

5-Day

Crude Oil Evaluation, Economics & Pricing

WE STRIVE TO CREATE END-TO-END
SOLUTIONS THAT MEET OUR CLIENTS'
NEEDS AND EXCEED THEIR EXPECTATIONS



Move your business in the
right direction with the knowledge
and training it takes to succeed



O&G Knowledge Sharing Platform

Enhancing Return on Investment in Oil & Gas Training

www.OGKnowledgeShare.com

This 5-Day course is designed to provide an overview of the physical aspects of international downstream operations covering refinery economics and global supply and trading in both crude oil and refined products. It will offer effective training one can get for handling and managing commercial oil operations in oil refineries and marketing operations. The course will cover all aspects of international business starting from Wellhead to Wheels, i.e. crude oil production, refining, transportation, sales, supply, shipping, trading, and marketing and risk management. The course is designed on numerous case studies and problem solving using real-life examples which generally emerge in oil companies.

This course will bridge the gap between theory and practice and provide necessary skills in understanding the physical aspects of refining and marketing. It will also cover how commercial designs are made in various business units to optimize refining business in a commercial environment.

WHAT WILL YOU LEARN?	WHO WILL BENEFIT?
<p>On completion of the course, you would be able to learn and understand:</p> <ul style="list-style-type: none"> • Overview of crude oil production • Crude oil types and characteristics • Understanding significance of light/heavy and sweet/sour crudes • Crude oil evaluation and assessment methods • Crude oil pricing and competitive analysis • Role of Brent market and other benchmarks • Physical, Futures and Forward markets • Crude oil sales, supply/trading and contract negotiations • Developing operating and business plans 	<p>Technical and non-technical professionals from oil & gas industry and business and financial institutions, who wish to understand in a simple and jargon-free language the physical aspects of crude oil sales, supply and trading business. Those who want to gain commercial insight of how crude oil is converted into different refined products and how they are priced/valued in open markets for supply and trading.</p> <ul style="list-style-type: none"> • Oil and Gas Engineers • Planning Engineers / Managers • Oil Marketing Managers / Traders • New Entrants to Refinery or Petroleum industry • Business Analysts • Banking and Government Officials • Finance and Accounting Analysts

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Overview

- Introduction to oil industry
- Overview of global crude supply/demand
- Introduction to crude oil production

Crude Oil Characteristics

- Crude oil characteristics
- Benchmark crudes
- Significance of light/heavy and sweet/sour crudes
- Crude, condensate and other feedstocks

Crude Oil Refining

- Fundamentals of refining process
- Refinery configuration
- Refinery margins
 - Gross refining margin
 - Net refining margin
 - Current & lagged margins
 - Fixed costs, variable costs, cost per individual refinery unit
- Refining operations and optimization
 - Cost per individual refinery unit
 - Operations and optimization
 - Inventory management
 - Unit management
 - Filling each unit, unit capacity, de-bottlenecking
 - Scheduled
- Impact of configuration on refining economics

Exercises / Case Study

Evaluating Crudes

- Crude oil evaluation, selection and assessments
 - Laboratory work
 - Market driven
 - Limits of refinery configuration
 - Freight
- 3-2-1 crack spread
- Understanding refined products
 - what streams go into making what products
 - Mandated specification changes, i.e. sulphur limits, clean air, oxygenate use, bio-additives, FAME, etc.
 - Cetane Index, Octane, Jet, Kero, DPK

Pricing Mechanism

- Introduction to crude oil pricing
- Introduction to products pricing
- Physical markets and regional hubs
- Role of Exchange and Benchmark
- Understanding Brent and North Sea crude markets
- Understanding dynamics of US domestic and Canadian crudes

Crude Oil Trading

- EFS, EFP, trade details
- Priced / unpriced oil
- Surveyors/superintendents
- Cargo documentation, payment instruments, LOI's, Insurance, etc.
- Physical, Forward and Futures markets
- Price exposure and risk management

Exercise / Case Study

Crude Oil Trading (Cont'd)

- Specifics of physical oil trading
- International crude oil trading

Hedging

- Hedging - swaps, OTC, exchange swaps, ICE Block, Nymex Clearport, futures, options
- Brokers, members, clearing, tri-partite agreements
- Collateral management

Crude Oil Transportation

- World scale / lump sum, AFRA, two port discharge
- Ship dimensions
- Types of charter-party
- Canal fees, tugs, port fees, wayfare dues
- Crude supply and transportation
- Marine freight and economics
- Backhaul supply economics
- Crude processing deals

Crude Oil Contracts

- Crude oil contract negotiations
- Types of oil contracts - legal and commercial implications
- Regional market dynamics
- Role of OPEC and geopolitics
- Developing crude oil supply plans

Exercise / Case Study





PETER HENDRY

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PETER HENDRY

Peter Hendry has 25 years' experience in the Oil & Gas Industry, having spent majority of his time in Oil Trading. He possesses extensive and wide-ranging trade management expertise, spanning; Crude Oil, Products, Gas, Specialties and Logistics. He has Midstream processing experience & excellent knowledge of Upstream E&P. His current focus is on investment finance - modelling, assessing and negotiating commercial deals, structuring finance, often using a mixture of equity, debt and mezzanine solutions to optimize investments in, and returns from, underlying assets.

Peter has been involved in strategic positioning, planning and investment. Sourcing new global business opportunities for investment around upstream and midstream oil, gas, petrochemical and energy projects (including renewables and mega batteries). bringing global expertise, experience and ideas to provide specialist advice. Areas of expertise include: physical trading of crude oil, feedstocks, petroleum products and specialties, NGL, LPG, LNG, strategic planning and market analysis, hedging strategies and derivatives trading, refinery operations, economics and processing deals, logistics, shipping and insurance, bunkering, marketing and distribution, trade finance, venture capital and private equity investment, oil block trading, E&P, investment analysis, PSA's, farm in/out, energy portfolio management for family offices, military contracts, GTL, Fracking, project management, compliance, power generation, renewable energy, recycling, A&D, M&A, SPV's, etc. Deal facilitation. Deal structuring and financial models. Project Management. Help with new start-ups and business plans. Training and Coaching. Expert witness.

Peter has led teams of traders and operations staff for the trading of Petroleum Products worldwide. Negotiating throughput and storage agreements. Managing supply logistics, inventory and shipping. Initiating sales of these products to trans-Atlantic destinations. Successful track record for new business development. Inputting ideas and market predictions and contributing to the management of Mazaikaia Nafta Refinery, which influenced feedstock selection, production and the up-grading of the plant. Proposing and analyzing investment into new downstream projects. i.e. a Gasoil de-sulphurisation plant in Rotterdam, Crude processing for Bitumen manufacture, etc.

Peter received Caltex Oil's **Star Award for Innovation** in June 1991. An award given for initiating and motivating changes to the Caltex Milnerton Refinery, which permitted the commencement of bulk exports of Bitumen.

In 25 years of his career, Peter has served on the following positions:

- Head of Trading – Nekton-Global DMCC, Dubai, UAE
- Managing Shareholder – TBT & Consulting, Geneva, Switzerland
- Executive Director – J.P. Morgan Commodities, Geneva, Switzerland
- Trading Manager – Optima Energy SA, Geneva
- Trading Manager – Petroval SA, Geneva
- Senior Trader (Fuel Oil) – Caltex Oil Trading (Singapore) Pte, Singapore
- Crude Oil Trader – Caltex Oil Trading (Singapore) Pte, Singapore
- Corporate Planner – Caltex Oil Trading (Singapore) Pte, Singapore
- Senior Products Trader – Caltex Oil (South Africa) Pty Ltd., Cape Town, South Africa

Please complete the following Form and e-mail it to mianma@OGKnowledgeShare.com OR Submit the same details via the **Event Registration** on the website www.OGKnowledgeShare.com. We will then send you additional course details along with a detailed course registration Form.

Course Name	<input type="text"/>		
Course Venue	<input type="text"/>	Course Date	<input type="text"/>
Company	<input type="text"/>		
First Name	<input type="text"/>	Last Name	<input type="text"/>
Title	<input type="text"/>		
Email	<input type="text"/>	Phone	<input type="text"/>
Address	<input type="text"/>		
City	<input type="text"/>	State	<input type="text"/>
Postal Code	<input type="text"/>	Country	<input type="text"/>

Full payment is due within 14 days from date of invoice and before the course commences. Delegates will not be allowed entry to the course if any payments are outstanding. A confirmation letter and invoice will be sent to you on receipt of your booking.

You may substitute delegates at any time as long as reasonable advance notice is given to O&G Knowledge Sharing Platform. For any cancellation received in writing not less than twenty (20) working days prior to the date of the training course, you will receive a full refund less US\$ 150 administration fee and any related bank or credit card charges.

Delegates who cancel the registration less than twenty (20) working days of the date of training course, or who do not attend the course, are liable to pay the full course fee and no refunds will be granted.

In the event that KSP cancels or postpones the course for any reason, the delegates will be given choice to (a) request full refund less applicable credit card or bank charges, (b) attend the same course at the rescheduled date at the same or other venue or (c) receive credit note to be used by any employee of the same company for any other course offered by KSP, which must occur within one year from the date of postponement.

COMPANY GAURANTEEE

If Company Payment is selected as the Billing Method, an official letter from the company, signed by HR or responsible Management, stating names of the delegates who will attend the course and the total course fee payment guaranteed by the company to be paid within 30 days upon receipt of invoice from KSP shall be submitted ten (10) working days before the start date of the course.

CHARGES AND FEES

1. For Payment by Direct Telegraphic Transfer, client has to bear both local and oversea bank charges.
2. For credit card payment, there is additional 4% credit card processing fee, which shall be added to the course fee.

COURSE FEES & VENUE

Middle East – US\$ 2,500

All Other Locations – US\$ 2,950

The fees is per participant. Hotel accommodation and travel costs are not included in the fees. The Fees includes refreshments, lunch and course material. Course is held preferably in a 5-star hotel. The final venue selection will depend upon the number of delegates attending the course and availability of the venue. All delegates will be informed about the venue two weeks before the course start date.