

Now in its 23rd Year

Financial Planning and Control Seminar for Oil and Gas Company Managers

A hands-on approach to mastering the essentials of the financial
side of today's oil and gas industry

September 12-17, 2004 or

Call for Spring 2005 Date





“Excellent! The program was well planned and covered significant material in a one week format. I now have a better understanding of financial analysis and plan to use it in future decision making.”

*Steen Jergensen
Geological Engineer
Newfield Exploration
Houston, Texas*

COX SCHOOL CITED FOR EXCELLENCE

The Cox School's undergraduate program, graduate programs, and the Executive Education division are consistently recognized by *U.S. News & World Report*, *Gourman Report*, *BusinessWeek*, *Forbes*, *The Wall Street Journal*, and *Financial Times* in the top business education rankings among the nation's colleges and universities.

BENEFITS OF ATTENDANCE

Hundreds of executives have chosen *SMU's Financial Planning and Control Seminar* for its concentrated exposure to financial management techniques uniquely tailored to the complexities of their industry.

In this intensive, week-long course you will:

- ❑ Gain a working knowledge of key financial techniques, practices, terminology, and controversies
- ❑ Learn essential financial concepts in order to improve yourself as a manager...and do so in a concentrated setting away from your workplace
- ❑ Participate in stimulating classroom case discussions on relevant oil and gas industry topics
- ❑ Learn how other companies have implemented successful financial strategies
- ❑ Prepare yourself to make better financial and operating decisions....and learn the proper framework for doing so
- ❑ Acquire techniques for assessing the performance of your projects, your division, or your company
- ❑ Study and develop concepts and techniques you can apply to your job.... immediately

- ❑ Prepare yourself for advancement to a more senior management role within your company
- ❑ Learn more NOW about a topic you've been meaning to brush up on "someday"

WHO SHOULD ATTEND

The seminar draws middle- to senior-level attendees from many segments of the oil and gas industry and from a variety of functional areas within companies.

You will meet and share ideas with executives from around the world. Much of your time during the program will be spent discussing industry issues with other program members – in small discussion groups, in lively classroom sessions, over lunch, and in informal sessions outside the classroom.

The seminar generally attracts a mixture of:

- ❑ Non-financial managers who want to achieve some degree of financial literacy in an oil and gas industry setting
- ❑ Financial managers who wish to sharpen their skills, broaden their base of knowledge, and relate their functional skills to a broader, general-management context

The typical participant has more than five years of management experience. The age of attendees has generally ranged from the early 30s to the early 50s.

Participants will be from either oil and gas firms or from firms in related industries, such as pipeline companies, service and supply organizations, or financial institutions. All participants must be organization-sponsored. A list of past attendees can be provided upon request.

INTERNATIONAL PARTICIPATION

Recent attendees have represented nearly every major oil-producing region of the world, with participants traveling from:

Algeria	Denmark	Netherlands	Singapore
Angola	Ecuador	New Zealand	South Africa
Argentina	Egypt	Nigeria	Switzerland
Australia	Germany	Norway	Thailand
Austria	India	Oman	Trinidad & Tobago
Azerbaijan	Indonesia	Pakistan	United Arab Emirates
Bangladesh	Japan	Peru	United Kingdom
Bolivia	Kenya	Philippines	Venezuela
Brazil	Kuwait	Qatar	Vietnam
Canada	Malaysia	Russia	West Indies
Colombia	Mexico	Saudi Arabia	

It is essential that participants be fluent in the English language.

“Well worth the time and effort. Managing a company’s financial performance has become much more important. This program gave me good insight and tools to help me perform at a higher level.”

*George R. Blankenship, President and General Manager
Empresa Petrolera Chaco S.A. (a BP Amoco Affiliate)
Santa Cruz, Bolivia*

“I’m leaving this course with invaluable tools for financial decision-making. I plan to meet with my company’s CEO to share what I have learned.”

*Charlene Hutton, Executive Director
Alyeska Pipeline Service Co.
Anchorage, Alaska*

SEMINAR LEADERS

The instructors used in this seminar are experienced classroom teachers with significant levels of experience in executive education programs, business and consulting assignments, or oil and gas industry financial management.

Jeffrey Allen is Associate Professor of Finance at SMU where he teaches graduate and undergraduate courses on corporate financial governance and management. He received a PhD from Purdue University and has authored and co-authored articles published in the *Journal of Finance*, the *Journal of Financial Economics*, and others. He received teaching awards at Purdue and SMU including the 1998 Research Excellence Award. Dr. Allen is a consultant to corporations regarding financial restructuring and value-creating initiatives.

Marvin Carlson is Professor of Accounting at SMU. He is a Certified Public Accountant and holds a PhD from the University of Wisconsin. He has written many case studies and is a teaching award winner at the Cox School of Business. Dr. Carlson is a consultant to a number of major corporations, primarily on the subjects of strategy and managerial control.

Much of your time during the program will be spent discussing industry issues with other participants in small discussion groups, in lively classroom sessions, over lunch, and in informal sessions outside the classroom.

Jody Magliolo is Professor and Distinguished Chair of Accounting at SMU. He holds an MBA from the University of Texas and a PhD from Stanford University. His past research has examined oil and gas firms’ reserve-recognition accounting disclosures and analyzed the relation between proved reserve disclosures and the valuation of oil and gas firms. His primary teaching interests are in financial accounting and financial statement analysis.

Michael van Breda is Associate Professor of Accounting at SMU’s Cox School of Business. He holds a PhD in Accounting from Stanford University and an MBA (summa cum laude) from University of Cape Town. His undergraduate degree, in Pure Mathematics and Theoretical Physics, is from the University of Stellenbosch. In 22 years of teaching at SMU, he has been Chairman of the Accounting, Business Law, and Tax Department; Director of the SMU-in-Oxford program; and Director of the Graduate Certificate Program in Finance. He has received numerous teaching awards.

Michael Vetsuypens is Professor of Finance at SMU. He holds master’s and PhD degrees from the University of Rochester and was selected as a Fulbright Fellow during his graduate work. His research focuses on the consequences of leveraged buyouts on corporate performance, the structure of investment banking firms, and the nature of the venture capital market. A native of Brussels, Belgium, he has been a recipient of both teaching and research awards at SMU.

PROGRAM FORMAT

The program is a concentrated, week-long course of study that begins late afternoon on Sunday and concludes mid-afternoon on the following Friday.

Most days consist of three class sessions and small group discussions. A typical workday starts with group discussions and ends with individual preparation late in the evening.

It is important to note that this is an in-residence program. Past experience has shown that participants benefit greatly from the group interaction and concentrated experience that the in-residence format allows.





"This was a tremendously useful course, packed full of information and techniques for middle managers."

Ray Prudnick, Jr.
Senior Manager
Cabot Oil & Gas Corporation
Charleston, West Virginia

PRACTICAL LEARNING

Throughout each day, participants are actively involved in the learning process. Whether in small group discussions or in general classroom sessions, they are constantly sharing ideas and industry knowledge.

"Hands-on" and "practical" are words that best describe the teaching methodology used in this program.

Through a carefully-designed sequence of lectures and case studies, attendees engage in spirited discussions on current industry issues. The case method of learning emphasizes practical solutions to business problems and is particularly appropriate in executive-level seminars.

In other hands-on sessions, attendees use oil and gas company financial data to compare performance and apply analytical techniques learned in previous class discussions.

LOCATION AND FEES

The course will be held in Dallas, Texas, on the SMU campus. Daytime class meetings will take place in the Cox School of Business complex. Participants will make use of state-of-the-art facilities that include amphitheater-style classrooms with computer projection systems, break-out rooms, and reception areas.

Attendees will be housed in hotel facilities located near the SMU campus. They will have single rooms with bath. Transportation will be provided daily between the hotel and campus.

A variety of recreational activities will be available to participants after program hours. Attendees will have access to a full-service health club.

The 2004 program fee of \$5,950 (U.S.) includes lodging, tuition, course materials, breakfasts, catered lunches, breaks, and two group dinners with receptions.

Once an application is received by SMU, the participant/participant's company has reserved a space in the program and is responsible for payment upon acceptance. Ten percent of the fee is payable upon acceptance and is nonrefundable. The remainder of the fee is due one month prior to the program.

A cancellation fee equal to 50 percent of the program fee will be assessed if withdrawal occurs within one month of the program start date. The participant/participant's company will be responsible for payment of the full program fee if withdrawal is made after the start of the program or participant fails to arrive for the program.

Requests for transfer, substitutions, or withdrawal must be made in writing. There is a fee of 10% of the program cost to transfer to a future session.

We encourage you to reserve without obligation one or more slots for this seminar (subject to later acceptance by the Admissions Committee).

APPLICATION PROCEDURE

Complete the attached application form and return to: Southern Methodist University, Cox School of Business, Executive Education, PO Box 750333, Dallas, Texas 75275-0333 USA.

Acceptance to the program will be based on a careful screening of the applicant's qualifications. Applicants should be in positions of managerial responsibility within their organizations. Each participant must be company-sponsored.

The Admissions Committee will begin reviewing applications as they are received. Upon acceptance to the program, applicants will be sent a confirmation letter and an invoice. Enrollment will be limited. Early application is encouraged.

Visa Alert – With today's tight security, obtaining a visa can be an extensive and lengthy process. If you will need a visa to enter the U.S., please register for this program as early as possible so you can allow ample time to have your visa request processed.

FOR MORE INFORMATION

Contact us at one of the following numbers for an immediate response to your questions and to have further information sent to you.

Contact: Executive Education

Telephone: 214/768-2470 or 800/768-6699 (only in U.S.)

Fax: 214/768-2987 E-mail: execdev@mail.cox.smu.edu

Visit our website: <http://execdev.cox.smu.edu>

"I benefited from all aspects of this program, particularly the sessions on value creation and financial analysis and forecasting. It provides a very well organized, informative overview of financial and management control fundamentals. Great course!"

Brock Morris, Engineering Manager

Quintana Minerals Corporation, Houston, Texas



PROGRAM CONTENT

In a series of information-packed class sessions, you'll learn the essentials of the business side of the oil and gas industry. By the end of the week, you'll have a working knowledge of each of these areas of financial management:

Value Creation

- ❑ Focusing on the creation of value rather than operational measures of success
- ❑ How managerial decisions impact the firm's value

Capital Investment and Project Evaluation

- ❑ Basic discounted cash flow (DCF) concepts
- ❑ Estimating cash flows and determining the appropriate cost of capital
- ❑ Comparing capital expenditure techniques: payback, IRR, NPV, etc.
- ❑ Reappraising the project decision: some "softer" issues to consider after the numbers have been run

Financial Accounting Techniques

- ❑ Understanding the three primary financial statements: income statement, balance sheet, and cash flow statement
- ❑ Distinguishing between reported profit and cash flow
- ❑ Analyzing published oil and gas company annual reports
- ❑ Reporting the results of oil and gas firms: Full-Cost vs. Successful Effort vs. SEC-required Standardized Measure

Financial Planning and Forecasting

- ❑ Planning the firm's sustainable growth

- ❑ Estimating future financing needs based on pro-forma statements and other projections
- ❑ Making short-term vs. long-term financing decisions
- ❑ Planning for growth or decline

Measuring Performance

- ❑ Measuring performance of both business units and individual managers
- ❑ Interaction between measurement systems and company strategy
- ❑ Evaluating performance in times of uncertainty

Performance Management

- ❑ Aligning incentive compensation and strategy
- ❑ Designing incentive plans based on Economic Value Added principles
- ❑ The Balanced Scorecard approach

Financing Large Energy Projects

- ❑ Comparing project financing to internal financing
- ❑ Creating value by efficiently allocating risk
- ❑ How capital markets evaluate risk and return in infrastructure projects
- ❑ Assessing bond rating process

Financial Engineering

- ❑ Demystifying derivatives
- ❑ Understanding forwards, futures, swaps, and options
- ❑ Weighing the benefits and costs of hedging programs

COURSE CURRICULUM

	SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
MORNING		Cost Analysis and Transfer Pricing in a Decentralized Organization	Corporate Strategy and Financial Forecasting	Performance Evaluation in Times of Uncertainty	Value Creation and Corporate Performance	Financial Engineering
		Financial Analysis	Analyzing Annual Reports: Assessing Financial Performance	Financial Analysis of Large Projects	Analyzing Annual Reports: Oil and Gas Accounting and Reserve Valuation	Team Preparation and Presentations
AFTERNOON	Reception, Program Introduction, Group Dinner	Financial Accounting Review/Overview	Introduction to Capital Budgeting	Free Time	Capital Raising and Capital Costs	

SOME PAST PARTICIPATING COMPANIES:

Abu Dhabi National Oil Co.	Independent Oil & Gas	Pertamina
Alaska Petroleum Contractors	Independent Project Analysis, Inc.	Petro-Canada Oil & Gas Co. (Ecuador)
Alberta Energy Co. Ltd.	Indian Oil Corp. Limited	Petrocorp Exploration, Ltd.
Alyeska Pipeline Service Co.	Japan National Oil Corp. (JNOC)	Petroleo Brasileiro S.A.
Amerada Hess Corp.	Japan Oil Development Co., Ltd.	Petroleos Mexicanos (Pemex)
Anadarko Petroleum Corp.	KCS Energy	Petroleos de Venezuela, S.A.
Apache Corp.	Kerr-McGee Corp.	Petroleum Gas Co. (PETROGAS)
Ashland Oil Co.	Kerr-McGee China Petroleum Ltd.	Petroleum Technology Development Fund
Bangladesh Oil, Gas & Mineral Corp.	Kondur Petroleum S.A.	Petronas
Bellwether Exploration Co.	Kuwait National Petroleum Co.	Petron Bataan Refinery
BHP Petroleum (Americas) Inc.	Kuwait Oil Co. (KSC)	Pool Company Texas Ltd.
BP Amoco	LASMO Oil Co.	PMI Commercio Internacional
Burlington Resources International, Inc.	Lundin Oil AB-Malaysia	Prido International
Cabot Oil & Gas Corp.	Mack Energy Co.	PT. Arun Natural Gas Liquefaction Co.
Carigali-Triton Operating Co. Son Bhd	Maersk Oil and Gas AS	Qarun Petroleum Co.
Chevron Overseas Petroleum	Madras Refineries Ltd.	Qatar General Petroleum Corp.
ChevronTexaco Corp.	Malaysia-Thailand Joint Authority	Quintana Exploration Argentina, S.A.
CMS Oil & Gas Co.	Maraven SA	Rohoel Aufsuchangs AG
Columbia Gas	Mobil Producing Nigeria	Samedan Oil Corp.
ConocoPhillips	National Gas Co. of T&T, Ltd.	Santa Fe International Corp.
ConocoPhillips Alaska	National Refinery Ltd., Pakistan	Saudi Aramco
Continental Land & Fur Co.	Neal & Massy Energy, Ltd.	Seneca Resources Corp.
Corpoven SA	Newfield Exploration Co.	Shell Western E & P, Inc.
Deminex Argentina, S.A.	Nigerian Gas Co. Ltd.	SIRESE
Devon Energy Corp.	Nigerian National Petroleum Co.	Sonangol
Eastern Group Exploration, Inc.	Ocean Egypt Companies	Southern Natural Gas Co.
ECOPETROL	Ocean Energy, Inc.	SST Energy Corp.
EnCana Corp.	Occidental de Colombia, Inc.	Texaco Angola
Equitable Resources, Inc.	Occidental Oil & Gas	Torch Energy Advisors Inc.
ESPOL-CGC Consortium	Oil Producers Inc. of Kansas	Unocal Corp.
Esso Exploration & Production U.K. Ltd.	OMV AG, Exploration & Production	Unocal Thailand, Ltd.
Exxon Mobil Corp.	ONEOK Resources Co.	Vastar Resources, Inc.
Fasken Oil and Ranch, Ltd.	OXY USA, Inc.	Ward Petroleum Corp.
Great Western Drilling Co.	Pacific Gas Transmission Co.	Winwell Resources
Gulf of Suez Petroleum Co.	Pakistan Petroleum Ltd.	YPF Ecuador
Halliburton Energy Services	Pan American Energy, LLC	

Southern Methodist University
Cox School of Business
Executive Education
PO Box 750333 Dallas, Texas 75275-0333 USA

Description of your responsibilities (include number of employees you supervise) _____

Person in charge of management development for your company (include address) _____

Have you attended other SMU Executive Education programs? If so, please list course(s) and date(s) _____

SIGNATURE

*This information is for statistical purposes only and will be kept strictly confidential. If you prefer, you may provide this information by separate letter to: Admissions Committee, Southern Methodist University, Cox School of Business, Executive Education, PO Box 750333, Dallas, Texas 75275-0333 USA. Southern Methodist University does not discriminate on the basis of race, color, national or ethnic origin, age, sex, disability or veteran status SMU's commitment to equal opportunity includes nondiscrimination on the basis of sexual orientation.

OTHER EXECUTIVE PROGRAMS OFFERED

MARKETING

New Product Planning and Development

November 18-19, 2004

Marketing for Marketing Professionals

July 29-30, 2004

SALES

Sales Management

June 17-18, 2004 or September 23-24, 2004

Strategic and National Accounts Management

June 2-3, 2004 or September 21-22, 2004

Selling on Value (and Not on Price)

May 24-25, 2004 or September 9-10, 2004

MANAGEMENT AND LEADERSHIP

Management of Managers: Leadership, Change, and Renewal

October 24-29, 2004

The SMU Mid-Management Program

Dallas evening series: May 24-August 23, 2004
or August 30-November 22, 2004

The SMU First-Line Management Program

Dallas evening series: May 26-July 21, 2004 or
September 1-October 27, 2004
Plano evening series: September 17-November 9, 2004

FINANCE AND ACCOUNTING

Strategic Cost Reduction

October 14-15, 2004

The Essentials of Finance and Accounting for Non-Financial Managers

May 19-21, 2004 or November 3-5, 2004

OIL AND GAS / ENERGY

Financial Planning and Control Seminar for Oil and Gas Company Managers

September 12-17, 2004

Seminar for Senior Executives in the Oil and Gas Industry

September 26-October 8, 2004

Please call for Spring 2005 program dates

PLEASE SEND ME MORE INFORMATION ON ALL THE PROGRAMS CHECKED BELOW:

Residential Courses:

- ☐ Management of Managers: Leadership, Change, and Renewal
- ☐ Financial Planning and Control Seminar for Oil and Gas Company Managers
- ☐ Seminar for Senior Executives in the Oil and Gas Industry

Evening Series Courses:

- ☐ The SMU Mid-Management Program
- ☐ The SMU First-Line Management Program

Short Courses:

- ☐ Marketing
- ☐ Sales
- ☐ Leadership and Management
- ☐ Finance and Accounting

Other Programs:

- ☐ In-House/Custom Programs
- ☐ Other topics of interest are _____

- ☐ Please add my name to your mailing list

NAME

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**Mail to: Southern Methodist University
Cox School of Business
Executive Education
PO Box 750333
Dallas, Texas 75275-0333 USA**

For faster response fax a copy of this panel to 214/768-2987

Visit our website: <http://execdev.cox.smu.edu>

OFFER THIS PROGRAM IN-HOUSE This and all seminars may be tailored to your company/industry or taught as-is to up to 40 of your company's employees at once. For more information about this option, please call 214/768-3890.

COURSE LOCATIONS All courses offered in Dallas unless otherwise noted. Plano courses are held at SMU-in-Legacy in Plano, Texas. For more information, complete the form above.