

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.

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

Subjects: Drilling Equipment, Offshore drilling units

[Skip to Main Content](#)

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

Sign in

Don't already have an account? Register

Personal Account

Username

Password

SIGN IN

Reset password
Register

Sign in via OpenAthens

Pay-Per-View Access \$28.00

 BUY THIS ARTICLE

Annual Article Package - 25

\$225

 BUY DOWNLOADS

Skip to Main Content

Annual Article Package - 50

 [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

[Discount Rates From Market Sales vs. Cost-of-Capital: From Whence Cometh the Difference?](#)

01ATCE

[Economics Of Government Participation In Operating Companies](#)

79HEE

[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](#)



