OVERVIEW

Oil and gas consumption are at the center of every thriving economy. Crude oil products power our highways, product manufacturing, and gas is the preferred fuel for electric power generation. In many ways the business of oil and gas affects all of our lives. Understanding the oil and gas industry therefore has become synonymous with understanding the engine of the modern-day economy. Upstream Petroleum Economics is a window into the world of the oil and gas business. It provides a structured way of understanding not just what the oil industry does but why they do what they do.

This course is an introduction on how the petroleum industry finds and develops oil but dives deep into the economic reasons why the industry thrives. It covers aspects of the history of oil price and how companies are affected by macroeconomic trends, foundational concepts of economics that drive decision making within the industry, why companies invest in some jurisdictions and not others, but also examines the nuts and bolts of petroleum project economic evaluation. The course provides the engineer, economist, geologist, analyst and investors the language with which to communicate about the merits of petroleum projects. And through the course material, workshops and practice in-class exercises, the course provides participants with handy tools with which to interpolate results from petroleum project analysis and recommendations and construct and deconstruct oil and gas cash flow models.

LEARNING OUTCOMES

- Review the basics of petroleum economics
- Describe knowledge segments in upstream petroleum economic thinking
- Discuss key concepts in geological sciences
- Explain concepts in reservoir, drilling and completion, and production engineering
- Address concepts in reservoir, drilling and completion, and production engineering
- Review the lifecycle of a petroleum development project
- Describe the global economy, cost of supply, and the business of oil and gas
- Discuss capital structure
- Explain fiscal systems and the business of oil and gas
- Express how to value projects using Discounted Cash Flow technique
- Explain capital budgeting techniques and investment evaluation metrics
- Review oil and gas asset net cash flow
- Participate in a hands-on activity involving case studies
- Describe advance petroleum economic techniques
- Address exploration prospect valuation
- Participate in a development project case study

WHO SHOULD ATTEND

- Engineers, economic planners of sovereign governments with significant oil economies
- Rating agencies for sovereigns with oil-dominant economies
- Corporate finance, investment bankers or private equity personnel interested in understanding/forecasting outlook for companies and governments
- Commercial analysts and portfolio planning personnel in upstream, midstream companies
- Upstream oil and gas consultants
- Bankers and lenders to oil and gas industry
- Non-technical persons interested in understanding this crucial segment of oil and gas revenue planning
AGENDA

THURSDAY, AUGUST 1, 2019

8:00 – 8:30 am  Registration & Continental Breakfast

8:30 am – 5:00 pm  Course Timing

12:00 – 1:00 pm  Group Luncheon

Overview
- Upstream Petroleum Economics
  - History of the oil price
  - How companies are affected by macroeconomic trends
  - Foundational concepts of economics
  - Why companies invest in some jurisdictions and not others
  - Petroleum project economic evaluation
- Knowledge Segments in Upstream Petroleum Economic Thinking

Fundamentals of Petroleum Engineering
- Key Concepts in Geological Sciences
- Concepts in Reservoir, Drilling and Completion, and Production Engineering
- Lifecycle of a Petroleum Development Project

Fundamentals of Economics and the Financing of Petroleum Projects
- The Global Economy and Cost of Supply
- Capital Structure and the Business of Oil and Gas
- Oil Price and Lessons from History
- Fiscal Systems and the Business of Oil and Gas

Project Economics
- Valuing Projects Using Discounted Cash Flow Technique
- Capital Budgeting Techniques and Investment Evaluation Metrics

Oil and Gas Asset Net Cash Flow
- Project Components
- Economic Components
- Accounting and Depreciation Components
- Taxation and Government Tax Components
- Investor/State/Federal Government Cash Flows
AGENDA

FRIDAY, AUGUST 2, 2019

8:00 – 8:30 am  Continental Breakfast

8:30 am – 12:00 pm  Course Timing

Economic Decision Tools and Project Investment Analysis
• Advanced Petroleum Economic Techniques
  o Risk analysis solutions
  o Probabilistic economic solutions

Upstream Economics Workshop
• Exploration Prospect Valuation
  o Joint venture arrangements and frameworks for investor decision making
• Development Project Case Study (Cash Flows Under 3 Distinct Fiscal Systems; Gross Tax, Net Tax, Production Sharing Contract Systems)
  o Economic cash flow modeling using Excel
  o Key formulas and techniques

Hands-On Activities
• Participants will Evaluate and Make Recommendations About Potential Oil and Gas Investments

INSTRUCTOR

Maduabuchi Pascal Umekwe
Commercial Analyst, Alaska Division of Oil & Gas

Dr. Maduabuchi Pascal Umekwe is a petroleum engineer and commercial analyst with Bachelors and Master's Degrees in Petroleum Engineering, and a PhD in Petroleum Economics.

He has spent almost a decade in the oil and gas business as field engineer, development petroleum engineer and commercial analyst. His work experience spans tight oil and conventional oil and gas basins, and he conducts research on engineering, economic and environmental management aspects of US tight oil development. He has also worked as an adjunct faculty in the School of Management at the Alaska Pacific University and currently works in Alaska, where he conducts oil production forecasts, economic decision analysis, cash flow modeling and is involved in various aspects of oil and gas development negotiations.
REQUIREMENTS FOR SUCCESSFUL COMPLETION

Participants must sign in/out each day and be in attendance for the entirety of the course to be eligible for continuing education credit.

INSTRUCTIONAL METHODS

Case studies, Power Point presentations and classroom exercises will be used in this course.

EVENT LOCATION

EUCI Office Building Conference Center
4601 DTC Blvd, B-100
Denver, CO 80237

NEARBY HOTELS

Preferred Hotel:
Hyatt Place Denver Tech Center
8300 E. Crescent Parkway, Greenwood Village, CO 80111 (0.9 miles away)
Call Central Reservations at 1-888-492-8847 and ask for the corporate rate under the Group Code: EUCI or visit https://denvertechcenter.place.hyatt.com/en/hotel/home.html?corp_id=102338 for the current EUCI rate.
(Head Breakfast included and Free Shuttle to and from EUCI)

Other Hotels:
Hyatt Regency Denver Tech Center
7800 E. Tufts Ave
Denver, CO 80237
Phone: 303-779-1234
0.3 miles away

Hilton Garden Inn Denver Tech Center
7675 E. Union Ave
Denver, CO 80237
Phone: 303-770-4200
0.6 miles away

Denver Marriott Tech Center
4900 S. Syracuse St
Denver, CO 80237
Phone: 303-779-1100
0.7 miles away

IACET CREDITS

EUCI has been accredited as an Authorized Provider by the International Association for Continuing Education and Training (IACET). In obtaining this accreditation, EUCI has demonstrated that it complies with the ANSI/IACET Standard which is recognized internationally as a standard of good practice. As a result of their Authorized Provider status, EUCI is authorized to offer IACET CEUs for its programs that qualify under the ANSI/IACET Standard.

EUCI is authorized by IACET to offer 1.1 CEUs for the course.
REGISTRATION INFORMATION
Mail Directly To:
PMA Conference Management
PO Box 2303
Falls Church VA 22042
OR, scan and email to: register@pmaconference.com

Click Here or
p:201-871-474
f:253-663-7224

PLEASE SELECT

UPSTREAM PETROLEUM ECONOMICS COURSE
AUGUST 1-2, 2019: US $1395
Early bird on or before July 12, 2019: US $1195

Substitutions & Cancellations
Your registration may be transferred to a member of your organization up to 24 hours in advance of the event. Cancellations must be received on or before June 28, 2019 in order to be refunded and will be subject to a US $195.00 processing fee per registrant. No refunds will be made after this date. Cancellations received after this date will create a credit of the tuition (less processing fee) good toward any other EUCI event. This credit will be good for six months from the cancellation date. In the event of non-attendance, all registration fees will be forfeited. In case of course cancellation, EUCI’s liability is limited to refund of the event registration fee only. For more information regarding administrative policies, such as complaints and refunds, please contact our offices.

EUCI reserves the right to alter this program without prior notice.

EVENT LOCATION
EUCI Office Building Conference Center
4601 DTC Blvd, B-100
Denver, CO 80237

See nearby hotels on page 5

ENERGIZE WEEKLY
EUCI’s Energize Weekly e-mail newsletter compiles and reports on the latest news and trends in the energy industry. Newsletter recipients also receive a different, complimentary course presentation every week on a relevant industry topic. The presentations are selected from a massive library of more than 1,000 current presentations that EUCI has gathered during its 30 years organizing courses.

Sign me up for Energize Weekly

How did you hear about this event? (direct e-mail, colleague, speaker(s), etc.)

Print Name
Job Title

Company

What name do you prefer on your name badge?

Address

City
State/Province
Zip/Postal Code
Country

Phone
Email

List any dietary or accessibility needs here

CREDIT CARD INFORMATION

Name on Card
Billing Address

Account Number
Billing City
Billing State

Exp. Date
Security Code (last 3 digits on the back of Visa and MC or 4 digits on front of AmEx)
Billing Zip Code/Postal Code

OR Enclosed is a check for $______________________ to cover ____________________ registrations.

Substitutions & Cancellations

Your registration may be transferred to a member of your organization up to 24 hours in advance of the event. Cancellations must be received on or before June 28, 2019 in order to be refunded and will be subject to a US $195.00 processing fee per registrant. No refunds will be made after this date. Cancellations received after this date will create a credit of the tuition (less processing fee) good toward any other EUCI event. This credit will be good for six months from the cancellation date. In the event of non-attendance, all registration fees will be forfeited. In case of course cancellation, EUCI’s liability is limited to refund of the event registration fee only. For more information regarding administrative policies, such as complaints and refunds, please contact our offices.

EUCI reserves the right to alter this program without prior notice.