

## Rose & Associates' Risk Analysis, Prospect Evaluation and Exploration Economics

(5 Days)

**WHO SHOULD ATTEND:** geoscientists, landmen, engineers, economists, and management

**WHAT PARTICIPANTS ARE SAYING:** “outstanding exercises”  
“highly qualified, engaging faculty”  
“great use of anecdotes”

Our flagship course covers all phases of exploration decision-making, and has been presented more than 200 times to U.S. and International professional classes over the past ten years. With a strong practical orientation and abundant use of realistic exercises, we illustrate the applications and mechanics of the various concepts and analytical procedures involved in the evaluation and investment analysis of exploration prospects.

The course follows the characteristic chain of considerations that attends most exploration projects, including both theory and application, and integrates the geotechnical, leasing, economics, and management aspects of such ventures. This course utilizes the latest methods for dealing with risk and uncertainty and is recommended for geoscientists, negotiators, engineers, economists and managers.

Practical application of concepts and methods is demonstrated for participants using real prospects and computer-projected risk analysis software. To reinforce key concepts, there are abundant learning opportunities and exercises in which the student can win or lose small amounts of money. ***Please bring a few dollars to class each day.***

Completion of the course should prepare participants for immediate application and utilization of all concepts and techniques in the economic appraisal of ventures.

**Day 1:** Introduction; Statistics: The Language of Uncertainty – Probabilities & Distributions; Coping with Uncertainty; Estimating Petroleum Reserves (Introduction)

**Day 2:** Estimating Petroleum Reserves (Continued); Expected Value and Chance of Prospect Success; Truncation Issues; RMAG Exercise (Introduction)

**Day 3:** RMAG Exercise (Completion); Decision Trees and the Value of Information; The Most Crucial Decision: Selecting New Exploration Plays; Exploration Economics: Estimating Profitability; Economic Yardsticks

**Day 4:** Dealing with Risk; Prospect Inventories and Portfolio Management; Acquisition Strategies and Bidding; Performance Tracking; Company Prospect Reviews; Final Exercise (Introduction)

**Day 5:** Final Exercise (Completion and Review); Conclusion