

Talk Abstract for Rice University
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Revisiting Peak Oil: How Assumptions Shape the Future
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The topic of peak oil is both highly controversial and equally complex. Transforming the debate from one based less on speculation to one more anchored in the scrutiny of assumptions which underlie different viewpoints is the main purpose of the talk.

Determination of the onset of peak oil, regardless of one's individual beliefs, depends entirely on four primary factors—global resources in place (including future discoveries), recovery efficiency, average rate of consumption, and state of depletion at peak. Thus, it all boils down to what specific assumptions are made regarding those four factors. Yet, most of the public discussion on peak oil avoids a thoughtful probing of key assumptions.

The presentation will address the entire spectrum of possibilities in terms of various scenarios, each one reflecting a family of key assumptions. While the resultant consequences vis-à-vis timing of peak oil onset, reveal a broad range of outcomes—from imminent present to 2066, one might argue that some are more likely than others. The wave of change in the upstream industry spawned by new technologies and high prices point to several decades of growth in oil supplies despite the massive challenges posed by growing resource nationalism/access, global warming concerns, or human resource constraints. The new era, however, will require change of paradigms across the industry vis-à-vis organizational structures, National Oil Company engagement models, and bolder standards of performance in recovery and sustainability.

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