

# Basics of Petroleum Economics

Economics is the primary link between decision making and profitable operations and it is one of the four pillars of the oil and gas industry (the other three being geology, engineering, and probability/statistics).

The purpose of this seminar is to introduce you to the economic concepts, strategies, and basic tools utilized in the oil and gas industry. Knowing these will assist you in making better decisions and understand the tradeoffs and risks associated with making these decisions.

Economics will be used as a conceptual tool to organize your understanding of the industry. The instructor's approach is applied, practical and broad, providing you with the background necessary to tackle and understand a variety of problems.

## Your Instructor

**Mark J. Kaiser** is Professor and Director of Research and Development at the Center for Energy Studies at Louisiana State University, and adjunct professor in the Craft and Hawkins Department of Petroleum Engineering. His research interest covers the oil, gas, and refining industry and is related to cost assessment, fiscal analysis, infrastructure modeling, and valuation studies. Dr. Kaiser has led several studies and published extensively in the field and regularly teaches Petroleum Economics at LSU and short courses for business and industry. He has served as a consultant and technical expert to government agencies and private firms. Dr. Kaiser holds a Ph.D. from Purdue University.

## During this two day seminar, you will ...

- Learn how to organize and frame economic problems in the oil and gas industry
- Apply and compute basic economic criteria
- Build and evaluate cash flows
- Increase your knowledge in basic economic analysis and profitability assessment
- Understand the differences in risk and return of conventional and unconventional assets
- Recognize and use basic units, conversions, and classification systems common in the industry

## Seminar Topics

- Development strategies for onshore properties, conventional and unconventional reservoirs
- Build cash flow models for producing properties
- Evaluate the economic viability of a project
- Apply exponential and hyperbolic decline curves
- Critique the components and assumptions of property evaluation
- Volumetric production payments
- Assess and use market data to value properties
- Understand SEC reserves disclosure requirements
- Use the volumetric reserves formula and reserves classification
- Interpretation and calculation of standardized measures and PV-10
- Comparison of conventional and unconventional risk and return profiles

## Program Highlights

- Understand the essential elements of how cash flow components are estimated using industry examples
- Economic criteria for screening and ranking projects
- Field development profiles and cash flow streams
- Case studies and current events will be used to illustrate the application of the course material

## Who Should Attend

- Entry- and Mid-Level Managers
- Landmen
- Accountants
- Bankers
- Project Managers
- Production Engineers
- Financial Analysts
- Geologists
- Reservoir Engineers
- Regulators
- Policy Analysts

Petroleum industry personnel who would like to develop or increase their knowledge in basic economic analysis and profitability assessment will find this seminar beneficial.

## Accreditation Information

This course has been applied for American Association of Professional Landmen RLP and CPL Hours, Continuing Legal Education Hours and CPE Hours in many states. PDHs = 12.5 CEUs - 1.25

## Summary of Course Outline

- Economic Criteria
- Development Economics
- Property Valuation
- Production Economics
- Type Curve Economics
- Reserves
- Oil and Gas Prices
- Cost Estimation
- Acquisitions and Divestitures

## Dates, Times, and Locations

The seminar meets from 8:30 a.m. to 4:30 p.m. each day.

**March 15-16, 2016 • Houston, TX**  
Doubletree at Greenway Plaza  
6 Greenway Plaza East  
713-629-1200

**October 4-5, 2016 • Denver, CO**  
Marriott Tech Center  
4900 South Syracuse Street  
303-779-1100

## Participant Reviews

“Good course! I have a much better understanding of the economic reasons behind my company's decisions.”

- **D. Robinson, Geologist, Newfield Exploration**

“Dr. Kaiser is fantastic! He explains complex subject matter in an understandable way.”

- **M. Lowe, Sr. Regional Landman, PDC Energy**

“Very informative class; great for those with a little industry knowledge to those with years of knowledge.”

- **P. Ellington, Joint Venture Audit Supervisor, SM Energy Co.**

## Registration Form (print legibly)

I would like to enroll in:

### Basics of Petroleum Economics

- March 15-16, 2016 • Houston, TX  
 October 4-5, 2016 • Denver, CO

Name \_\_\_\_\_

Title \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_

Zip \_\_\_\_\_ Country \_\_\_\_\_

Participant Phone (\_\_\_\_\_) \_\_\_\_\_

Participant Email \_\_\_\_\_

### ENROLL ONLINE AT [WWW.CESE.UTULSA.EDU](http://WWW.CESE.UTULSA.EDU)

(credit card payments only)

#### Tuition Fee (net U.S. dollars):

- \$995 per person - Group Discount  
 \$1295 per person - Early Enrollment Discount  
 \$1395 per person - Regular Tuition Fee

#### Method of Payment:

- Check enclosed. *Make payable to The University of Tulsa, CESE*  
 Charge my credit card.  
 VISA  MasterCard  Discover  Am. Exp.

Card Number \_\_\_\_\_

Exp. Date \_\_\_\_\_ CSC Code \_\_\_\_\_

Name on Credit Card \_\_\_\_\_

Billing Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

#### Contact our office at:

The University of Tulsa, C.E.S.E.  
800 South Tucker Drive  
Tulsa, OK 74104-3189 USA  
**CALL:** 918-631-3088  
**EMAIL:** [cese@utulsa.edu](mailto:cese@utulsa.edu)



## It's Easy To Enroll

### 1. Return the registration form to:

The University of Tulsa, Continuing Education for Science & Engineering, 800 S. Tucker Drive, Tulsa, OK 74104-3189

### 2. Call our office: (918) 631-3088

### 3. Fax the form: (918) 631-2154

### 4. Email us: [cese@utulsa.edu](mailto:cese@utulsa.edu)

### 5. Enroll online: [www.cese.utulsa.edu](http://www.cese.utulsa.edu) (credit card payments only)

### 6. Use our QR Code to go directly to our website.



**SEMINAR FEE:** The seminar fee includes all course materials (workbook, exercises, handouts, forms), technical calculator, instruction and daily refreshments.

**EARLY ENROLLMENT DISCOUNT:** To qualify, your registration and payment must be received in our office one month prior to the seminar location you plan to attend.

**GROUP DISCOUNT:** Available to groups of three or more people from the same company attending the same location.

**HOTEL RESERVATIONS:** If you wish to make overnight accommodations at the seminar site, contact the hotel directly for reservations, or book online with the link provided to you in your confirmation letter. Specify you are with The University of Tulsa, Basics of Petroleum Economics seminar for special group rates. To ensure space availability and group rate, reservations must be made 7 weeks prior to the seminar date.

**REFUNDS:** All paid seminar fees will be refunded in the unlikely event the course is canceled. Those who cancel within five working days of the seminar will receive a refund less an administrative fee of \$95. Refunds will not be granted after class has begun or for nonattendance. Substitutions are permitted at any time.

## Participant Reviews

"Mark Kaiser was great. He made the material easy to understand and used real world examples."

- T. Keyes, Land Representative, Shell

"Great course - very helpful to understand the decision making process."

- C. Jost, Consultant, EP Energy

"Enjoyable presentation of basics every manager must understand."

- L. Denetsosie, President & CEO, Navajo Nation Oil & Gas

"Excellent course to understand all the elements of oil & gas financial analysis."

- S. Stokes, Business Analyst -IT, ConocoPhillips

"Great primer on petroleum economics....felt like a light came on in my understanding of this complex industry."

- M. Morones, Outreach Program Manager, Alaska Gas Pipeline Project Office

"Great course to understand high level petroleum economics."

- M. MacDougall, Landman, EQT Production Co.

"The professor's apparent brilliance continued with his ability to speak in laymen's terms. He gave me the assurance that I was learning something worth my time."

- J. Bullard, Regulatory Affairs, Gulfport Energy

**"I liked every section of this course taught by Mark Kaiser. He is an excellent and thorough instructor."**

# Basic of Petroleum Economics

**MARCH 15-16, 2016  
HOUSTON, TX**

**OCTOBER 4-5, 2016  
DENVER, CO**

Instructed by  
**Mark J. Kaiser**



THE UNIVERSITY of  
**TULSA**  
*Continuing Education for  
Science & Engineering*