

# Salaries Rise – And Experience Really Pays

By VERN STEFANIC, EXPLORER Managing Editor

Salaries for petroleum geologists showed an overall increase during the past year – in some categories, significantly so – but not all tasted the raise.

This year's annual AAPG salary survey shows a weighted average increase of 8.8 percent in geoscience salaries.

Mike Ayling, of MLA Resources in Tulsa, who has conducted the annual salary survey for AAPG since 1981, quickly pointed out – just like last year's results – that some age and experience groups within the survey did much better than the overall average.

Some groups were dramatically less than the average.

At the top end of increases were the salaries for geologists in the "very experienced" (20-plus years) category, where a 19.5 percent increase was reported.

"People with a lot of experience are highly valued right now," Ayling said.

Ayling also suggested other possible reasons for the apparent salary increase anomaly.

"Perhaps (it is) reflecting the value placed on their ability to contribute during a slack time of industry growth," Ayling said.

Other possibilities: It reflects the industry's "desire to retain experienced staff, and a bit to make up for lower increases in the past.

"They can do the job 'now,' and

2013 Geological Salary Survey

YEARS EXPER	HIGH	AVERAGE	LOW
0-2	\$ 115,000	\$ 103,400	\$ 95,000
3-5	140,000	104,500	101,000
6-9	160,000	145,400	134,000
10-14	207,000	147,600	115,000
15-19	278,000	179,200	144,400
20-24	285,000	219,500	160,100
25+	425,000	252,600	180,000

Average Salary By Degree

YEARS EXPER	B.S.	M.S.	Ph.D.
0-2	\$ 96,000	\$ 103,800	\$ 115,000
3-5		106,000	140,000
6-9	134,000	144,300	160,000
10-14	130,000	138,300	178,900
15-19	170,000	202,000	149,700
20-24	195,900	222,500	238,000
25+	219,800	275,500	



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Historical Averages Salary

YEARS EXPER	2005	2006	2007	2008	2009	2010	2011	2012	2013
0-2	\$74,400	\$ 82,200	\$ 82,800	\$ 83,600	\$ 87,600	\$ 93,000	\$ 98,700	100,500	\$ 103,400
3-5	81,300	89,600	107,800	108,000	105,600	102,300	109,400	101,000	114,500
6-9	95,400	98,500	121,100	118,400	121,700	127,800	137,300	127,800	145,400
10-14	114,400	111,500	119,800	121,900	123,500	139,100	153,400	147,000	147,500
15-19	119,600	141,000	151,600	139,400	150,800	151,000	193,600	190,300	179,200
20-24	139,000	155,000	167,400	176,800	180,300	191,000	199,200	211,600	219,500
25+	134,100	149,900	162,800	171,700	186,800	206,300	199,600	212,000	252,600

everybody needs the job done 'now,'" Ayling continued. "They don't have to be trained – and companies are not worried about them retiring."

The 0-2 year experience levels showed a small increase – up 3 percent, according to the results – but recently graduated bachelor level geologists had a difficult time finding work.

"And the few that did work for lower salaries, depressing the overall average," Ayling commented.

"Mid-experienced geoscientists (from 10 to 19 years experience) actually saw little change reflecting considerable salary growth the past years," he noted. "While

these groups remain in strong demand, perhaps lethargic overall hiring has taken a toll on average salaries."

If there was a demographic dynamic that could be discerned from this year's findings, it may be that many older geologists are now moving into management – a possible indication that the anticipated industry "crew change" may be coming closer.

Ayling referenced many indications of pending retirements.

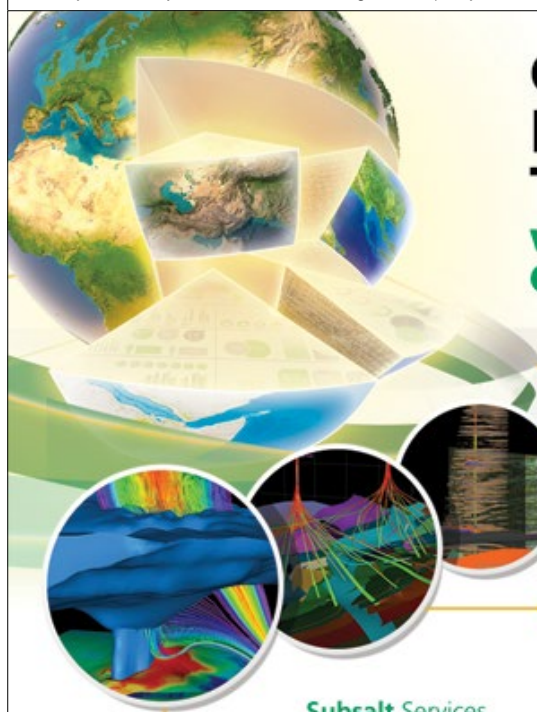
"I don't know where they're (replacements) going to come from," he said. "I suspect people are going to retire and then go to work for someone else on a part-time or consulting basis."

The AAPG annual survey is based on U.S. salaries only, which are still considered the industry's "gold standard." The measurement for international salaries for explorationists is virtually on a country-by-country, case-by-case basis, Ayling said, which makes statistical averaging non-productive beyond the boundaries of any specific country.

Also, many ex-pats are paid U.S.-based salaries, while the national oil companies opt to pay compatriots on a different, lower scale.

Ayling said his survey is based on

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a heavy emphasis on any particular topic," concurred Gillis. "We've got the technical themes that most people think about when they think of AAPG: clastics, sediments, carbonated sediments, unconventional reservoirs, conventional reservoirs, geophysics, environmental concerns, structural geology, geomechanics, basin modeling and geochemistry."

"We have the standard themes, and I think the beauty of Houston is we have people coming from all over the world who are interested in attending," she added, "and it makes for just a very strong program that will, I think, appeal to people everywhere."



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**"It's not going to be dedicated to that subject, but unconventional will have pretty good representation."**

### Changes of Note

Gillis said Houston is a recurring locale for the annual conference because of its centrality in the oil and gas industry, and this year's conference will deliver all of the technical content and professional development AAPG members have come to expect from ACE.

There will, however, be a few minor

changes from previous conferences.

"Because we had such strong submissions for the oral sessions, we decided to have all-day posters instead of half-day posters. That reduces the number of posters that you can accept, but it means that, for people who are trying to manage their time between the oral sessions and the poster sessions, it's a little bit easier to have the option

of seeing the posters all day," Gillis explained.

"We have eight concurrent sessions, which is not unusual," she continued. "We have a relatively low number of forums – we have a forum on Monday morning and one on Tuesday morning. We wanted to limit those sessions because we wanted to make sure that the scientific abstracts were the most important part of the program."

"We also have a 'History of Petroleum Geology' on Sunday," she said, "and one of the things that is unusual is we have an entire day devoted to 'Discovery Thinking.' In previous years we only had a half-day."

"My expectation is that we will have a really great program," Gillis said, "because we have a very large and dedicated committee here in Houston."



## Attending ACE? Don't Miss This

If you will be attending this year's AAPG Annual Convention and Exhibition, make plans now to visit the AAPG Bookstore and the General Store.

Both of those areas will be found in the AAPG Center on the exhibits hall floor.

Why stop by the General Store?


The AAPG Bookstore/General Store site is filled with AAPG apparel that is stylish and functional – newly designed dress shirts, golf shirts, t-shirts, hats and a wide variety of merchandise for children will be available – available exclusively at AAPG ACE meetings.

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employed, salaried geoscientists and cannot account for the large number of unemployed or underemployed individuals. Nor can these numbers take into account the compensation of individuals who are primarily paid in the form of consulting fees, retainers or overrides.

No attempt has been made to include any additional sums to account for employee benefits, bonuses, automobiles or other perquisites. The purpose of this survey is merely to provide a yardstick for those interested in accessing their compensation.

Ayling feels strongly that "compensation is often a secondary consideration when evaluating overall job satisfaction." 

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