

## Upstream Oil & Gas Anaplan Model

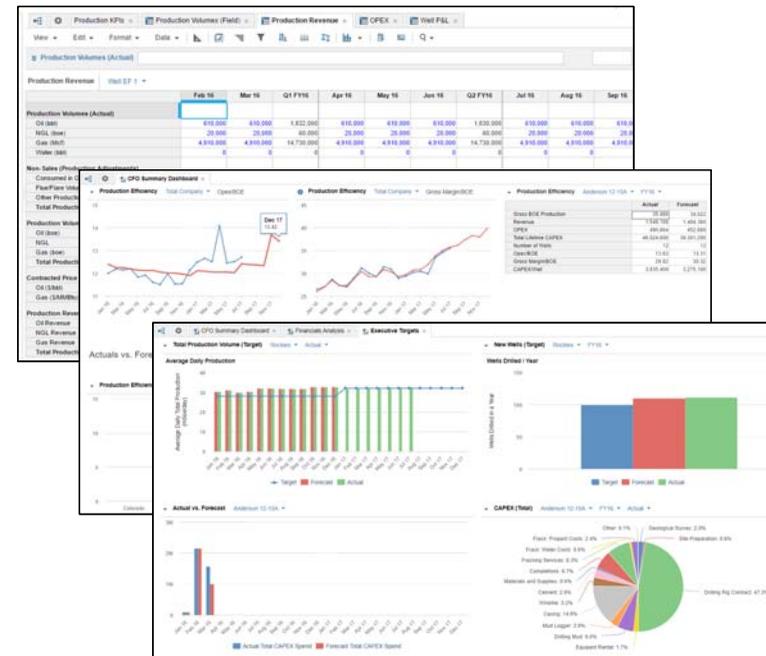
A planning & forecasting model designed for upstream O&G

The digital era demands an alternative to yesterday's spreadsheet-driven planning support.

Deloitte's Upstream Oil & Gas Model is a planning model that breaks down geographic and functional barriers that prohibit the sharing of information in the planning and forecasting process for upstream oil and gas companies. The model centralises inputs from many processes throughout the organisation, from production forecasting to commodity pricing and forecasting, tax, HR planning, AFE, and many more.

The model uses a bottoms-up approach, where production forecasts and expenses are forecasted at the well level using local market assumptions from local commodity prices to local casing costs. Forecasts can be compared to actual data and can be analysed across markets, regions, states, fields, counties, or offshore blocks. The model also includes scenario analysis functionality, where model assumptions can be adjusted to evaluate forecasts.

Figure 1. Key model screenshots



Source: Deloitte

### Upstream O&G Model Components

Deloitte's Upstream Oil & Gas Model includes several key modules to build budgets and forecasts.



#### Well Information

Individual well details from the location, well depth, type of well, to the operating partner of the well can be included in the model. These well details will drive additional components of the forecasts made in the Model from exploration costs to operating revenue for detailed analyses.



#### Localised Commodity Pricing Scenarios

Each region and field within your asset portfolio produces many different products that are priced differently depending on the location of the wellhead. The Upstream O&G Gas Model allows for a range of county-specific pricing forecasts to be included in your forecasting and planning model, providing detailed and geography-specific scenario analyses.



#### Production Forecasting

Production forecasts can be made at the region level or down to the well level. Combined with the local commodity prices, you can generate rolling production forecasts that can be compared to actual and planned production in near real-time.



#### Exploration & Operating Expense

Actual Exploration and Operating Expenses can be compared to plan, providing insight into specific well and region performance to budget. These modules include everything from wireline to casing to stimulation expenses. This information can be rolled up and viewed through visualisations to identify regions meeting or exceeding budget.



#### Driver-Based Forecasting

The Model also includes driver-based forecasting capabilities. For example, use driver-based forecasting to forecast casing costs for a given based on well-depth and regional casing crew labour costs.

## Upstream O&G Model capabilities

Deloitte's Upstream Oil and Gas Model is powered by the cloud-based platform Anaplan (see "Connected planning solutions") for fast implementation and rapid scaling across your company's planning functions. Embedded in it are many industry leading practices that help increase integrated planning, budgeting, and forecasting; provide industry standard reporting; and interactive dashboarding. Here are just a few of the capabilities the solution is designed to offer:



### Functional Integration

Supports analysis, planning, and forecasting across the organisation, bringing the planning and budgeting process across many regions and functions under one roof



### System Integration

Interfaces with various backend systems, including financial and accounting, commodity pricing, production/engineering, and many more



### Real-Time Interaction

Uses in-memory computing for constant updates when changes are made to data and when activities are handed off from one person to another or between systems



### Flexible Editing

Allows users to update and change key data fields, such as local forecasting assumptions, to match their business needs, without IT department intervention



### Instant Summary Reporting

Provides real-time, instant availability of rollups and summaries across the enterprise and provides visualisation of financial performance

## Connected planning solutions

Anaplan's cloud-based platform is designed to connect you with data, people, plans, and your network to make better-informed decisions and drive faster, more responsive planning for production. Collaboratively build region-specific forecasts that roll-up to provide real-time insight into performance across the organisation. Connect your production forecasting, commodities trading, exploration, tax, finance, and other teams into one integrated platform. Analyse and evaluate "what-if" scenarios to optimise your upcoming exploration and production budgets. Additionally, Anaplan's robust calculation engine allows users to tailor their forecasts as variations in global commodity markets and regulation arise.

### Start the conversation

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