

President
DON STEEPLES
don@ku.edu

May 12, 2014

Email: moe.momayez@arizona.edu

Moe Momayez EEGS President University of Arizona Tucson, AZ 85721-0012

Dear Moe,

With regret, I am writing to officially notify you that the SEG Board of Directors voted on May 9 to discontinue pursuit of a Near Surface Subsidiary. This action is problematic to any further negotiations with EEGS regarding a possible merger of our two organizations. This action was taken reluctantly after much deliberation.

In the past few months we have undertaken an in-depth assessment of our operations and costs. The result of that analysis requires the SEG to become much more financially conservative for the next few years. The Near-Surface subsidiary model as currently proposed would require that we shut down one or more of the SEG's current activities. As part of the budget approval on May 9 for FY 15, the Board approved a long-term policy to limit the burn of cash reserves to the extent practical. One of the practical measures in cost containment was to cease consideration of the merger as currently proposed.

The SEG will continue to develop its programs in near-surface geophysics. For example, the NS Honorary Lecturer will still be funded, and we will still be organizing near-surface meetings, especially on the international scene. We would also like to continue collaboration with EEGS in activities where it makes sense for both organizations.

While this decision will create widespread disappointment and dissatisfaction in both organizations, the SEG Board believes it is in the best interests of the SEG as a whole at this time. As my 40-year career in near-surface geophysics winds down, I find it particularly disappointing to have to deliver this news to you.

Sincerely,

Don Steeples

2013-2014 SEG President

cc: Catherine Skokan