

# OIL AND GAS PROJECT ECONOMICS, RESOURCES VALUATION, CLASSIFICATION AND REPORTING

by

*Sjafri Joenoes*

## Introduction

This program provides financial understanding when valuing oil and gas assets. Executing a petroleum related project such as field development, Evaluate various investment opportunities by determining economic indicators and sensitivity analysis. Understanding techniques for predicting profit, production costs and cash flow for optimum result. Familiar with economic indicators, risk and uncertainty, Gain knowledge on different economic structures such as tax regimes and production sharing contract.

This program is also designed to give a better understanding of Reserves and Resource Definitions and Guidelines for Classifications. Various aspect of the evaluation of hydrocarbon reserves as well as learn how to use reserves reports and studies

## Course Objective

The primary objectives of the program are to:

- Understanding various economic term used in the oil & gas industry
- Understanding how to develop economic models of various petroleum fiscal regimes
- Carry out cash flow analysis and determine economic indicators
- Carry out different economic analysis for petroleum related project.
- Carry out a comprehensive economic evaluation study for any petroleum related project including risk analysis and sensitivity study using spreadsheet.
- Understand reserves measurement methodology
- Understand reserves and resource definitions and guidelines for classification.
- Understand the relation between technical and commercial aspects of resources
- Understand the process performed by independent evaluation in performing reserves certification
- Case study

## Course Methodology

The program will include a number of exercises aimed at enhancing each participant capability to conduct various economic evaluations. In addition each participant will be given a comprehensive spreadsheet model that can carry out a complete economic evaluation including a sensitivity analysis.

## Course Outline

### **DAY 1**

#### **Economic Indicators**

- Present Value Concept
- Discounted Cash Flows
- Net Present Value
- Internal Rate of Return
- Payback Period
- Profit/Investment Ratio
- Comparing Economic Indicator

#### **Sensitivity Analysis**

#### **Risk and Uncertainties**

- Risk and Uncertainty
- Expected Value Concept
- Decision Tree Analysis
- Spider and Tornado Diagrams
- Quantifying Uncertainty
- Probability Distribution

### **DAY 2**

#### **Reserves and Resource Definitions and Guidelines for Classification**

- Purpose and uses of reserves estimates
- Types of reserves studies
- Economics Indicators
- Sensitivity Analysis
- Unconventional Reserves (CBM, Shale Gas)

#### **Reserves Reporting Requirements**

- Reserves Reporting System
- Due Diligence and Audit Process
- Security Exchange Commission (SEC)
- Valuation of Reserves

### **DAY 3**

#### **Petroleum Resources Management System (PRMS)**

- PRMS Definition and Guidelines

#### **Production Sharing Contract (PSC)**

- o History of PSC
- o Petroleum Fiscal System
- o PSC Definition and Guidelines
- o Upstream Oil and Gas Activity
- o PSC Economic Model for Reserve Audit
- o Develop PSC Model
- o PSC Models in Other Counties

#### **Gross Sharing Contract**

Net Sharing (PSC) vs Gross Sharing

## Who Should Attend

Oil & gas professionals such as engineers, geologists, economists, accountants, technicians who need to learn how to conduct economic evaluation and to understand the role of petroleum economics in investment decision making. This program is also recommended for non-technical financial professionals whose work relates to the petroleum industry, supervisors and managers in the Planning, Exploration, Production, Projects, Financing and Technical Departments in Oil & Gas Companies

## Your Course Instructor

Sjafri Joenoes received Bachelor degree from Mechanical Engineering Department, Industrial Engineering Faculty, Bandung Institute of Technology (ITB) on 1979 and also he has Business Master from Prasetya Mulya Business School on 2004. He Has a professional and Practice experiences as various disciplines such as; Drilling, Reservoir Management, Planning & Budgeting more than 35 years in National & Multinational Company specially Oil & Gas Industry. He retires from PT. Medco E&P Indonesia on year 2013 and focused in Strategic Planning & Budgeting and Specialist of Reserves Management and Reporting.

NOTE: CONDUCTED IN BAHASA INDONESIA

### METHOD OF PAYMENT

Please completed the following payment details:

Telegraphic transfer - Please make payment in Rp. to the following account: (Please instruct your bank to remit all local & overseas bank charges to your bank account)

P. T. LOKA DATAMAS INDAH

Bank account 314-3000328

PT. Bank UOB Buana Tbk.

Cab. Harmoni

Jl. Gajah Mada No. 1A

Jakarta 10130 - Indonesia

### Enrollment Information

**P.T. LOKA DATAMAS INDAH**

**LDI Training**

Harmoni Plaza Blok B-16

Jalan Suryopranoto No. 2

Jakarta - Indonesia

PHONE : (62)(21) 632 6911 or 6313556

FAX : (62)(21) 630 5074 or 6330212

E-MAIL : [Lditrain@indo.net.id](mailto:Lditrain@indo.net.id)

HOME PAGE : [www.Lditraining.com](http://www.Lditraining.com)

Course Fee: Rp. 12.950.000,- per person  
(Hotel accommodation is not included  
in the course fee)

**LDI TRAINING**

*"Leading Edge Courses for Professionals"™*