

The Right People

An interview with Peter Moir,
President and Chief Executive Officer
of Elko Energy Inc.



Q: When did you join Elko and what is your role in the Company?

A: I joined Elko in January of 2009 and as President and CEO my role is to provide the leadership and direction to develop and grow Elko's business including strategy, business plans, organizational development, risk management and for running the business on a day to day basis.

Q: Tell us something about your background and experience in the energy industry.

A: I initially studied for a BSc. in Civil Engineering followed by a MEng. degree in Petroleum Engineering, both at Heriot Watt University in Edinburgh, Scotland and some years later I became a UK Chartered Engineer. I join Shell International in 1979 and was assigned to the UK offshore sector drilling and testing exploration and development wells during the early growth phase of the UK sector. After five years I moved on and joined British Gas (now BG Group) and worked as a petroleum production engineer on their gas production and gas storage fields. My technical skills were then broadened when I was involved in field development studies for the large Karachaganak gas condensate field onshore in Kazakhstan when BG and ENI of Italy became joint operators of the field.

In the late 90s I was assigned as the VP and Asset General Manager for the UK Central North Sea with BG, which at the time was their biggest revenue generating business and gave me the opportunity to consolidate all my previous experience. That experience is of course highly relevant to the challenges now faced at Elko.

In 2002 I left BG Group and became an independent Consultant and worked for ENI of Italy on the Caspian Sea giant Kashagan phase 1 project. My work here was to help bring the field to project sanction and to manage stakeholder issues.

Q: What made you decide to join Elko?

A: After five years on the Kashagan project I was ready for a new challenge. The gas resources in the Netherlands which were discovered many years ago contain CO₂ and with current global interest in Carbon Capture and Storage "CCS" the option to exploit these previously stranded resources is now technically achievable and the political climate is ripe for this sort of development. There are other similar stranded assets containing CO₂ in the area which could be unlocked if the Elko vision can be realised and that adds an additional exciting dimension to our position in the Netherlands.

The very large exploration acreage we have in Denmark is a further exciting and intriguing opportunity. An exploration play of this magnitude always carries risk but it is offset by the size of the potential reward.

Q: What do you consider the main achievements of Elko since you joined?

A: I would say the management team, with the support of the new board, has progressed the various de-risking studies for Netherlands assets, selecting an appraisal well location and achieving greater clarity on the alternative development scenarios. In Denmark the new design of simpler low cost wells should assist in making the prospects more attractive to potential partners and significantly improves the reward to risk ratio.

Q: What has gone less well than expected?

A: Capital markets have remained constrained despite financial stimulus from various governments and this has slowed progress generally in our capital intensive industry. I notice decision making within the industry is obviously much tougher and taking longer. At Elko we are balancing the need to preserve our cash whilst only spending on high value adding work needed to progress our quality assets.

Q: What have you learned so far that may be of use in the future?

A: Trying to understand the business environment of other companies and partners is very important at present and you have to carefully validate all business assumptions.