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# **FUNDAMENTALS OF UPSTREAM PETROLEUM AGREEMENTS**

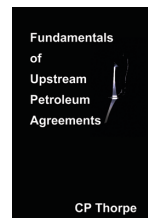
**30 November – 1 December 2009  
Kuala Lumpur, Malaysia**

**Industry Briefing -  
UPSTREAM COMMERCIAL FUNDAMENTALS  
3 – 4 December 2009  
Kuala Lumpur, Malaysia**



## **Your Expert Trainer - C.P. Thorpe MA. LLB**

Over 25 years of practice experience as in-house legal advisor and independent counsel for leading petroleum organisations such as BG, BP, EnCana, ENI, Fairfield, Lasmo, Mobil, MND, Neflex, Nexen, Nippon, Petrofac, Shell, Statoil, Total. He is also the author of Fundamentals of Upstream Petroleum Agreements



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# FUNDAMENTALS OF UPSTREAM PETROLEUM AGREEMENTS

30 Nov – 1 Dec 2009, Kuala Lumpur

## Course Objectives

This is a foundation level course which focuses on the most common and important agreements used in the International Upstream Petroleum Industry.

The purpose of this training course is to look at upstream agreements from a practical rather than an academic point of view, concentrating on the agreements that really matter and the issues that really arise under them. The aim throughout is to ground the discussions in reality – the technical and commercial realities of the petroleum industry, using real negotiations, real agreements, real disputes and real people.

### Key areas covered:

- Upstream Agreements in General
- Agreements with Resource Holders
- Agreements between Co-Venturers
- Agreements with Suppliers and Contractors
- Agreements for the Transportation and Sale of Production

The course gives a detailed overview of the various agreements and identifies the key issues raised by each of them.

In this Chris Thorpe has been guided entirely by his own experience of over twenty five years of negotiating, drafting and implementing these agreements.

## Who Should Attend

The course will be of interest to Upstream Commercial Professionals, Engineering Professionals, Independent Legal Advisors, Business Development Professionals, Contracts Specialists and Junior In-house Lawyers. Others include related business managers who are involved in the negotiation & drafting and implementation of Upstream Agreements that are looking for a strong foundation or introduction to these types of agreements.

## List of sample agreements used as reference during the training

- ❖ US Onshore Petroleum Lease of 4,000 acres in Crockett County, Texas
- ❖ UKCS Offshore Current Model Clauses
- ❖ Azerbaijan Republic Shakh Deniz Production Sharing Agreement
- ❖ National Iranian Oil Company – Buyback Contract Service Contract for the Development of the (Confidential) Field
- ❖ AMI for Kuwait
- ❖ UKCS Joint Operating Agreement
- ❖ Scott Field UUOA Index to Exhibit D - Process and Procedures for Redetermination
- ❖ UKCS - Scott Field Unitisation and Unit Operating Agreement
- ❖ Sale and Purchase Agreement
- ❖ Standard Terms for Construction Work National Oil Company (Asia)
- ❖ Oil Transportation Agreement UKCS Forties System
- ❖ Statoil Conditions of Sale Applicable to Terminal Crude Oil Sales FOB
- ❖ Gas Sale Agreement

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30 Nov – 1 Dec 2009, Kuala Lumpur

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## Day One

08.45 Registration & Coffee

09.00 Opening Remarks

### 09.15 **Upstream Agreements in General**

- Characteristics of Upstream Agreements
- Commercial Realities of the Upstream Enforcement
- Fundamental Legal Principles
- Cultural and Language Issues

11.00 Coffee

### 11.15 **Agreements with Resource Holders**

- Ownership of Petroleum Rights Leases Concessions

12.30 Lunch

### 13.30 **Agreements with Resource Holders**

- Production Sharing Agreements
- Service Agreements

15.00 Tea & Coffee

### 15.15 **Agreements between Co-Venturers**

- AMI's and Bidding agreements
- Joint Operating agreements

16.30 Questions

End of Day Proceedings

## Day Two

08.45 Morning Coffee

### 09.00 **Agreements between Co-Venturers**

- Unitisation Agreements
- Asset Transactions
- Sale and Purchase Agreements
- Farmin Agreements

10.30 Coffee

### 10.45 **Agreements with Suppliers and Contractors**

- Supply, Procurement and Construction Contracts
- Contract Trends and the Effects of High Oil Prices
- Tendering
- CRINE Standard Forms

12.30 Lunch

### 13.30 **Agreements for the Transportation and Sale of Production**

- Oil and Gas Transportation Agreements
- Other Infrastructure Agreements

15.00 Tea and Coffee

### 15.15 **Agreements for the Transportation and Sale of Production**

- Crude Oil Sales
- Gas Sale Agreements
- LNG Agreements

16.45 Questions

17.00 Close of Training

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### **Course Objectives**

This 2-day industry briefing will examine the legal and commercial function that is central to any upstream operation or company. In summary, this session will discuss “how do you get the right deals and projects on the right terms”. The objective of the session is to generate a greater awareness of the commercial process behind the negotiation process hence improving the capabilities of participants involved in developing and closing deals or contracts in the upstream business.

The course focuses on less tangible but equally important issues - how these deals are actually made, negotiation, bargaining power, drafting, personalities and the problems of dealing across cultural boundaries. There are very few resources on this essential subject, and while courses on engineering or technology subjects are numerous.

### **The key themes and topics that will be discussed over the 2-days**

- The aggressive commercial culture of the upstream
- Finite resources and the end-game of the global petroleum industry
- The key importance of the commercial function in any upstream company
- The significance, use and abuse of bargaining power
- Drafting and the use of standard forms
- The effect of oil price volatility on commercial arrangements
- Dealing across cultural boundaries

### **Who Should Attend**

The course will benefit people employed in the legal and commercial departments of upstream companies and contractors, senior and middle managers, asset managers and project managers

### **2- day Session Agenda**

- Origins and Culture of Industry– US Onshore 19<sup>th</sup> Century
- Rise of the International Oil Companies 1900-1970 and National Oil Companies 1970 onwards
- Outline of Upstream Industry Today
- Global Petroleum Practice
- The Legal and Commercial Function
- About Upstream Transactions
- The Use of Bargaining Power
- Outline of Contract Negotiation
- Economics and Analysis of Potential Deals
- Assessing the Value of a project
- Determining the Negotiation Process
- Drafting and the Use of Standard Forms
- Industry Standard Agreements
- Cultural Boundaries
- Implementation and Enforcement
- Best Agreements Stay in a Drawer?
- Problem of litigation and enforcement

## About Your Expert Trainer: Chris Thorpe



Chris Thorpe is a world-renowned independent lawyer in the upstream oil and gas industry, and an established trainer and author.

Chris has an MA and LLB in law from Magdalene College, Cambridge and trained as a barrister in London. He worked for eight years as an in-house lawyer for BP and Marathon. Since 1991, Chris has run his own upstream legal practice, and has acted for many upstream clients, both large and small. His portfolio of clients include BG, BP, EnCana, ENI, Fairfield, Lasmo, Mobil, MND, Neflex, Nexen, Nippon, Petrofac, Shell, Statoil and Total.

### Major assignments involved-in:

- ❖ 2002-2003 EnCana's lead lawyer and negotiator for the Unitisation of Buzzard; Buzzard Field Area Operating Agreement signed November 2003.
- ❖ 1995-2001: main lawyer for Lasmo in the Middle East; Entry to Kuwait, Iran and UAE; Exploration Agreement for the Iranian Caspian signed in Tehran December 1998.
- ❖ 1997: lawyer for BP in negotiation of Zambezi PSA in Mozambique; Zambezi PSA signed in Maputo December 1997.
- ❖ 1996/7: lawyer for BP/Statoil's operations in Nigeria and Angola.
- ❖ 1993/4: lead lawyer for the Kashagan Consortium in Kazakhstan; Exploration Agreement signed in Almaty December 1993.
- ❖ 1992/3: lawyer for the T-Block Fields development in the North Sea; T-Block Inter Field Agreements signed in London 1993.

He has extensive experience of international upstream transactions, principally in the North Sea, the FSU, Africa and the Middle East. Chris has spoken at many UK and International Conferences and Seminars, both public and in-house.

He is also the author of "Commercial Contracts" with J.C.L. Bailey and "Fundamentals of Upstream Petroleum Agreements" first published in 2008

## About **petroEDGE**

The core competencies of professionals in the Oil & Gas industry are constantly evolving. To meet this ever growing gap, Petroedge provides targeted up- to-date, practical and technically sound training solutions that enable professionals to be continuously relevant in industry.

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# REGISTRATION FORM

Kuala Lumpur, Malaysia	Early Bird Price	✓	Normal Price	✓	
<b>2 days – Fundamentals of Upstream Petroleum Agreements</b>	S\$ 2299		S\$ 2499		<b>TEAM DISCOUNTS</b>  PetroEdge recognises the value of leaning in teams. Group bookings at the same time from the same company receive the following:  3 or more at 5% off 5 or more at 7% off 8 or more at 10%
<b>2 days – Industry Briefing – Fundamentals of Upstream Commercials</b>	S\$ 2299		S\$ 2499		
<b>Petroedge In-house Training</b>  <input type="checkbox"/> Yes, I would like to organise this training on-site and save over 25% of total course fees!  For further information about In-house Training please +65 67419927 or email <a href="mailto:info@asiaedge.ent">info@asiaedge.ent</a>					

## DELEGATE DETAILS

Delegate 1: \_\_\_\_\_  
 Mr  Mrs  Ms  Dr  Other

Telephone: \_\_\_\_\_ Email: \_\_\_\_\_

Job Title: \_\_\_\_\_

Department: \_\_\_\_\_

Delegate 2: \_\_\_\_\_  
 Mr  Mrs  Ms  Dr  Other

Telephone: \_\_\_\_\_ Email: \_\_\_\_\_

Job Title: \_\_\_\_\_

Department: \_\_\_\_\_

Head of Department: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

Country: \_\_\_\_\_

Postcode: \_\_\_\_\_

Attention Invoice to: \_\_\_\_\_

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4 Easy Ways to Register  
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 Email: [info@asiaedge.net](mailto:info@asiaedge.net)  
 Phone: (65) 6741 9927  
 Fax: (65) 6747 8737

**Please note:**

- indicate if you have already registered by Phone  Fax  Email  Web
- if you have not received an acknowledgement before the training course, please call us to confirm your booking.
- photocopy this form to register multiple delegates.

**Payment Methods**

By Cheque/ Bank Draft: Make Payable to Asia Edge Pte. Ltd.  
 By Direct Transfer: Please quote AE1 with the remittance advise  
**Account Name:** Asia Edge Pte. Ltd.  
**Bank Number:** 508 **Account Number:** 762903-001 **Swift Code:** OCBCSGSG  
 All bank charges to be borne by payer. Please ensure that Asia Edge Pte Ltd receive the full invoiced amount.

**PAYMENT POLICY:** Payment is due in full at the time of registration. Full payment is mandatory for event attendance. I agree to Asia Edge Pte Ltd. payment terms

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