



SOCIETY OF PETROLEUM ENGINEERS

# SPE NEWS

COPENHAGEN SECTION

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# WELCOME TO 2016 AND THE SECOND HALF OF OUR SEASON

We have already begun the year by welcoming Mary Van Domelen back to Copenhagen in a professional context. For the one hundred plus of you who braved the sub-zero temperatures and icy roads to venture out to GEUS, you were rewarded with a very informative presentation looking at the progressions in long horizontal wells and the completion of them.

Hopefully you have managed to evaluate our first distinguished lecturer of the year online to ensure we keep getting interesting and quality speakers. If you have not yet done so I would urge you to by visiting <http://www.spe.org/dl/contest.php> . Not only will you be ensuring that the interest and quality of the speakers is maintained but you also help the Section to win a financial award and for the winning distinguished lecturer to be invited to an SPE conference and deliver their presentation.

The role of the SPE is becoming increasingly more important as these times of uncertainty and change

continue. SPE is an independent organization that ensures technical learnings are shared, offers guidance and sets standards as well as offering access to an unparalleled global technical community and network. For those of you who are not aware, the SPE Esbjerg section has been born and kicked off its inaugural event at the start of February. We are excited that the expanding technical community in Esbjerg will have their own SPE section and look forward to seeing it evolve and expand.

Our next event is on 18th February in the Carlsberg Hall of Parken Stadium. Here Chevron will host our third distinguished lecturer of the season, Duane McVay from Texas A&M. Mr. McVay will be talking about "the value of assessing uncertainty" which is very relevant for these very uncertain times.

I look forward to seeing you all at the upcoming events and wish you all a safe and successful 2016.

**Anders Krag Norman,  
SPE Copenhagen  
Section Chairman**

## FUTURE MEETINGS

FOR MORE INFORMATION REGARDING THE PROGRAMME SEE PAGE 4



# THE VALUE OF ASSESSING UNCERTAINTY

(WHAT YOU DON'T KNOW CAN HURT YOU)

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The petroleum industry has underperformed for decades because of project evaluation methods that do not fully account for uncertainty. Chronic biases, particularly overconfidence and optimism, persist because there has been little emphasis in petroleum literature on the true cost of underestimating uncertainty and on how to quantify uncertainty reliably.

This presentation will discuss the results of recent work assessing the monetary impact of chronic overconfidence and op-

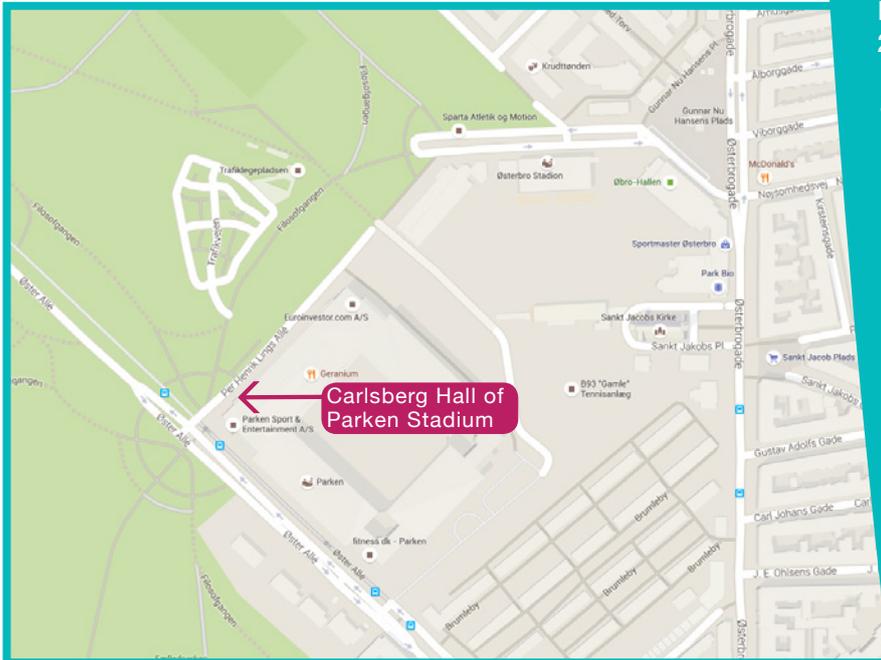
timism on portfolio performance. Decision making will be optimal in the long run only when probabilistic forecasts are well calibrated, that is, P10s are true P10s, P90s are true P90s, and so forth. Changing corporate culture to consistently produce well-calibrated probabilistic forecasts will require education on the importance of look backs and calibration, as well as changes in business processes and incentive structures. A reliable assessment of uncertainty may have the potential to significantly improve company and industry financial performance. ◀





**Duane A. McVay, Department of Petroleum Engineering at Texas A&M University**

Duane A. McVay is the Rob L. Adams '40 Professor in the Department of Petroleum Engineering at Texas A&M University. His research is focused on the uncertainty quantification for production forecasting and reserves estimation in oil and gas reservoirs. He joined the university in 1999 after spending 16 years with S.A. Holditch & Associates, a petroleum engineering consulting firm. McVay holds BS, MS, and PhD degrees in petroleum engineering from Texas A&M University. He is a Distinguished Member of SPE. ◀



## PROGRAMME

17:00 - 18:00  
Drinks

18:00 - 19:00  
Presentation and SPE News

19:00 - 21:00  
Dinner

## LOCATION

Carlsberg Hall of Parken Stadium  
Per Henrik Lings Allé 2  
2100 Copenhagen

## SPEAKER

Duane A. McVay, Texas A&M University  
SPE DL

## TOPIC

The Value of Assessing Uncertainty  
(What You Don't Know Can Hurt You)

## ENTRANCE FEE

None

## REGISTRATION

Please indicate your attendance by Monday 15 February by signing up on the internet <http://spe-cph.dk/>

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SPE MEETING SCHEDULE

# 2015-2016

<b>September 16</b>	<b>MAIN SPEAKER</b>	<b>AFTER DINNER</b>
<b>TOPIC</b>	<b>Cement Testing: Are we Looking at the Right Things the Wrong Way?</b>	Culzean Project
<b>SPEAKER</b>	Donald Purvis, Consultant, SPE DL	Morten Stage, Maersk Oil
<b>LOCATION</b>	Maersk	
<b>SPONSOR</b>	Maersk	
<b>October 6</b>	<b>MAIN SPEAKER</b>	<b>AFTER DINNER</b>
<b>TOPIC</b>	<b>DTU Research Projects</b>	Cross-Institutional Effort on the Oil and Gas Educations
<b>SPEAKER</b>	Farhad Varzandeh, Alay Arya and Amalia Halim	Martin P. Bendsøe, DTU
<b>LOCATION</b>	DTU	
<b>SPONSOR</b>	DTU	
<b>November 17</b>	<b>MAIN SPEAKER</b>	<b>AFTER DINNER</b>
<b>TOPIC</b>	<b>Ormen Lange Development Phase 3; Nyhamna Expansion Project</b>	
<b>SPEAKER</b>	Marianne Jensen Olsnes, Shell	
<b>LOCATION</b>	Charlottehaven	
<b>SPONSOR</b>	Shell	
<b>January 19</b>	<b>MAIN SPEAKER</b>	<b>AFTER DINNER</b>
<b>TOPIC</b>	<b>Bridging the Gap between Drilling and Completions: Challenges and Solutions in Horizontal Wells</b>	
<b>SPEAKER</b>	Mary Van Domelen, Continental Resources	
<b>LOCATION</b>	GEUS	
<b>SPONSOR</b>	GEUS	
<b>February 18</b>	<b>MAIN SPEAKER</b>	<b>AFTER DINNER</b>
<b>TOPIC</b>	<b>The Value of Assessing Uncertainty (What you Don't Know Can Hurt You)</b>	
<b>SPEAKER</b>	Duane McVay, Texas A&M	
<b>LOCATION</b>	Carlsberg Hall of Parken Stadium	
<b>SPONSOR</b>	Chevron	
<b>March 16</b>	<b>MAIN SPEAKER</b>	<b>AFTER DINNER</b>
<b>TOPIC</b>	<b>DONG Energy in the West of Shetlands</b>	
<b>SPEAKER</b>	Mike Smith, DONG Energy Oil & Gas	
<b>LOCATION</b>	DONG, Gentofte	
<b>SPONSOR</b>	DONG	
<b>April</b>	<b>MAIN SPEAKER</b>	<b>AFTER DINNER</b>
<b>TOPIC</b>		
<b>SPEAKER</b>		
<b>LOCATION</b>		
<b>SPONSOR</b>		
<b>May 24</b>	<b>MAIN SPEAKER</b>	<b>AFTER DINNER</b>
<b>TOPIC</b>	<b>Chemical Water Conformance Treatment on South Arne</b>	Annual General Meeting
<b>SPEAKER</b>	Agustin Riccio Rodriguez	
<b>LOCATION</b>	Moltke's Palæ	
<b>SPONSOR</b>	Hess	
<b>June</b>	<b>MAIN SPEAKER</b>	<b>AFTER DINNER</b>
<b>TOPIC</b>	<b>SPE Summer party</b>	
<b>SPEAKER</b>		
<b>LOCATION</b>		
<b>SPONSOR</b>	Schlumberger	



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# SPE STUDENT NEWS

## **GUEST LECTURE BY VURAL SANDER SUICMEZ (SENIOR RESERVOIR ENGINEER, MAERSK OIL)**

On November 9, 2015, a brief insight on Gas Injection for Enhanced Oil Recovery was given by Vural Sander Suicmez from Maersk Oil. His presentation was majorly based on Gas Injection in Danish North Sea. Initially he explained briefly the concept of PVT simulations and phase behavior of the fluids and then moved on to crucial concepts of Gas Injection, miscibility of gas in light and heavy oil. He ended the presentation with the detailed discussion of various case studies one of them being GOGD in Fractured Chalk.



## **GUEST LECTURE BY CHRESTEN MEULENGRACHT (PRINCIPAL ECONOMIC CONSULTANT, SCHLUMBERGER)**

On November 10, 2015, a detailed discussion was held on the most important topic nowadays “Is there a Future for Oil and Gas?”. Chresten touched upon the history of oil prices and major set downs during past years of oil industry. Counter arguments were given by students regarding the current situation of oil and gas industry, which were answered satisfactorily by Chresten. Later on he threw light on the other energy resources and how reliable they are to match the growth and major

transportation systems. The discussion ended with the conclusion that “There is definitely a future for Oil and Gas, we need to be patient and ready for the upcoming advancement challenges”. After the presentation, the students enjoyed themselves with drinks and sandwiches.

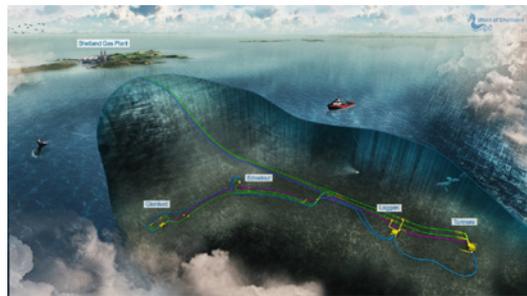
## **FIELD TRIP TO STENLILLE GAS STORAGE FACILITIES (ENERGINET)**

On November 20, 2015, DTU SPE Student Chapter along with Energinet organized a Field Trip to Stenlille Gas Storage Facilities. Students from different backgrounds showed interests in the field trip. The field trip included insight about the concept of underground gas storage and taking it back for use whenever required. The program started with the brief concept of gas storage, when and where it started first, essential safety measures and precautions and technology in use. Lunch was provided to the students with the courtesy of Energinet. Further, a field



round of the different wells at different places was organized to have practical insight about the working off gas storage facility. David Sandberg from Energinet was the main coordinator who gave a brief introduction to the whole storage facility, its area and history of the field. Overall it was a very insightful trip as per student’s response.

# DONG ENERGY IN THE WEST OF SHETLANDS



Subsea schematic of the West of Shetland development. (TOTAL E&P UK Ltd, DONG Energy Oil & Gas UK Ltd & SSE E&P UK Ltd)

DONG Energy first entered the West of Shetlands in 2000, another period of significantly low commodity prices, when it entered several exploration licenses in the UK and the Faroes. Its first discovery followed the next year, and the company entered a period of concentrated exploration activity and success. Since 2010, the company has focused on both exploration and development, with the sanction of the Laggan-Tormore project. This year, DONG Energy Oil & Gas UK adds production to the mix.

The presentation will highlight some of the key points of this journey, with a focus on the Laggan-Tormore project. It will also discuss how a company the size of DONG Energy can partner and influence supermajor operators with which it works.

Finally, the presentation will reflect on some of the current challenges that the West of Shetlands face in the current period of significantly low commodity prices, what the industry and government is doing about this, and what insights this may bring to the Danish sector of the North Sea. ◀

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## BIOGRAPHY



**Mike Smith, M.D of DONG Energy Oil & Gas UK**

Mike is the M.D of DONG Energy Oil & Gas UK. He has been with DONG Energy since 2007 and has helped to grow the UK business from a starting point of a handful of people.

Mike training as a Geologist, before getting an M.B.A., and has 25 years' experience in the E&P industry, principally in the North Sea, but also North America and SE Asia. ◀



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19:00 - 21:00  
Dinner

### LOCATION

DONG Energy Oil & Gas  
Nesa Allé 1  
2820 Gentofte

### SPEAKER

Mike Smith  
DONG Energy Oil & Gas

### TOPIC

DONG Energy in the West of Shetlands

### ENTRANCE FEE

None

### REGISTRATION

Please indicate your attendance by Friday 11 March by signing up on the internet [www.spe-cph.dk](http://www.spe-cph.dk)

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