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## **DEFINITIONS AND CAUTIONARY NOTE**

- Reserves: Our use of the term "reserves" in this presentation means SEC proved oil and gas reserves for all 2009 and 2010 data, and includes both SEC proved oil and gas reserves and SEC proven mining reserves for 2008 data.
- Resources: Our use of the term "resources" in this presentation includes quantities of oil and gas not yet classified as SEC proved oil and gas reserves or SEC proven mining reserves. Resources are consistent with the Society of Petroleum Engineers 2P and 2C definitions.
- Organic: Our use of the term Organic includes SEC proved oil and gas reserves and SEC proven mining reserves (for 2008) excluding changes resulting from acquisitions, divestments and year-average pricing impact.
- To facilitate a better understanding of underlying business performance, the financial results are also presented on an estimated current cost of supplies (CCS) basis as applied for the Oil Products and Chemicals segment earnings. Earnings on an estimated current cost of supplies basis provides useful information concerning the effect of changes in the cost of supplies on Royal Dutch Shell's results of operations and is a measure to manage the performance of the Oil Products and Chemicals segments but is not a measure of financial performance under IFRS.
- The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate entities. In this presentation "Shell", "Shell group" and "Royal Dutch Shell" are sometimes used for convenience where references are made to Royal Dutch Shell plc and its subsidiaries in general. Likewise, the words "we", "us" and "our" are also used to refer to subsidiaries in general or to those who work for them. These expressions are also used where no useful purpose is served by identifying the particular company or companies. "Subsidiaries", "Shell subsidiaries" and "Shell companies" as used in this presentation refer to companies in which Royal Dutch Shell either directly or indirectly has control, by having either a majority of the voting rights or the right to exercise a controlling influence. The companies in which Shell has significant influence but not control are referred to as "associated companies" or "associates" and companies in which Shell has joint control are referred to as "jointly controlled entities". In this presentation, associates and jointly controlled entities are also referred to as "equity-accounted investments". The term "Shell interest" is used for convenience to indicate the direct and/or indirect (for example, through our 24% shareholding in Woodside Petroleum Ltd.) ownership interest held by Shell in a venture, partnership or company, after exclusion of all third-party interest.
- This presentation contains forward-looking statements concerning the financial condition, results of operations and businesses of Royal Dutch Shell. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of Royal Dutch Shell to market risks and statements expressing management's expectations, beliefs, estimates, forecasts, projections and assumptions. These forward-looking statements are identified by their use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "objectives", "outlook", "probably", "project", "will", "seek", "target", "risks", "goals", "should" and similar terms and phrases. There are a number of factors that could affect the future operations of Royal Dutch Shell and could cause those results to differ materially from those expressed in the forward-looking statements included in this presentation, including (without limitation): (a) price fluctuations in crude oil and natural gas; (b) changes in demand for the Shell's products; (c) currency fluctuations; (d) drilling and production results; (e) reserve estimates; (f) loss of market share and industry competition; (g) environmental and physical risks; (h) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (i) the risk of doing business in developing countries and countries subject to international sanctions; (j) legislative, fiscal and regulatory developments including potential litigation and regulatory measures as a result of climate changes; (k) economic and financial market conditions in various countries and regions; (l) political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities, delays or advancements in the approval of projects and delays in the reimbursement for shared costs; and (m) changes in trading conditions. All forward-looking statements contained in this presentation are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers should not place undue reliance on forward-looking statements. Additional factors that may affect future results are contained in Royal Dutch Shell's 20-F for the year ended 31 December, 2010 (available at www.shell.com/investor and www.sec.gov ). These factors also should be considered by the reader. Each forward-looking statement speaks only as of the date of this presentation, 17th August 2011. Neither Royal Dutch Shell nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this presentation. There can be no assurance that dividend payments will match or exceed those set out in this presentation in the future, or that they will be made at all.
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### **ABOUT SHELL**



### **About the Statistics and Chemometrics Team**

- Team consists of 17 people working in three countries:
  - UK (Chester), NL (Amsterdam & The Hague), US (Houston)
- Inter-disciplinary:
  - Majority of team are trained Statisticians but others have "seen the light" and come to statistics from other areas (Physics, Material Science and Chemical Engineer).
- The team provides statistical consulting services to all areas of Shell. We have a wide and diverse portfolio of projects.

## **Project Background**

- Problem: External environmental consultants collecting huge quantities of groundwater monitoring data but no standardized way to objectively report, analyze and make inference.
- Consequence: Poor analysis of data results in lost opportunities for closeout of groundwater monitoring, early leak detection and avoiding unnecessary remediation work.
- Solution: Using R, we developed GWSDAT (GroundWater Spatio-Temporal Data Analysis Tool) a user-friendly geostatistical software application for the analysis and visualisation of trends in environmental (groundwater) monitoring data.

# **GWSDAT Data Input**

	GWSDAT Ex2.xlsx - Microsoft Excel										
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			GWS	DAT (C	Ground	dWater Spatio	-Tempor	al Data A	Analysis	Tool)	
				Au	thor: Way	vne.W.Jones@Shell	.com	Versio	n: 1.2		
Historical Monitoring Data							Well Coo	rdinates		GIS ShapeFile	s
WellName	Constituent	SampleDate	Result	Units	Flags	WellName	XCoord	YCoord	Aquifer	Filenames (*.sh	p)
SGS5 P1	Nitrate	05/11/2009	54 59	ma/l	E-acc	BH1	551689.43	224468.03		C:\GWSDAT_v1 2\GIS Files\GWSDAT	ev2 shn
SGS5 P2	Nitrate	05/11/2009	67.93	ma/l	2 400	BH2	551679.43	224426.03	·		ML. SIIP
SGS5 P1	Sulphate	05/11/2009	99	mg/l	E-acc	BH3	551661.93	224430.99			
SGS5 P2	Sulphate	05/11/2009	61	mg/l		GDBH101	551674.93	224439.03			
GDBH102	Ethylbenzene	03/11/2009	ND<1	ug/l		GDBH102	551678.76	224469.31	· · · · · · · · · · · · · · · · · · ·		
GDBH104	Ethylbenzene	03/11/2009	ND<1	ug/l		GDBH103	551696.31	224474.70			
GDBH104	Toluene	03/11/2009	ND<1	ug/l		GDBH103A	551696.31	224474.90			
GDBH104	TPH	03/11/2009	36	ug/l		GDBH104	551664.76	224459.11			
MW10	Ethylbenzene	03/11/2009	ND<1	ug/l		GDBH105	551696.93	224459.03			
MW10	Toluene	03/11/2009	ND<1	ug/l		MW1	551695.93	224452.53			
	TPH Tabulh service	03/11/2009	ND<5	ug/l		IVIVV10	551636.84	224440.36			
VIVV 103	Toluono	03/11/2009	9	ug/i		MW/101	551693.70	224440.00			
MM/103	TPH	03/11/2009	162	ug/l	_	MW/102	551688 30	224440.57			
MW6	Ethylbenzene	03/11/2009	ND<1	ug/l		MW104	551698 19	224468 99			
MW6	Toluene	03/11/2009	ND<1	ug/l		MW2	551682.93	224440.03	<u>.</u>		
MW6	TPH	03/11/2009	ND<5	ug/l		MW3	551687.43	224453.03			
SGS4 P1	Ethylbenzene	03/11/2009	ND<1	ug/l		MW4	551695.93	224464.53			
SGS4 P1	Toluene	03/11/2009	ND<1	ug/l		MW5	551688.24	224425.70			
SGS4 P1	TPH	03/11/2009	ND<5	ug/l		MW6	551677.34	224427.38			
SGS4 P3	Ethylbenzene	03/11/2009	ND<1	ug/l		MW7	551667.54	224429.89			
SGS4 P3	Toluene	03/11/2009	ND<1	ug/l		MW8	551662.76	224443.96			
SGS4 P3	IPH Nitesta	03/11/2009	6	ug/l		MVV9	551658.17	224435.39			
SGS3 P1	Nitrate	02/11/2009	57.12	mg/L		5651	551669.40	224452.03	9		
SGS3 P2	Nitrate	02/11/2009	65.19	mg/l		SGS3 P1	551664.47	224430.14	۵		
SGS/ P1	Nitrate	02/11/2009	88.6	mg/l	_	SGS3 P2	551664.47	224454.61	Δ		
SGS4 P3	Nitrate	02/11/2009	3.55	ma/l		SGS3 P3	551664 47	224454 61	A		
VIV/102	Toluene	02/11/2009	ND<1	ua/l		SGS4 P1	551645.46	224440.97	A		
WW102	TPH	02/11/2009	ND<5	ug/l		SGS4 P3	551645.46	224440.97			
MW7	Toluene	02/11/2009	ND<1	ug/l		SGS5 P1	551714.21	224453.87	А		
MW7	TPH	02/11/2009	ND<5	ug/l		SGS5 P2	551714.21	224453.87	А		
SGS3 P1	Toluene	02/11/2009	ND<1	ug/l				26			
0000 04	TPH	02/11/2009	ND<5	ug/l							
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SGS3 P1 SGS3 P2	Toluene	02/11/2009	ND<1	ug/l						· · · · · · · · · · · · · · · · · · ·	

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#### **GWSDAT User Interface**



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7

## **GWSDAT R Software Architecture**

- GWSDAT to Microsoft products for a user friendly application entry point (e.g. Excel, PowerPoint, Word) and automatic report generation (R packages: RExcel and rcom).
- Graphical User Interface (R packages: tcltk and rpanel).
- Time series trend detection (R packages: **sm, Kendall and zoo**).
- Methods for visualising and handling Spatial data (R packages deldir, sp, splancs and maptools).
- Spatiotemporal smoothing and animations (R packages svm in e1071, animation).
  - Jointly sponsored PhD student with Prof Adrian Bowman and Dr Ludger Evers at Glasgow University Statistics Department to research spatiotemporal modelling of environmental groundwater data.

## **GWSDAT Business Benefits**

- GWSDAT adds value (cost savings and reduction in environmental liabilities) through improved risk-based decision making and response include:
  - Early identification of new sources of contamination, increasing trends and off-site migration.
  - Evaluation of groundwater monitoring trends over time and space.
  - Nonparametric statistical and uncertainty analyses to assess highly variable groundwater data.
  - Reduction in the number of sites in long-term monitoring or active remediation through simple, visual demonstrations of groundwater data and trends.
  - More efficient evaluation and reporting of groundwater monitoring trends via simple, standardised plots and tables created at the `click of a mouse'.



