

Internal Controls for Estimation and Reporting of Reserves: Methods to Ensure that Reserves Estimates Used for Public Reporting Meet Regulatory Compliance

Ian McDonald, P.Eng, Nexen Inc., Calgary, Alberta Canada
ian_r_McDonald@nexeninc.com

In today's world, reserves are becoming increasingly complicated to estimate as we move into unconventional resource frontiers. Unconventional resources require considerable reservoir manipulation and intervention to enhance the reservoir toward economic production. For these new resource plays, reservoir variation and its effect on production and reserves can be difficult to predict. This presentation provides best practices for validation and control of reserves estimates.

- What are the three biggest challenges when it comes to reporting on reserves in unconventional reservoirs?
- What are best practices for establishing and maintaining internal control over reserves estimates?
- What processes ensure reserves estimations are appropriately validated?

Introduction

This presentation discusses different internal controls and control frameworks that can be applied to ensure that reserves estimates, and especially unconventional reserves estimates, meet regulatory standards.