

Module code		SG-5311	
Module Title		Petroleum Economics	
Degree/Diploma		Master of Science in Petroleum Geosciences by Coursework	
Type of Module		Option	
Modular Credits		Total student Workload	8 hours/week
		Contact hours	4 hours/week
Prerequisite		None	
Anti-requisite		None	
Aims To provide basic understanding of the principal economic framework for the petroleum sector which includes financial reporting, capital budgeting, risk, markets and macroeconomics that will help how to evaluate projects by using net present value, risk models and optimisation techniques and to use market models. To help students how to work towards profitable strategic goals for oil companies, government agencies and petroleum related companies.			
Learning Outcomes <i>On successful completion of this module, a student will be able to:</i>			
Lower order:	30%	<ul style="list-style-type: none">- recognise the basic principles of petroleum economics- report the applications of petroleum economics	
Middle order:	50%	<ul style="list-style-type: none">- analyse the cash flow of a petroleum company- observe NPV of an exploration or development project- research viability of an exploration and development project	
Higher order:	20%	<ul style="list-style-type: none">- control expense and financial management- appraise the present market scenario and recommend long term vision of a petroleum company- communicate and maintain liaison with the management	
Module Contents <ul style="list-style-type: none">- Introduction to financial reporting for oil companies- Capital budgeting: Cash flow analysis, with emphasis on after-tax cash flows- Risk analysis: Probability theory and methods- Market theory: Supply and demand, oil price models, product prices - The national economy			
Assessment	Formative assessment	Weekly discussion, practical tests and feedback	
		Examination: 50%	

	Summative assessment	Coursework: 50% - 5 individual written assignments (35%) - 1 class test (15%)
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