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The Virtual Oil Company: Capstone of Integration

During the 1980s, visionary oil companies embraced new 3D seismic technologies to radically improve subsurface imaging. Today, a new breed of "virtual energy companies" is beginning to explore more collaborative business models, leveraging new global information technologies to re-invent decision making across the entire E&P lifecycle.

In a truly collaborative model, the oil company would own both the reservoir and associated earth model throughout the life of the asset. The service company would provide the information systems and technical support needed to create and store the earth model. It might even have controlled access to that model in real time. But the oil company would never give up ownership. It would remain the macro-level project manager by choosing which service companies to use and managing the interfaces among all the parties involved. By doing so, it would become a true virtual energy company.

Within this virtual company, all partners and service providers would maintain highly interactive and collaborative relationships at every stage of the lifecycle, from early exploration through late production. To the casual observer, it might even be difficult to identify which individuals work for the service company and which work for the energy company. However, the underlying economies of knowledge would always be clear to the individuals themselves through access to and support of the particular decision-making processes associated with their home base.

Biographical Sketch

BOB PEEBLER is Halliburton's vice president of e-Business Strategy and Ventures. He assumed this new post in May 2000 after serving as president and chief executive officer of Landmark Graphics Corporation since 1992. Mr. Peebler held a

variety of executive positions at Landmark including chief operating officer and president of the company's seismic products division. Before joining Landmark, Mr. Peebler worked in the oil field services industry for 18 years. He holds a BSEE degree from the University of Kansas. He was instrumental in

Landmark's strategic acquisition and integration of leading geoscience and engineering software companies, including Zycor, Advance Geophysical, Stratamodel, Munro Garrett, GeoGraphix, Western Atlas Software and others. These acquisitions provided the technological innovations that underlie Landmark's strategy of delivering the industry's broadest range of integrated information solutions for finding and managing oil and gas. Mr. Peebler is recognized as an industry visionary. He is a widely published author and speaker about the information technology trends transforming the exploration and production industry. He is acknowledged as being a driving force behind *The Quiet Revolution*, a major study on how information technology is transforming the upstream oil and gas industry. His latest publication, entitled *The Virtual Oil Company*, outlines a visionary model for optimizing the whole value chain associated with oil and gas reservoirs. He is a member of the "25-year Club of the Petroleum Industry" and is on the board of directors for Input/Output, Inc., Synectics Technologies LLC and Sheltering Arms Senior Services. He is a member of the University of Houston President's Advisory Board on Energy, and serves on the editorial advisory board of *Petroleum Engineer International*. Formerly, he served on the boards of directors of Landmark Graphics Corporation, Drilex Systems, Inc. and the Houston Museum of Natural Science. □

