

# Financial Evaluation of An Offshore Drilling Rig Venture

Lou S. Slaughter

Paper presented at the Offshore South East Asia Show, Singapore, February 1982.

Paper Number: SPE-10479-MS

<https://doi.org/10.2118/10479-MS>

Published: February 09 1982

Cite 

Share 

Get Permissions

## Abstract

The paper is a financial evaluation of an offshore drilling rig venture. It pertains to other ventures world wide involving substantial investments in offshore marine equipment. The scope of the paper ranges from a discussion of the drilling industry to the financial proformas covering the operation of the equipment.

The points that the presentation covers are as follows:

1. The structure, economics, marketing and financing of the drilling industry.
2. The strategic matching of the opportunity with the operating environment, resources and management disposition of the company.
3. A financial analysis of the venture, including:
  - a. "Back of the envelope analysis."
  - b. Construction period projection.
  - c. Proformas as at commencement of operations.
  - d. Operating projection.
  - e. Net present value analysis.

Additionally the paper draws attention to issues that are important to the above evaluation.

The paper should enlighten and be well received by those participants to the conference who are mainly orientated towards the technical side and not the financial aspects associated with marine ventures.

---

Skip to Main Content

**Keywords:** evaluator, upstream oil & gas, investment, expenditure, earnings, contractor, initial investment, construction period projection, cash flow, envelope

# Subjects: Drilling Equipment, Offshore drilling units

Copyright 1982, Society of Petroleum Engineers

You can access this article if you purchase or spend a download.

## Sign in

Don't already have an account? [Register](#)

## Personal Account

Email Address

Password

**SIGN IN**

[Reset password](#)

[Register](#)

[Sign in via OpenAthens](#)

---

Pay-Per-View Access \$28.00

**BUY THIS ARTICLE**

[Skip to Main Content](#)

## Annual Article Package - 25

\$225

**BUY DOWNLOADS**

---

## Annual Article Package - 50

\$400

 BUY DOWNLOADS

---

[View Your Downloads](#)

**SPE members can access this article for \$9.50 USD. [Learn how to connect your SPE membership.](#)**

[View Metrics](#)

### Email Alerts

Proceedings Paper Activity Alert Alert

Latest Conference Proceeding Alert

### Suggested Reading

Outlook for the Domestic Petroleum Industry

69CRM

Coupling Financial Profit Indicators to a Net Cash Flow Model for Production Sharing Contracts

98SPE

Optimizing Treasury Growth With Proper Evaluation of Long Term Projects

77EE

Economics Of Government Participation In Operating Companies

79HEE

Risk Assessment in Project Financing

81HEE

[Skip to Main Content](#)

# SPE Offshore South East Asia Show

## **Explore**

Journals

Conferences

eBooks

Publishers

## **Connect**

About Us

Contact Us

Content Alerts

SPE Member Pricing

## **Resources**

Terms of Use

Privacy

Help

KBART

## **Engage**

Subscribe

Advertise



Skip to Main Content



