



International Oil and Gas Contracts



15-19 March 2010



Moscow
Russia

International Oil and Gas Contracts

15-19 March 2010, Moscow, Russia



The advanced nature of international oil and gas deals makes respective contracts an integral part of trading and a key link in the negotiation process chain.

Errors and omissions in documents lead to tremendous extra cost for companies and endless arbitration sessions. Nothing is a better guarantee of a successful deal but a duly made and legally valid document!

Managers and legal staff are faced with a multitude of aspects and every one of them has importance in making international oil and gas contracts. To deal with that one has to monitor all recent developments to mitigate risks and secure target margin when the contract is performed. In this regard it is not only important to understand key and commonly used terms and conditions of international agreements but also be prepared to amend and alter those as needed.

Acknowledging this and responding to the challenges International Business House (IBH) has developed and is pleased to offer an International Oil and Gas Contracts, professional upgrading course to be held 15-19 March 2010, Moscow, Russia.

This is a comprehensive and interactive training focusing on such issues as: negotiation, drafting contracts, making deals, dispute resolution, government relations, and other aspects pertaining to international oil and gas agreements.

Early bird discount
before 1st February 2010
5%

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THE COURSE IS COMPOSED OF 2 PARTS

Module 1: International oil and gas contracts in upstream, 15-17 March 2010

Module 2: International oil and gas contracts in downstream, 18-19 March 2010

THE PARTICIPANTS WILL HAVE AN OPPORTUNITY TO:

- Acquire comprehensive information on all the current types of international oil and gas contracts.
- Acquire contract drawing up skills.
- Study the key provisions of energy resources supply contracts.
- Identify and evaluate risks of contract conclusion.
- Explore the aspects of legal framework divergence when concluding contracts.
- Evaluate the international approach to tenders.
- Identify the key issues of work with state authorities.
- Get recommendations on conflict prevention and ready-made solutions for dispute resolution.

THE COURSE IS DESIGNED FOR

- Representatives of oil and gas companies, legal firms and contracting organizations.
- Top managers, representatives of legal, commercial, financial and supply departments.
- Lawyers, economists, financiers, contract managers, procurement specialists, energy resources suppliers and buyers as well as operating issues managers

Upon the completion of the course all attendees will be issued International Business House training and professional upgrading centre Industry Certificate.

PARTICIPATION

Complete course (Module 1 and Module 2) – 1900GBP

Module 1: International oil and gas contracts in upstream – 1190GBP

Module 2: International oil and gas contracts in downstream – 990GBP

THE COURSE FEE COVERS:

- Participation at the course
- Lunches and coffee-breaks during the programme
- The course materials in hard copy and on USB device
- Social programme

COURSE PROGRAMME



For further information please contact us:

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MODULE 1

INTERNATIONAL OIL AND GAS CONTRACTS IN UPSTREAM

Energy is the key driver of economic advancement across the world. Today, the petroleum industry faces constant challenges in meeting growing global energy needs in an uncertain economic climate. At the core of the industry are the contracts that regulate the relationships between the participants that carry out the exploration, appraisal, development and production activities needed to achieve these goals. The aim of this module is to explore the contracts that shape the dynamics of the upstream sector of the petroleum industry by examining various contracts from bidding for an authorisation to explore for, find and extract petroleum, to physical exploration, appraisal, development and production.

DAY ONE

AN OVERVIEW OF THE UPSTREAM PETROLEUM INDUSTRY

- *The Players* – multinational oil companies, host governments, national oil companies, indigenous participants, service companies
- *Types of Authorisation* – the agreements that authorise a person to explore for, find and extract petroleum such as concessions/licences, service contracts, risk sharing contracts
- *The Project Phases Matrix* – bidding, exploration and appraisals, development after commercial discovery, exploitation, processing, marketing and abandonment
- *Bidding* – bidding agreements, scope, duration, non-competition, interests of parties, Operator, Management Committee, budget, procedure for identifying areas to be bid for, procedure for determining what to bid, application procedure, default
- *The Production Sharing Contract* – scope, term, relinquishment, work obligations, work programs and budgets, obligations, right to occupy land, monitoring and reporting, notification of discovery, assessing discoveries, declaration of commerciality and development approval, recovery of costs and sharing in production, fiscal regime, exchange and remittance, employees, bonuses, other costs and fees, determining market price, management committee, book-keeping, accounts and records, back-in rights, assignment, liability and insurance, termination, force majeure, stabilisation.

DAY TWO

THE JOINT OPERATING AGREEMENT

- *Introduction to Joint Operating Agreements* – joint venture relationship, rules governing the relationship, the roles under a joint operating agreement (Operator, Non-Operators, Operating Committee, Sole Risk Operator, Sole Risk Participants, Non-Sole Risk Participants) and how they interact with one and other and with third parties, scope of the joint operating agreement, the interests of Participants and the relationship between Participants
- *Operator and Operations* – Operator, appointment, retirement, removal and replacement of Operator, authority and obligations of Operator, contracting by Operator and Operators' relationship with third parties, relationship between Operator and Non-Operators, standard of care, Operator and other participants, Operator and third parties, non-operators and other participants, non-operators and third parties, understanding participants' relationships in a sole risk situation
- *Non-Operators* – rights of Non-Operators, duties of Non-Operators
- *Work Programs and Budgets* – exploration, appraisal, development and production work programs and budgets, determinants of a commercial discovery, ring fencing, relinquishment
- *Commercial Discovery that extends beyond the Contract Area* – unitization, unitization agreement, unitization joint operating agreement, conflicts between contract areas, legal framework, cross-border unitization and sovereignty issues
- *The Operating Committee* – establishment, activities and administration
- *Sole Risk and Non-Consent*
- *Default* – including penalty and forfeiture
- *Disposal of Production* – obligation to take in-kind, off-take arrangements
- *Abandonment* – abandonment before discovery, voting, abandonment after discover (exclusive operations), decommissioning of installations, cost sharing disputes over decommissioning

DAY THREE

THE CONTRACTING PROCESS

- *Types of Contracts awarded by Operator*
- *Selection of Contractors*
- *Tendering Process*
- *Illustrative Example* – offshore drilling agreement
- *Terms and conditions* – commencement, term, contractor's obligations, Operator's obligations, contractor's equipment, Operator's equipment, contractor's personnel, offshore transport, remuneration/rates, liability and indemnity, environment, health and safety, assignment, sub-contracting, termination
- *Risk Allocation* – indemnity, back-to-back indemnity, exclusion of liability, limitation of liability
- *Guarantees*
- *Confidentiality*
- *Dispute Resolution* – courts, mediation, arbitration, expert determination



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MODULE 2

INTERNATIONAL OIL AND GAS CONTRACTS IN DOWNSTREAM

The disposal of production in the petroleum industry is as important as exploration, development and production. Selling petroleum products is the link between producer and consumer. These relationships are the sustaining elements in the industry, the failure of which could lead to shortage of supply or over-supply, either of which could ultimately have a ripple effect on the global economy. Against this backdrop, the importance of Oil and Gas Sale Agreements cannot be overstated. This module will explore the relationship and contract matrix in the sale of oil and gas and how the various agreements affect the relationships.

DAY FOUR GAS SALE AGREEMENTS

- *Natural Gas Agreement Matrix* – overview of the contract types, the gas chain, upstream transportation cycle, midstream transportation cycle, downstream transportation cycle
- *Take-or-Pay* – how it works, concepts in the take-or-pay clause, exploring the buyer's obligation under a take-or-pay clause, limitations on take-or-pay
- *Terms and Conditions* – quantities, quality, nominating, delivery point, price, price indexation, force majeure, term of agreement, taxes, billing and payment, measurement, guarantees
- *Transportation* – pipeline, pipeline agreements, shipper's entitlement and obligations, transporter's rights and duties, point of delivery, delivery pressure and compression, quantity, tariff, taxes and levies, quality, measurement, force majeure, warranty and indemnity, billing and payment, dispute resolution, cross-border pipelines, cross-border legal framework, cross-border pipeline disputes.

DAY FIVE CRUDE OIL SALE AGREEMENTS

- *The Players*
- *Crude Oil Market Structure*
- *Long-Term Contracts* – issues with change of circumstances
- *Spot Market Contracts* – characteristics of the market, areas of markets, standard terms
- *FOB Crude Oil Contracts* – free on board, duties of seller and buyer, passing of property
- *CIF Crude Oil Contracts* – cost, insurance and freight, variations, out-turn clause, terms relating to deliver on arrival, duties of seller and buyer, the goods, quantity and quality, shipment period and place, appropriation, shipping documents, tender of documents, passing of property
- *Forward Market Contracts*
- *Futures Contracts*
- *Options*
- *Delivery Terms*
- *Price and Pricing Formula*
- *Shipping Procedure*
- *Payment*
- *Legal Aspects* – telephone, telex, text and email contracts, bills of lading, letters of credit, letters of indemnity, performance bonds, nomination, laytime and demurrage, certificates of quantity, quality and originality
- Taxes, charges and expenses
- *Warranties* – free of encumbrances, right to transfer
- *Dispute Resolution*
- *Lifting and Balancing Agreements* – lifters' rights, vessel nominations, loading, insurance, dispute resolution

DR. KEN MILDWATERS

is a world-renowned legal expert specialising in the field of natural resources. In a career spanning more than 30 years he has practised law as a partner with leading English and Australian law firms, Theodore Goddard, Jackson McDonald and Kott Gunning.

Dr Mildwaters is a member of the faculty at the Centre for Petroleum and Mineral Law Studies at the University of Dundee.

Ken Mildwaters has been a partner at the London office of global law firm Morgan Lewis & Bockius, and of-counsel for another global firm, Milbank, Tweed, Hadley & McCloy, focusing on corporate, commercial and natural resources law. He founded and managed law practices on behalf of a joint venture of law firms Dewey Ballantine and Theodore Goddard, in the Czech Republic, Hungary and Poland.

He has advised on exploration, development, production, supply and sales activities in the oil, gas and minerals sectors; gas, coal and alternative source electrical power generation projects; gas pipeline and other natural resources sector related infrastructure projects. He has also been actively involved in joint ventures, joint operating agreements, strategic alliances, licensing arrangements, farm-in and farm-out agreements, off-take and lifting agreements, royalty agreements, abandonment agreements, service agreements, transport agreements, the acquisition, disposal and financing of interests in the natural resource sector, and natural resource assets, and in capital raising activities and direct foreign investment in the natural resources sector.

He is a member of the Australian Mining and Petroleum Law Association, Energy Law Association Inc. (New Zealand), International Bar Association Section on Energy and Natural Resources Law, Rocky Mountain Mineral Law Foundation, and United Kingdom Oil Lawyers Group.

REGISTRATION FORM

COMPANY DETAILS

Company name _____
Type of Business _____
Address _____
Post Code _____ Country _____
Tel. _____ Mobile _____
Fax _____ E-Mail _____

BOOKER DETAILS

Title _____ First name _____ Surname _____
Job title _____
Tel. _____ Fax _____ E-mail _____

DELEGATES DETAILS

Delegate 1

Title _____ First name _____ Surname _____
Job title _____
Tel. _____ Fax _____ E-mail _____

Delegate 2

Title _____ First name _____ Surname _____
Job title _____
Tel. _____ Fax _____ E-mail _____

Delegate 3

Title _____ First name _____ Surname _____
Job title _____
Tel. _____ Fax _____ E-mail _____

Delegate 4

Title _____ First name _____ Surname _____
Job title _____
Tel. _____ Fax _____ E-mail _____

METHOD OF PAYMENT

Bank transfer GBP Euro USD

REGISTRATION FEE

Choose your package

Full Course

<input type="checkbox"/> 1 Delegate	1900 GBP		
<input type="checkbox"/> 2 Delegates	3610 GBP	(5% discount)	Save 190 GBP
<input type="checkbox"/> 3 Delegates	5300 GBP	(7% discount)	Save 400 GBP
<input type="checkbox"/> 4 Delegates	6840 GBP	(10% discount)	Save 760 GBP

Module 1 : International oil and gas contracts in upstream

<input type="checkbox"/> 1 Delegate	1190 GBP		
<input type="checkbox"/> 2 Delegates	2260 GBP	(5% discount)	Save 120 GBP
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<input type="checkbox"/> 4 Delegates	4290 GBP	(10% discount)	Save 470 GBP

Module 2 : International oil and gas contracts in downstream

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Payments for all training courses and seminars must be made 30 days prior to the course date. Late registration invoices are to be paid at the time of booking the course. Should you be unable to attend a course, a substitute delegate is welcome at no extra charge. Cancellation must be made in writing 30 days before the start of the course, whereby a full refund will be made. The cancellation charge will be 50% where notification is received within 14-29 working days. No refunds will be made after this period. IBH reserves the right to amend or cancel any course, course times, dates or published prices. Changes to course prices, times and dates will be advised before the course start date and any course already paid in full will not be subject to the increased price.