# Roesle guided RS through decades of industry change

**Don Roesle**, former CEO at Ryder Scott, sees another market trend since he joined the firm 44 years ago. "Who would have ever thought of the possibility that Saudi Aramco would launch an IPO in public financial markets because they were concerned about cashflow from oil production in a low-price environment," he recently said. "Or that some of the other mega producers in the Middle East would be considering transparency in their reserves process in case they have to go to public markets?"

With more than four decades of experience in the international oil and gas industry, Roesle knows that change is the only constant.

Under his leadership in operations in the 1990s, Roesle helped guide Ryder Scott during major changes, including its transition from the premier U.S. and Gulf of Mexico evaluation consultant to its rapid growth in the international arena. He directed multidisciplinary project teams in major reservoir and field-development studies worldwide during that time.

Roesle joined Ryder Scott in 1975 and became vice president in 1979, senior vice president in 1995, executive vice president in 1997, president and chief operating officer in 2000, CEO/COO in 2005 and CEO/chairman in 2006.

In 1999, he and other board members changed the firm's 62-year-old trade name, Ryder Scott Company Petroleum Engineers, to Ryder Scott Petroleum Consultants. The new moniker reflected Ryder Scott's transformation from an engineering concern to a multidisciplinary reservoir evaluation firm.

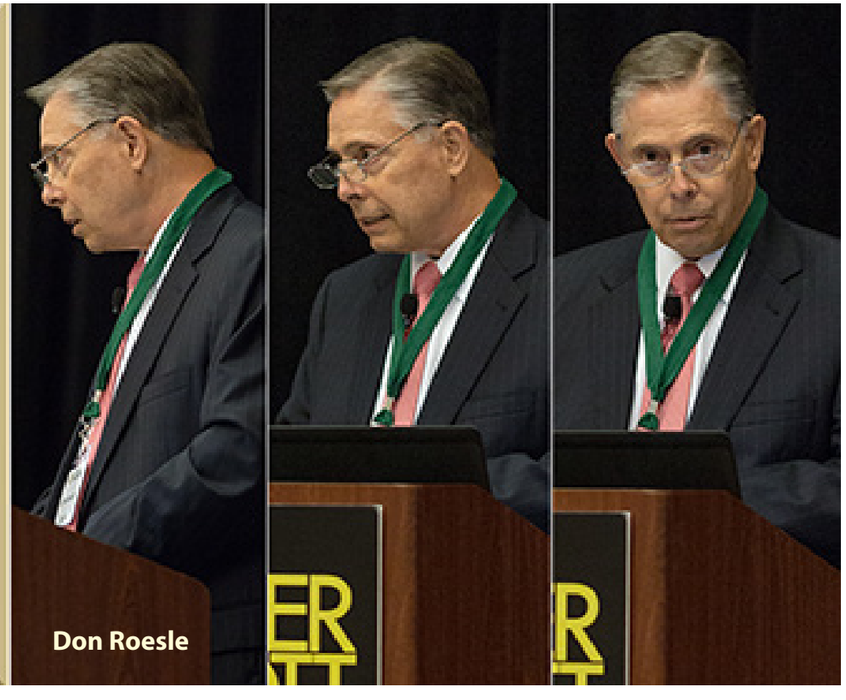
Then came the post-Enron era characterized by increased regulatory scrutiny as Sarbanes Oxley became a primary driver for change. Following a major reserves revision by the U.S. Securities and Exchange Commission, Royal Dutch Shell engaged Ryder Scott to conduct a fast-track review of the reserves classifications of selected fields in 2004.

As Roesle would say later, "Company management, investors and regulators are all asking questions about reserves assets, compliance, corporate governance, independence and transparency. They are asking that critical question, is the company SEC and SOX compliant? And they are turning to evaluators for those answers?"

On Roesle's watch, Ryder Scott grew its position as the No. 1 consultant of record as measured by number of clients filing reserves information with the SEC.

However, more SEC clients meant more challenges in dealing with outdated reserves reporting regulations. Always upfront and honest, Roesle told a group of reserves evaluators,

*"Who would have ever thought of the possibility that Saudi Aramco would launch an IPO in public financial markets because they were concerned about cashflow from oil production in a low-price environment?"*


Don Roesle

"The SEC, your chief regulator, has made our jobs a little more difficult on a daily basis, as we try to interpret exactly the intent of their guidelines."

His remarks were part of a presentation at the 2008 Ryder Scott reserves conference. Roesle pointed to signs that the SEC was preparing for "possible changes," and by the end of the year, the SEC adopted more modern reporting rules.

He managed one of Ryder Scott's largest projects – the Elk Hills field study in 1998. The firm deployed 51 of its engineers and geoscientists, grouped them into reservoir asset teams and assigned each team to a specific Elk Hills reservoir.

"Very few reservoir engineering firms at that time even had that many professionals to do the work," he said. The firm spent more than 40,000 hours analyzing the field data and produced a three-volume report a foot thick.

Under his leadership in the 2010s, Ryder Scott acquired more clients producing from emerging shale plays and, buoyed by high prices, the firm reached record sales revenues.

Roesle began his career at Tenneco Oil Co. as a drilling and reservoir engineer. But it was his tenure at Ryder Scott that will be remembered. His office was always open to anyone at the firm.

**Brenda Mayes**, vice president of administration, described Roesle as "detail oriented, works with excellence, but works with compassion for Ryder Scott, its employees and families."

At meetings, Roesle made his points but also listened to all sides without interrupting -- treating adverse viewpoints not as threats, but as valuable feedback -- he would then make a decision as leader or in concert with the board of directors or executive committee.

With an Xs and Os coaching style, Roesle has been a mentor for those who are now senior experts at Ryder Scott.

"In the course of someone's career, you may have the opportunity to work with somebody like Don only about once or twice in a career," said **Larry Connor**, advising senior vice president. "Don made a difference in my career and the careers of others."

Roesle also mentored **Miles Palke**, who is head of reservoir simulation. "Nobody else in the company has been a better mentor to me and to other engineers in Ryder Scott's history," said Palke. "Over time, I've learned so much on reserves and reservoir engineering."

Roesle has given numerous presentations and seminars to both the financial community and industry colleagues. He is a registered professional engineer in Texas and a member of SPE and the Society of Petroleum Evaluation Engineers.

Roesle is a past member of the Industry Advisory Committee to the Department of Petroleum and Geosystems Engineering at the University of Texas and currently serves on the UT Engineering Advisory Board of the College of Engineering.

Roesle has BS and MS degrees in petroleum engineering from UT.

# Student interview elicits insights into profession

Last year, **Caleb Hoopes**, an 11th-grader at Blue Valley High School in Overland Park, KS, contacted Ryder Scott to find out more about petroleum engineering as a profession. He never expected that CEO **Don Roesle** would reply and offer some guidance.

Hoopes said, "I took a tour of the University of Kansas and the petroleum engineering building and I loved it. Ever since then I have been doing research and I think that petroleum engineering is for me."

Roesle agreed to answer several questions from Hoopes, including, "If you had it to do over, related to your career or education, would you do anything differently?"

Roesle responded, "I can say in all honesty that I would not change a thing I have done. I obtained a first-class education that prepared me very well for the energy industry and I have been very fortunate in the opportunities that have been presented to me."

He added, "The one exception to my comments is that I wish I had taken more geology courses while in college. Many engineers come into the industry with an incomplete understanding of the geosciences, which can be a hindrance to their full understanding of the reservoirs under evaluation."

Asked about what an average day looks like, Roesle said, "If you decide on the petroleum engineering field, you are picking a very demanding career, particularly in the consulting business. Every project comes with a deadline that clients expect you to meet. Each project is different but yet with many common requirements."

He added, "Our days are generally filled with almost constant time on a computer manipulating unbelievable amounts of data to determine the best and most reasonable answer to analyzing oil and gas reservoir performance to determine the quantities of recoverable reserves and their economic value."

The CEO continued to share his perspective with Hoopes, who used the feedback in a classroom project.

Roesle said, "Petroleum engineering is not a high-profile career like medicine or the legal field, but it can be a very rewarding career path. It's very technical in nature but can lead to many opportunities in the business world through finance and management. Many heads of energy companies are engineers by training, not business majors, but their career paths take them into management. Petroleum engineering is a worldwide profession that presents the opportunity for travel and involvement with people from all

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Ryder Scott Co. LP
1100 Louisiana, Suite 4600
Houston, Texas 77002-5294
Phone: 713-651-9191; Fax: 713-651-0849
Denver, Colorado; Phone: 303-623-9147
Calgary, AB, Canada; Phone: 403-262-2799
E-mail: info@ryderscott.com
Web site: www.ryderscott.com



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corners of the world."

Hoopes said he was grateful to have the opportunity to learn more about the industry from Roesle. "The interview piqued my interest even more and I am very excited for what the future holds," he remarked.

Roesle concluded his remarks, saying, "I hope my comments have been somewhat helpful to you, Caleb, in understanding what my profession is like. Keep in mind that everyone's experience is different. If you have any thoughts, comments or other questions, don't hesitate to contact me either by email or phone. Whatever path you decide on I wish you the very best."

## Publisher's Statement

*Reservoir Solutions* newsletter is published quarterly by Ryder Scott Co. LP. Established in 1937, the reservoir evaluation consulting firm performs hundreds of oil and gas reserves studies a year. Ryder Scott multi-disciplinary studies incorporate geophysics, petrophysics, geology, petroleum engineering, reservoir simulation and economics. With 115 employees, including 80 engineers and geoscientists, Ryder Scott has the capability to complete the largest, most complex reservoir-evaluation projects in a timely manner.



**Reservoir Solutions**
Editor: Mike Wysatta
Business Development Manager

Ryder Scott Co. LP
1100 Louisiana, Suite 4600
Houston, TX 77002-5294
Phone: 713-651-9191; Fax: 713-651-0849

Denver, CO; Phone: 303-623-9147

Calgary, AB, Canada; Phone: 403-262-2799
E-mail: info@ryderscott.com

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