

This Issue's Highlights

President's Message: p.1 & 2 Guest Speaker: p. 2 January Luncheon Report: p.3 & 4
Social Events: p.4 & 5 Guest Columnist: p.5 CERI Conference: p.6
Education: p.7 Conference: p.8 Member Announcements: p.9
Calendar of Events: p.10 & 11 Officers & Directors: p.12

RE-CAP is the monthly newsletter for CAPP — (403) 265-1533 — cappacom@telus.net

18 February 2003 - Luncheon Topic

Caring for the *Life* of your Registered Plan - Yesterday, Today & Tomorrow

MONTHLY LUNCHEON - Palliser Hotel 12 noon

Tuesday, February 18, 2003

Members - \$22.00 Non-Members - \$30.00

*NB: If you make a reservation and do not attend – You will be Invoiced!
Fees are payable at the door by cheque or cash*

Speaker: **Lynda Hay**

TD Waterhouse (See page 2 for details)

Call 265-1533, fax to 265-3783 or e-mail to cappacom@telus.net

Reservation Deadline is Noon – Tuesday, February 11, 2003

PRESIDENT'S REPORT

January has flown by and I have already completed one resolution (for those of you keeping tabs). My husband and I indeed tried Latin dancing at CAPP's Networking Night Tuesday January 21st. We both are looking forward to the next Networking Night but this time we hope to try Salsa dancing! Maybe we will have better success!

I have been limbering up with some Yoga on a nightly basis in anticipation of the upcoming CAPP Curling Event. I hope to see many of you there. As with any event hosted by CAPP it should be lots of fun.

For those of you who were unable to attend January's Luncheon "Electronic Evidence" presented by computer sleuths, Brent Hornberger and Owen Key all I can say is that no one left the room early! Hitting the delete button does not prevent these gentlemen from finding the evidence they need to support cases of fraud and wrongdoing.

If you are planning to attend this month's

Luncheon be sure to register early and avoid disappointment, as unfortunately we have not been assigned a very large room.

Marlene Little, a member of our Government Liaison Committee and I attended the Canadian Energy Research Institutes World Oil Conference held in Calgary January 27th and 28th. We both found the event very educational and a real eye opener and were treated to excellent speakers from around the world as part of panel presentations. I came away with a much better perspective on how politics, supply, pricing, infrastructure and transportation globally affect our Canadian industry. One of the topics presented by Mike Lynch of the Center for International Studies, M.I.T. was "Energy Insecurity, The New Thrill Ride!"

After listening to Mr. Hal Stanley, Chairman of the Canada-Newfoundland Offshore Petroleum Board provide information on Canada's East Coast Oil Industry, I felt

PRESIDENT'S REPORT (Continued)

compelled to speak with him about the regulatory and reporting processes there. Needless to say, I have also let him know that what he or members of his department have to say would be of great interest to our members.

Those in attendance at the CERI Conference will be provided with a copy of all of the presentations in an electronic format within a few weeks. With permission

from the authors, I will arrange to have some of these re-published in up-coming editions of the ReCap.

As always I appreciate hearing from the membership, please feel free to call me at the CAPPa office 265-1533, (directors have now all been set-up with individual voice mail boxes) or email me at → claudettes@shaw.ca

Claudette Shaw

President

February 18, 2003 Luncheon Topic

Topic: **Caring for the *Life* of your Registered Plan – Yesterday, Today & Tomorrow**

Location: Palliser Hotel

When: Tuesday, 18 February 2003
12 noon

Guest Speaker: **Lynda Hay**, TD Waterhouse

How did your portfolio do in 2002? Down – like most investors? Are we still in a Bear market or entering a Bull market? Should we invest in equities, bonds, GIC's, mutual funds or the other seemingly numerous choices available? Come hear what you can do today to improve your returns in 2003. Lynda will give us an overview of what happened in 2002, what we should be looking at today, that in turn will hopefully have a positive impact for tomorrow.

Contact the CAPPa office to reserve your seat.

Renee Deveau

Guest Speakers

February Luncheon Speaker's Biography — Lynda Hay

Lynda Hay is a Senior Investment Advisor with the TD Waterhouse in Calgary. Lynda has been in the investment industry since July 1987 and specializes in long-term conservative investment strategies, with the intent of minimizing taxation. Lynda has a Bachelor of Economics degree from the University of Calgary, has her licenses in securities and options to be a broker and also, has obtained the Certified Financial Planner license.

JANUARY LUNCHEON RECAP

“Electronic Evidence – What You Don’t See Can Hurt You!”



Owen Key and Brent Hornberger from KPMG presented a very interesting and captivating talk in the Penthouse of the Palliser Hotel at the January 21 CAPPa Luncheon Meeting. Their presentation pointed out that very few of us realize the extent that electronic evidence is used. Owen and Brent are Computer Forensic Specialists that are trained in gathering electronic evidence, have IT experience, have expert investigative skills with a law enforcement background.

Computer Forensics is the “preservation of electronic evidence in its original state to enable others to restore the information and obtain the same results, should this be required!” We learned that electronic evidence is used for the following situations:

- ◆ to substantiate or refute allegations of sexual harassment,
- ◆ to prove theft of trade secrets by employees or others, to validate copyright infringement or verify the improper use of licensed software,
- ◆ to find evidence of fraudulent or criminal activity, to substantiate a wrongful termination of employment,
- ◆ to provide evidence of insider trading,
- ◆ to prove misuse of enterprise resources,

An interesting point in information technology crime investigations is that 80% of offenders are “internal”. This includes any person that has trusted access to your digital assets such as, partners, employees, contractors, cleaners, temps, family members or ex-employees. That leaves only 20% to external hackers.

Owen and Brent suggested that every home computer should have “firewall” protection; otherwise, you are leaving your computer wide open for tampering.

Owen stressed that in order to prove any allegations, it is very important to put a person behind a camera, but that in doing this there are a number of privacy issues that have to be considered. This is why that if a camera is used in your place of work, it is usually situated above your computer so that an individual is only captured on film when they are using the keyboard.

June 19, 2003 – Golf Tournament: Lynx Ridge Golf Course

8:30 a.m. – 5:30 p.m. Lynx Ridge Golf Course

Planning is well underway for the 2003 CAPP A Golf Tournament. Mark this date on your calendars — Thursday, June 19 with a morning shotgun start. The golf committee is hard at work to ensure that this year's tournament is better than the last. I know that everyone who attends appreciates their fine work and dedication.

~~~~~

As always, I am looking for additional ways to provide more value for your membership. Please direct your comments and suggestions to me by e-mail at → [fongjs@telus.net](mailto:fongjs@telus.net)

**James Fong**  
Membership Services

## EUB AUDITOR'S CORNER

### Tanks-A-Lot...Inventory Reporting

As with almost every issue regarding production accounting, a good understanding of facility process flow, measurement and good communication links between the field and production accounting staff can mitigate, even eliminate, potential errors in inventory reporting.

To ensure accurate monthly inventory reporting, it is imperative that Production Accountants be aware of a number of issues about the facility. For example:

- How many tanks are associated with the facility, **including any dedicated tanks located off-lease?**
- What are the substances held in each tank?
- Are the measurements indicated on the field reports or FDC system reported as linear or volumetric measurements?
- Are the tanks **equalized** (interconnected through common piping), so that only one gauge reading is provided for all oil or water tanks, or is each tank individually gauged?

As auditors, we see inventories reported incorrectly for numerous reasons. Often, it is due to a misunderstanding of facility delineation and custody transfer. For example, Company ABC trucks 200.0 m<sup>3</sup> of oil to a clean oil terminal, the receiving terminal only ships 150.0 m<sup>3</sup> and holds the remaining 50.0 m<sup>3</sup> in its **common tanks**. Company ABC then incorrectly adjusts its inventory at the originating battery to account for the unshipped 50.0 m<sup>3</sup> even though *custody transfer* has already taken place. Only if the 50.0 m<sup>3</sup> is held in a tank at the receiving facility that is **entirely dedicated to the originating battery** (not the company, but to a specific battery),

would it be appropriate for ABC to include the unshipped 50.0 m<sup>3</sup> as a part of the originating battery's inventory despite differing physical locations.

Also keep in mind that all products held in inventory at month-end must be determined by gauge to **two** decimal places and reported at month-end to **one** decimal place. Inventories must not be adjusted to achieve "Perfect Proration Factors" or to account for un-recovered load fluid.

It should also be noted that there are no monthly inventory reporting requirements for Single Well or Group Crude Bitumen Batteries.

For more information on tank gauging and inventory reporting please see EUB Guide 64, Appendix 5.

We hope that this article has enlightened some of you on a small number of inventory issues.

Stay tuned for our next month's article titled ...

**"Come on in...Sit down...Take a Load off...—  
Load Fluid Accounting"**

Question or suggestions for topics of discussion may be directed to the EUB Production Audit Team care of Wendy French at 297-3198 or at → [wendy.french@gov.ab.ca](mailto:wendy.french@gov.ab.ca)

**Wendy French, EUB Production Audit Team**  
Guest Columnist



## Education Spotlight – Grande Prairie Regional College

This month, we are pleased to take a look at another institution that offers the CAPP program, Grande Prairie Regional College, located in Grande Prairie, Alberta.



*Campus from the City Reservoir*



*View to NE from GPRC Campus*

Grande Prairie Regional College (GPRC) was established in 1966 to serve the post-secondary education needs of the people of the Peace River region. The landmark Grande Prairie Regional College building was designed in 1969 by the award-winning international architect Douglas Cardinal, and is recognized worldwide as both a work of art and an architectural marvel.

Fine educational, athletic and cultural opportunities, as well as landmark architecture, are all part of the contribution Grande Prairie Regional College (GPRC) makes to the community life in Grande Prairie and the Peace River region. More than 2,400 students annually pursue university studies, career and academic upgrading programs at GPRC, and some 8,000 students register in training programs and continuing education classes each year.

The College is situated on an exceptionally picturesque and beautiful campus complete with an urban lake and adjacent to trails well suited to walking, biking, or cross-country skiing.

With respect to production accounting courses, CAPP Level 4 - Advanced Production Accounting will be offered from January 21 to April 29, 2003

For further information, please contact

**Sharon Mechanuck:**

Workforce Development  
Grande Prairie Regional College

Phone: (780) 539-2701

Fax: (780) 539-2791

e-mail: [mechanuck@gprc.ab.ca](mailto:mechanuck@gprc.ab.ca)

Website: <http://www.gprc.ab.ca>

## 2003 Conference Report

It's hard to believe, but plans for the 2003 CAPPAs Conference are already under way. Our committee has been formed, and we've held our first meeting, that was primarily a get-acquainted lunch during which we discussed possible themes, breakout sessions and guest speakers.

We are currently in discussions with the Hyatt Regency for a conference venue, and will announce the date when negotiations are complete ...hopefully in the next Recap.

The members of the 2003 committee are:

|                                                |                                         |
|------------------------------------------------|-----------------------------------------|
| <b>Barry Brick</b> – C.N.R.L                   | <b>Carmen Custelcean</b> – Enerplus     |
| <b>Carolyn Davison</b> – Talisman              | <b>James Fong</b> – Independent         |
| <b>Jan Laird</b> – Paramount                   | <b>Jo Laird</b> – Cognicase             |
| <b>Bill Nash</b> – BMP                         | <b>Ricki-Lee Soucy</b> – Harvard Energy |
| <b>Lynn Spicer</b> – Encana                    | <b>Gail Quartly</b> – Paramount         |
| <b>Carla Ruzicki</b> – CGR Consulting/Talisman |                                         |
| <b>Joyce Scully</b> – Joyce Scully Accounting  |                                         |

If you have suggestions for speakers or sessions you'd like us to host at the conference, please contact me via the CAPPAs office 265-1533 and I'll bring your idea before our group.

One last thing...in January's ReCap, I pleaded for anyone interested in joining our committee to contact me. It was wonderful to receive more than just a few replies. Unfortunately, we've had to limit our committee's size and not everyone could be accepted. Your help will be more than appreciated the day of the conference, as there are numerous "little things" that need to be taken care-of. Also...due to some problems with my voice mail, I may not have received some of my messages. I apologize if I didn't return your call.

### **Bill Nash**

2003 Conference Director

## MEMBERSHIP SERVICES

The 2002 Salary Survey and Member Roster have been completed and mailed out to the membership. If you have not received your package yet, please give Doreen a call at the CAPPAs office at 265-1533.

As you are reviewing the survey results, there is one observation that bears repeating: the results of the survey should be used for generalization purposes only. It should not be used to accurately reflect your salary.

The Survey sample size was surprisingly down from last year. The bulk of the surveys were returned at the Conference with very few being returned directly to the CAPPAs office. We are currently looking at different survey methods that are less time consuming and more convenient to use. This will be investigated and reported on later in the year.

The Member Roster is compiled from the database kept at the office. It reflects the last reported information of that member. If your information has changed please let the office know. It is up to the individual member to keep their information current.

### **James Fong**

2003 Membership Services Director

## MEMBER ANNOUNCEMENTS

This section is used to track of our membership and important milestones in their lives and to keep track of friends and colleagues as they move around within the oil and gas industry. Feel free to contribute your announcement (or an announcement for a co-worker) by sending us an email at → [cappacom@telus.net](mailto:cappacom@telus.net) In your subject line include the words “**Recap Member Announcements**”.

### Deaths

#### John Duimel

We extend our sympathies to John’s family.

### New Members

CAPPA is pleased to welcome the following new members to the Association.

|                        |                         |
|------------------------|-------------------------|
| <b>Freddie Cu</b>      | APF Energy Inc.         |
| <b>Daniel Durango</b>  |                         |
| <b>Michael Buckner</b> | David Aplin Recruiting  |
| <b>Byron Davis</b>     | Anadarko Canada         |
| <b>Deborah Doyle</b>   | Deborah R. Doyle Acctng |
| <b>Marcella Fedun</b>  |                         |
| <b>Marina Filina</b>   |                         |

|                         |                     |
|-------------------------|---------------------|
| <b>Murray Heather</b>   | APF Energy Inc.     |
| <b>Kim Illett</b>       | APF Energy Inc.     |
| <b>Brett Johnson</b>    | EnCana              |
| <b>Irina Orlova</b>     | Telin Systems       |
| <b>Patti Price</b>      |                     |
| <b>Simona Radulescu</b> | APF Energy Inc.     |
| <b>Deepak Saini</b>     | Penn West Petroleum |

### Members on the Move

**Stuart Baker** is no longer at Duke Energy.  
He can be reached at 274-4256

### Consultant’s Corner

This section is for any consultants or contractors looking to advertise their availability or services to people looking for contractors during this time of great change. If you are interested in running your business card (or a business card sized ad), please send an original business card to CAPPA, PO Box 36, Stn. ‘M’, Calgary AB T2P 2G9.

**FEBRUARY**

**2003**

| <b>Monday</b>                                       | <b>Tuesday</b>                     | <b>Wednesday</b>                           | <b>Thursday</b>                                                              | <b>Friday</b>                     |
|-----------------------------------------------------|------------------------------------|--------------------------------------------|------------------------------------------------------------------------------|-----------------------------------|
| <b>3</b><br>Government Liaison<br>Committee Meeting | <b>4</b>                           | <b>5</b>                                   | <b>6</b>                                                                     | <b>7</b>                          |
| <b>10</b>                                           | <b>11</b>                          | <b>12</b><br>Board of Directors<br>Meeting | <b>13</b>                                                                    | <b>14</b>                         |
| <b>17</b>                                           | <b>18</b><br><u>CAPPA Luncheon</u> | <b>19</b>                                  | <b>20</b><br><u>Recap Submission</u><br>Education and<br>Conference Meetings | <b>21</b>                         |
| <b>24</b>                                           | <b>25</b>                          | <b>26</b>                                  | <b>27</b>                                                                    | <b>28</b><br><u>Recap Mailing</u> |

**MARCH**

**2003**

| <b>Monday</b>                                       | <b>Tuesday</b>                     | <b>Wednesday</b>                           | <b>Thursday</b>                                                              | <b>Friday</b> |
|-----------------------------------------------------|------------------------------------|--------------------------------------------|------------------------------------------------------------------------------|---------------|
| <b>3</b><br>Government Liaison<br>Committee Meeting | <b>4</b>                           | <b>5</b>                                   | <b>6</b>                                                                     | <b>7</b>      |
| <b>10</b>                                           | <b>11</b>                          | <b>12</b><br>Board of Directors<br>Meeting | <b>13</b>                                                                    | <b>14</b>     |
| <b>17</b>                                           | <b>18</b><br><u>CAPPA Luncheon</u> | <b>19</b>                                  | <b>20</b><br><u>Recap Submission</u><br>Education and<br>Conference Meetings | <b>21</b>     |
| <b>24</b>                                           | <b>25</b>                          | <b>26</b>                                  | <b>27</b>                                                                    | <b>28</b>     |
| <b>31</b><br><u>Recap Mailing</u>                   |                                    |                                            |                                                                              |               |



**APRIL**

**2003**

| <b>Monday</b>                                       | <b>Tuesday</b>                     | <b>Wednesday</b>                          | <b>Thursday</b>                                   | <b>Friday</b>                        |
|-----------------------------------------------------|------------------------------------|-------------------------------------------|---------------------------------------------------|--------------------------------------|
|                                                     | <b>1</b>                           | <b>2</b>                                  | <b>3</b>                                          | <b>4</b>                             |
| <b>7</b><br>Government Liaison<br>Committee Meeting | <b>8</b>                           | <b>9</b><br>Board of Directors<br>Meeting | <b>10</b>                                         | <b>11</b>                            |
| <b>14</b>                                           | <b>15</b><br><u>CAPPA Luncheon</u> | <b>16</b>                                 | <b>17</b><br>Education and<br>Conference Meetings | <b>18</b><br><u>Recap Submission</u> |
| <b>21</b>                                           | <b>22</b>                          | <b>23</b>                                 | <b>24</b>                                         | <b>25</b>                            |
| <b>28</b>                                           | <b>29</b>                          | <b>30</b><br><u>Recap Mailing</u>         |                                                   |                                      |

**MAY**

**2003**

| <b>Monday</b>                                       | <b>Tuesday</b>                     | <b>Wednesday</b>                           | <b>Thursday</b>                             | <b>Friday</b> |
|-----------------------------------------------------|------------------------------------|--------------------------------------------|---------------------------------------------|---------------|
|                                                     |                                    |                                            | <b>1</b>                                    | <b>2</b>      |
| <b>5</b><br>Government Liaison<br>Committee Meeting | <b>6</b>                           | <b>7</b>                                   | <b>8</b>                                    | <b>9</b>      |
| <b>12</b>                                           | <b>13</b>                          | <b>14</b><br>Board of Directors<br>Meeting | <b>15</b><br>Education Committee<br>Meeting | <b>16</b>     |
| <b>17</b>                                           | <b>18</b><br><u>CAPPA Luncheon</u> | <b>19</b>                                  | <b>20</b><br><u>Recap Submissions</u>       | <b>21</b>     |
| <b>24</b>                                           | <b>25</b>                          | <b>26</b>                                  | <b>27</b>                                   | <b>28</b>     |
| <b>31</b><br><u>Re-Cap Mailing</u>                  |                                    |                                            |                                             |               |

# CAPPA 2002-2003 Officers & Directors

## CAPPA

The Canadian Association  
of Petroleum Production  
Accounting

P.O. Box 36  
Station M  
Calgary, AB T2P 2G9

### PHONE:

(403) 265-1533

### FAX:

(403) 265-3783

### E-MAIL:

cappacom@telus.net

## Job Board & Information Line:

**265-1533**

## CAPPA is on the web!

[www.cappa.org](http://www.cappa.org)

## 2002/2003 Officers

**President** ..... Claudette Shaw ..... Apache Canada Ltd. .... 531-8130  
**Past President** ..... Dennis McRae ..... Syncrude ..... 538-4471  
**Vice-President** ..... Stuart Baker ..... 274-4256  
**Secretary** ..... Gail Quartly ..... Summit Resources Ltd. .... 269-4432  
**Treasurer** ..... Debi Holland ..... R & D Holland Consulting ..... 202-1188

## 2002/2003 Directors

**Government Liaison** ... Earl Quantz ..... CGI ..... 218-8379  
**Communications** ..... Al McCue ..... Apogee Services ..... 804-3569  
**2003 Conference** ..... Bill Nash ..... BMP Energy ..... 261-7239  
**Education** ..... Tom Hamilton ..... 236-5666  
**Hotel Liaison** ..... Shirley Dunn ..... 208-2608  
**Membership** ..... James Fong ..... 257-1452  
**Guest Speakers** ..... Renee Deveau ..... Talisman Energy ..... 237-4801

## Upcoming Publication Dates

**Luncheon Dates:** ..... February 18 ..... March 18 ..... April 15

**Article Submission Dates:** ..... February 20 ..... March 20 ..... April 20

**Recap Mailout Dates:** ..... February 28 ..... March 31 ..... April 30

Please Print

## Roster Change

Name: \_\_\_\_\_ Office  Home

Title: \_\_\_\_\_ Company: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ Prov: \_\_\_\_\_ PC: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

To be announced in CAPPA Recap

Roster list only

**Please fax to CAPPA at (403) 265-3783**