

## HOW TO BUILD AND USE AN ECONOMIC MODEL

Duration 3 days

DATE: 16 TO 18 SEPTEMBER 2017, TEHRAN, IRAN

۲۵-۲۷ شهریور ۱۳۹۶

### ● PURPOSE

Enabling your upstream exploration & production (“E&P”) staff to build and use project economic models via a hands-on workshop positioning them to be able to evaluate and compare a range of potential investments and to negotiate petroleum contract terms.

### ● AUDIENCE

Exploration, development and production managers, engineers, budgeting and other staff with a direct or indirect interest in project economic evaluation or petroleum contract negotiation.

### ● INSTRUCTOR



**John Symons**

John Symons has been active for 20 years within international oil companies and for a further 20 years more broadly in the oil and gas industry, consisting of training, university teaching and consultancy. He has extensive experience of modeling project economics throughout the oilfield life cycle from exploration to mature field operation and also of modeling the impact of a wide range of world fiscal regimes on company economics and on host government revenue.

John has worked on corporate and supply planning in BP’s corporate downstream and on economics, planning, management accounting and wellsite petroleum engineering in Shell’s UK upstream division. He has given many public and in house training courses and has taught in both universities in Aberdeen, United Kingdom and in Agostinho Neto University, Luanda, Angola. His consultancy has mainly been for host governments and their agencies from the Falkland Islands to New Zealand via West and East Africa, Lebanon and Cambodia.

### ● LEARNING OBJECTIVES

- The relationship between the structure and design of economic models and specific types of decision and contract negotiation
- Efficient, flexible and accurate Microsoft Excel coding, both for base cases and for the investigation of uncertain assumptions
- Understanding the information given by, and the limitations of, economic and risk indicators generated by economic models
- How to use economic models when choosing between technical options and contract areas, and in negotiating contract terms

## ● AGENDA

### ● MODEL STRUCTURE 0.2 day

Greenfield, brownfield, EOR/IOR and exploration projects; company, partner, NIOC and government cash flows  
The economic limit; selection of time periods and reference dates; real terms or nominal money basis

### ● DATA REQUIREMENTS 0.3 day

Production, hydrocarbon prices, costs, remuneration, taxation

### ● ECONOMIC AND RISK INDICATORS 0.6 day

Significance, limitations and coding of all commonly used indicators

### ● COMPLICATING FACTORS 0.2 day

Inflation, multiple currencies and taxation

### ● UNCERTAINTY ASSESSMENT 0.3 day

Sensitivity analysis and efficient coding

### ● EXPLORATION ECONOMICS 0.2 day

Modeling exploration and appraisal choices and decisions, reserve uncertainties and the chance of success

### ● GENERAL REVIEW OF NON-SERVICE FEE FISCAL REGIMES 0.2 day

### ● BUSINESS GAME: NEGOTIATING A PRODUCTION SHARING EXPLORATION CONTRACT 1.0 day

Two company teams negotiate competitively with a government team, iteratively through the day using an economic model

Please note that at least one laptop shared between every 2-3 delegates is required on this third day of the workshop

Language	Location	Date	Fee(Euro)	Registration Contacts
 English	Tehran-Iran	16-18 September 2017 ۲۵-۲۷ شهریور	یورو 750	مدیر برنامه کامران جوادى ۰۹۱۲۸۳۸۳۹۹۸ ۰۲۱۸۸۵۵۸۷۵۰ <a href="mailto:kamran@cbcoilandgas.com">kamran@cbcoilandgas.com</a>