

Reserves and Regulatory – Exploiting Heavy Oil/Oilsands

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Estimation of Reserves for Canadian Oilsands Properties

The Society of Petroleum Evaluation Engineers (SPEE) is in the process of drafting an oilsands evaluation section to be included in the Canadian Oil and Gas Evaluation Handbook (COGEH). This handbook provides technical guidance for Canadian oil and gas evaluation and disclosures. In preparation for the COGEH update, this presentation is designed to discuss estimation methodology for oilsands properties.

The abstract should follow this structure and will be published as received – no content corrections will be made by the Technical Program Committee. Blatant commercialism is cause for rejection of the abstract. Abstracts should be less than 10 MB size. Remember, this abstract will be posted on the website and is part of your legacy.

The abstract title should be in Arial 16pt bold. The names of the authors and the abstract text should be in Arial 10pt normal. Section headers should be Arial 12pt bold. Body text should be Arial 11pt normal.

Theory and/or Method

When is a discovery made?

- Testing requirements, areal extent of the discovery, use of analogues?

How are reserves estimated?

- Requirements for reserves booking including commitments for the project; regulatory licensing, government.
- Bitumen-in-place versus exploitable bitumen-in-place versus recoverable bitumen-in-place.
- When is sufficient confidence achieved? Indicators versus requirements?
- Use of pilots – are they necessary?
- Bitumen pricing – how is it determined? The role of a benchmark blend pricing and how diluent pricing affects bitumen price. (Dilbit versus Synbit)
- Role of upgrading – field versus remote and effect of custody exchange.

What is required to be able to disclose reserves information?

- Requirements for oilsands reserves information
- 5 year PUD rule
- 3 year versus 5 year delays for major capital expenditures and relation to reserves
- How many years of development can be booked - 3 years or 50 years?
- Are all oilsands developments treated equally?