



Risk Analysis, Prospect Evaluation and Exploration Economics

Course Description

This 4- to 5-day course covers all aspects of the evaluation and investment analysis of exploration prospects. It has a strong practical orientation that uses actual prospects and realistic exercises to illustrate the applications of the various concepts and analytical procedures involved in the evaluation and investment analysis of exploration prospects. The 4-day version is customized from the full content to meet the client's objectives.

The course follows the characteristic workflow of evaluating exploration projects, including both theory and application, and integrates the geotechnical, leasing, economics, and management aspects of such ventures. The course utilizes the latest methods for dealing with risk and uncertainty and uses exercises in which participants can win or lose small amounts of money based on their decision-making to reinforce these concepts. Completion of the course should prepare participants for immediate application of all concepts and techniques in the appraisal of ventures within their companies. This course has been presented hundreds of times in open, internal, and customized versions, both in-person and virtually. It is intended for geoscientists, engineers, commercial team members, and managers charged with creating value from their exploration inventories.

Course Outline:

1. Introduction to Risk Analysis
2. Statistics—the Language of Uncertainty
3. Embracing Uncertainty
4. Estimating Petroleum Resources
5. Chance of Success: Geologic and Commercial
6. RMAG Prospect Exercise
7. Decision Trees and the Value of Information
8. Exploration Economics: Estimating Profitability
9. Selecting New Plays: The Most Crucial Decision
10. Risk Aversion: Its Impact on Decision Making
11. Prospect Inventories and Portfolio Management
12. Effective Acquisition Strategies: Escaping the Winner's Curse
13. Assurance and Performance Tracking: The Simple Secret
14. Antelope Ranch Bid Round Capstone Exercise
15. In Conclusion, Skill Pays

What Participants are Saying

"highly qualified, engaging faculty," "outstanding exercises," "great use of anecdotes"

Recipients of Training Include

