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How do we justify more data in a cost cutting world?

M. Kent Burkholder

Vice President, Decision Frameworks

Summary

“The oil and gas industry has been completely reshaped over the past three years... Budgets will continue to be spent cautiously and geoscientists must live within these constraints while continuing to find and develop the resources necessary to power our economy.” (GeoConvention 2018 website).

How do we do this? By using our best professional judgment, of course, balancing the potential for improved learning against the cost of new information. Research has shown, time and again, that our best judgment can be led astray in complex situations, in other words, where the number and combinations of different information options are large, and/or where uncertainty is involved, and our understanding of the subsurface geology is rife with uncertainty.

In this presentation, Mr. Burkholder will show how to use a systematic approach to frame different possible information strategies, and to evaluate those strategies in their ability to improve our understanding of the subsurface and to increase the actual Net Present Value of our projects. The dialogue changes from “How much will this program cost?”, to “How much value will this program add?”. The underlying case study will be of a 4D seismic program in an Athabasca oil sands play and Mr. Burkholder will compare how this might differ in an unconventional appraisal strategy.

Kent Burkholder



Kent Burkholder is the Vice President of Decision Frameworks, a boutique Decision Analysis consulting firm. Kent has close to thirty years of experience in the oil and gas industry, focusing on reservoir engineering, petroleum investment analysis, and decision and risk analysis. He holds a B.A.Sc. in Mechanical Engineering, is a Professional Engineer, a member of the Society of Petroleum Engineers, and is the President of the Calgary Chapter of the Society of Decision Professionals.