

# IHRDC

International Human Resources Development Corporation

2012 REGIONAL OFFERING

## Petroleum Project Economics and Risk Analysis



# Bali

FEBRUARY 13 – 16, 2012

NOVEMBER 19 – 22, 2012



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## PROGRAM OBJECTIVES

During this four-day program participants will learn, in a practical and realistic manner, how to analyze the financial performance of oil and gas investments from both the project and corporate reporting perspectives. They will be asked to build financial models for typical oil and gas projects and then identify and incorporate all major risks into the analysis. A major part of the learning is achieved through team participation in a challenging “business game” where they must present their team’s recommendations to the Board.

## WHO SHOULD ATTEND

This program is designed specifically for energy managers, supervisors and key employees from broad functional areas, such as finance, technology and project development who wish to expand their knowledge of investment and risk analysis in managing, developing and reporting on energy projects. financial modeling and petroleum project economics.

## INSTRUCTIONAL FORMAT

The instructional format consists of lectures by a respected specialist and team participation in a classic IHRDC “business game”. The business game typically takes almost one half of the instruction time and is highly rated for its effectiveness in internalizing learning and generating discussion among team participants. In addition to the lectures and business game this course will utilize additional exercises and case studies to further enrich the classroom experience. This method of blended learning has proven to be an ideal way for participants to learn the practical needs of today’s international energy markets.

## LECTURE SESSIONS

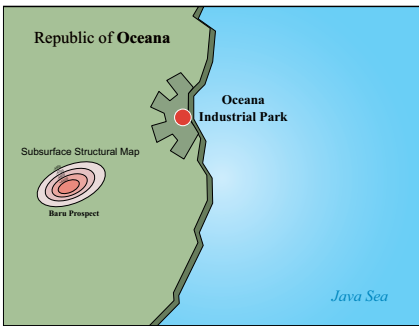
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Introduction to Petroleum Economics & Energy Business Environment  
Introduction to Financial Statements and Measures of Performance  
Project Management Fundamentals  
Energy Project Economics and Measures of Performance  
Project Financing: Commercial Debt Finance  
Energy Project Risk and Uncertainty  
Probability Theory and Quantitative Analysis  
Decision Tree Analysis  
Monte Carlo Simulation  
Portfolio Theory and Real Options  
Stakeholder Impact Assessment & Analysis  
Managing Price Risk Using Financial Derivatives

## WORKSHOP

### Asia Onshore Business Game

This “business game” is an integral part of the learning process. Participants, working in teams, will evaluate an oil and gas business opportunity in the Republic of Oceana, near Indonesia. They build a financial model that will integrate various risks associated with the investment. This model will utilize a proposed Production Sharing Agreement and incorporate revenue, capital and operating costs, financing costs, and tax projections for the life of the project. Throughout the program teams will add layers of complexity to the model by incorporating different risk analysis tools presented in the lectures. The teams will present their project analysis to a decision review board by outlining the risk profile and expected performance measures of the project. They then learn the outcome of those decisions. Emphasis will be placed on the practical implementation of the tools presented and on developing practical financial modeling skills.



Republic of Oceana

The sessions include:

- Modeling the production sharing agreement
- Building the base case proforma financial statements
- Calculating standard measures of performance
- Sensitivity and scenario analysis
- Decision trees and expected monetary value
- Monte Carlo simulation
- Project selections, stakeholder and financial analysis
- Simulation of team investments in the economic environment
- Evaluation of performance and presentation of results

# Instructors

## RICK SQUIRES



Rick Squires, an IHRDC Senior Lecturer, is the founder of PiEnergy, which provides consulting and executive search services to the energy industry. He is also a Non-Executive Chairman of a U.K.-based offshore hybrid gas and wind power company. For four years, from 1998 to 2002, Mr. Squires was Senior Vice President, Planning, Strategy and

Investor Relations for InterGen, an international power company with plants in ten countries. Prior to joining InterGen, he headed the Power Business within Shell Gas and Power, London. Mr. Squires' career at Shell spanned over 25 years and also included senior management positions in International Oil Trading and Coal Business Development and Marketing in London, South Africa and Japan. Mr. Squires holds an B.S. (Honours) degree in Electrical Engineering from Lanchester University and a Master's Degree in Business Studies from Durham University, U.K.; he is a member of the Institute of Electrical Engineers, the Institute of Directors and the Energy Institute.

## MAHER HABBAL



Maher Habbal is Manager, Business Simulators Development/Applications for IHRDC. He is responsible for developing and implementing the business simulation models used in IHRDC management programs and workshops. To date he has built five such simulators: one for the oil industry, two for gas, and two for power. His other responsibilities

include internal financial reporting, analysis and forecasting. Before joining IHRDC, Mr. Habbal worked three years with Arthur D. Little, Inc. as a Senior Financial Analyst in financial reporting and modeling. Also, as a member of the teaching staff at the Arthur D. Little School of Management Master of Science in Management Program, he taught Finance, Economics and Accounting. Mr. Habbal holds a M.S. degree in Management from Arthur D. Little School of Management and a B.S. in Business Economics from the Lebanese American University.

## Program Fee

4-DAY WORKSHOP: US\$3,350

IHRDC will provide a discount to companies who enroll five or more participants.

The fee for this Program includes instruction, instructional materials, breaks and lunch during session days and miscellaneous conference expenses. Fees do not include travel, hotel expenses or morning and evening meals; these are the responsibility of the enrollee. Payment should be made by wire transfer, credit card or by check in U.S. funds drawn on a U.S. Bank. Fees must be paid in full prior to the first day of the program.

# Enrollment Form

Fax this completed page to: 1.617.536.4396 or 1.617.247.6669

By mail, send to: IHRDC Management Programs

535 Boylston Street, Boston, MA 02116 U.S.A.

Questions? Call 1.617.536.0202 or E-mail us at registrar@ihrdc.com

## ENROLLMENT CODE

**IWEB12**

The Enrollment Code is required when registering for this course.

## PETROLEUM PROJECT ECONOMICS AND RISK ANALYSIS

BALI FEBRUARY 13 – 16, 2012 \$3,350 (U.S.\$)

BALI NOVEMBER 19 – 22, 2012 \$3,350

## CONTACT INFORMATION (Please type or print clearly.)

Name \_\_\_\_\_

Job Title/Position \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

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

Country \_\_\_\_\_

Telephone \_\_\_\_\_

Fax \_\_\_\_\_

E-mail \_\_\_\_\_

## PAYMENT METHOD

Fee Enclosed

Please Invoice

Send to the attention of: \_\_\_\_\_

Mastercard

Visa

American Express

Discover

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

Exp. Date \_\_\_\_\_

Signature of Cardholder \_\_\_\_\_

## 2012 Petroleum Business Workshops

### INTERNATIONAL LOCATIONS

#### HOUSTON

International Gas Business Workshop

JAN. 30 – FEB. 3, 2012

Building a World-Class Workforce: A Competency-Based Approach

FEBRUARY 13 – 17, 2012

Offshore E&P Project Development Workshop

MARCH 26 – 30, 2012

#### BALI

Petroleum Project Economics & Risk Analysis

FEBRUARY 13 – 16, 2012

International Gas Business Workshop

FEBRUARY 20 – 24, 2012

#### RIO DE JANEIRO

International Gas Business Workshop

MARCH 5 – 9, 2012

#### DUBAI

Building a World-Class Workforce: A Competency-Based Approach

MARCH 11 – 15, 2012

Overview of the International Petroleum Business

APRIL 16 – 19, 2012

#### DOHA

LNG Business Workshop

APRIL 22 – 24, 2012

#### KUALA LUMPUR

Building a World-Class Workforce: A Competency-Based Approach

JULY 9 – 13, 2012

# IHRDC

WORLDWIDE LOCATIONS

## IHRDC/CORPORATE HEADQUARTERS

535 Boylston Street, 12th Floor Boston, MA 02116 USA

Tel: 1.617.536.0202

Fax: 1.617.536.4396

Email: [corporate@ihrdc.com](mailto:corporate@ihrdc.com)

## IHRDC/HOUSTON

2500 CityWest Blvd. Suite 300 Houston, TX 77042 USA

Tel: 1.617.456.3409

Email: [houston@ihrdc.com](mailto:houston@ihrdc.com)

## IHRDC/AMSTERDAM

Coen de Koninglaan 35 1135CM Edam, The Netherlands

Tel: 31.299.373480

Email: [amsterdam@ihrdc.com](mailto:amsterdam@ihrdc.com)

## IHRDC/CAIRO

55, Road 206, Digla, Maadi, Cairo, Egypt

Tel: 20.22.519.7275

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Email: [cairo@ihrdc.com](mailto:cairo@ihrdc.com)

## IHRDC/JAKARTA

Villa Melati Mas Block i.12a No. 12  
Serpong 13250

Tangerang, Banten, Indonesia

Tel: 62.21.68299480

Fax: 62.21.5372392

Email: [jakarta@ihrdc.com](mailto:jakarta@ihrdc.com)

## IHRDC/MALAYSIA

No: 42, Jalan 9/23A

Off Jalan Usahawan, Setapak

53200, Kuala Lumpur, Malaysia

Malaysia Mobile: 60.12.301.8297

Email: [malaysia@ihrdc.com](mailto:malaysia@ihrdc.com)

## IHRDC/LAGOS

Plot 93, Block 14, Akanbi Disu Street

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Lekki Phase 1, Lagos, Nigeria

Tel: 234.803.301.4101

Email: [lagos@ihrdc.com](mailto:lagos@ihrdc.com)