

GRAND JUNCTION GEOLOGICAL SOCIETY

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OCTOBER MEETING

WEDNESDAY, OCTOBER 20, 2021

Joint meeting with the CMU Geology Students

7:30 PM

Weldon Lecture Hall

(Room 131 in the Wubben-Science Building)

Thomas Villimil, PhD

Will Speak On

“The international small E&P approach: business model objectives, funding and rationale. Three case histories in Colombia.”

Guests Are Always Welcome

Abstract on Next Page

The meeting will also be conducted by Zoom. The Zoom instructions are on page 3. Note that as before, the Zoom room will be open before the actual meeting to allow people time to log in.

The international small E&P approach: business model objectives, funding and rationale. Three case histories in Colombia

Tomas Villamil, Ph.D.

The small cap international E&P business model offers opportunity to entrepreneurial geologists that are willing to risk their time and personal wealth pursuing E&P ideas to hopefully generate wealth to shareholders, the management team, and employees and families while benefiting the broader country population. The business model requires raising risk capital and capturing acreage (or vice versa), exploring using pragmatical best science and rigorous economic analyses to grow a company to the love point, and then exiting to materialize gains. Risk is considerable so the model needs to be repeatable for long-term success.

The small E&P model stands on three pillars: 1. a management team that is knowledgeable, rational, aggressive and con-invested with significant skin in the game. 2. specialized and highly experienced risk capital, and 3. jurisdictions and governments with rule of law and track record of sanctity of contracts.

Three technical case histories presented in the talk: 1. C&C Energy, started in 2005 with zero production and zero reserves. It was sold twice, once in 2010 to the general market through an IPO in the TSX Main Desk for close to U\$ 400 million and sold again in 2012 for U\$ 650 million through consolidation with a larger company. Exploration success came from drilling three-way closures onto down-to-the-basin normal faults, combined stratigraphic and structural traps and hydrodynamically-assisted accumulations in previously unexplored reservoirs. 2. Platino Energy, started in 2013 listed in the Toronto Venture market at a post-money (U\$ 80 MM) valuation of U\$ 100 million and sold in 2015 for U\$ 25 million after discovering a significant accumulation at the wrong time in the wrong place. Technical “success” came from pursuing hydrodynamically modified oil-water contacts on large structural closures, commercial failure was caused by the 2014 collapse in the oil price combined with an operational mistake in an area with very complex communities. 3. COG Energy, started in 2015 with 400 barrels per day production and less than 1 MMBO of certified reserves and sold end 2017 with 4,500 barrels per day and 11 MMBO of certified 2P reserves. Success came from re-interpretation of three-way closures and contract renegotiations that allowed acquisition of modern 3D surveys.

Andres Aslan is inviting you to a scheduled Zoom meeting.

Topic: GJGS Meeting WED OCT 20 at 7:30 pm Mt Time

Time: Oct 20, 2021 06:30 PM Mountain Time (US and Canada)

Join Zoom Meeting

<https://coloradomesa.zoom.us/j/93203195002?pwd=bTd4UTgxaWtod3pKbnI3TVFHVmF3QT09>

Meeting ID: 932 0319 5002

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