



# COGEH 2017

Presented to the Ryder Scott Conference May 16<sup>th</sup>, 2017



# INTRODUCTION

## **Douglas M Wright P.Eng, MBA**

- Past Chairman, Calgary Branch, Society of Petroleum Evaluation Engineers
- Vice President, Engineering and Corporate Development, Strategic Oil & Gas Ltd
- Formerly at Perpetual Energy, Anadarko Canada, ConocoPhillips Canada, and others

# HISTORY OF COGEH

- 1998 – Identified the need
- June 2002 – Volume 1 published
  - *Reserves Definitions and Evaluation Practices and Procedures*
  - **September 2003 – NI 51-101**
    - *Standards of Disclosure for Oil and Gas Activities (Replacing National Policy No. 2-B)*
- November 2005 – Volume 2 published
  - *Detailed Guidelines for Estimation and Classification of Oil and Gas Resources and Reserves*
- September 2007 – Volume 1 Second Edition published
- September 2007 – Volume 3 published
  - *Detailed Guidelines for Estimation and Classification of Coal Bed Methane (CBM) Reserves and Resources*
  - *Reserves Recognition for International Properties*
  - *Detailed Guidelines for Estimation and Classification of Bitumen and Steam Assisted Gravity Drainage (SAGD) Reserves and Resources (Updated October 2013)*
- June 2014 – Resources Other Than Reserves (ROTR) published
  - *Addendum to Volume 2*



# 2017 COGEH UPDATE TIMELINE

- Fall 2014 – ROTR Wrap up documents
- Spring 2016 – Industry Feedback
- Spring/Summer 2016 – SPEE Calgary sets up Steering Committee
- Fall 2016 – Sub-Committee began editing
- Target – Fall 2017

# INDUSTRY FEEDBACK – WHO

- Suncor
- Laricina Energy Ltd.
- Athabasca Oil Corporation
- BC Oil & Gas Commission
- Cenovus Energy Inc.
- Sproule Associates Limited
- Alberta Energy Regulator
- GLJ Petroleum Consultants
- Crescent Point Energy Corp.
- Husky Energy
- Evolution Resource SA
- Encana
- SPEE Calgary Membership
- McDaniel & Associates Consultants Ltd.



# INDUSTRY FEEDBACK

- Duplication and Inconsistency between volumes
- Information out of date
- Create a Digital document
- Consolidate the documents
- Alignment of definitions of reserves, resources and product types with NI51-101
- Additional guidance on operating costs
- Clarity on the inclusion of Abandonment and Reclamation costs
- Clarity on Type Curve creation
- Typo's



# GOALS AND OBJECTIVES

- COGEH is to be a Guidance document of Industry Best Practices
- Combine existing documents into a single consolidated document
- Use hyperlinks where possible when referring to regulations and/or examples
- Create an “Evergreen” document
- Digitize and update distribution of the materials
- Remove any redundant material



# ANTICIPATED NEW/UPDATED CONTENT

- Unconventional Reserve Bookings
- Type Curve Generation
- Undeveloped Location Bookings
- Guidance on Operating, Abandonment and Reclamation Costs
- Statistical Methods
- Social and Environmental Considerations





# WORKING COMMITTEES

Committee A – Chair: **David Elliott Chair**

*I. Introduction and Purpose*

*II. Reserves and Resources Definitions*

# WORKING COMMITTEES

Committee B – Chair: **Jodi Anhorn/Claudio Virues**

III. *Evaluation Practices – Volume Estimation*

Committee C – Chair: **Nora Stewart**

IV. *Evaluation Practices – Economics:*

Committee D – Chair: **Mike Verney/Peter Joziase**

V. *Evaluation Practices – Unique Considerations (Eg CBM, Bitumen, International etc)*



# WORKING COMMITTEES

Committee E – Chair: **Floyd Williams**

VI. Business Practices



# WORKING COMMITTEES

Committee F – Chair: **Doug Wright**

VII. Appendices

- Detailed Examples
- Glossary

# ACKNOWLEDGEMENT OF SUB-COMMITTEE MEMBERS

- David Elliott, Former ASC
- Peter Joziasse, Cenovus
- Phil Welch, McDaniel
- Keith Braaten, GLJ
- Dave Perrott, Suncor
- Nora Stewart, Sproule
- Rob Warholm, Sproule
- Doug Wright, Strategic Oil & Gas Ltd.
- Sandeep Solanki, Laricina Energy Ltd
- Kevin Hanson, Encana
- Richard Leslie, Husky Energy
- Jodi Anhorn, GLJ
- Mike Verney, McDaniel
- Brian Hamm, McDaniel
- Claudio Virues, CNOOC/Nexen
- Jim Gouveia, Rose Associates
- Lester Berezowski
- Jamil Badran
- Khani Ghaffari, Trimble
- Andi Polanski, Flotek Industries
- Jim Jenkins, AER
- Floyd Williams
- Jason Pacholko, Independent Consultant
- Shannon Scott, McDaniel
- Dave Haugen, Ryder Scott
- Blair Best, McDaniel
- Wes Feik, McDaniel
- Jared Wynveen, McDaniel
- Tim Smith, CPC Resources
- Chad Lemke, GLJ



QUESTIONS