

# Getting the Non-Financial to the Bottom Line in Oil & Gas

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**A 1-day program for those in Oil & Gas Technical Disciplines who never went to Business School.**

This program explores the basics of oil and gas financial issues for those who have a tech background and education and who need to know how the company makes money and how their efforts can bring results.

## **Who Should Attend:**

- Employees of Exploration and Production companies who are managers or becoming managers and who **do not** have financial backgrounds
- Anyone who needs to understand their company financial statements and how they contribute to the bottom line
- Any IT employee who supports their company financial and accounting systems

**Delivery Method:** Instructor-Live, Interactive

**Advance Preparation:** None, except bring a calculator to class

**Program Level:** Basic to intermediate

**Prerequisites:** None, except participants should not have degrees in Accounting or Finance

**Recommended CPE Credits:** 8

## **Upon Completion of the Program, Participants Will Be Able To:**

- Read and Understand an E&P Balance Sheet, Income Statement and Statement of Cash Flows in FC and SE
- Understand how Reserves are Calculated and Evaluated and how they affect the company valuation
- Demonstrate the flow of data and information into and out of their area of the oil and gas
- Identify and interpret their company Key Performance Indicators (KPI's)
- Calculate crude oil and natural gas sales pricing
- Be able to establish financial credibility to management, clients or co-workers.
- Understand NPV, ROI and SMOG calculations

## **Key Topics and Objectives:**

- Overview of Upstream (E&P) financial statements and comparison to your company
- How do we determine the quantity and value of reserves?
- How is oil and gas priced and what are spot and futures markets
- Key Performance Indicators – defined and in your company
- Information flow through an Upstream oil and gas company
- How drilling fluid design, for example, can improve your company return on investment (ROI)
- Principles of money (Internal Rate of Return-IRR, Net Present Value-NPV, and others)
- Standard Measure of Oil & Gas
- What is a Lease Worth?
- Production Volumes & Values

## **Interactive Exercises:**

- Your company Balance Sheet and Income Statement
- Calculate Reserve volume
- Extract industry KPI's for your company
- Basic production calculations

- Basic financial calculations

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