

# Fundamentals of decision making in E&P

## Fundamental challenge

- **Extreme levels of uncertainty**
- **Examples**
  - Exploration wells
  - Development
- **Challenge = Decision Making Under Uncertainty**

## Industry Practice

- **Build “decision quality” via “decision analysis”**
- **Formal processes**
  - Creating alternatives
  - Probabilistic: occurrence & outcome
  - Multiple decision metrics
  - Analytical models
- **Both technical and “non-technical” uncertainties**
- **Focused on design**