1. **Board membership**

During the year no Board members stood down. The Board was pleased to welcome Weronika Sweich (recommended to the Board by the Institute Younger Members Committee), Sehban Husain (South of England based) and Muhammad Ejaz (Institute of Corrosion member) to the Board. These appointments were aligned with the Division priorities and focus areas. At the end of 2014 the Division Board members were: Steve Bedford (Chair), Craig Durham, Margaret Copland, Babs Oyeneyin, Martin Cox, Ian Merchant, Andrew Duncan, Weronika Sweich, Sehban Husain and Muhammad Ejaz.

2. **Board meetings**

- **Aberdeen 13th March**, attendees: Steve Bedford, Babs Oyeneyin, Craig Durham, Margaret Copland and Weronika Sweich.
- **Aberdeen 18th June**, attendees: Steve Bedford, Babs Oyeneyin, Margaret Copland, Weronika Sweich and Muhammad Ejaz.
- **London 10th November and Aberdeen 13th November**, attendees: Steve Bedford, Craig Durham, Margaret Copland, Weronika Sweich, Muhammad Ejaz and Andrew Duncan.

Minutes of Board meetings were posted on the Division microsite.

3. **Activities during 2014**

3.1. **Technical programme**

The Division was active throughout 2014 delivering technical presentations, student seminars and training courses as detailed in Appendix A. At each event there was a recruitment stand, with recruitment particularly successful at the student seminars.

3.2. **Web-site developments**

The Division web master (Margaret Copland) took the lead on behalf of the Division for input to the refresh of the Institute website and Margaret provided significant input. The Division microsite was continually updated with fresh relevant news articles, presentation material, events information, links and Board papers: except during the middle of the year when the Institute advised not to update the site due to the anticipated changeover to the new site. In the event the changeover was delayed. There was a noticeable drop in “hits” during the period that the web site was not refreshed. The Division micro site remained in the “top ten” most popular Institute sites and received recognition from the Institute for the quality and frequency of refresh.

3.3. **Engagement with technical community and/or local societies**

The Division continued to maintain a close working relationship with the Mining Institute of Scotland due to the large number of Division members based in Scotland. The Division also worked closely with the Aberdeen based local societies of the: Energy Institute, Institute of Corrosion Engineers,
Institute of Mechanical Engineers, the Society of Petroleum Engineers and the International Coiled Tubing Association. The Division continued to maintain working relationships with MinSouth and the Midlands Institute of Mining Engineers to engage with Division members based in England. The Division is a member of the International Minerals and Mining Association and continued to hold the Chair of this body throughout 2014.

3.4 Contributions to IoM3 house journals

The Division continued to provide articles, book reviews and a regular monthly column for Materials World. After an outstanding contribution of 50 articles Craig Durham signed off from his regular monthly column in Materials World in the summer. Going forward Craig will contribute adhoc feature articles and provide a quarterly column for Materials World. The Institute confirmed that the Division can own and utilise Transactions D for Oil and Gas matters. During the year Professor Babs Oyeneyin and Martin Cox established a working relationship with Maney Publishing and identified potential topics and authors. Work on publishing Oil and Gas topics in the Institute Transactions D will continue through 2015.

3.5 Other

In line with the Institute strategy to increase technician membership the Division Board continued to work closely with the Institute membership department and the Mining Institute of Scotland to support the student forum at Fife College. The Forum held meetings throughout the year, undertook Industrial visits, attended trade events and technical presentations. The Institute supported a one day event at the College organised by the Mining Institute of Scotland and the Division.

The Division supported the Institute drive to increase overseas membership, specifically for the United Arab Emirates. Communication with the membership remained a priority for the Division. In addition to the website and Materials World contributions the Division issued an eZine and quarterly updates.

The Division Board reviewed the Institute position on sustainability and made sustainability a standing agenda item for Board meetings. The Board believes that the focus on developing and supporting professionals in the Oil and Gas sector is key to sustainable delivery of oil and gas. The Division Board also recognised the importance of providing the public, media and politicians with a professional view on relevant matters. The Board proposed a recently retired long time Institute member (Steve Kirby) as the focal point for feedback on oil and gas issues, at the year end Steve had not received any requests for comment. The Division Board actively publicised the Institute Companion Grade.

4 Strategy and Objectives for 2015 and Beyond

4.1 Opportunities and constraints

The Division has achieved sustained year on year growth from 436 members in 2007 to 1247 members at the end of 2014, with a net 9% increase in membership during 2014. The Division Board has focused on both identifying and responding to the requirements of the existing members while also identifying and actioning opportunities to recruit new members. The Division Board uses a two yearly member survey as a key tool to establish member needs. The last survey was conducted in 2013 and the results of this survey underpinned the Division action plans, including the 2020, 2014 and 2015 plans. The Institute advised Council in November 2014 that it planned to conduct a member survey in early 2015 and Steve Bedford volunteered to review this survey. If the Institute
survey provides the information that the Division Board requires then the Division Board will not issue a specific Oil and Gas member survey in 2015.

The Division Board believes that the first priority is to sustain and continuously enhance existing successful offerings. Further opportunities that the Division Board has identified and is pursuing, as detailed in 4.2, are summarised as follows:-

- Provision of technical seminars and recruitment events for students studying relevant doctorate, masters, under graduate and diploma programmes. This will include students who progress into Technician roles.
- Increase input from younger members, female members and members in the South of England to increase membership and participation among these groups.
- Publishing the Institute offer, in particular professional qualifications: with a specific focus on members of professional bodies who are unable to gain Engineering Council qualifications through their own professional body e.g. Institute of Corrosion, Society of Petroleum Engineers and the International Coiled Tubing Association. During 2014 an offshore based Wellsite leader gained his Chartered Engineer qualification through the Technical Report Route. This route could be applicable to many offshore based personnel and the Division Board is actively seeking to develop this opportunity.
- Establishing local societies in key oilfield centres where there are Institute members but the Institute does not currently have a local society.
- A Technical Journal that addresses topics not covered by the Society of Petroleum Engineers.
- Increase accreditation of Oil and Gas academic and Industrial development programmes.
- Provision of subject matter expertise to the Institute.

The primary constraint to further growth is the time that members and the Institute staff can commit. The Division Board recognised the benefits of the Institute Governance changes and reorganisation during the year. In particular the Institute membership department was recognised as providing significantly improved support. The Division Board views the sale of the lease on 1 Carlton House Terrace and the purchase of a new London property freehold as a significant opportunity.

After a sustained period of high oil and gas prices, with associated significant capital investment in the UK, there was a much publicised rapid and significant drop in the price of oil and gas in the later part of 2014. Oil and Gas companies are taking action to address the drop in income; including releasing personnel and cutting back on discretionary activity. This may impact on support for Institute activities, see people leave the Industry and fewer opportunities. Much UK oil and gas production is uneconomic without fiscal change; there may be an acceleration of decommissioning and reduction in capital investment in the UK. The UK has significant potential for shale gas, shale oil and gas from coal. There has been much publicity against development of these resources and it is becoming a political issue. The negative publicity on “fracking” and layoffs in the oil and gas sector may dissuade people from the Oil and Gas Industry. On the flip side the Division may be able to access more volunteers from an increase in newly retired members as current employees take early retirement. In addition to these general constraints the Board views the following as constraints to continued growth:-

- Engineers in the Oil and Gas Industry are very busy and find it difficult to make the time to participate in the Institute activities.
- There are multiple Institutes working in the Oil and Gas sector, decision makers tend to support their own “heritage” professional body.
- There is limited career enhancement through gaining the professional qualifications offered by the Institute and participation in the continuing professional development activities. Unlike the United States the European Union has not made the professional qualifications and continuing professional development offered by the Institute mandatory in the Oil and Gas sector.
The American Society of Petroleum Engineers (SPE) globally dominates the Oil and Gas sector. The SPE has linked up with the Energy Institute and is offering an increased level of service to Oil and Gas Engineers, including: a route to professional UK registration as a Chartered Engineer and model codes of safe practice/guidelines.

4.2 Specific targets for 2015

After reviewing progress during 2014, the Institute focus areas for 2015, the 2013 Oil and Gas Division member survey results and the outlook for the Oil and Gas Industry the Division Board agreed to continue to focus on membership retention and growth through sustaining current successful activities and undertaking development activities as detailed below. Individual Board members took accountability for the delivery of each activity and recruitment material will be made available at each event.

Sustaining Activities

- 1 off 2 day “Introduction to Downhole Metallurgy” course.
- Technical seminars at the Robert Gordon University on completion engineering, sand cleanout and subsea engineering.
- Seminar at St. Andrews University.
- Oilfield integrity and UK legislation seminar at Aberdeen University.
- Technical seminar (masterclass) on well integrity and UK legislation.
- Support the Oil and Gas student forum at Fife College.
- Maintain the Division microsite.
- Provide feature articles and a quarterly column for Materials World.
- Produce an e-zine for Division members.

Development Activities

- Increase the University technical seminar programme targeting Universities with relevant courses e.g. Heriot Watt, Manchester and Leeds.
- Support the development of a local society and/or student chapter in the UAE.
- Support the development of a local society in Azerbaijan.
- Support development of the Institute website.
- Increase engagement with ICorr.
- Progress Transactions D.
- Develop a mentoring programme to support female and/or younger members.
- Develop a Division younger members leadership group.
- Identify more members who can support Institute accreditation activities in the Oil and Gas sector.

4.3 Outline plans for the 4 years beyond 2015

The Division Board reviewed and refreshed the Division 5 year plan in the first half of 2014 to align with the Institute 2020 plan. In June 2014 the Division Board issued the attached plan. The Division targets for 2015 are aligned with the Division 2020 plan.

5 Other matters

None.

S. Bedford

Eur Ing Steve Bedford BEng CEng FIMMM FGS
Oil and Gas Division Chairman, 25th January 2015
## Appendix: 2014 Technical Programme

<table>
<thead>
<tr>
<th>Date (YY/YY/MM)</th>
<th>Status (Held /Progressing /Planned)</th>
<th>Title</th>
<th>Location</th>
<th>Organising Division(s) /Committee(s) /Collaborators</th>
<th>Financial Underwriter (IOM3/ Local/ Other)</th>
<th>100% Target No’s</th>
<th>Actual No’s</th>
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<td>11/3/14</td>
<td>Held</td>
<td>Scotland’s Oil? How might an independent Scotland Maximise its Oil &amp; Gas revenues?</td>
<td>Marcliffe Hotel, Aberdeen</td>
<td>O&amp;G / Ei</td>
<td>ITPB</td>
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<td>Introduction to downhole metallurgy</td>
<td>Aberdeen</td>
<td>O&amp;G</td>
<td>MIS</td>
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<td>St. Andrews University</td>
<td>MIS Trust / O&amp;G</td>
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<td>Completion Engineering, Subsea Engineering and Sand Cleanout seminars</td>
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<td>O&amp;G</td>
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<td>O&amp;G</td>
<td>ICoTA</td>
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<td>O&amp;G</td>
<td>Aberdeen University</td>
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Notes:-

MIS: The Mining Institute of Scotland
ICoTA: International Coiled Tubing Association
RGU: The Robert Gordon University