

# Resource Definition Impact on Business

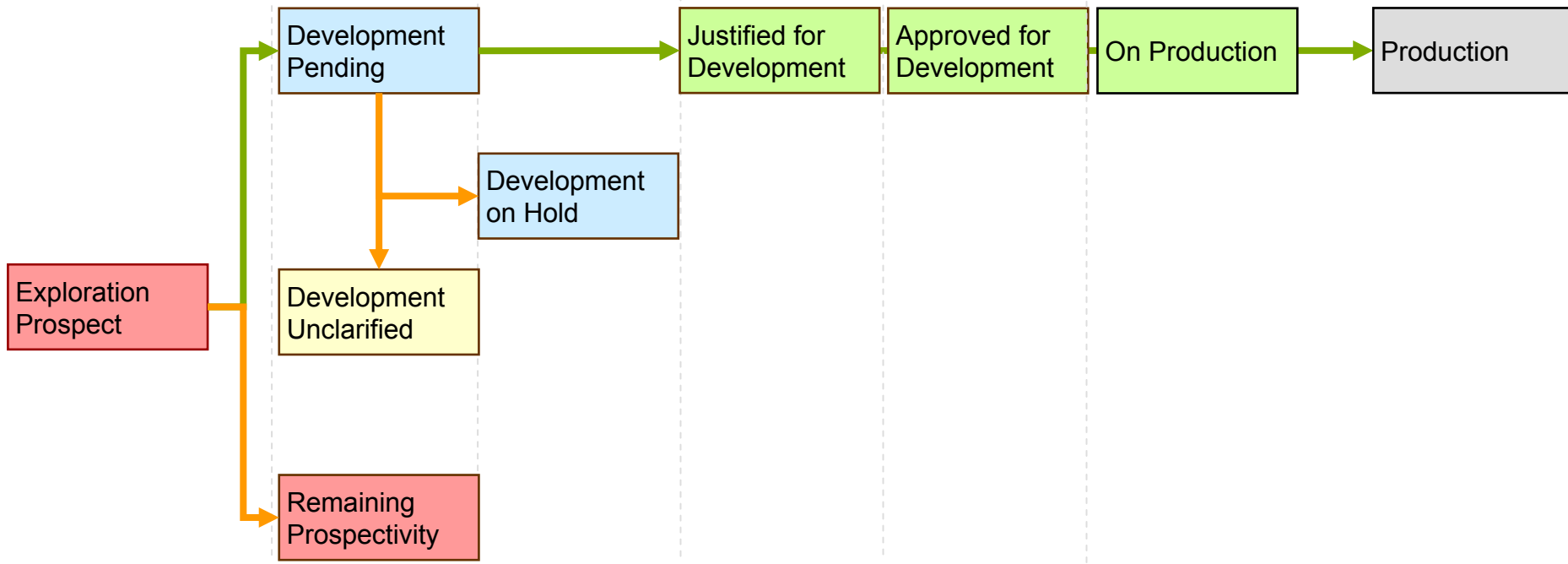
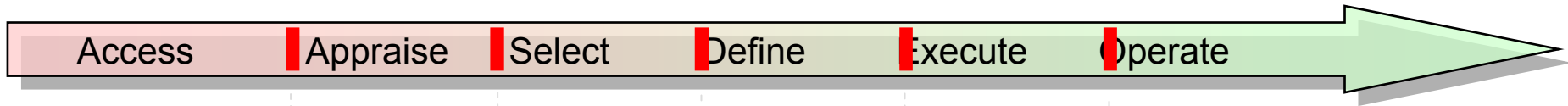
David MacDonald  
Segment Reserves Manager, BP  
March 2009

# Resource Definition for Business Processes



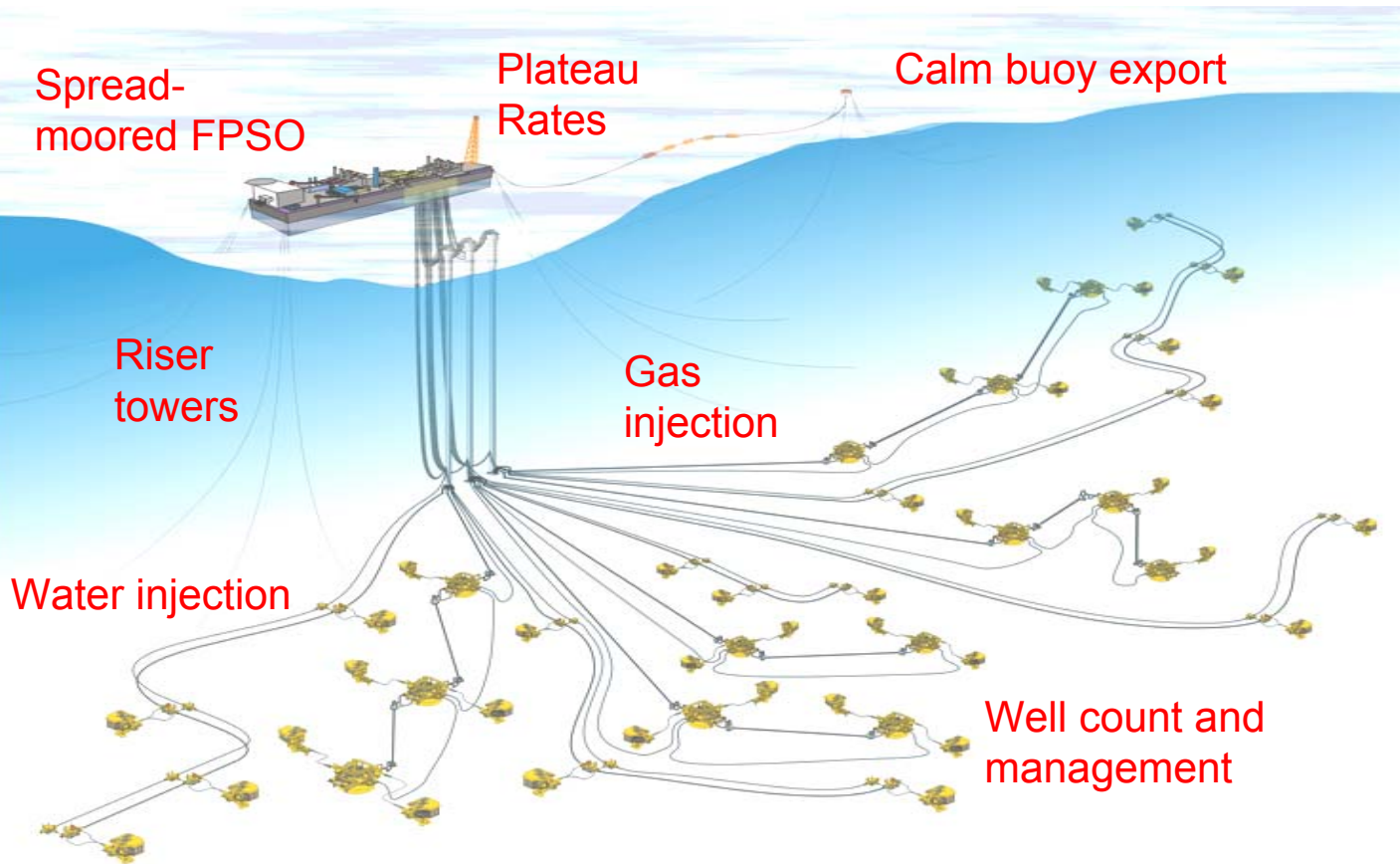
- Planning
  - Life cycle depletion plan for an asset
  - Annual business plan
  - Long term business plan
  - **Technology plan**
- Investment decisions
  - **Efficiency of investment and long-term operation**
  - Acquisition and divestment
- Performance management
  - Base Management
  - **Progression of resources to production**

# Resource Progression – New Discovery



Key	Exploration	Commercial
	Non-Commercial	Potentially Commercial

# Typical Deepwater Facility Design

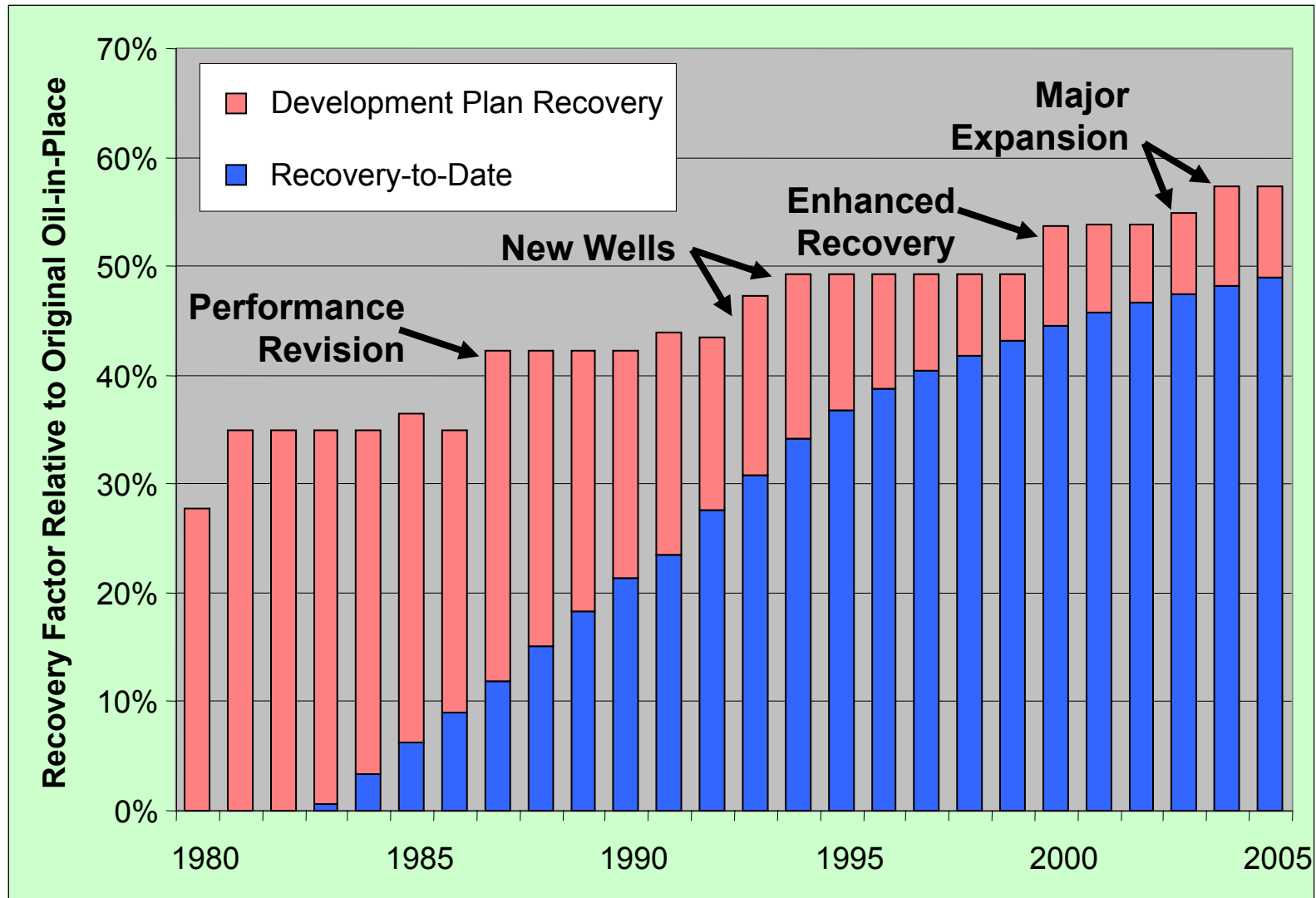


## Sources of Uncertainty

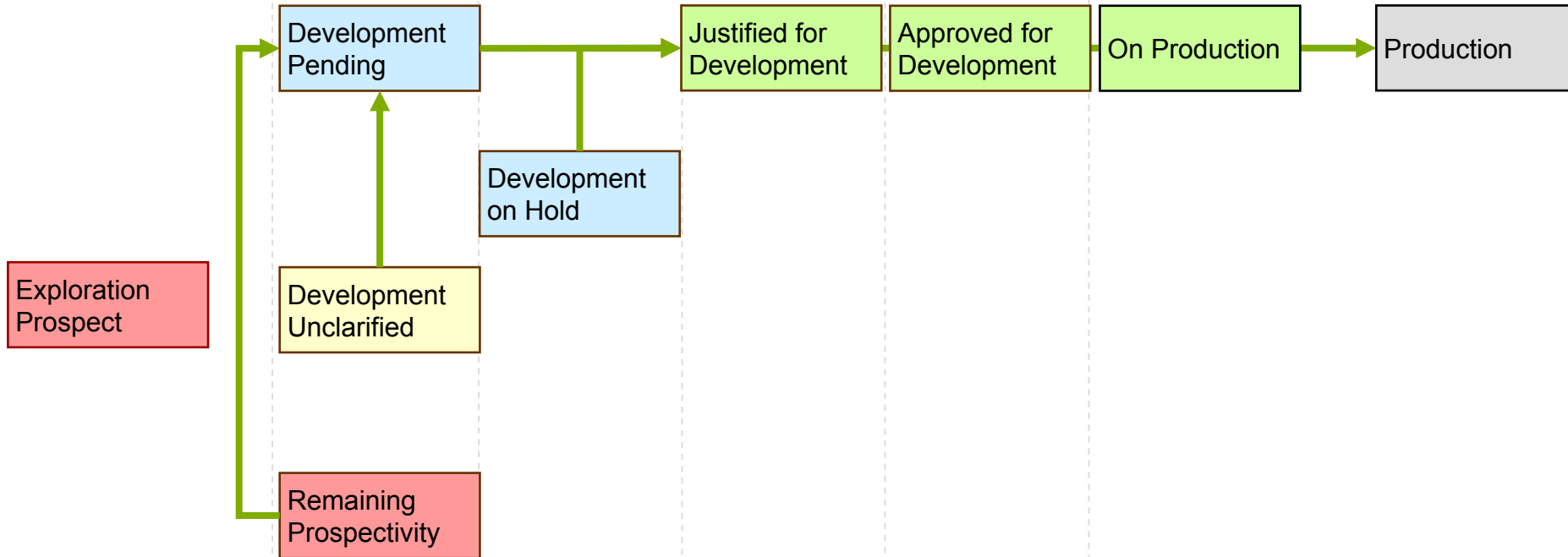
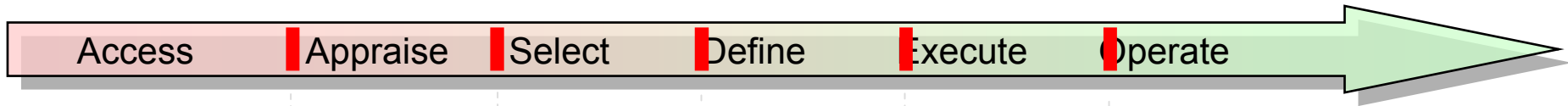
- Subsurface
  - Static
  - Dynamic
- Gathering
- Processing
- Transport
- Commercial

Successful development plans include contingencies and mitigations for possible outcomes.

# Resource Growth – Magnus, UK



# Resource Progression – Phase 2 Development



Key	Exploration	Commercial
	Non-Commercial	Potentially Commercial



- Definition must include entire resource base
  - Maintain competitive advantage
- Initial over-conservatism can lead to lost opportunity
- Uncertainty analysis must differentiate the components
  - Subsurface
  - Project
  - Commerciality

The UNFC with its focus on the criteria of economic viability, technical feasibility and geologic endowment is well placed to meet all of these needs.