

Keynote address by YM Pg Dato Paduka Hj Abu Bakar b PSI Pg Hj Ismail

On the Occasion of the

SPE APPLIED TECHNOLOGY WORKSHOP

"COST EFFECTIVE / PRACTICAL RESERVOIR MANAGEMENT"

*held on 24 August 1998 in the Sheraton Utama Hotel
Bandar Seri Begawan
Negara Brunei Darussalam*

COST EFFECTIVE - PRACTICAL RESERVOIR MANAGEMENT

Bismillah Hirrahmanir Rahim

Assalamualaikum Warahmatullahi Wabarakatuh

Good morning.

Ladies and Gentlemen,

Foremost, I would like to express my sincerest thank to the organising committee for allowing me this opportunity to address the participants to this Brunei Darussalam's first ever Society of Petroleum Engineers Applied Technology Workshop.

We in the SPE, Brunei Section, are honoured by the trust given to us to host this workshop especially having been formed less than 2 years ago in September 1996. Since the formation, we have been extremely active in organising SPE nights with guest speakers from all over the world discussing on a wide range of contemporary industry related disciplines. We look forward to be given further opportunity to host other internationally acclaimed SPE events in Brunei Darussalam, in the near future.

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Since 1929 when oil was first discovered, Brunei's oil industry has grown and developed into a mature industry. As proof of confidence in the nation's economic development and opportunities in the petroleum sector, more oil companies are operating here today with the resulting increase in infrastructure with others waiting in the wings.

The title of this workshop is clearly apt in this current climate of low and uncertain oil prices. The TAPIS oil price, which is the Far East Benchmark equivalent of Brent Crude, hovers around the US\$ 13 a barrel mark, a far cry from the heady days when oil price was US\$35 or more a barrel. Therefore *Practical Reservoir Management which is Cost Effective* is more important than ever before to maintain and optimise current production levels and keep the unit technical cost of each barrel produced as low as possible.

I am confident that this event will provide a stage for informal exchange of technical information and ideas through the use of group problem-solving sessions, discussions and presentation of case studies. By discussing in-depth the practical day-to-day problems, its solutions and the applications involved, you will, hopefully gain more knowledge which can assist you in your present and future undertaking. An event such as this will allow

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participants to discover new ideas on how to design better reservoir management plans, including strategies for managing uncertainty.

I wish to thank those involved with the organisation of this workshop for their contribution in making this event a success. These contributions whether by way of hardwork or sponsorships are greatly appreciated and we look forward to obtaining your continuing support in the future.

Lastly, please enjoy the traditional Bruneian hospitality while you are here and I hope you will take this opportunity to visit the various places of interest. There is, I'm sure you must have gathered by now, a mood of celebration in this country, with the proclamation of His Royal Highness Prince Hj Al-Muhtadee Billah as the Crown Prince of Brunei Darussalam. As the future 30th Sultan, His Royal Highness will be continuing the unbroken succession of the Brunei Royal family, which dates back 600 years.

Thank you.

Wassalamualaikum w.w.