

Learning from the recent oil price collapse – what geoscientists can do about it

Dave A. Russum

Deloitte, Resource Evaluation and Advisory, Calgary, Alberta

Summary

When Geoconvention 2015 devised the the monicker “New Horizons” they could not have envisaged how cloudy the horizon might look today.

Our industry has always been in a state of flux. Ever since the 1850’s issues of supply and demand have caused extreme fluctuations in oil and gas price. In those days price would vary over very short distance because the ability to move supply was limited.

As supply systems become more global (pipelines, ships, trains), fluctuations also become more global and our ability to weather the storm becomes more challenging.

This paper provides a current update of the global picture and the impact on the Canadian oil and gas industry. It also provides a reminder of how we, as geoscientists, need to be involved in the bigger decision making process so that companies are focussed on the most appropriate projects to meet their corporate and societal needs.