

Louisiana Department of Natural Resources

Departmental Seminar

November 17, 2009

9:30-11:00 a.m., Griffon Room, 1st Floor, LaSalle Building, 617 N. 3rd St, Baton Rouge

Global Oil Depletion and Pricing: Is the World Really Running out of Oil?

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Abstract:

Petroleum can be aptly described as the engine that drives the development and growth of the global economy. It is the most significant and highly traded primary commodity worldwide. Since replacing coal in the last century, petroleum has remained the world's primary source of energy. In the past several years and even more recently, a number of articles and presentations have appeared suggesting that the question is not whether the global petroleum production will decline, but when the decline will usher in a permanent oil shock era. Some people have attributed the recent rising trend in oil prices as evidence of the arrival of the oil shock era. On the other hand, there is the optimistic view, which suggests that though the easy to find oil may be declining, yet the world is awash with oil because price and technology matter. This presentation evaluates the key components of the global petroleum resources and supply availability. The presentation will facilitate a good understanding of the key players in the global crude oil market and global petroleum supply and pricing mechanics. The presentation should spark an interesting discussion on whether we are running out of conventional oil and whether there is really a "wolf at the door, if not in the petroleum house already".

Biography:

Dr. Omowumi O. Iledare is professor of petroleum economics and director of the energy information division at the Center for Energy Studies in Louisiana State University. He is an adjunct professor of petroleum economics at the LSU Craft and Hawkins Department of Petroleum Engineering. Dr. Iledare is a Senior Fellow and the 2008 President of the United States Association for Energy Economics (USAEE). He is associate editor of SPE Economics and Management Journal and the recipient of the 2008 SPE Regional Technical Award in Management and Information for Africa. Dr. Iledare holds a B.Sc. degree with honors in petroleum engineering from the University of Ibadan, Nigeria, an M.S. in energy resources from the University of Pittsburgh's School of Engineering, and a Ph.D. in mineral economics from West Virginia University.

Over the years, Iledare has specialized in the analysis of the global oil and gas industry structures and performance dynamics and international oil and gas exploration and production economics and policy. He also provides geopolitical and economic perspectives on the conduct and structure of the global petroleum E&P industry. He has published several research papers in SPE & USAEE/IAEE conference proceedings and in many trade and academic journals. Dr. Iledare has presented pre-conference short courses on Petroleum Economics at conferences organized by SPE Nigeria Council; and has conducted petroleum

economics seminars and workshops sponsored by international E&P operators, national oil companies, host government ministries, departments, and agencies.