



Low and Volatile Oil Price Environment. Technical Responses in the Pannonian Basin

Workshop

Szolnok, 17 November 2016

Society of Petroleum Engineers

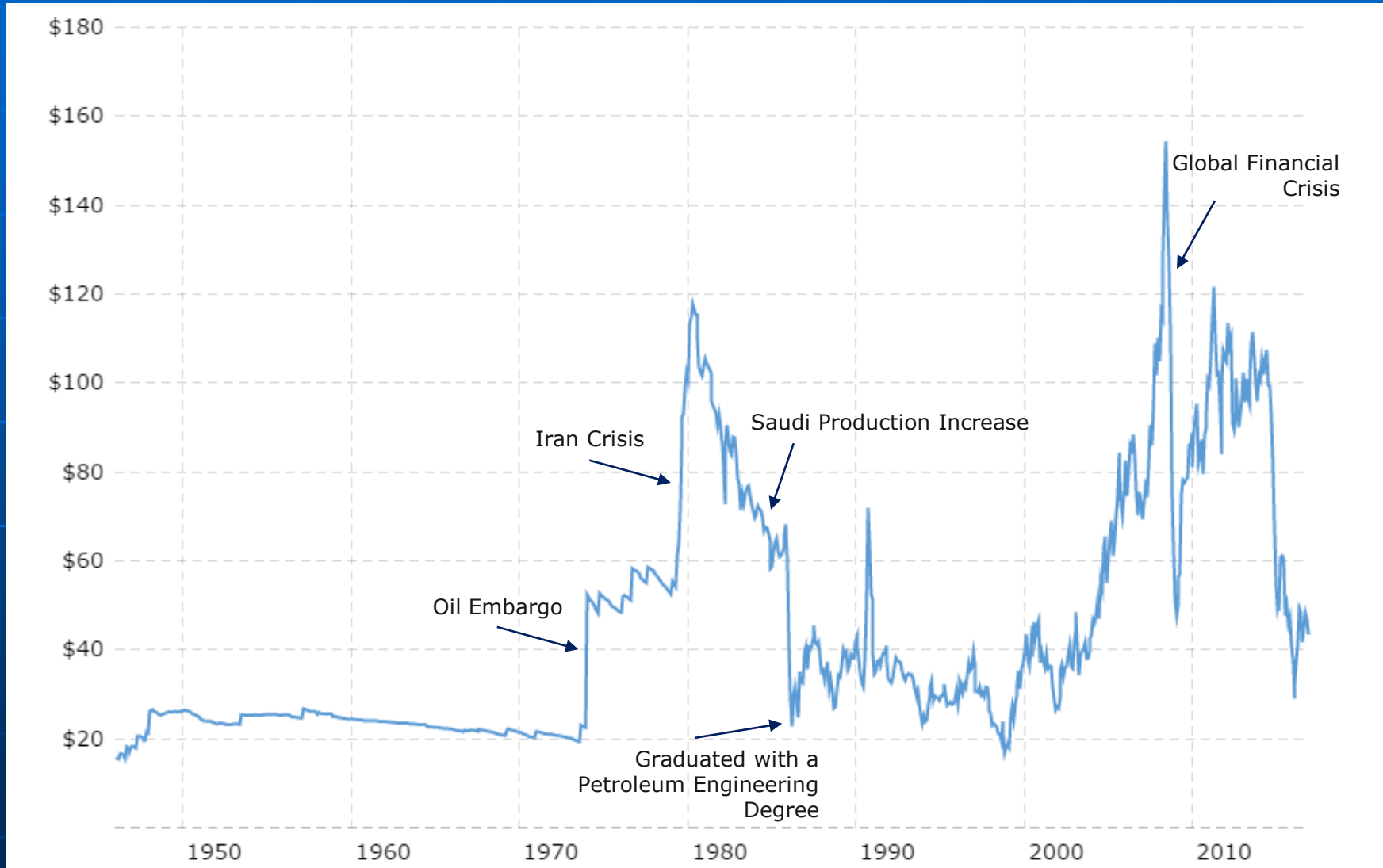
An International Perspective on Surviving Low Oil & Gas Prices

Phil Nicoll
Production Manager
Oil & Gas Development



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Historic Oil Prices



Top 5 Ways to Survive Low Oil & Gas Prices

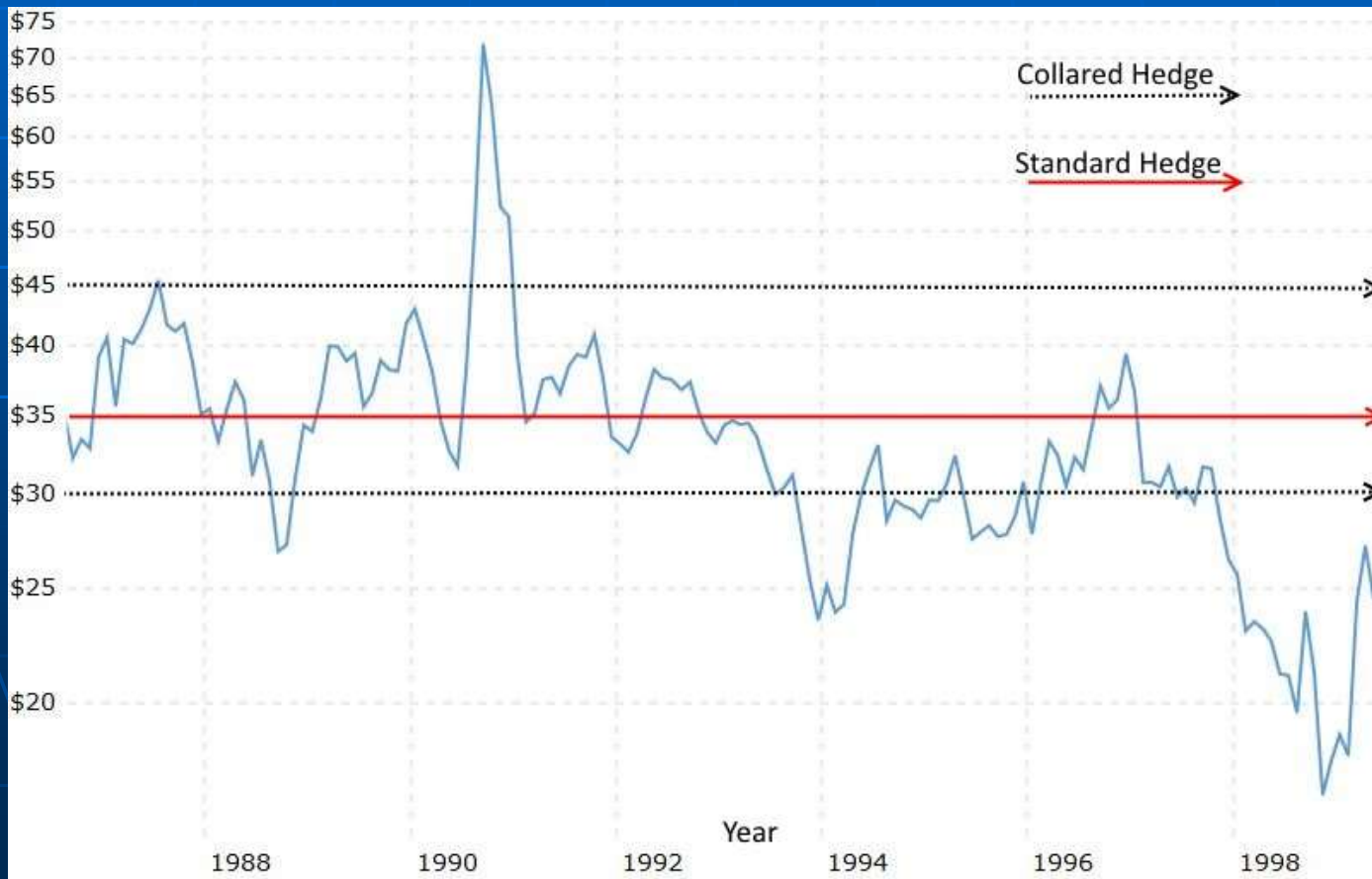
5. Take Advantage of Low Prices

- Not a way to survive low prices
- Only works if you were prepared in the first place
- Lower contractor and vendor pricing
- Hire from the best of the best
- Acquisitions – production and licenses

Top 5 Ways to Survive Low Oil & Gas Prices

4. Financial Planning

- Hedging oil and gas production
- Hedge Part of your production
- Allows planning and financing advantages
- Public vs Private Companies



Top 5 Ways to Survive Low Oil & Gas Prices

3. Compete but Collaborate

- Share technology and ideas while remaining competitive
- Forums like this are a good start
- Share resources – facilities, pipelines, drilling “club”
- Work with regulatory agencies – NZ example

Top 5 Ways to Survive Low Oil & Gas Prices

2. Automate and Consolidate

- Upfront costs greater but significant long term savings
- Improved efficiency, HS&E, and data collection
- Manage more wells and more production with fewer people
- Multi-well pads



Top 5 Ways to Survive Low Oil & Gas Prices

1. Be smart when prices are high

- DO NOT overstaff
- DO NOT overleverage
- Always prepare for lower prices
- Always optimize and streamline.
- Not easy when prices high

Top 5 Ways to Survive Low Oil & Gas Prices

Questions?????