

€ TRAINING

Project Economics for Oil and Gas Industries





Project Economics for Oil and Gas Industries

Introduction:

This training program provides participants with essential knowledge and skills to evaluate the economic viability of projects within the oil and gas sector. It equips professionals with the tools needed to make informed decisions and maximize returns in a dynamic industry environment.

Program Objectives:

At the end of this program, participants will be able to:

- Understand the operational dynamics of the oil and gas industry within evolving technical, economic, and political contexts.
- Analyze the economics of each stage of the supply chain, emphasizing upstream activities.
- Navigate the decision-making process within oil and gas companies, accounting for various risk factors.
- Utilize techniques employed by oil and gas companies to conduct thorough economic evaluations of capital investments before resource allocation.
- Assess the influence of governments on investment decisions within the oil and gas sector.

Targeted Audience:

- Oil and gas industry professionals involved in project management and decision-making roles.
- Financial analysts and economists specializing in the oil and gas sector.
- Engineers, managers, and executives seeking to understand the economic aspects of oil and gas projects.

Program Outlines:

Unit 1:

Introduction to The Oil And Gas Industry:

- Fundamentals of oil markets.
- Fundamentals of gas markets global, regional, and domestic.
- Oil and gas pricing.
- Oil and gas industry structure International oil companies, national oil companies, OPEC.

Unit 2:

The Oil And Gas Industry Value Chain:

- Upstream, midstream, and downstream.
- Upstream economics: exploration; appraisal; development; production; abandonment.

Unit 3:

Projects Economics I:

- Costs breakdown.
- Costs control.
- Comparison of oil and gas economics.
- Economics of LNG.
- Economics of unconventional oil and gas.
- Typical industry risks.

Unit 4:

Projects Economics II:

- Decision analysis.
- Risk and uncertainty.
- Financial evaluation and measures of profitability.
- Decision making on exploration and production.
- Common techniques to incorporate uncertainty risked NPV; decision tree analysis, and sensitivity analysis.

Unit 5:

Government Influence:

- Legal, regulatory, fiscal, and contractual framework.
- Impact of Government policy on oil and gas project's economics.
- Investment decision and sharing of oil and gas wealth.