



Oil and Gas Asset Valuation & Decision Analysis Workshop

NOVEMBER 9 - 10, 2009 | HYATT REGENCY HOTEL | HOUSTON, TEXAS USA

2-DAY INTERACTIVE WORKSHOP

- Fundamentals of discounted cash flow analysis
- Overview of upstream fiscal systems and global practices
- Cash flow determination for various types of contractual arrangements
- Determination of government take and state take
- Types of fiscal regimes
- Basis for various fiscal levies
- Cardinal rules for fiscal terms
- Uncertainty analysis
- Interactive cash flow derivation workshop
- Exploration prospect valuation workshop



ASSOCIATION OF INTERNATIONAL PETROLEUM NEGOTIATORS

www.aipn.org



Workshop Schedule and Program*

Day One - Monday, Nov. 9, 2009

7:30 – 8:30	Registration and Continental Breakfast	2:00 – 2:45	Upstream Fiscal Systems – Royalty/Tax
8:30 – 8:45	Introduction & Course Overview		– Key Elements and Structure
8:45 – 9:30	Fundamentals of Discounted Cash Flow Analysis		– Fiscal Components & Cash Flow Generation
	– After Tax Cash Flow Derivation	2:45 – 3:00	– Basis for Fiscal Levies
	– Basic Taxation Principles		Exercises
9:30 – 10:00	Fundamentals of Discounted Cash Flow Analysis	3:00 – 3:15	Coffee Break
	– Time Value of Money	3:15 – 3:45	Upstream Fiscal Systems – Production Sharing
	– Exercises		– Key Elements and Structure
10:00 – 10:15	Coffee Break		– Fiscal Components & Cash Flow Generation
10:15 – 11:45	Fundamentals of Discounted Cash Flow Analysis	3:45 – 4:00	– Basis for Fiscal Levies
	– Common Economic Indicators		Upstream Fiscal Systems – Service Contract
	– Sunk Costs		– Key Elements and Structure
	– Other Economic Indicators		– Fiscal Components & Cash Flow Generation
	– Depreciation Methods	4:00 – 4:30	– Basis for Fiscal Levies
	– Net Income v. Net Cash Flow		Upstream Fiscal Systems
	– Loans		– Additional Fiscal Measures
	– Real v. Nominal Economics		– Quantitative Measurement of Fiscal Systems
11:45 – 12:30	Simple Model Construction		▪ Government Take
12:30 – 1:30	Lunch (provided)		▪ State Take
1:30 – 2:00	Upstream Fiscal Systems	4:30 – 4:45	Upstream Fiscal Systems
	– Overview of Global Practices		– Types of Fiscal Regimes
	▪ Government Contracts		▪ Progressive
	▪ Main Characteristics of the basic contract types		▪ Regressive
	– Historical Evolution & Current Trends		▪ Neutral
		4:45 – 5:30	Simple Model Construction



Workshop Schedule and Program (Continued)

Day Two - Tuesday, Nov. 10, 2009

7:30 – 8:30	Continental Breakfast	1:30 – 3:00	Exploration Prospect Valuation
8:30 – 9:15	Uncertainty Analysis		– Competitive Bid Round, Onshore Petrolia
	– Scenario Analysis		▪ Set up, Guidance, Bid Group Meetings, Submission of Bids
	– Sensitivity Analysis	3:00 – 3:30	Coffee Break
	▪ Spider Diagrams		
	▪ Tornado Diagrams	3:30 – 4:30	Exploration Prospect Valuation
9:15 – 10:00	Uncertainty Analysis		– Decision and Analysis
	– Expected Value		▪ Petrolia Bid Round Results and Commentary
	– Decision Trees		▪ MMS Deepwater Gulf of Mexico Central Planning Area Bid Analysis, 2003-2009
10:00 – 10:30	Coffee Break		▪ Issues and Pitfalls in Upstream Valuations
10:30 – 11:00	Uncertainty Analysis		
	– Monte Carlo Simulation	4:30 – 5:00	Review and Conclusion
	– Exercises		
11:00 – 12:30	Interactive workshop		
12:30 – 1:30	Lunch (provided)		

For more information and to register, please visit www.aipn.org