

# Still Plenty to Play For

In his role as President of PESGB, Chris Flavell is a co-organiser of PETEX 2006, the Society's biannual Conference and Exhibition, in November. We talk to him about the role of the PESGB in the UK oil industry.

## **What first made you interested in PESGB?**

I've been a member for nearly 20 years, since colleagues introduced me to it. I think it is a great technical organisation, but it is also a fantastic networking opportunity. I try to go to the evening meetings or to the social afterwards. I meet lots of industry friends and colleagues there and it is always very useful and informative.

When I was asked if I would stand for office, I thought "well, I've got a lot out of it, it's probably about time I put something back." Basically, you can put as much or as little into it as you want. I am careful that my 'day job' doesn't suffer, but I think PESGB is important. There are several meetings to attend, and with this being a 'PETEX year' there are inevitably more meetings. But I think it is worth it.

## **How significant is PETEX to the industry?**

I think PETEX is one of the best conferences around. The quality of talks is excellent and the calibre of speakers, especially keynote speakers, top class. The range of topics covered is very wide, - UK, international, technical, case studies, even alternative energy. The exhibition has superb stands and demonstrations, and is a great networking opportunity. We also have the International Pavilion, which attracts dignitaries and government representatives from all over the world, giving countries a chance to talk to a wide range of people.

## **How can the PESGB encourage more young people into the industry?**

I think this is very important. A few years ago, in the late 1990's, the industry stopped recruiting graduates and, as a result, we have very few people with 6 - 8 years experience. This had the knock-on effect of making fewer young people interested in the industry because they felt there would be no jobs. To ensure this doesn't happen again, the PESGB already help the universi-

ties with MSc courses. During my year of tenure we have been pushing to get more facilities for teaching earth sciences into schools and we've helped fund a website to provide general teaching aids for teach-



Photo: Halifian Carstens

Chris Flavell is President of the Petroleum Society of Great Britain (PESGB), one of the UK's main societies for the promotion of education in the scientific and technical aspects of petroleum exploration. Originally a geophysicist, his career has spanned a number of companies and he has worked all over the world, including Malaysia, India, China, Algeria, Ireland and the North Sea. He is based in London as UK Exploration Manager for Tullow Oil, which has interests in the North Sea, the Indian sub-continent and Africa.

ers so they can encourage an interest in the subject. This has been my big drive as President.

## **Can the UK Government assist the industry more?**

On one side, the Department of Trade

and Industry is very helpful. The Fallow Field 'use it or lose it' initiative, and the stewardship campaign and the access to infrastructure initiative have been very useful. The Promote Initiative, another DTI scheme, has got new players and ideas into the North Sea, although it has yet to be proved a huge success at actually discovering oil.

By contrast, the Treasury does not always help the industry. The introduction of supplemental corporation tax to 40% in 2001, followed by the incremental 10% in 2005 was very short-sighted. Production profiles in the UKCS are falling, and we are no longer self-sufficient in hydrocarbons. Surely the Treasury should be introducing measures which will encourage investment, not frighten it away? Companies will move elsewhere, where the risk is higher but the return potentially huge.

## **Should we be involved in the search for alternative energy?**

The majors are already involved and investing heavily in renewables. PESGB has a function to promote interest and awareness in all aspects of the industry, and we actively participate with seminars like the session at PETEX. Quite how big a role the industry will finally take, particularly the independents and smaller companies, I don't know, but the ball is definitely rolling in that direction.

## **What of the future of the UK oil industry?**

The UKCS is clearly a mature province after over 40 years, but I think there is still plenty to play for. Tullow, for example, have been very active in the North Sea in recent years, with a good level of success. There is less interest from the majors, but for the independents, with lower thresholds of materiality, relatively small but high value discoveries are crucial. Some majors, like ConocoPhillips, have never left the North Sea - they view it as steady cash-flow, while they look elsewhere for high risk but potentially high value finds.