

Faculty of Engineering & Technology

Humanities/Social Science Elective

Information :

Course Code : HUM HX

Level : Undergraduate

Course Hours : 2.00- Hours

Department : Department of Petroleum Engineering

Instructor Information :

Title	Name	Office hours
Lecturer	Alaa Mohamed Ali Ali	13
Teaching Assistant	AHMED NAGUIB ABDELAZIZ ABDELAZIZ GHONIM	

Area Of Study :

The Main Goals of this course are: a. Demonstrating the different types of petroleum agreements and companies and how to deal with different types of cost related to petroleum exploration , developments and production b. Discussing differences between successful efforts and full cost methods Identifying and accounting for mineral interests (i.e. royalty, working interest, overriding royalty interest, etc.) d. Discussing differences of DD&A rules under successful efforts and full cost e. Reviewing alternative methods of accounting for exploration and production companies

Course outcomes :

a.Knowledge and Understanding: :

1 -	Explain different types of petroleum agreements and contracts
2 -	Differentiate between successful efforts and full cost for exploration and drilling accounting
3 -	Recognize how to deal with the cost during exploration and development period
4 -	Distinguish between capital expenditures (CPEX) and operating expenditure (OPEX)
5 -	Distinguish between different types of cost (variable cost . Fixed cost- direct cost . Indirect cost)
6 -	Illustrate (A.F.E) for well and project.
7 -	Describe basic Depreciation, Depletion & Amortization Formula

b.Intellectual Skills: :

1 -	Interpret different types of petroleum contracts and agreements applied between the host countries and international exploration companies and the main features of each types of this agreements
2 -	Know the accounting terminology and main books and accounting cycle in petroleum companies
3 -	Know the main activities and main cost in each stage of petroleum activities (exploration . development . operating and production)
4 -	Know the accounting process under full cost and successful effort
5 -	Ability to preparing AFE for drilling well or project
6 -	Ability to Estimate the production cost per barrel, per cubic meter of gas and drilling cost per foot - etc.
7 -	Ability to participate in the estimation of capital budget and operational budget for petroleum activities
8 -	Ability to allocate the joint cost on joint products (oil . Gas . Condensates)

c. Professional and Practical Skills: :

1 -	Prepare AFE for drill well or project
2 -	Abel to estimate the cost of capital and operational budget and analysis the variance between estimated and actual cost
3 -	Abel to distribute and re-allocate joint cost on joint products
4 -	Abel to calculate the production cost per barrel for oil and cubic meter of gas

d. General and Transferable Skills: :

1 -	Abel to A.F.E for will or project
2 -	Able to participate in budgeting process
3 -	Abel to estimated cost for different product in oil and gas filed (cost per barrel . cost per cubic meter of gas . cost per feed for drilling . cost per square meter for exploration

Course Topic And Contents :

Topic	No. of hours	Lecture	Tutorial / Practical
petroleum contracts and agreements	4		4
the basic of accounting principal	4		4
accounting for exploration companies	2		2
accounting for production companies	2		2
the destination between operating expanses (opex) and capital expanses (capx)	2		2
A.F.E and estimated drilling cost	2		2
cost accounting in petroleum companies	4		4
accounting for Depreciation, Impairments, and Depletion	2		2
Budgeting (capital budget- operational budget)	4		4

Teaching And Learning Methodologies :

Lectures.

Tutorials

Course Assessment :

Methods of assessment	Relative weight %	Week No	Assess What
Final exam	40.00		
Mid-Term exams	50.00		
Participations	10.00		

Recommended books :

Petroleum Accounting- Principles, Procedures & Issues -5th Edition- by Dennis R. Jennings (University of North Texas)

