

Fundamentals of Risk Management & Insurance in Upstream Oil & Gas

Risk Management Techniques and Their Application to the Upstream E&P Business *A 1-Day Seminar*

In today's environment of expensive new technology, high risk exploration projects and new financial and governance requirements, a fundamental understanding of the risk management process is essential. This course is designed to introduce the class to an overview of the concept of risk, the techniques used to identify, analyze and manage risk and the basics of the major insurance policies and products available to help the firm manage its hazard and operational risks. This can be a useful course for beginning oil and gas risk management personnel, as well as those seasoned financial professionals who must deal with risk related issues in their financial and audit roles.

Who Should Attend:

- Operational Managers of E&P companies who deal with contracts, indemnities and insurance requirements
- Accountants in an oil and gas company, who may be involved with accounting for insurance costs or claims management
- Entry Level Risk Management personnel seeking a complete understanding of the Risk Management Process
- An employee of a consulting or audit firm that works with oil and gas companies and needs an understanding of risk and insurance
- CFOs, Treasurers and Controllers seeking to broaden their overall knowledge and understanding of risk concepts and the insurance process
- Anyone in an E&P company looking to broaden their exposure to various disciplines

Delivery Method: Group-Live

Recommended CPE Credits: 8

Prerequisites: None

Program Level: Basic

Advanced Preparation: None

Upon completion of this course, participants will be able to:

- Understand the Concept of Risk and How It Impacts the Organization
- Create and Use a Risk Mapping System
- Understand Risk Management Concepts such as Cost of Risk, Risk Identification, Risk Transfer, and Risk Retention
- Understand Insurance Markets and Cycles, and Types of Cover Available
- Assess Your Own Organization's Risk Management Program
- Select a Broker and Manage the Relationship
- Establish Claims and Loss Control

Key Topics and Objectives:

- A Brief History of Risk and Risk Concepts
- A Brief History of Upstream E&P Operations and their Related Risks
- An Overview and Discussion of Enterprise Risk Management (ERM)
- Business Risks: Categories and Interdependencies of Risks and Hazards
- Risk Identification: Suggested Techniques
- Total Cost of Risk (TCOR). A Practical Discussion
- Risk Management Strategies
- Building an Insurance Program: The Players, The Market, The Process
- Types of Available Insurance Coverage: Normal and Specialty

- Alternate Markets: Captives, Mutuals and the Use of Capital Markets
- Contract Management, Claims Management, and Insurance Certificate Management
- Accounting for Insurance Transactions: Premium Amortization, Allocation to Properties and Billings to Partners, Booking Losses and Loss Proceeds, Establishing Cost Centers to Capture Replacement and Repair Costs Related to Specific Claims

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