

Strategic Business Approach to Turn Exploration Data into Drilling Prospects

Fady R. Chaban, Grant T. Gibson, and Jorge L. Garduno

GATE, LLC, Houston, TX.

Exploration and development of hydrocarbons require an adequate strategy to evaluate the associated business plan using available tools in order to convert this program into an asset value instrument. Achievement of a privileged level in this area demands to perform all activities with a distinguished degree of excellence to grant earnings and net income, generate attractive returns of capital and obtain positive equity.

The presented approach dwell in tactics designed to obtain consistency during the exploration process by including past experiences in the development plan considering lessons learned from similar ventures to repeat mistakes and quantify risks. The well-defined strategy is focused on stable and predictable results in order to improve cash flows based on an excellence management organization.

Efficiently turn exploratory data into drilling prospects is the premise to accomplish, acquiring or leasing properties for development require financial strength and resources, thus this innovative strategy develops six essential stages: Starting up - Deal with Data and Prospects Generation, Prospects Evaluation and Equity Investor Funding, Exploratory Drilling and Development plan, First Oil, Operations and Management, and Expansion.

The work process transforms the classical exploration and development model into a profitable agreement, adapting and optimizing the exploitation resources by using appropriated techniques. The overall methodology takes advantage of the data availability to generate the plays, and a rigorous prospect selection is performed utilizing advanced tools afterward. Additionally, incorporation of people with expertise in identifying hydrocarbons reservoirs let to sustain a balanced, diversified and exploration effort.

Noticeably, the key intention is to convert uncertainty exploration information into opportunities before start any property deal, by creating a group of prospects, understanding reservoir characteristics, determine potentially associated risks and profitability, which represents a competitive advantage when proposing invest opportunities in any leasing or acquisition for this matter. Combining data, management experience, strong financial support, people and technology, evidences the chance to evaluate organizational growing, risk management and profitable portfolio creation.