Vincent Penasse – 24 September 2019

YP /SP* EVENING EVENT

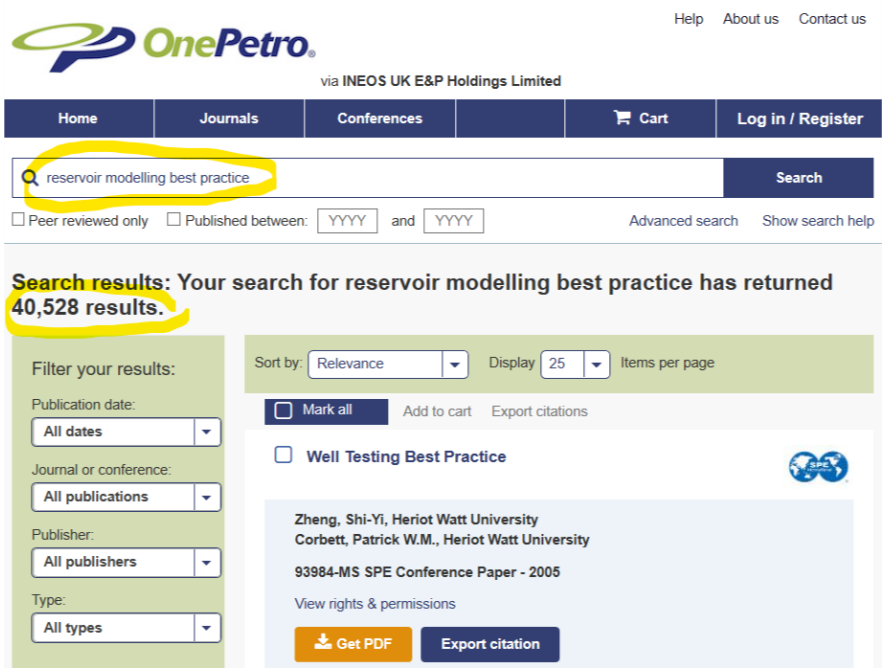
*SP = Senior Professional

Current situation

- A lot of knowledge and skills are getting lost with each person moving out to **retirement → risk of skill gap**.

Current situation

- A lot of knowledge and skills are getting lost with each person moving out to **retirement → risk of skill gap**.
- Age of **over information**: too much, mix of useful and not useful, and only a fraction is remembered. Perishable information.



Current situation

- A lot of knowledge and skills are getting lost with each person moving out to **retirement → risk of skill gap**.
- Age of **over information**: too much, mix of useful and not useful, and only a fraction is remembered. Perishable information.
- **Collaboration** at SPE and other professional associations: conferences, journals, SPE connect, webinars, workshops, e-mentoring. A lot of good word is done. **Could we do better**?

Society of Petroleum Engineers

Some guiding “principles”

- **Experiment new ways of collaboration**
- Collaboration between YP and SP’s
- Focus on **best practices and lessons learned that matter to SPE London**

*SP = Senior Professional

Proposed solution

- a **new collaboration model based on an e-library + learning groups** (or focus group):
  - A group of people decide to start a learnings group on a topic that matters to them. Ideally, need a diverse group of seniors and young professionals. —> we have pre-selected 5 topics base on a member survey in Q2 of 2019

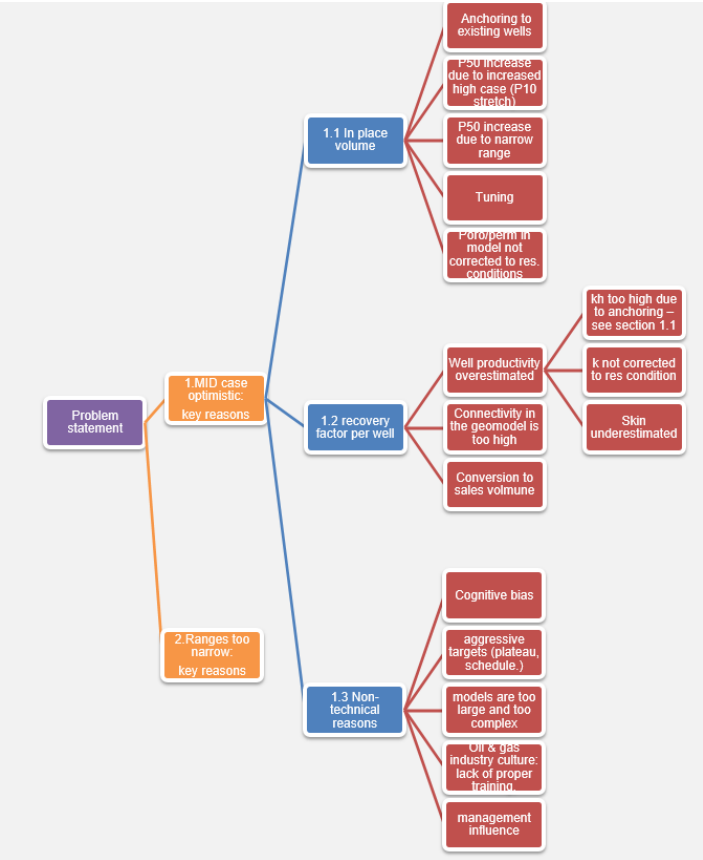
- Modelling and its pitfalls
- Career progression
- Business deals and asset valuation
- Soft skills
- Social networks and e-networking

Proposed solution

- a new collaboration model based on an e-library + learning groups (or focus group)
  - A group of people decide to start a learnings group on a topic that matters to them. Ideally, need a diverse group of seniors and young professionals. —> we have pre-selected 5 topics base on a member survey in Q2 of 2019
  - **Filtering of information**, finding the “good stuff” that is buried with the ‘bad’ stuff. **The “good stuff” ends into a note which is then shared online (e-library)**. The group meets once or up to maybe up to 5 times to mature the note.

E-library of knowledge??

- Example of note: mind map on reservoir modelling challenges*



1. Note created in 2016-2017 through a collaborative and iterative approach within Ineos.

* The image above represents only a summary of the note.

Proposed solution

- a new collaboration model based on an e-library + learning groups (or focus group)
  - A group of people decide to start a learnings group on a topic that matters to them. Ideally, need a diverse group of seniors and young professionals. —> we have pre-selected 5 topics base on a member survey in Q2 of 2019
  - Filtering of information, finding the “good stuff” that is buried with the ‘bad’ stuff. The “good stuff” ends into a note which is then shared online. The group meets once or up to maybe up to 5 times to mature the note.
  - **The note is shared online (e-library).** A group of 1-2 volunteers maintains and mature the note over time, based on new information and new feedback from other users (“wikipedia” **concept**).

Society of Petroleum Engineers

E-library in SPE Connect

Production Settings

Community Home | Discussion 5.2K | Library 146 | Blogs 9 | Members 27.4K

Library Search

Term / Keyword / Phrase

146 Entries

Create New Library Entry

Folders

- Production
  - How to Documents
  - TIG Discussions & Documents

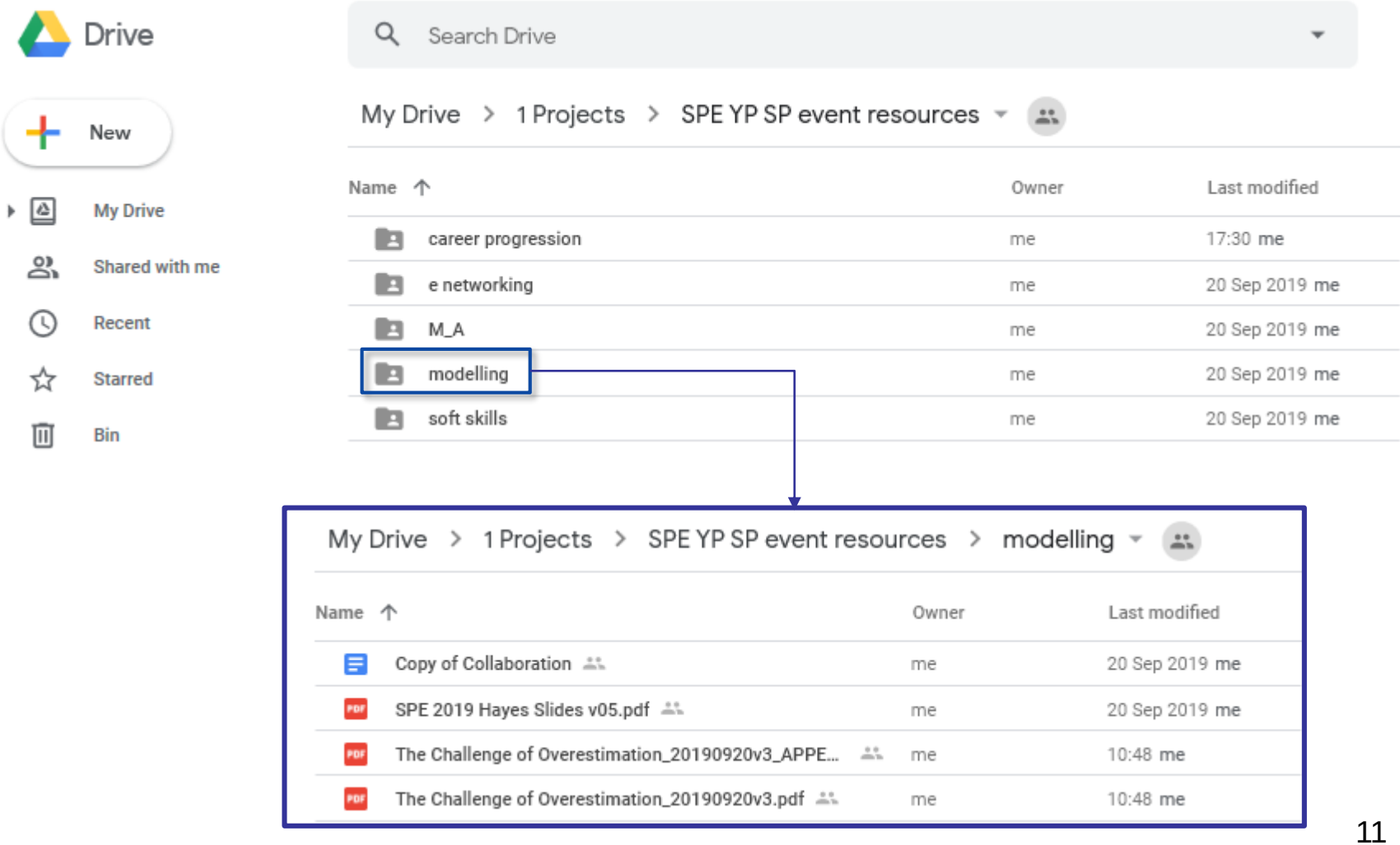
Folder Contents

New | View

- "A Long Term View from Multiple Angles – SPE's Technical Directors 2014 Outlook"
- 161 Years of Romanian Petroleum Industry Attachments
- Alternative Wax Control Technology
- Any suggestion for using DRA in the scenario or something else

Society of Petroleum Engineers

E-library – in google drive



Agenda

5.30pm: Introduction & Form teams

30‘ Welcome address

30' Form up to 12 groups of 4 and start group discussions

6.30 pm: DRINKS AND NETWORKING BUFFET

7.00 pm: Team Group discussions and presentations

45 min Group work

15' Groups finalise the note and save it on SPEconnect

60' Presentation of notes, feedback about the event

9.00pm: End

Final guidelines

- Guideline for group work
  - Senior professionals: brings own experience while making sure other understand (no jargon)
  - YP: come with questions + write up the note
  - Stop your train if someone is left behind! This is not a competition…
- Life is short: enjoy while doing something that matters.

Final guidelines

- Don’t expect this to be easy but just do your best!

Winston S. Churchill > Quotes > Quotable Quote

“My tastes are simple: I am easily satisfied with the best.”

– Winston S. Churchill

tags: humor, taste

QUESTIONS ?

Society of Petroleum Engineers

Support and Sponsorship

A Big Thank you to all our sponsors who are supporting the SPE London section

Annual Sponsors

CNOOC

OpenGoSim

OPC

TULLOW OIL PLC

GeoScience

Anadarko

Venue and Hoteling Sponsors

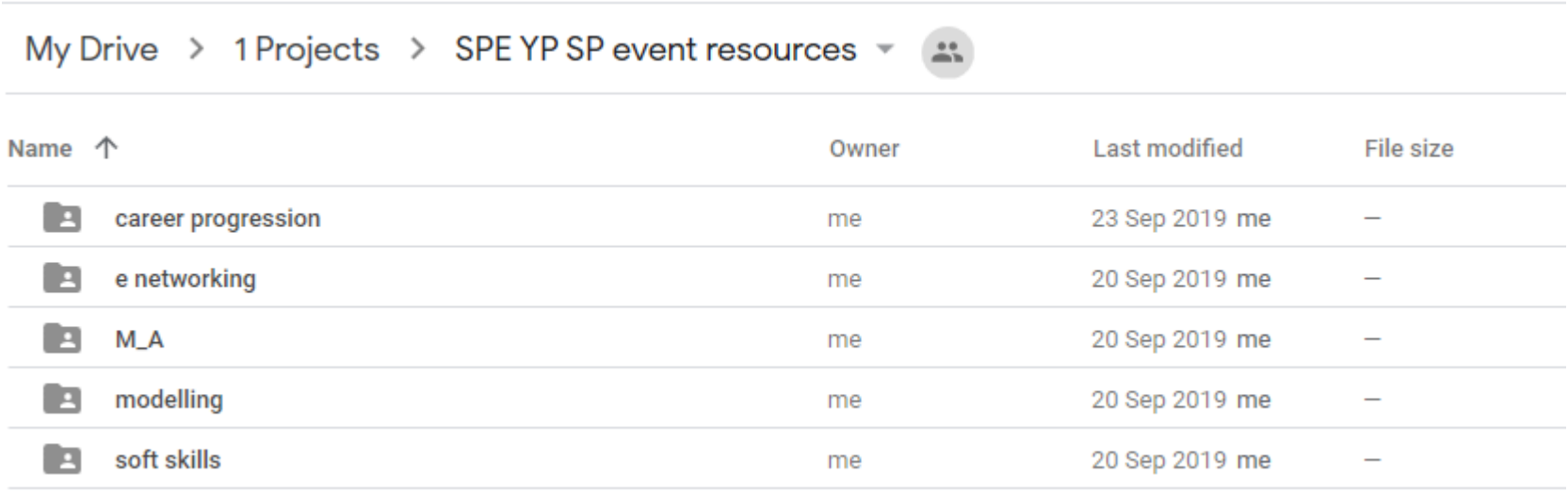
BCG BOSTON CONSULTING GROUP

INEOS THE WORD FOR CHEMICALS

New SPE London Sponsorship Initiative to promote development of engineering talent – we need your help

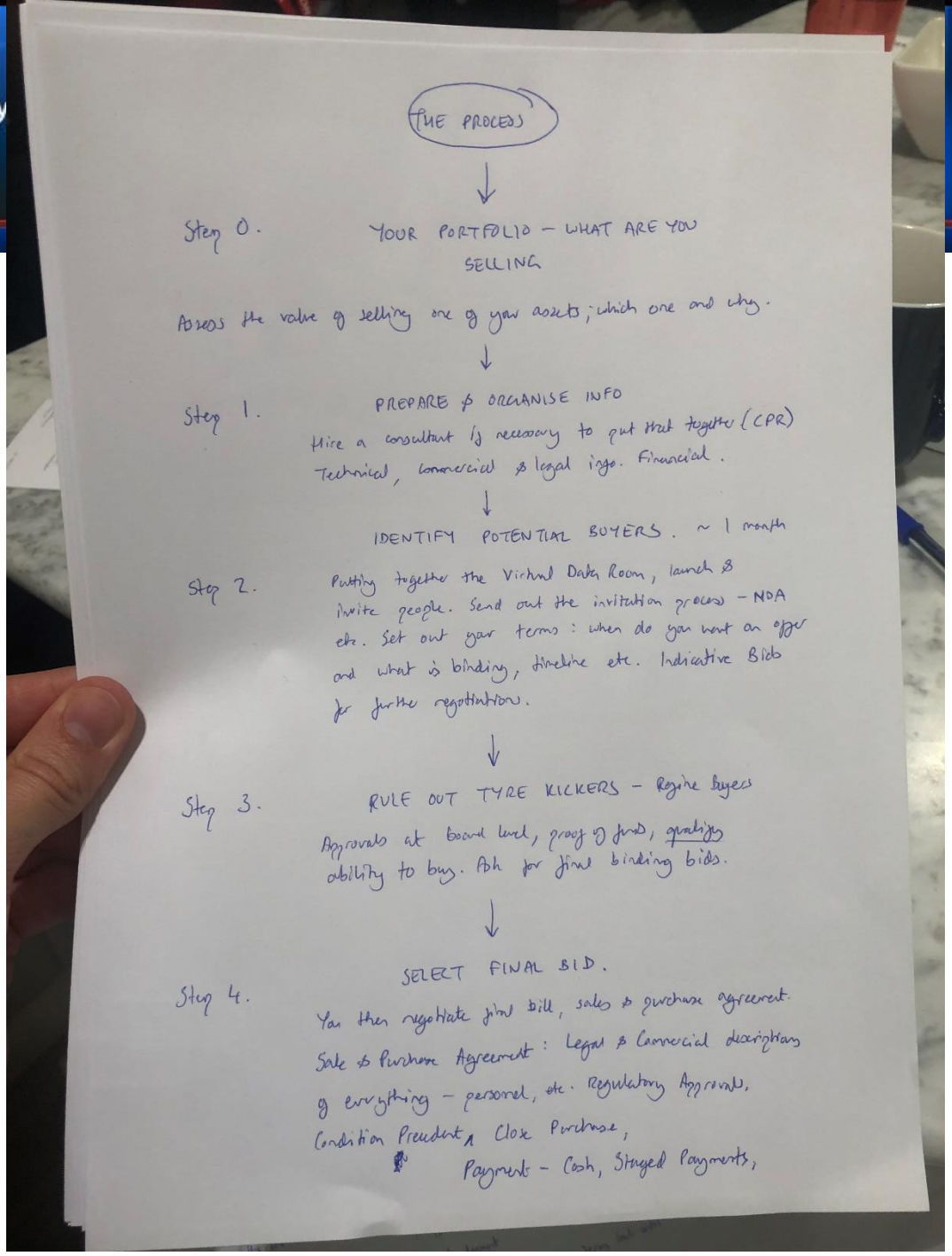
Arkwright Engineering Scholarships EST. 1991

- Link to google drive
- https://drive.google.com/drive/folders/1_EwV3wnLWkpnnxcAh1JNLkUcGB82vZcd?usp=sharing



M&A

M&A(seller)



THE PROCESS

↓

Step 0. YOUR PORTFOLIO – WHAT ARE YOU SELLING

Assess the value of selling one of your assets; which one and why.

↓

Step 1. PREPARE & ORGANISE INFO

Hire a consultant if necessary to put that together (CPR) Technical, commercial & legal info. Financial.

↓

IDENTIFY POTENTIAL BUYERS. ~ 1 month

Step 2. Putting together the Virtual Data Room, launch & invite people. Send out the invitation process – NDA etc. Set out your terms: when do you want an offer and what is binding, timeline etc. Indicative Bids for further negotiations.

↓

Step 3. RULE OUT TYRE KICKERS – Require buyers

Approvals at board level, proof of funds, <u>grading</u> ability to buy. Ask for final binding bids.

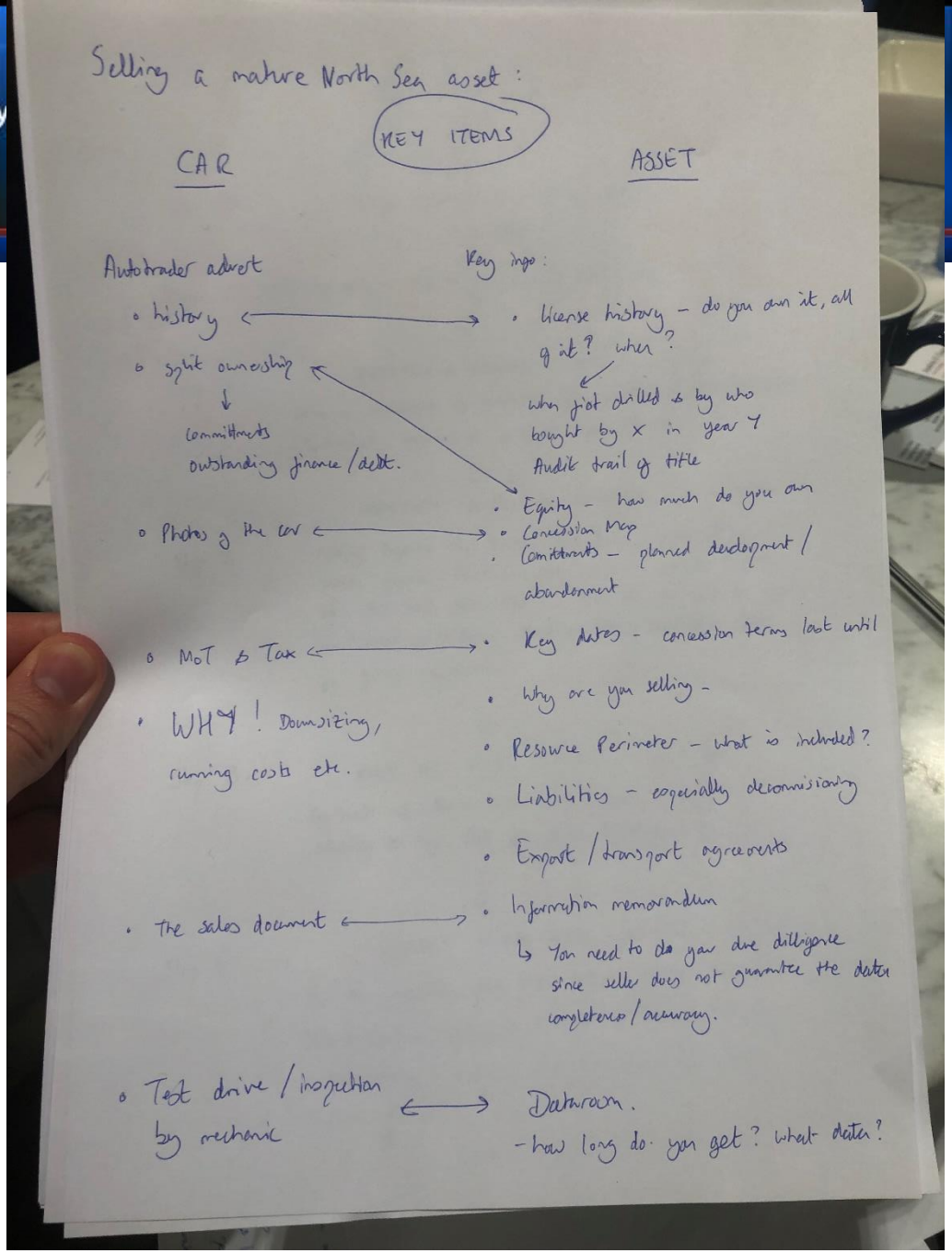
↓

SELECT FINAL BID.

Step 4. You then negotiate final bill, sales & purchase agreement.

Sale & Purchase Agreement: Legal & Commercial descriptions of everything – personnel, etc. Regulatory Approvals, Condition Precedent & Close Purchase,

Payments – Cash, Staged Payments,


Selling a mature North Sea asset :
KEY ITEMS
CAR
ASSET
Autotrader advert
Key info :
• history
• split ownership
↓
commitments
outstanding finance / debt.
• Photos of the car
• MoT & Tax
• WHY ! Downsizing, running costs etc.
• The sales document
• Test drive / inspection by mechanic
• license history – do you own it, all of it? when?
when got drilled & by who
bought by X in year Y
Audit trail of title
• Equity – how much do you own
• Concession Map
• Comitments – planned development / abandonment
• Key dates – concession terms last until
• Why are you selling –
• Resource Perimeter – what is included?
• Liabilities – especially decommissioning
• Export / transport agreements
• Information memorandum
↳ You need to do your due diligence since seller does not guarantee the data completeness / accuracy.
Dataroom.
– how long do you get? what data?

Career Progression

Society of Petroleum Engineers

Understanding yourself

Strengths & weaknesses?

Opportunities?

Understanding the business?

What drives you?

Vision

Age of disruption

Try out different roles

Standard of living

Personal Life

Networking

Respect

Differentiators from peers?

What is available?

Demand for Data Scientists

Adaptability

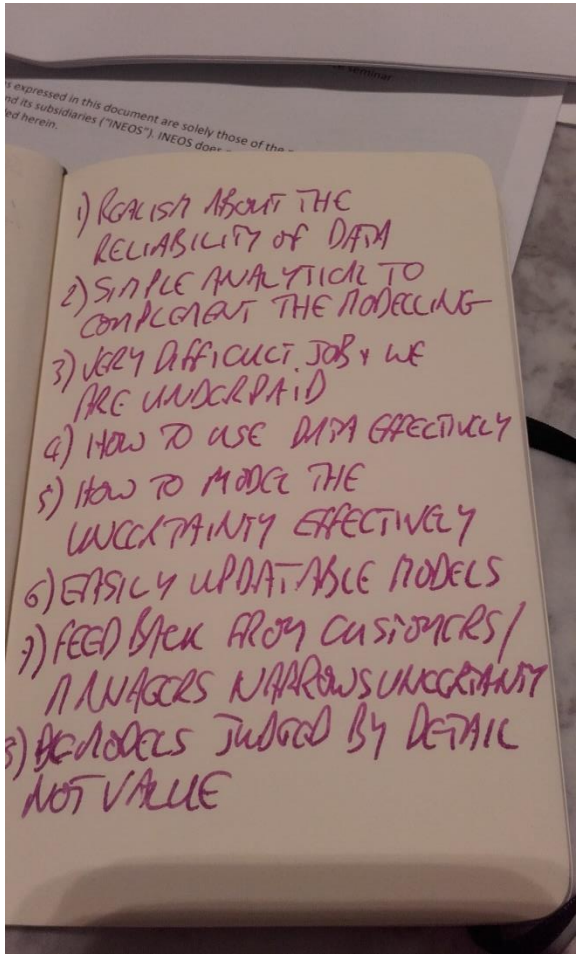
In 5Y / 10Y times

Career Planning

Environmental factors

Challenges?

Res modelling pitfalls


1) REALISM ABOUT THE RELIABILITY OF DATA
2) SIMPLE ANALYTICAL TO COMPLEMENT THE MODELLING
3) VERY DIFFICULT JOB & WE ARE UNDERPAID
4) HOW TO USE DATA EFFECTIVELY
5) HOW TO MODEL THE UNCERTAINTY EFFECTIVELY
6) EASILY UPDATABLE MODELS
7) FEEDBACK FROM CUSTOMERS/ MANAGERS NARROWS UNCERTAINTY
8) MODELS JUDGED BY DETAIL NOT VALUE

Soft skills

Soft skills are grouped into three areas, according to SPE competency tool *:

1. Leadership
2. Communication
3. Problem solving

During the event, the work group focussed on the topic of communication and collaboration

*https://www.spe.org/en/training/cmt/

3 key actions to improve collaboration

1. Make sure that there is a clear group of people and a clear goal
2. Build and maintain models
3. Build your "collaboration" mindset - Attitude / Behaviour either being a bad behaviour, dominant behaviour, forceful behaviour within a group and so on be more respectful).

1 -a clear group of people and a clear goal

•who do you want to collaborate with?
•Is the desire to collaborate shared? Are mutual benefits clear?
•What do you want to achieve and is your goal SMART ?

Need to review the goals regularly with the team. Some people need regular, face to face communication.

2- Adopt, Build and maintain models:

- Model is meant as a shared mental model as described by Harari in his book Sapiens, not necessarily as a numerical model.
- Examples of models
- Oil and gas integrated asset model
- Mind map, argument map
- team process model, team workflow model, project Gantt chart. Scrum project management model.
- project risk register
-

  Models needs to be:
- simple enough to be understood by everyone in the team (cf quote from Einstein about models). For example the scrum model is 8 steps, 4 roles and 4 meetings over a sprint of 2 weeks.
- actively compared to reality and maintained (recalibrated) with new information
- reason for using the model is clear for everyone (model purpose). When the purpose of a geological model is to make a production forecast, a good practice is to include the economist at very early stage, so that geoscience staff understand project requirements and deadlines.
- Not perfect: it is better to start with a rough model. And refine the model iteratively, only if necessary. For instance make a production forecast with a simple material balance model along with knowledge of analogue field performance can be sometimes good enough for a production forecast.

3 Adopt a "collaboration" mindset

- be realistic but positive: collaboration between two can bring poorer results than the sum of the two... if done poorly. But the opposite is true. We can be much, much stronger together.
- willingness to succeed together. We wish other people's success. We trust the rest of the team and they trust me.
- curiosity about what other people are doing in the project, and what is special about their knowledge.
- Feedback and continuous improvement culture.
- Conflicts are OK and healthy for the group.
- Share what you do not know.
- Management and team leaders are the ones setting the tone of the interactions. They need to be aware that their behaviour is used as a “benchmark”.
-

Feedback

- Please address further feedback to
  Vincent.Penasse@ineos.com

- 1. Good event set up, allowing relaxed atmosphere. People are comfortable to share their knowledge and also to ask questions
- 2. A Senior professional realised that the business world has changed a lot, that recruiters are requiring excellent “soft skills” from young professionals, as long as being excellent technical people.
- 3. Small group set up was very good, people feel that it is OK to ask questions.
- 4. A young professional was very happy to get to know the M&A process as he never had the chance to have this experience yet.
- 5. Great set up to share information – many workshop show “sanitised” presentation where everything is perfect, where only good stories are told.
- 6. Broad topics, broad knowledge (?) in a single event
- 7. Two Senior professionals felt that they offered more knowledge than received from young professionals.

Way forward

- Implement SPE London e-library (ie post notes on SPE connect, in relevant groups)
- Organise follow up event

BACK UP