

Petroleum Economist: Petroleum Economics & Cost Management

COURSE OUTLINE 2025

Contact Us On :

Tel : +971 7 2042072 | Email: training@maestrouae.net Website: <u>www.maestrouae.net</u>

TRAINING TITLE

Petroleum Economist: Petroleum Economics & Cost Management

<u>VENUE</u>

Dubai, UAE

DURATION

5 Days

<u>DATES</u>

4th Aug-8th Aug 2025

PRICE

\$5,250 per attendee including training material/handouts, morning/afternoon coffee breaks and Lunch.

TRAINING INTRODUCTION

In today's increasingly complex and volatile energy markets, the ability to make sound economic decisions is more critical than ever. Oil and gas companies face significant challenges—from fluctuating commodity prices to rising operational costs and evolving environmental regulations. This training course, "Petroleum Economist: Petroleum Economics & Cost Management," is designed to equip professionals with the essential tools and insights needed to evaluate, plan, and manage petroleum projects with economic rigor.

TRAINING OBJECTIVES

- Conduct comprehensive economic evaluations of oil and gas projects
- □ Analyze fiscal regimes and understand their impact on project economics
- Apply cost management techniques to improve budgeting and cost control
- Assess project risks and use probabilistic tools for decision-making
- \Box Integrate environmental and cost considerations into project planning

TRAINING AUDIENCE

Petroleum economists, financial analysts, project managers, engineers, planners, and decision-makers in the oil and gas sector

TRAINING OUTLINE

Day 1: Introduction to Petroleum Economics

Objective: Understand the fundamentals of petroleum economics and the global oil & gas landscape.

- Overview of the Oil & Gas Industry
 - Upstream, midstream, and downstream sectors
 - Market dynamics and pricing mechanisms (Brent, WTI, OPEC)
- Fundamentals of Petroleum Economics
 - Economic concepts: NPV, IRR, Payback Period, ROI
 - Time value of money and cash flow analysis
- Oil & Gas Project Lifecycle
 - Exploration, appraisal, development, production, abandonment
 - Capital vs. operational expenditures (CAPEX & OPEX)

Day 2: Economic Evaluation Techniques

Objective: Learn the tools and techniques used to evaluate petroleum projects.

- Project Cash Flow Analysis
 - Revenue streams, cost estimation, and taxation
 - Production forecasting and pricing assumptions
- Economic Indicators in Decision-Making
 - Use of NPV, IRR, PI, and Sensitivity Analysis
 - Scenario analysis and risk-based evaluation
- Fiscal Regimes and Their Impact
 - Concession, PSC (Production Sharing Contract), service contracts
 - Government take, royalties, and taxes

Day 3: Cost Management in Petroleum Projects

Objective: Gain a strong foundation in cost control and management throughout project execution.

- Cost Estimation Techniques
 - Types of estimates (Class 5 to Class 1)
 - Estimating tools and cost breakdown structures
- Budgeting & Cost Control
 - Budget preparation, variance analysis, and cost tracking
 - Earned value management (EVM)
- Cost Drivers & Benchmarks
 - Analysis of key cost drivers in upstream operations
 - Benchmarking against industry standards

Day 4: Risk Analysis & Decision-Making Under Uncertainty

Objective: Introduce methods to manage uncertainty and risk in petroleum economics.

- Types of Risks in Petroleum Projects
 - Geological, market, technical, environmental, political
- Monte Carlo Simulation & Probabilistic Modeling
 - Introduction to risk modeling software (e.g., @Risk, Crystal Ball)
- Decision Analysis Tools
 - Decision trees, real options analysis
 - Portfolio management

Day 5: Integrated Project Evaluation & Real-World Applications

Objective: Apply knowledge in a realistic integrated project setting.

- Integrated Economic Evaluation Case Study
 - Complete assessment from exploration to abandonment
- ESG & Carbon Considerations in Economic Evaluation
 - Impact of environmental and social governance factors on economics
- Final Presentations
 - Feedback
- Wrap-up & Certification Ceremony

TRAINING CERTIFICATE

MAESTRO CONSULTANTS Certificate of Completion for delegates who attend and complete the training course

METHODOLOGY

Our courses are highly interactive, typically taking a case study approach that we have found to be an effective method of fostering discussions and transferring knowledge. Participants will learn by active participation during the program through the use of individual exercises, questionnaires, team exercises, training videos and discussions of "real life" issues in their organizations. The material has been designed to enable delegates to apply all of the material with immediate effect back in the workplace.