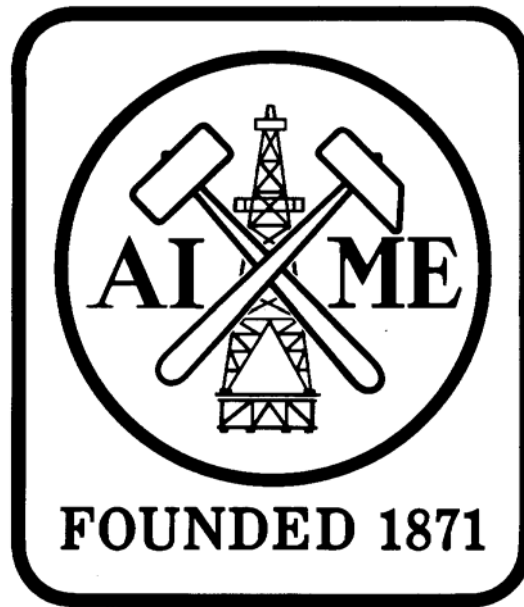


American Institute of Mining, Metallurgical, and Petroleum Engineers, Inc.

2006 ANNUAL REPORT



TMS





Report of the 2006-2007 President

James R. Jorden

The Year in Review

In 2006, the AIME Board held strategic planning sessions for the first time in several years to crystallize AIME's future mission and goals. And, the good news is that the group came together to project a bright future for AIME. In addition to becoming more visible to members, especially younger ones, through new marketing efforts and the presence of AIME representatives at Member Society events in 2007, several new initiatives are planned.

Two groups have been formed to carry out the Institute's new mission: 1) Supporting the advancement of the Member Societies, and 2) Representing AIME and its Member Societies in the larger engineering and scientific community. Initial ideas around the first effort are

- hosting a multi-disciplinary workshop, symposium, and/or conference
- establishing new multi-disciplinary awards and/or scholarships
- publishing multi-disciplinary papers in joint publications
- distributing publications among the Member Societies
- offering Member Society grants.

On the second initiative, AIME would like to be more involved in

- obtaining UEF grants and disseminating UEF information
- having appointed liaisons to various Washington agencies and other engineering and scientific organizations (e.g., Trade Associations, FMS, NAE, NSF, NMAB)
- developing an advocacy platform
- promoting joint-engineering Society activities (e.g. R&D Symposium, Engineers' Week).

Streamlined and enhanced AIME awards and scholarships documentation and processes have been rolled out to continue the great tradition of recognizing the top contributors in the industries and supporting promising young students. In fact, our Smith Scholarship Committee voted to increase the amount of that graduate scholarship to two \$10,000 awards last year. And, the Board recently voted to increase the Raymond young author cash award to \$2,500.

Additionally, staff continues to archive important corporate records and historical data and improve content and navigation on the website, www.aimehq.org. One specific project that AIME is looking forward to is the digitization of AIME Transactions from 1871-1970, making them available to members all over the world via a link from Member Society websites by the end of 2007.

As AIME moves through 2007, the Board and Member Society Executive Directors are excited to help the organization enter a rejuvenation of sorts. We look forward to interacting with the membership more often to intimately understand its needs and how AIME can best support and represent its Member Societies.

Some Reflections on AIME

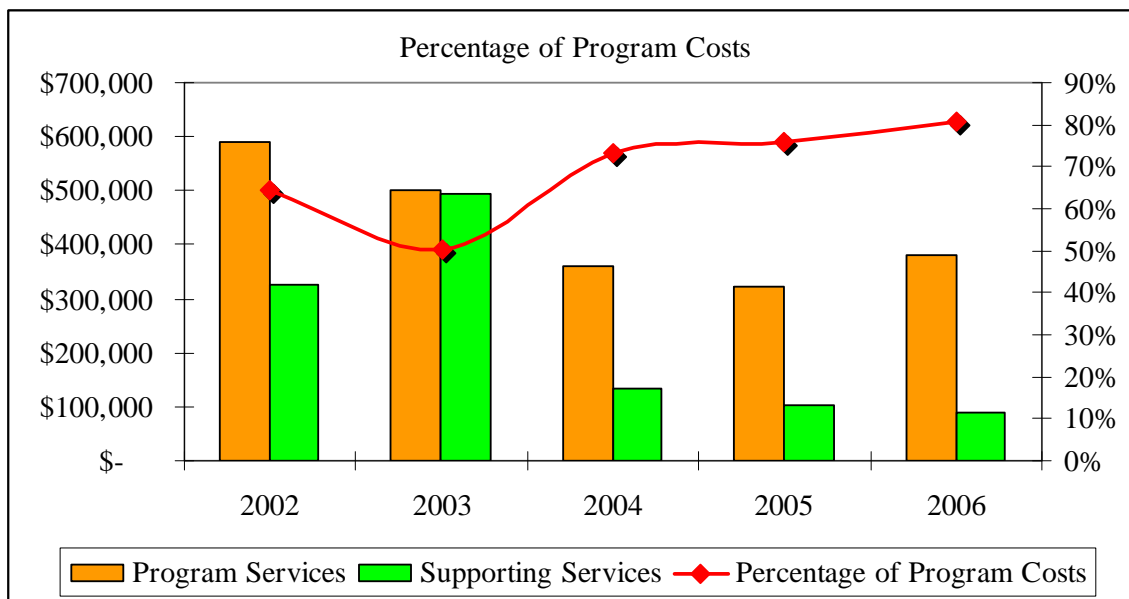
The preceding page highlights the achievements and aspirations of AIME over the past 12 months. Additionally, I choose to briefly review the significant activities in AIME for the period 2002 through August 2006 – a 4½-year interval. Each administration builds on the work of its predecessors and passes on to its successors some achievements and many aspirations. It is *a continuum of progress*.

In March 2002, the AIME Board set in motion the following initiatives, recommended by a then-existing Strategic Directions Committee:

- Adopt the recommended Mission Statement.
- Develop a plan to balance AIME revenue and expense by FY 2005.
- Examine the legal ramifications and economic feasibility of relocating the AIME headquarters from New York City to another location.
- Restructure the Board of Trustees to eight members.

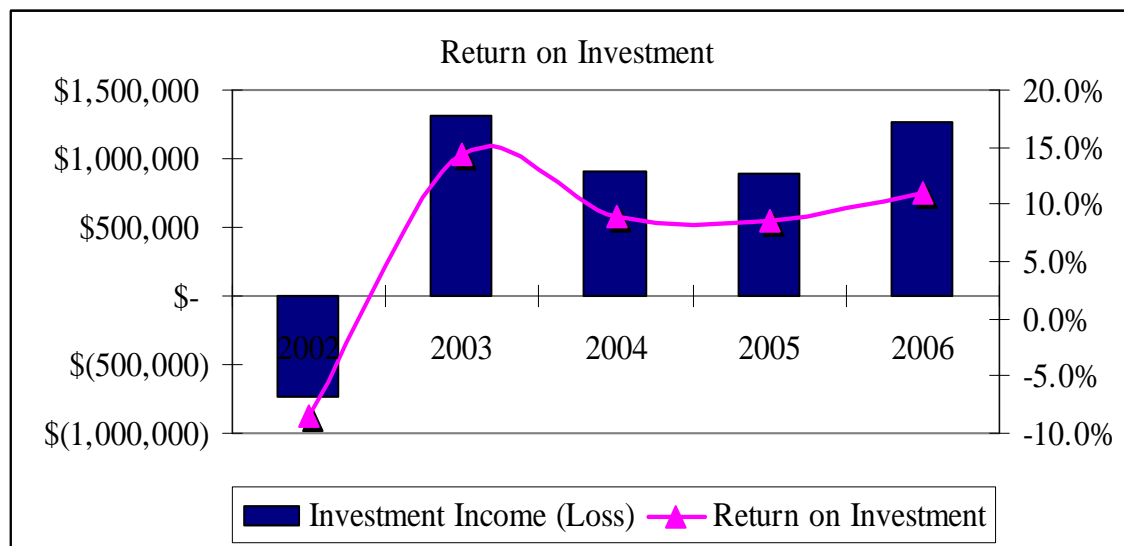
Subsequently, under the leadership of AIME Presidents George Sawyer, Rob Wagoner, Bob Freas, and Alan Cramb, these initiatives, as well as many others to improve the cost-effectiveness of the Institute, were accomplished. Perhaps the best measure of the success of this effort is contained in the following charts:

First, AIME has effectively restructured to reduce its overhead and and refocused its efforts to allow more spending on programs.



	2002	2003	2004	2005	2006
Program Services	\$ 590,273	\$ 501,205	\$ 360,088	\$ 322,811	\$ 381,564
Supporting Services	325,470	493,476	132,746	103,545	90,847
Total Expenses	<u>\$ 915,743</u>	<u>\$ 994,681</u>	<u>\$ 492,834</u>	<u>\$ 426,356</u>	<u>\$ 472,411</u>
Percentage of Program Costs	<u>64%</u>	<u>50%</u>	<u>73%</u>	<u>76%</u>	<u>81%</u>

Additionally, the portfolio reached the goal of an eight percent return in 2006 and has rebounded significantly from the market decline experienced in 2002.



	2002	2003	2004	2005	2006
Cash and Investments	\$8,571,113	\$9,154,636	\$10,160,384	\$10,475,633	\$11,610,384
Investment Income (Loss)	\$ (735,255)	\$1,313,167	\$ 903,703	\$ 893,850	\$ 1,266,915
Return on Investment	-8.6%	14.3%	8.9%	8.5%	10.9%

Over these 4½ years, these gentlemen, ably assisted by the several Boards of Trustees; AIME staff in both New York City, NY and Littleton, CO; and the Member Society Executive Directors, created an organization that will be financially sustainable far into the future. Consequently, in August 2006, the Institute undertook to begin a strategic planning process. The results to date are highlighted on the previous page. Because of this strategic vision, AIME now also has political sustainability as well. But this is an ongoing story, and AIME will continue to focus its strategic vision for years to come.

Some Personal Comments

In one more year it will have been my privilege to have served AIME as a Trustee during three cycles: the mid-1980s, 2000-2002, and 2004-2008. I am pleased to have been part of the team that has, in this first decade of the 21st century, rejuvenated and refocused the Institute.

Of necessity, the closest working colleagues of any AIME President are the AIME staff, and I wish to thank Rick Rolater and Michele Gottwald for their courtesy and patience during the past year. The 2006-2007 Board has been supportive and encouraging, and for that I am grateful. The institutional memory of the Member Society Executive Directors has been invaluable to help me avoid missteps of the past.

And so, with the concept of *a continuum of progress* firmly in mind, I offer the 2007-2008 AIME President, Dr. Dan Thoma, my continued support as he moves the Institute towards its larger vision.

AIME 2007 Officers and Trustees

PRESIDENT AND TRUSTEE



Dan J. Thoma
(TMS – Term ends 2009)

Dan J. Thoma received his BS degree in Metallurgical Engineering from the University of Cincinnati. During that time, he worked at NASA-Lewis Research Center in Cleveland, OH. He continued his education at the University of Wisconsin at Madison, where he received his MS and PhD degrees in metallurgical engineering. Dr. Thoma has been employed at Los Alamos National Laboratory since 1992, where he is currently the team leader and project leader for Alloy Design and Development within the Metallurgy Group in the Materials Science and Technology Division. Dr. Thoma is very active in professional society activities. He is a current member of TMS, ASM, MRS, and ACerS. Within TMS he has served two terms on the Board of Directors as programming director. In addition, he is the chair of the Solidification Committee and serves on the Powder Materials Committee and the Nuclear Materials Committee. He has also served on the Education Committee and MPMD. Dr. Thoma is the 2003 TMS president.

PRESIDENT-ELECT AND TRUSTEE



Michael Karmis
(SME – Term ends 2010)

Dr. Michael Karmis is the Stonie Barker Professor of the Department of Mining and Minerals Engineering and the Director of the Virginia Center for Coal and Energy Research at Virginia Tech. His broad research interests are in mine planning and design, ground control and the sustainable development of energy and natural resources. He has authored more than 150 scientific papers, reports, Proceedings volumes and textbooks and has directed numerous research projects funded by government agencies and the private sector. A Professional Engineer in the U.S.A. and a Licensed Engineer (Eur Ing) in Europe, Dr. Karmis has been active in consulting with the minerals industry, consulting companies, government organizations and legal firms. He served as the 2002 President of the Society for Mining, Metallurgy and

Exploration (SME) and the 2002/03 President of the Society of Mining Professors. He is a Distinguished Member of the SME, a Fellow of the Institute of Quarrying and a Fellow of the Institute of Mining and Metallurgy. He has received numerous recognitions and awards by major scientific, professional and industrial organizations.

PRESIDENT-ELECT DESIGNATE AND TRUSTEE

To Be Determined

(AIST – Term ends 2011)

PAST PRESIDENT AND TRUSTEE



James R. Jordan

(SPE – Term ends 2008)

Jim Jordan has worked with Quicksilver Resources, Inc., a technology-driven oil and gas production company, as a consultant in formation evaluation since 1998. Jordan received a BS degree (with honors) in petroleum engineering from the University of Tulsa in 1957 and joined Shell Oil Co. upon graduation. He held petrophysical engineering positions of increasing responsibility, as well as several management positions prior to retiring from Shell in May 1995. Jordan joined the Society of Petroleum Engineers in 1956. He has held over 30 Society-wide positions on both technical and administrative committees. Jim was elected SPE President in 1984 and SPE Foundation President in 1996-1997. He was a member of the AIME Board of Trustees during 1983-1985 and 2000-2002. Jordan holds two patents, has written several published articles in the petroleum engineering technology field, and is co-author of Well Logging I and Well Logging II, parts of the SPE monograph series. In 1985, he was inducted into the University of Tulsa College of Engineering Hall of Fame. Jim received the Society of Petroleum Engineer's Distinguished Service Award in 1988, DeGolyer Distinguished Service Medal in 1991, and AIME/SPE Honorary Membership in 1995. He has served on industry advisory committees for the petroleum engineering departments at both the University of Tulsa and Colorado School of Mines. Following retirement from Shell, Jordan resumed academic studies and earned a Master of Arts in Theological Studies from Austin Presbyterian Theological Seminary in May 2004.

OTHER TRUSTEES



Donald E. Ranta
(SME – Term ends 2008)

Don has over 30 years of experience primarily in the exploration for and development of mineral deposits in North and South America, Africa, the Southwest Pacific, and the CIS. He has served in executive positions with Echo Bay Mines and Phelps Dodge Corp. and in managerial positions with AMAX, Climax Molybdenum, Gulf Mineral Resources, and Kennecott. From 1993 through 1997, he was Vice President of Echo Bay Mines where he managed the global exploration program with a professional staff of 40 geoscientists. His exploration teams have been responsible for the discovery or acquisition of a number of major ore deposits. From 1997 through 2002, he worked as a founding partner and officer of both Union Hill and NRX Global, two entrepreneurial companies providing financial and technical services to the mining industry. Don holds three degrees in Geological Engineering--a BS from the School of Mines and Metallurgy/University of Minnesota, an MS from the Mackay School of Mines/University of Nevada, and a PhD from the Colorado School of Mines. He was the President of the Society for Mining, Metallurgy, and Exploration (SME) for the year 2000.



Theodore F. Lyon
(AIST – Term ends 2009)

Theodore F. Lyon began his career with Conoco, Inc. in the petroleum refining and petrochemicals business, in which he held various maintenance, operations, and project management positions. He has held various operations, management, and executive positions, including Vice President of Eichleay Engineers & Constructors, Inc. Ted is currently Managing Director of Operations - Iron and Steel for Hatch Associates Consultants, Inc. In this capacity, he has global responsibility for operations for the Iron and Steel Business Unit of Hatch. This involves project development, process design, operations support, and project delivery for steel industry projects around the world. Additionally, Ted has responsibility for the operations of Hatch's Pittsburgh, PA office. Lyon earned both his B.S. degree in mechanical engineering (1980) and an M.B.A. (1993) from the University of Pittsburgh.

He is a registered professional engineer in Pennsylvania, Michigan, Mississippi, and Louisiana.



Arlie Skov

(SPE – Term ends 2010)

Arlie M. Skov retired to Santa Barbara CA after a 42-year career with Sohio Petroleum, BP Exploration, and Arlie M. Skov, Inc. He earned a BS degree in Petroleum Engineering at the University of Oklahoma (with special distinction) in 1956, and attended the Basic Advanced Management program at the University of Virginia in 1966.

His career included several engineering and management postings at Sohio and BP, including Manager, Special Projects, Assistant Chief Engineer, Manager Production Planning (for the development of the giant Prudhoe Bay oil and gas field on the North Slope of Alaska), Manager New Technology Development, Director Production Technology, and Senior Consultant. His areas of expertise include reservoir engineering, improved oil recovery, reserves estimation, field development, arctic technology, planning, and economics. Mr. Skov has been an active member of SPE and AIME for over five decades, joining while in college. He was elected to several offices, including Section Chairman, in the Oklahoma City Section. He also served on the society-wide Board of Directors of SPE from 1971 to 1974, and as member and chairman of many committees, both *ad hoc* and standing. He served as President of SPE in 1991, and as President of the SPE Foundation 2004-05. He has also served on several AIME Committees, most recently as Chair of the AIME Hoover Gold Medal Award Committee in 2005. He served on the AIME Board in the Seventies and again in 1995-96. Mr. Skov was named an SPE Distinguished Member in 1985, received the SPE Distinguished Service Award in 1988, and was named an Honorary Member of SPE and AIME in 1998. In 2005, he attained membership in SPE's Legion of Honor. He also served on the National Petroleum Council from 1996 to 2002 at the invitation of three US Secretaries of Energy.



Brajendra Mishra

(TMS – Term ends 2011)

Dr. Brajendra Mishra received his Bachelor of Technology [1981] degree in Metallurgical Engineering from the Indian Institute of Technology in Kharagpur, India and his M.S. [1983] and Ph.D. [1986] in Materials Science from the University of Minnesota in Minneapolis. He is a professor and associate director of Kroll Institute for Extractive Metallurgy and Advanced Coatings & Surface Engineering

Laboratory at the Colorado School of Mines. Prior to joining CSM in 1990, Prof. Mishra served at Tata Steel in India. He has also served as a Faculty Consultant for Motorola Corp. Prof. Mishra is the President of faculty Senate [2006-08] at CSM.

Dr. Mishra's current research interests and contributions are spread over two major needs of the day - Environmental management by developing chemically benign processes and - Materials development with enhanced properties. His research interests bridge across the process and the physical metallurgy of materials. He teaches both aqueous and high-temperature corrosion of materials, chemical processing of materials, physical chemistry of iron and steelmaking and engineering thermodynamics. Dr. Mishra has authored over 250 technical publications in refereed journals and conference proceedings. He holds six patents and has authored/edited 16 books. Dr. Mishra is also a member of the ASM International, NACE and Electrochemical Society. He is a Fellow of ASM.

Brajendra served as the 2006 President of The Mineral, Metals & Materials Society (TMS) of AIME. Headquartered in the United States but with a large international membership, TMS is a professional organization that encompasses the entire range of metallurgical & materials engineering, from minerals processing and primary metals production to basic research and the advanced applications of materials. Brajendra has held several leadership positions within TMS for the past fifteen years in publication, programming, outreach and financial divisions of the society. Mishra has been on the Board of Directors for TMS for the past seven years and is currently involved with international programming activities and Foundation growth.



J. Rick Rolater

(AIME Executive Director and Secretary)

J. Rick Rolater, AIME Executive Director, began this assignment on April 1, 2003. Since 1996, he has been a self-employed as a dealer in collectible mineral and fossil specimens as owner of Splendor of Nature Gallery. His prior experience includes founding and serving as CEO of several companies including Discovery Channel Stores, Provident Bancorp of Texas, Paragon Communication Systems, and Rolater, Ducote & Company CPAs.

Following graduation from the University of North Texas with a BBA in Accounting, he worked as a CPA with Arthur Young & Co. and as a financial advisor.

AIME Past Presidents (Active List)

2005 – Alan W. Cramb

2004 – Robert C. Freas

2003 – Robert H. Wagoner

2000 - Robert E. Murray

1999 - Paul G. Campbell, Jr.

1998 - Roy H. Koerner

1997 - Leonard G. Nelson

1996 - Donald W. Gentry

1995 - Frank V. Nolfi, Jr.

1994 - Noel D. Rietman

1993 - G. Hugh Walker

1992 - Roshan B. Bhappu

1991 - Milton E. Wadsworth

1990 - Donald G. Russell

1989 - Howard N. Hubbard, Jr.

1988 - Thomas V. Falkie

1987 - Alan Lawley

1986 - Arlen L. Edgar

1985 - Norman T. Mills

1984 - Nelson Severinghaus, Jr.

1983 - Edward E. Runyan

1982 - Harold W. Paxton

1981 - Robert H. Merrill

1979 - William H. Wise

1978 - Wayne L. Dowdey

1977 - H. Arthur Nedom

1976 - Julius J. Harwood

1974 - Wayne E. Glenn

1967 - Walter R. Hibbard, Jr.

Report of the 135th Annual Meeting Napa Valley, CA – August 2006

AIME celebrated its 135th Annual Meeting in Napa Valley, CA, August 12 & 13, 2006. The meeting venue was the Harvest Inn. Following the meeting, Mr. James R. Jorden, SPE, was installed as 2006 AIME President.

AIME no longer holds a separate Annual Banquet and Awards Ceremony. AIME awards are presented at the Member Society Awards Banquet of the recipient. 2005 President, Alan W. Cramb, attended the SME (St. Louis), TMS (San Antonio), and AIST (Cleveland) banquets to confer the AIME awards, while 2006 President, James R. Jorden, attended the SPE (San Antonio) banquet to confer the AIME awards. The winners of the honors and awards and AIME honorary members are listed on the following pages. AIME keynote sessions will be held at the SPE 2007 and TMS 2008 annual meetings (the Society of the AIME President at the time).

The 136th AIME Annual Meeting will be held in Beaver Creek, CO August 4th, 2007.

Recipients of Honors and Awards Presented by AIME in 2006

2006 Honorary Members

Roshan Boman Bhappu

SME

For more than 50 years of dedication and outstanding service to the international mining industry, including academia, research, and operations.

Merton C. Flemings

TMS

For his pioneering work in solidification processing, for the development of novel processes which are used commercially, for his leadership in expanding the field of metallurgy to materials engineering and to materials science and engineering, and for his leadership in establishing a national agenda for the field of materials.

Leonard G. Nelson

AIST

In recognition and appreciation for his outstanding leadership and dedicated service to both the Institute and the Iron and Steel Society, as well as his passionate support for the dissemination of technology throughout all levels of plant operations.

Stephen A. Holditch

SPE

In recognition of his outstanding service to the Society of Petroleum Engineers, outstanding contributions to the petroleum engineering technology and literature, and substantial credentials in academia.

Larry W. Lake

SPE

In recognition of his significant contributions to the petroleum engineering profession and distinguished service to the Society of Petroleum Engineers.

Edward H. Mayer

SPE

In recognition of his innovation in several areas of petroleum engineering technology and longstanding leadership in SPE professional activities, especially those facilitating technology transfer.

James L. Rike

SPE

In recognition of his demonstrated commitment to contribute and support the Society of Petroleum Engineers, improve petroleum engineering technology and the engineering profession as a whole on a continuous basis for over 50 years.

James Douglas Gold Medal

Charles H. Bucknam

SME

For his innovative development of reference materials and standard test methods, analytical protocols and environmental research in the advancement of non ferrous metallurgy.

William Lawrence Saunders Gold Medal

James L. Madson

SME

In recognition of an exemplary career as a mining engineer and executive for the Phelps Dodge Corporation; and his steadfast devotion to improving the quality of life for miners and mining communities.

Charles F. Rand Memorial Gold Medal

Wayne W. Murdy

For his leadership of the gold mining sector in promoting social responsibility and sustainability as the Chairman and CEO of Newmont Mining Corporation.

SME

Anthony F. Lucas Gold Medal

Keith K. Millheim

In recognition of his profound ability to advance technology and recognize new concepts in the practice of finding or producing petroleum.

SPE

Erskine Ramsay Medal

Donovan F. Symonds

For his distinguished achievements as an engineer, entrepreneur, researcher and consultant in coal and energy resulting in furtherance of innovative practical solutions to many aspects of the expanding international energy industry.

SME

Robert H. Richards Award

James R. Arnold

For outstanding contributions to precious metals recovery and leadership in plant management.

SME

Benjamin F. Fairless Award

No 2006 Recipient

Hal Williams Hardinge Award

Fred G. Heivilin

In recognition of outstanding achievements in the exploration, mining, and processing of industrial minerals, particularly clays, and service to the SME and the Industrial Minerals Division of SME.

SME

Robert Earll McConnell Award

Don J. Glenister

For his leadership and contribution to the development and implementation of the minerals industry's best practices in bauxite residue management.

AIME Distinguished Service Award

Leonard G. Nelson

In recognition and appreciation for his outstanding dedication to fulfill the mission and goals of the AIME and service as the Institute's President and Vice President of Finance during the re-engineering of the Institute.

AIST

Environmental Conservation Distinguished Service Award

No 2006 Recipient

Frank F. Aplan Award

Subhash Chander

For his outstanding accomplishments in applying the fundamentals of colloid and surface science to practical problems in mineral processing.

SME

Mineral Economics Award

Christopher F. M. Twigge-Molecey

TMS

For his contributions to the understanding of the key economic and management issues, including the role of technology development, that enhance the commercial feasibility and success of capital intensive mineral development projects.

Recipients of Honors and Awards Presented by AIME in 2006

Mineral Industry Education Award

Ponisseril Somasundaran

SME

In recognition of his outstanding scholarly achievements in surface sciences, innovative teaching, and tireless efforts to inspire students in their pursuit of excellence.

Rossiter W. Raymond Memorial Award

Jeffrey S. Kroner

AIST

“Reliability-based Approach to Mill Drive Spindle Maintenance” paper published in the December 2004 issue of Iron & Steel Technology

Henry DeWitt Smith Graduate Scholarships – 2006-2007

**C. Hank Rawlins
Eric Streich**

**University of Missouri-Rolla
University of Montana**

John S. Marshall Memorial Undergraduate Scholarships – 2006-2007

**Michael Anderson
Allen Mueller**

**University of Alaska-Fairbanks
Southern Illinois University-Carbondale**

Benjamin F. Fairless Scholarships – 2006-2007

**Daniel S. Burns
Allen Feller**

**University of Pittsburgh at Johnstown
Tri State University**

The Lewis E. and Elizabeth W. Young Undergraduate Scholarships – 2006-2007

Matthew Mowry	Mining Engineering	Penn State
David Soltesz	Materials Science Engineering	Carnegie-Mellon
Tyler Placha	Mining Engineering	George Washington
Samantha Evans	Mining Engineering	West Virginia
Davey Miller	Mining Engineering	West Virginia
Patrick Pelley, Jr.	Mining Engineering	West Virginia
Christopher Stewart	Mining Engineering	West Virginia
Gaetano Iannacchione	Mining Engineering	West Virginia
Jeremy Holt	Mining Engineering	West Virginia
Justin Friend	Petroleum Engineering	University of Pittsburgh
Drew Michelle Sakai	Petroleum Engineering	University of Pittsburgh
Jonathan Weiss	Geology	University of Pittsburgh
Triana Ambarsari	Mining Engineering	Virginia Tech
Steven Keim	Mining Engineering	Virginia Tech
Chad Freeland	Mining Engineering	Virginia Tech
Rosemary Patterson	Mining Engineering	Virginia Tech
Nicholas Sprague	Mining Engineering	Virginia Tech
William V. Roney, II	Mining Engineering	Virginia Tech
Bridget Mead	Mining Engineering	Virginia Tech
Andrew Storey	Mining Engineering	Virginia Tech
Robert Davis	Mining Engineering	Virginia Tech
Kelly Thompson	Mining Engineering	University of Kentucky
Joshua Bailey	Mining Engineering	University of Kentucky

AIME Honorary Members (Active List with Year of Election)

Honorary Membership is awarded in appreciation of outstanding service to the Institute or in recognition of distinguished scientific or engineering achievement in fields embracing, broadly speaking, the activities of AIME and its Member Societies.

Roshan Boman	Bhappu	2006	SME	Alexander	McLean	1992	AIST
Stephen A.	Holditch	2006	SPE	Harold W.	Paxton	1992	TMS, AIST
Larry W.	Lake	2006	SPE	M.R.J.	Wyllie	1992	SPE
Edward H.	Mayer	2006	SPE	T. Don	Stacy	1991	SPE
Leonard G.	Nelson	2006	AIST	Marshall B.	Standing	1991	SPE
James L.	Rike	2006	SPE	Kermit E.	Brown	1990	SPE
Farouk A.	Kenawy	2005	SPE	G. William	Knepshield	1990	AIST
Fernando	Samaniego-Verduzco	2005	SPE	Michael	Prats	1990	SPE
Donald W.	Peaceman	2004	SPE	Arlen L.	Edgar	1989	SPE
Peter D.	Gaffney	2003	SPE	Douglas W.	Fuerstenau	1989	SME
Rajagopal S.	Raghavan	2003	SPE	H.J.	Gruy	1988	SPE
Jacques	Bosio	2002	SPE	Norman T.	Mills	1988	AIST
Edgar C.	Capen	2002	SPE	Joseph G.	Richardson	1988	SPE
John P.	Hirth	2002	TMS	Edward E.	Runyan	1988	SPE
Sadad I.	Al-Husseini	2001	SPE	Nelson	Severinghaus, Jr.	1988	SME
W. John	Lee	2001	SPE	David A.	Zegeer	1988	SME
Donald W.	Gentry	2000	SME	Ben H.	Caudle	1987	SPE
John L.	Gidley	2000	SPE	Lawrence B.	Curtis	1987	SPE
Dennis E.	Gregg	2000	SPE	William A.	Griffith	1987	SME
Noel D.	Rietman	1999	SPE	Donald G.	Russell	1987	SPE
R. Lyn	Arscott	1998	SPE	Edmund C.	Babson	1986	SPE
John K.	Hammes	1998	SME	Donald A.	Dahlstrom	1986	SME
Arlie M.	Skov	1998	SPE	R. Charles	Earlougher	1985	SPE
Robert C	Earlougher, Jr.	1997	SPE	Robert H.	Merrill	1985	SME
Necmettin	Mungan	1997	SPE	William H.	Wise	1985	AISt
Khalid	Aziz	1996	SPE	Wayne L.	Dowdey	1984	SME
Thomas V.	Falkie	1996	SME	William N.	Poundstone	1983	SME
Morris E.	Fine	1996	TMS	H. Arthur	Nedom	1982	SPE
James R.	Jorden	1995	SPE	Julius J.	Harwood	1981	TMS
Hossein	Kazemi	1995	SPE	Wayne E.	Glenn	1980	SPE
John M.	Campbell, Sr.	1994	SPE	Michael	Tenenbaum	1980	TMS
Orville D.	Gaither	1994	SPE	Nathaniel	Arbiter	1976	SME
Charles L.	Bare	1993	SPE	John C.	Calhoun, Jr.	1976	SPE
Marvin L.	Katz	1993	SPE	Harrison H.	Schmitt	1973	SME
Charles S.	Matthews	1993	SPE				
Frank F.	Aplan	1992	SME, TMS				
Howard N.	Hubbard, Jr.	1992	AIST				

Legion of Honor 50-Year Members – Class of 1956

AIME is particularly proud to honor the following people whose membership in the Institute spans a fifty-year period. To all of these people, AIME owes gratitude for their loyalty and appreciation for their faith in its standards. Many have held high office in the AIME ranks and have devoted their time and talents to its continued growth and prestige. They stand to serve as outstanding inspirations for all members. This year 409 Society members have been added to the Legion of Honor Fifty-Year Members.

Society for Mining, Metallurgy, and Exploration (SME)

Robert W. Ageton	Donald Gasper	W. Loring McMorris	Charles R. Sewell
John M. Anderson	L. D. Gent	Roger L. Minerman	Don H. Sherwood
Charles F. Barber	David R. Gilbert	Karl W. Mote	Harry L. Siebert
Howard F. Bartlett	Robert S. Hendricks	Malcolm Mouat	Madan M. Singh
William C. Bleimeister	Robert C. Horton	Andrew L. Mular	John L. Soma
Donald G. Bonamer	Robert M. Jensen	Haydn H. Murray	Roger W. Swindle
Harry M. Brindle	Jim E. Jinks	Thornton L. Neathery	Gilbert W. W. Thomas
Calvin C. Brown	Robert N. Johnson	Charles C. Nolan	Spencer R. Titley
Jack J. Burke	William D. Kilgore	Eugene Lewis Palusky	Joseph W. Town
William M. Calhoun	Edwin B. King	Gordon R. Parker	Milton E. Wadsworth
Lauren W. Choate	M. Lavigne	Greg V. Parker	Richard Waissar
Richard e. Cribbs	Harry E. Le Grand	Robert A. Rice	Stuart G. Watt
James S. Dodge	James M. Link	James M. Riley	Joseph E. Worthington
James R. Dunn	Stanley E. Malouf	Raymond C. Robeck	
William G. Fischer	Lawrence E. Mannion	John F. Schultze	

The Minerals, Metals, and Materials Society (TMS)

Robert L. Ammon	J. H. Downing	Robert W. Hendricks	Kendal M. Ogilvie
George S. Ansell	Walter E. Elkington	John P. Hirth	Felix E. Olivares
H. Craig Argo	Robert E. Fischer	Kurt L. Kamorek	Charles E. O'Neill
G. M. Ault	Robert L. Fullman	Larry Kaufman	Clifford W. Price
Ricardo O. Bach	Victor M. Gabis	Andrew F. Kravic	B. Ramaswami
William T. Becker	John H. Gehrke	Victor Little	T. C. Reuther
William R. Bitler	Gordon H. Geiger	James D. Livingston	Stan R. Seagle
Steven C. Blue	John P. Hager	Gilbert J. London	Edward T. Stephenson
Michael Bock	George D. Haley	Arthur J. McEvily	Charles A. Stickels
Willis P. Bradford	Douglas J. Harvey	John R. Mihalisin	W. M. Tuddenham
Mark J. Davis	Frank W. Heck	James G. Morris	G. C. Vantilburg
Klaus Detert	Richard W. Heckel	Donald A. Morrison	

Association for Iron and Steel Technology (AIST)

James L. Abbot	Pesi N. Dastur	Robert D. Hayes	Richard S. Wilkins
John C. Campbell	Rickard Frank Draus	Stanley V. Margolin	
Terence E. Dancy	Gordon H. Geiger	McBeth Sample	

Legion of Honor 50-Year Members – Class of 1956

AIME is particularly proud to honor the following people whose membership in the Institute spans a fifty-year period. To all of these people, AIME owes gratitude for their loyalty and appreciation for their faith in its standards. Many have held high office in the AIME ranks and have devoted their time and talents to its continued growth and prestige. They stand to serve as outstanding inspirations for all members. This year 409 Society members have been added to the Legion of Honor Fifty-Year Members.

Society of Petroleum Engineers (SPE)

Mr. George A Adams	Mr. Charles L Canfield	Mr. F. D Fair	Mr James N Hicks
Mr. William S Akers	Mr. Albert C Carnes Jr.	Mr. S. D Farrar	Mr. Gilman A. Hill
Mr. Joseph D Alcott	Mr. Bobby E. Carpenter	Mr. Martin T Farrell	Mr. Grady L Hillman
Mr. Joe P Allen	Mr. Robert L Casey Jr.	Mr. Billie R. Farris	Mr. Gerald N. Hise
Mr. Ernest Allen Jr.	Mr. Rowan E Cecil	Mr. K. J Feyhl	Mr. Kenneth M Hodges
Mr. E. J Anderson	Mr. S E Churchfield	Mr. Norton E Fincher	Mr. Jack M. Holt
Mr. Gilbert M. Andreen	Mr. Arville P Clark Jr.	Mr. John I Fisher	Mr. Baxter D. Honeycutt
Mr. Lester C Arnwine	Mr. Roy T Clayton	Mr. John L Fitch	Mr. John Hooper
Mr. William M Ayers	Mr. Jon F. Cobb	Mr. Phillip B Forbes	Mr. George F Horst Sr.
Mr. H. Duane Babcock	Mr. Allan A Coburn	Mr. Eugene C Ford	Mr. Stephen F. Hoss
Mr. Paul T Bail	Mr. Charles R Connaughton	Mr. Joe B Foster	Mr. Robert W Howard
Mr. W. J. Baker	Mr. Henry C Coutret Jr.	Dr. Milden J Fox Jr., P.E.	Mr. Billy P Huddleston
Mr. Emmet H Balch Jr.	Mr. A. G. Cox	Mr. Charles D. Fraser	Mr. Robert K. Johnson
Mr. Samuel Ballen	Mr. Jim C Curry	Mr. Bryant C Frihart	Mr. F T Johnson Jr.
Mr. Donald L Barkman	Mr. James W Dahline	Mr. Delmar D Fyock	Mr. R L Johnson Jr.
Mr. Larry A Barnett	Mr. Robert Gale Daniel	Mr. O. G Gage Jr.	Mr. Ralph S. Jones
Mr. Wylie R Barrow Jr.	Mr. C. R Dardenne	Mr. Forrest A Garb	Mr. James R Jordan
Mr. W. C Barton Jr.	Mr. Alex M De Greeve	Mr. Martin J. Garrity	Mr. William J. Joslin
Mr. Jack H Bayless	Mr. C. L De Priester	Mr. Robert A Gaskill	Mr. Jorgen Karberg
Mr. B. P Bayliss	Mr. Harlin M. Dees	Mr. Dwayne E Godsey	Mr. Dare K Keelan
Mr. Robert L Benson	Mr. Roy E Devlin	Mr. Michael Gondouin	Mr. Robert W Keener
Mr. S. C. Berry	Mr. John N Dew	Mr. David E Gore	Mr. George R. Kelsey
Mr. Alan M Bieber	Mr. A. J Di Salvo	Mr. Roy C Gould	Mr. Theodore R Keppta
Dr. David L. Billingsley	Mr. William L D'Olier	Mr. John D Haley	Mr. Mohammad A Khan
Mr. W. R. Bixler	Mr. John B Dorsey	Dr. R W Hall Jr.	Mr. C. F Kimball III
Mr. William A Blackwell	Mr. Robert Douglass	Mr. Robert T. Halpin	Mr. Melvin Klotzman
Mr. W N Bledsoe	Mr. J Ronald Dozier	Mr. Ralph B Hammond	Mr. Charles A. Kohlhaas
Mr. Theodore R Blevins	Mr. Jack R Eaton	Mr. Donald P Harlan	Mr. John H Kramer
Mr. Sam T Boltz Jr.	Mr. Edward L Ebbs	Mr. John P. Harlan	Mr. W F Krause Jr.
Mr. Jeff T Boucher Jr.	Mr. Wesley W Eckles Jr.	Mr. Paul E Harrison	Mr. John D La Rue
Mr. R William Bowdon	Mr. Wendell R. Edgell	Mr. George N Harrop	Mr. Donald I Lawless
Mr. Herbert L Brewer	Mr. David M Ellington	Mr. C. D. Hatfield	Mr. Harold B. Lawley
Mr. Arthur R Briggs	Mr. Floyd E Ellis	Mr. Harold M Hawkins	Mr. Ronald A Lenser
Mr. John A. Brock	Mr. Lloyd S. Elliot	Mr. R. S Hebbert	Mr. James R Line
Mr. Donald D Bruce	Mr. Russell G. Estes	Mr. Carl L Hefner	
Mr. Carrel R Bryant	Mr. Kenneth R Evans	Mr. Dale C Hendricks	
Mr. Robert B Burwell	Mr. James C Evans Jr.	Mr. James C. Henry	
Mr. Duane T Cable	Mr. Russell D. Evitt	Mr. Don V Hester	

Legion of Honor 50-Year Members – Class of 1956

AIME is particularly proud to honor the following people whose membership in the Institute spans a fifty-year period. To all of these people, AIME owes gratitude for their loyalty and appreciation for their faith in its standards. Many have held high office in the AIME ranks and have devoted their time and talents to its continued growth and prestige. They stand to serve as outstanding inspirations for all members. This year 409 Society members have been added to the Legion of Honor Fifty-Year Members.

Society of Petroleum Engineers (SPE) Continued

Mr. Charles A Lipari	Mr. Joe K Moore	Mr. David S Rowley	Mr. Paul A Tucker
Mr. Robert D. Lowe	Mr. B L Moore Jr.	Mr. Merle H Ruff	Mr. Tommy W. Tucker
Mr. Wilton J Lowe Jr.	Mr. Thomas W Morris	Mr. Billy J. Sanders	Mr. Lawrence A Turner
Mr. H. J Lutz	Mr. William F Morrison	Mr. W T Sanders Jr.	Mr. Turgut Ulug
Mr. Jack F. Lyle Jr.	Mr. James D. Murdoch Jr.	Mr. S. C Sandusky	Mr. Gijsbert van der Voet
Mr. R. S Lyons	Mr. James Nash	Mr. Herbert A Schueltz	Mr. Seymour Van Os, PE
Mr. Sam S Mabry Jr.	Mr. Allen C Nelson	Mr. Glenn C Scott	Mr. H. K Van Poollen
Mr. Robert M. MacFarlane	Mr. Laszlo K Nemeth	Mr. John N Sicking	Mr. G. C Van Zelfden
Mr. Don M Madden	Mr. Chester A Nenney	Mr. James E Skidmore	Mr. A. M Vazquez
Mr. L. F Maier	Mr. Walter J Newman	Mr. Arlie M Skov	Mr. Carl E Vogelsang
Mr. Joe A Marek	Mr. Leo J O'Brien	Mr. Charles T Slack	Mr. Lynn Walker
Mr. F. G Martin	Mr. Ramon A Omana H	Mr. George W Slaughter	Mr. George P. Walker III
Mr. Charles G Massey	Mr. Charles K. Orr	Mr. W. T Slick Jr.	Mr. W. A Walther Jr.
Mr. Harold R Mayer	Mr. Stephen A Park	Mr. Clifford M. Smith	Mr. Joe Wanenmacher Jr.
Mr. Thomas H McCasland Jr.	Mr. H. R Parkison	Mr. Charles R Smith	Mr. William H Wantuck
Mr. Doyle W McClennen	Mr. Bob L Paulsell	Mr. Glenn R Smith	Mr. Joseph L Ward
Mr. R McCleskey Jr.	Mr. Frank Perkins Jr.	Mr. B C Spradlin	Mr. L. O. Ward
Mr. Robert E McCluskey Jr.	Mr. Bobby E. Pettitt	Mr. P. C Staats	Mr. Thomas E Watkins
Mr. William R McElroy	Mr. L O Petty	Mr. T D Stacy	Mr. Robert A Wattenbarger
Mr. Martin W McGarry	Mr. Nolan O Pierson	Mr. H. M Staggs	Mr. Monroe H Waxman
Mr. J. F McGouldrick	Mr. Dick H. Piner Jr.	Mr. Lyn T. Stanley	Mr. B. H. Waychoff Jr.
Mr. William P McKinnell Jr.	Mr. Bernard Podolsky	Mr. Richard D Stauffer	Mr. Alvin G Weber
Mr. H. C. McLaughlin	Mr. Edward E Pugh Jr.	Mr. Kenneth J Stracke	Mr. D. G Whitten
Mr. Thomas C McLean	Mr. J. C Putman Jr.	Mr. Patrick H. Sumbera	Mr. Harry C Wiese
Dr. Harry O McLeod Jr.	Mr. H E Quellhorst	Mr George M Susich	Mr. Fred G. Williams
Mr. James W Meek	Mr. Robert H Rector	Mr. George W Sutphen	Mr. Robert H Williams
Mr. Robert F Meldau	Mr. Harold J Reedy	Mr. E. W Sutton	Mr. Everett H Wilson
Mr. Edward P Miesch	Mr. Warren A Rees Jr.	Mr. A. Earl Swift	Mr. Leland E Wilson
Mr. Loyle P Miller	Mr. Joseph E Reid	Mr. Gordon Talk	Mr. Ralph O. Wilson II
Mr. Robert S. Miller	Mr. Walter B Reinhold	Mr. Marion Tebbs	Mr. Howard C Worzel
Mr. John C Miller	Mr. Roland C Reynolds	Mr. James F. Templeton	Mr. B. E Yester
Mr. Marcus L. Millican	Mr. Albert D. Rial	Mr. James E Thomas	Mr. Sherwin D Yoelin
Mr. Curtis R Mills	Mr. G. A Riddle	Mr. Robert C. Thomas	Mr. James E York
Mr. John L Minter	Mr. Laurence E. Roberts	Mr. Tim C Thompson	Mr. Arthur Youmans
Mr. John C Minter	Mr. Charles A Robinson	Mr. Robert D Tibbs	Mr. Harold D. Zimmerman
Mr. Thomas O Mohr	Mr. Carter Robinson	Mr. Neil F Toler	
Mr. Joseph V. Montalban	Mr. James C Roe	Mr. Donald E Trott	



**The Woman's Auxiliary to the American Institute of Mining,
Metallurgical, and Petroleum Engineers, Inc.**

P.O. Box 270728

Littleton, Colorado 80127-0013

Tele: 303-948-4263

Fax: 303-948-4264

E-mail: waaime@aimehq.org

October 2006

President's Report

Dear WAAIME Members:

The time goes by so fast and here we are, it is now time for our Oct. 2006 National Board Meeting and of course, my President's message. So many of you do not know that I still work and manage a boutique shop. This year I had July and August off for a vacation. I would share with you how I spent this most interesting two months. Please bear with me as I give you a very detailed and shocking events dealing with the students' loans. After much discussion with our National Treasurer, Mrs. Archer, concerning the billings(invoices) sent to the students, i.e. their repayments and the return statements stamped "no address", or students just plain ignored their obligation. I asked Mrs. Archer to send all the delinquent students from 1980 to 2000 information to me.



Delinquents with no address, SLF balance Summary

1. From 1985-2002 June 4, 2006
Total money owed from pages 1 & 2. 58 students = \$83,909.00
The largest repayment is \$5,000.00. That means they received \$10,000.00.
2. From 1991-2004 June 4, 2006
Total money owed from another list of pages 1,2,3,4. 32 students = \$63,553.00.
Complete Total \$147,462.00

Let me advise you this does not represent what some SLF section chairman have sent me with their delinquent list with copy to the Treasurer and National SLF Chairman.

Phase 1

Privacy Act

This means that we cannot get any addresses, phone no's or any other information from the universities or the alumni society because of the privacy act. These students cannot be found, and we are left with all this money owed on the books.

1. I found some information I could use and with the assistance of a member's husband, I located several students. Thank you, dear sir.
2. I located three students with big loans. Quote, said students had paid off their loans in 1998. Sadly, this was not put into the data system in 1998. Said students had to send all their bank statements showing that they had paid in full. I talked to each student and this problem was solved. Unfortunately, at the time, they were not sent a thank you or a paid in full invoice. This process should have been completed and put into the database. Mrs. Archer puts all information into the database and sends them a thank you and a paid-in-full invoice.
3. I located other students by calling information and hoping their parents were located in that vicinity, Bingo! One day I located several and we received payments of \$7,500.00. Others have paid in full and some have started their payments.
4. I have located other students that still refuse to pay and still ignore their statements.
5. Several students form Iran, Greece, China, Canada and Africa we cannot locate and have to write off.
6. With the assistance of several sections SLF chairman, with data they had sent, I was able to locate several students. They paid in full and several are making payments.

Phase 2

2002-2006

1. Many students did not have exit interviews or promissory notes notarized. So here we go again, students graduating, payments due and we cannot locate them. This is not the National Treasurer nor the National SLF Chairman nor mine to do a hunt and search. And, of course, we have the privacy act. The universities assist as best as they can, but their hands are also tied.
2. Again, I spent endless hours on the phone and was able to locate many more students, and they have started their payments. Some felt they did not owe us anything and refused to pay.
3. Ladies, I have spent 6 to 8 hours a day doing this and Mrs. Archer, on her computer, putting all new information into the data base and sending out invoices.
4. Several students informed me they did not have an exit interview nor where to send payments, how much to pay, and they had not met with their section SLF chairman.

In one month I spent \$115.00 on information calls. The results have been very fruitful, others!

Phase 3

As agreed by the national board meeting, May 31,2006, Tucson AZ, we have tried to get delinquent students to repay. Many we cannot locate, others ignored their invoices, so now we will go to the collection agency. Please remember that you and all of us have to pay our bills each month, as should they. Several students have informed me (and they do talk to each other), don't worry if you don't pay WAAIME, they won't do a thing about it.

Phase 4

I have received calls from 90% of the SLF section chairman asking me for assistance.

This is their plea.

1. We are tired of a constant begging, writing, locating students, excuses for not paying, or plain skipping out.
2. These dedicated ladies are tired of this ongoing battle. We have ladies who would like to travel with their husbands, ladies that are widowed with new agendas, some with ill family members, their sections are small and they are just plain overworked.
3. Please, can we just give a grant, a nice size amount, and one that would give assistance to the students?

Subject: Loans and Grants

How many times has this argument been presented to the national board, many...the decision always the same 'I don't know'. Well I have listened to the section SLF chairman and they are correct that we should do grants. You have read the above problems of collecting money; I have yet to explain more details.

Phase 5

Deferrals

1. A deferral is a request that must go through a very important process.
2. A student will request a deferral from the section SLF chairman as they wish to continue on to receive their masters degree.
3. The section SLF chairman fills out a form with all information. This form is sent to the National SLF Chairman, she in turn confers with her committee, Treasurer and President and, if possible, all the board.
4. The National SLF Chairman then signs an O.K. with copies to the National Treasurer and section SLF chairman.
5. Now, why is this process so important? If the National Treasurer is not aware of this, a student will be sent a payment invoice six months after graduation. So this is the start of the repayment.
6. A deferral must go into the database, copy for CPA, auditor for tax purposes.
7. We have in the data base information of \$48,000.00 in deferrals.
Surprise!
8. We have contacted students inquiring why they have not started payments. Answer! Section SLF chairman told them they could have a deferral. One section SLF chairman said to me, "we were told we could give deferrals ourselves". I myself have heard of four deferrals without proper steps and how many more I don't know. A good guess would be up to \$20,000 more. None of this is on the database nor proper documentation on file. I don't know where or when the breakdown started. The National SLF Chairman, Mrs. Seegmiller, sent out a letter requesting that all deferrals be sent her for approval and copy for the National Treasurer.

Ladies, you have read all the details, problems, etc. of student loan process, payments, collecting, etc. This situation and the plea of the section SLF chairman will be presented at this national board meeting for a voting by ballot to the membership to give out grants. I hope this will be an affirmative action.

Good news! The first time in WAAIME that I know of we invited our CPA and auditor to our May Board and Annual Meeting. Questions were asked and excellent answers given. Again they stressed we must put 3.5 % of our interest back into the principal.

Great news! The first time in years and years we have put money back into the principal. Total \$315,000.00. Why? We took a conservative action, cut expenses. One cut, closing our office saved personnel \$58,000.00, money to run office \$100,000.00, total \$158,000.00 per year. This was the budget that was presented for many years and voted to run the office only.

A most serious matter--Membership

The disbanding of the Butte, MT section, established 1945. I, along with Mrs. Ann Krempasky, National 1st Vice President and Section Representative, traveled to Butte. A section meeting was held, much discussion, tears, wonderful memories, but they voted to disband, less than 12 members. Again, illness, retirements, and no young ladies are interested in joining. They will for awhile stay MAL and interview students at the Montana School of Mines.

I have been informed that another section with the same problem will soon be disbanding.

After very serious discussions with section representatives, several section chairman and national board members, I will now share with you the findings. The average age of each section member is 76 or older. There may be two in their sixties and maybe one in their fifties. In each section it is very difficult to replace officers, some doing double duty, some have held their positions for years and years. In some instances, some sections do not have a meeting. Our wonderful MALs are not able to be active. WHY! There is not a section close to their retirement communities, health problems, and they are traveling and so it goes. I have talked to many of our ladies not to quit WAAIME. I am pushing when I say our membership is 680.

This organization, like others, is also seeing a big decline in membership. The younger generation have a different life style - working women, more time spent taking children to activities, etc., our times have changed. AND we also must make big decisions and work toward a new change.

Foundation

1. At our Oct. 17-18, 2006 National Board Meeting, Mr. Rick Rolater, Executive Director of AIME, and AIME President, Mr. Jim Jorden, will also present informative details of their foundation.
2. WAAIME's name must be perpetuated for many generations, our monies must continue to support the students
3. There are a few that feel we should spend the monies as the membership declines. This is a BIG NO-NO.
4. Our bylaws have an article concerning this situation in the event this was to occur. Our bylaw chairman will do a report.

Summary

I have presented to you the total facts, not pleasant I know, but ones that we must face.

- A. We must get out of the loan business and give grants. You have read the pleas and facts.
- B. You have read of our decline in membership.
- C. You have read why we must go into a foundation with one of the member societies. I know we are dedicated our philanthropic endeavors, we must keep WAAIME's name perpetuated.
- D. We must very strongly consider a new direction for WAAIME.

I, as National President, and the National Board, have been very factual, up front with the workings of this organization. Most important, informing you, our membership, of the total facts. The National Board and myself, thank you for your time reading this message and understanding the facts.

Sincerely

Iris J. Whinnen/Owen

WAAIME National President

***AMERICAN INSTITUTE OF MINING,
METALLURGICAL,
AND PETROLEUM ENGINEERS, INC.***

FINANCIAL STATEMENTS

December 31, 2006

TABLE OF CONTENTS

	<u>PAGE(S)</u>
Independent Auditors' Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Statement of Functional Expense	6
Notes to the Financial Statements	7 – 13



BONDI & Co. LLC

CERTIFIED PUBLIC ACCOUNTANTS
MANAGEMENT CONSULTANTS

44 INVERNESS DRIVE EAST
ENGLEWOOD, COLORADO 80112

www.bondico.com

(303) 799-6826 PHONE
(800) 250-9083 TOLL-FREE

(303) 799-6926 FAX

Board of Directors
American Institute of Mining, Metallurgical, and
Petroleum Engineers, Inc.
Littleton, Colorado


Independent Auditors' Report

We have audited the accompanying statement of financial position of the American Institute of Mining, Metallurgical, and Petroleum Engineers, Inc. (AIME) as of December 31, 2006, and the related statements of activities, statement of changes in net assets, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the AIME's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior-year summarized comparative information has been derived from AIME's 2005 financial statements and, in our report dated March 16, 2006, we expressed an unqualified opinion on those financial statements.

We conducted our audit 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 combined 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 audit provides 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 American Institute of Mining, Metallurgical, and Petroleum Engineers, Inc. as of December 31, 2006, and changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

March 23, 2007


BONDI & Co. LLC



Affiliate Offices Worldwide

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND
PETROLEUM ENGINEERS, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2006

(With Summarized Comparative Totals at December 31, 2005)

	2006	2005
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 219,173	\$ 47,694
Accounts Receivable	6,706	4,101
Prepaid Expenses and Other Assets	14,150	15,668
Total Current Assets	240,029	67,463
PROPERTY AND EQUIPMENT, NET (Note 3)	2,496	1,246
OTHER ASSETS		
Loans Receivable from SME Foundation (Note 5)	5,000	10,000
Investments - At Fair Value (Note 2)	11,391,211	10,427,939
Total Other Assets	11,396,211	10,437,939
TOTAL ASSETS	11,638,736	10,506,648
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	1,220	3,415
Total Current Liabilities	1,220	3,415
NET ASSETS		
Unrestricted	7,966,145	7,295,576
Temporarily Restricted (Note 6)	3,073,448	2,609,734
Permanently Restricted (Note 7)	597,923	597,923
Total Net Assets	11,637,516	10,503,233
TOTAL LIABILITIES AND NET ASSETS	\$ 11,638,736	\$ 10,506,648

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

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND
PETROLEUM ENGINEERS, INC.

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2006

(With Summarized Comparative Totals for the Year Ended December 31, 2005)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total 2006</u>	<u>Total 2005</u>
REVENUES AND GAINS					
Investment Income (Note 2)	\$ 889,762	\$ 377,153	\$	\$ 1,266,915	\$ 893,850
Endowment Income		172,507		172,507	
Offshore Technology Conference Fees	150,501			150,501	141,460
Dues from Member Societies	16,000			16,000	16,000
Copyright and Other Revenue	771			771	1,574
Net Assets Released from Restriction (Note 6)	85,946	(85,946)			
Total Revenues and Gains	1,142,980	463,714		1,606,694	1,052,884
EXPENSES					
Program Services					
Special Projects and Grants	113,373			113,373	85,524
Medals and Awards	132,023			132,023	112,801
Meetings	136,168			136,168	124,486
Total Program Services	381,564			381,564	322,811
Supporting Services					
Management and General	90,847			90,847	103,545
Total Expenses	472,411			472,411	426,356
CHANGES IN NET ASSETS	\$ 670,569	\$ 463,714	\$	\$ 1,134,283	\$ 626,528

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

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND
PETROLEUM ENGINEERS, INC.

STATEMENT OF CHANGES IN NET ASSETS

For the Year Ended December 31, 2006

(With Summarized Comparative Totals for the Year Ended December 31, 2005)

	<u>Unrestricted</u>		<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
	<u>Pension Liability</u>				
Net Assets December 31, 2004	\$ 7,181,743	\$ (313,685)	\$ 2,410,724	\$ 597,923	\$ 9,876,705
Change in Pension Benefit Obligation - 2005	<u>(313,685)</u>	<u>313,685</u>			
	6,868,058		2,410,724	597,923	9,876,705
Change in Net Assets December 31, 2005	<u>427,518</u>		<u>199,010</u>		<u>626,528</u>
Net Assets December 31, 2005	7,295,576		2,609,734	597,923	10,503,233
Change in Net Assets December 31, 2006	<u>670,569</u>		<u>463,714</u>		<u>1,134,283</u>
Net Assets December 31, 2006	<u>\$ 7,966,145</u>	<u>\$</u>	<u>\$ 3,073,448</u>	<u>\$ 597,923</u>	<u>\$ 11,637,516</u>

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

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND
PETROLEUM ENGINEERS, INC.

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2006
(With Summarized Comparative Totals for the Year Ended December 31, 2005)

	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Members and Customers	\$ 164,667	\$ 182,796
Cash Paid to Suppliers and Employees	(471,395)	(762,617)
Dividends and Interest Income	519,022	90,249
	212,294	(489,572)
Net Cash Provided (Used) by Operating Activities		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net Proceeds from Sales of Investments	(215,379)	421,633
Proceeds from Endowment	172,507	
Purchase of Equipment	(2,943)	
Repayment of Loans from Member Societies	5,000	5,000
	(40,815)	426,633
Net Cash Provided (Used) by Investing Activities		
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	171,479	(62,939)
CASH AND CASH EQUIVALENTS, Beginning of Year	47,694	110,633
CASH AND CASH EQUIVALENTS, End of Year	219,173	47,694
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Change in Net Assets	1,134,283	626,528
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Depreciation	1,693	4,484
Endowment Income	(172,507)	
Unrealized Gain	(747,893)	(799,821)
Change in Unfunded Pension Liability		(408,201)
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable from Member Societies	(2,605)	19,982
Decrease in Prepaid Expenses and Other Assets	1,518	82,837
Decrease in Accounts Payable	(2,195)	(15,381)
	(921,989)	(1,116,100)
Net Adjustments		
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 212,294	\$ (489,572)

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

AMERICAN INSTITUTE OF MINING, METALLURGICAL,
AND PETROLEUM ENGINEERS, INC.

STATEMENT OF FUNCTIONAL EXPENSE

For the Year Ended December 31, 2006

(With Summarized Comparative Totals for the Year Ended December 31, 2005)

	Program Services			Supporting Services		Total 2006	Total 2005
	Special Projects and Grants	Medals and Awards	Meetings	Program Services Total	Management and General		
Medals, Awards and Scholarships	\$ 103,343	\$ 76,844	\$ 57,747	\$ 180,187	\$ 2,594	\$ 182,781	\$ 128,564
Payroll and Employee Benefits	6,889	40,088	51,250	104,724	61,266	165,990	199,727
Meetings		3,756	7,907	55,006	545	55,551	40,870
Audit, Legal and Professional Services	791	3,163	5,154	11,861	7,906	19,767	18,375
Rent (Note 8)	515	2,062	4,604	7,731	5,155	12,886	11,195
Other	460	1,842	2,124	6,906	4,605	11,511	5,437
Supplies, Postage, Maintenance and Repairs	1,062	1,062	6,756	4,248	6,373	10,621	9,163
AIIME Board Activities		2,893	339	9,649	525	10,174	5,093
Depreciation (Note 3)	169	169	287	677	1,016	1,693	4,484
Insurance	144	144		575	862	1,437	3,448
Total	\$ 113,373	\$ 132,023	\$ 136,168	\$ 381,564	\$ 90,847	\$ 472,411	\$ 426,356

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

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND
PETROLEUM ENGINEERS, INC.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2006

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Organized in 1871, the American Institute of Mining, Metallurgical, and Petroleum Engineers, Inc. (AIME) is a professional organization organized and operated to advance and disseminate, through the programs of the Member Societies, knowledge of engineering and the arts and sciences involved in the production and use of minerals, metals, energy sources and materials for the benefit of humankind, and to represent AIME and the Member Societies within the larger engineering community.

AIME is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is not considered a private foundation.

AIME's four member societies are the Society for Mining, Metallurgy, and Exploration (SME), The Minerals, Metals & Materials Society (TMS), the Association for Iron & Steel Technology (AIST) and the Society of Petroleum Engineers (SPE). When sufficient funds are available, determined by formula, AIME provides funding for overarching programs (programs conducted by two or more member societies that carry out AIME's purpose) and funding for member-direct programs of the member societies based on their project requirements. The AIME financial statements do not include the accounts of the four member societies.

AIME's significant revenue sources include dues from member societies, conference proceeds and investment income.

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with the AICPA's Audit and Accounting Guide, *Not-for-Profit Organizations*.

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND
PETROLEUM ENGINEERS, INC.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2006

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Method of Accounting

AIME has adopted Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, AIME is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Unrestricted net assets of the operating fund are supported by resources over which the governing board has discretionary control. Temporarily restricted net assets are restricted by donors for various uses including scholarships and awards. Permanently restricted net assets represent AIME's endowment. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with AIME's financial statements for the year ended December 31, 2005, from which the summarized information was derived.

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND
PETROLEUM ENGINEERS, INC.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

December 31, 2006

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions

AIME has adopted SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence or nature of any donor restrictions.

Cash and Cash Equivalents

For purposes of the cash flow statement, AIME considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

Investments

Investments are valued at fair value, which is the prevailing market value at year-end, with the resulting change in unrealized gains or losses included in the statement of activities.

Property and Equipment

Acquisitions of property and equipment of \$1,000 or more are capitalized. Donated equipment is recorded at fair market value at the date of the donation. Purchased equipment is recorded at cost. Depreciation of furniture and equipment is being provided for by the straight-line method over the estimated useful lives of three to seven years.

Member Grants

Grants for member-direct programs of the member societies are accrued when approved by the Board.

Inventory

Inventory is value at estimated cost and consists of medals and awards.

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND
PETROLEUM ENGINEERS, INC.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

December 31, 2006

NOTE 2: CASH AND INVESTMENTS

AIME maintains a cash account at a commercial bank. The account is guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. At various times throughout the year, the balance in the account may exceed this limit.

Market values at December 31, 2006 classified by major investment type are summarized as follows:

	<u>Market Value</u>
Mutual Funds	
Cash Equivalents	\$ 108,330
Bonds and Notes:	
Taxable	2,575,780
Alternative	684,987
Equity Securities:	
US Large Cap	4,107,569
US Small Cap	689,383
Non-US Developed Markets	1,955,069
Non-US Emerging Markets	432,411
Alternative Equity	<u>837,682</u>
Total	<u>\$ 11,391,211</u>

The alternative equity investments consist of mutual funds which invest in hedge funds. Each hedge fund holds indirect derivatives that allow the investments to borrow and leverage securities against poorly performing securities. The value of these funds is determined monthly by a review of the underlying limited partnerships. This portion of AIME's investment portfolio is not liquid and is anticipated to be held for three to seven years.

Of the total investments noted above, six of the eight funds are individually over 5% of the total investment portfolio.

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND
PETROLEUM ENGINEERS, INC.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2006

NOTE 2: CASH AND INVESTMENTS (Continued)

Investment income and its classification in the statement of activities for the year ended December 31, 2006 are as follows:

Dividends and Interest	\$ 291,807
Realized Gains	290,934
Unrealized Gains	747,893
Investment Advisory Fees	<u>(63,719)</u>
 Total Investment Income	 <u>\$1,266,915</u>

NOTE 3: LAND, BUILDINGS AND EQUIPMENT

Property and equipment balances as of December 31, 2006 consist of the following:

	<u>12/31/2005</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2006</u>
Furniture & Equipment	\$ 35,153	\$ 2,943	\$	\$ 38,096
Accumulated Depreciation	<u>(33,907)</u>	<u>(1,693)</u>	<u> </u>	<u>(35,600)</u>
Net Furniture & Equipment	<u>\$ 1,246</u>	<u>\$ 1,250</u>	<u>\$</u>	<u>\$ 2,496</u>

Depreciation expense was \$1,693 for the year ended December 31, 2006.

NOTE 4: PENSIONS

For the first quarter of 2006, AIME participated in a contributory multiple-employer defined contribution employee savings plan (Plan) covering all full-time employees of AIME and three of the four member societies. Effective August 12, 2005, the Plan Sponsors approved a decision to terminate the Plan. Participants became 100% vested in their accounts at this time. Effective March 6, 2006, the

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND
PETROLEUM ENGINEERS, INC.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

December 31, 2006

NOTE 4: PENSIONS (Continued)

funds related to AIME were transferred to another plan. Effective April 1, 2006, the AIME Employee Savings Plan name was changed to the SME Retirement Plan, and the plan administrator was changed to that of the SME Finance Director. Also effective this date, the assets and related forfeitures from TMS and SPE were transferred to their respective individual savings plans with Massachusetts Mutual.

Effective January 1, 2006, AIME adopted a defined contribution plan administered by a third party trustee covering all full-time employees. Employer discretionary match contributions of 80% of the first 5% of employee contributions are required to be made each pay period. Employees are eligible to participate in the plan after three months of service and are 100% immediately vested. AIME contributed \$4,600 as the employer match for the year ended December 31, 2006.

NOTE 5: TRANSACTIONS WITH AFFILIATES

As of December 31, 2006, AIME had a loan receivable from SME of \$5,000.

AIME also remitted \$125,844 to member societies in 2006 for assistance with their annual meetings, reimbursement for award programs, and special programs.

NOTE 6: TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets fulfilling time and other restriction requirements were released in the amount of \$85,946, as of December 31, 2006. Temporarily restricted net assets at December 31, 2006 have been restricted by donors and Board appropriations for special projects to be spent as follows:

Medals & Awards	\$ 1,114,368
Scholarships	926,564
Specific Use	<u>1,032,516</u>
Total	<u>\$ 3,073,448</u>

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND
PETROLEUM ENGINEERS, INC.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
December 31, 2006

NOTE 7: PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets are investments in perpetuity, the income from which is expendable to support the following programs:

Scholarships	\$ 340,484
Specific Use	146,000
Medals & Awards	<u>111,439</u>
 Total	 <u>\$ 597,923</u>

NOTE 8: COMMITMENTS

In June of 2003, AIME entered into an operating lease with SME (Affiliate) for office space through 2008. The lease requires monthly payments of \$1,104 per month. Rental payments will increase annually based on the Consumer Price Index. The lease can be terminated by either party with one year notification. Lease expense paid for the year ended December 31, 2006 was \$12,886.

Future minimum lease payments are as follows:

<u>Year</u>	<u>Lease Payment</u>
2007	\$ 13,521
2008	<u>5,795</u>
 Total Future Payments	 <u>\$ 19,316</u>

In November 2006, AIME entered into an agreement with Image Advantage for services including scanning and indexing AIME publications and books. In 2006, AIME paid \$1,634 under this contract. Completion of the project is expected to be in 2007.

Member Societies:

Society for Mining, Metallurgy, and Exploration
8307 Shaffer Parkway, PO Box 277002, Littleton, CO 80127-7002
Phone: 303-973-9550, Fax: 303-973-3845

Internet: www.smenet.org
E-mail: sme@smenet.org

The Minerals, Metals & Materials Society
184 Thorn Hill Road, Warrendale, PA 15086-7528
Phone: 724-776-9000, Fax: 724-776-3770

Internet: www.tms.org
E-mail: tmsgeneral@tms.org

Association For Iron and Steel Technology
186 Thorn Hill Road, Warrendale, PA 15086-7528
Phone: 724-776-6040, Fax: 724-776-1880

Internet: www.aistech.org/
E-mail: info@aistech.org

Society of Petroleum Engineers
PO Box 833836, Richardson, TX 75083-3836
Phone: 972-952-9393, Fax: 972-952-9435

E-mail: postmaster@spe.org
Internet: www.spe.org

American Institute of Mining, Metallurgical and Petroleum Engineers, Inc.
Physical Address: 8307 Shaffer Parkway, Littleton, CO 80127-4012
Mailing Address: P.O. Box 270728, Littleton, CO 80127-0013
Phone: 303-948-4255, Fax: 303-948-4260
Internet: www.aimehq.org
E-mail: aime@aimehq.org