002 AND 2001

2. INVESTMENTS (CONTINUED)

Investment income (loss) in the accompanying statements of revenue, expenses and changes in net assets consists of the following:

	<u>2002</u>	<u>2001</u>
Interest income	\$ 132,639	\$138,420
Unrealized loss on investments	<u>(148,961)</u>	<u>(25,881)</u>
	<u>\$ (16,322)</u>	<u>\$112,539</u>

3. PENSION AND SALARY REDUCTION PLANS

The Society sponsors a defined contribution pension plan which does not allow employee contributions. The Society makes contributions to the Plan based upon 4.5% of the employees' eligible wages.

The Society also sponsors a salary reduction plan. The Society's contributions to this plan are computed based on 2% of salaries and a two-for-one matching contribution of employees' contributions, up to a maximum of 4.33% of salaries.

The Society's expense under these plans was \$236,588 and \$274,192 in 2002 and 2001, respectively.

4. FUTURE RENTAL REVENUE UNDER OPERATING LEASES

The Society leases approximately 75% of the office space in its headquarters building to unaffiliated parties under noncancelable operating leases. The following is a schedule of minimum future rental revenues from those tenants as of June 30, 2002:

<u>Year Ending June 30,</u>	<u>Amount</u>
2003	\$ 916,050
2004	943,763
2005	983,590
2006	994,334
2007	<u>995,024</u>
	<u>\$4,832,761</u>

Society of Exploration Geophysicists

Budget for Year Ended June 30, 2003

Project	Revenue	Expense	Net
<i>Administrative:</i>			
Executive Committee/Council Support	\$ -	\$ 332,000	\$ (332,000)
Finance	205,000	314,000	(109,000)
Geoscience Research Center Building	1,031,000	1,033,000	(2,000)
Human Resources	-	78,000	(78,000)
Information Technology	-	223,000	(223,000)
<i>Continuing Education:</i>			
Continuing Education	308,000	356,000	(48,000)
Distinguished Instructor Short Course	181,000	158,000	23,000
Distinguished Lecturer	-	72,000	(72,000)
Student Affairs	10,000	108,000	(98,000)
Geoscience Education Center (Museum)	-	192,000	(192,000)
<i>Foundation:</i>			
Board and Trustee Associates Support	120,000	120,000	-
<i>Meetings:</i>			
Annual Meeting Management	174,000	1,495,000	(1,321,000)
Annual Meeting - Exhibits	1,609,000	222,000	1,387,000
Annual Meeting - Registrations	1,266,000	208,000	1,058,000
Annual Meeting - Technical Program	35,000	223,000	(188,000)
Annual Meeting - Sponsorships	338,000	43,000	295,000
Summer Research Workshop	80,000	80,000	-
Development & Production Workshop	70,000	70,000	-
International Meetings Management	-	61,000	(61,000)
Level I,II,III, IV Meetings	557,000	25,000	532,000
International Meeting - Moscow	-	20,000	(20,000)
<i>Membership:</i>			
Member Services	1,027,000	290,000	737,000
<i>Advertising:</i>			
Advertising - <i>The Leading Edge</i>	820,000	211,000	609,000
Advertising - <i>Geophysics</i>	6,000	6,000	-
Advertising - Yearbook	18,000	2,000	16,000
Advertising - Online	36,000	2,000	34,000
<i>Publications:</i>			
<i>Geophysics</i>	526,000	900,000	(374,000)
<i>The Leading Edge</i>	25,000	934,000	(909,000)
Reference Publications	700,000	685,000	15,000
Yearbook	-	75,000	(75,000)
<i>Other:</i>			
Executive Committee Designated Projects	-	125,000	(125,000)
Committee Support	-	224,000	(224,000)
General Section Support	-	16,000	(16,000)
Outreach	-	36,000	(36,000)
Near Surface	-	2,000	(2,000)
WWW.Internet Support	-	157,000	(157,000)
Totals	\$ 9,142,000	\$ 9,098,000	\$ 44,000

The SEG budget is a planning document for the upcoming fiscal year. Financial reports and plans are reviewed monthly by the Finance and Executive Committees to assure appropriate oversight of SEG finances, with revisions made as appropriate.