

E- 016

▲ Who should attend?

Exploration and production professionals, legal personnel entering the E&P scene, service companies managers and government employees.

▲ Duration

4 days

▲ Dates & Location

May 27 to 30, 2008  
Rueil-Malmaison (Paris)

▲ Tuition Fees

€ 1,860

▲ Course Coordinator

Karim FAÏD

Ref. EG / JOAPSA

# "PSA" and "JOA" PRODUCTION SHARING AGREEMENT and JOINT OPERATING AGREEMENT

## OBJECTIVES

To provide a practical understanding of the main concepts, principles and rules of a Production Sharing Agreement which contractually binds petroleum companies with a ministry and/or a state oil company. The course will review all essential topics through the analysis of experts from several PSAs currently in force.

To provide a practical understanding of how Petroleum Exploration and Production partnerships are managed to successfully find and produce hydrocarbons. The course will review all essential topics through the analysis of a real international Joint Operating Agreement currently in use.

The course focuses on the practical aspect of contracts: identifying key issues, understanding constraints and deadlines, getting familiar with the document.

## COURSE CONTENT

### PSA

2 days

#### Introduction

- Origins, concept and scope of the PSA.
- Comparison of PSA to other contracts.
- Contents and structure of a typical PSA.

#### PSA Mechanisms

- Cost oil-profit oil split, "Government Take".
- Bonuses, first tranche petroleum, tax holiday, cost recovery ceilings, uplifts, investment credits, government "back-in".
- Typical PSA cash flow forecast chart.

#### Examples

- Review of various clauses selected from different PSAs (Steering committees and impact of voting, rights and duties, liabilities, sub-contracting...)

### JOA

2 days

#### Introduction

- The purpose of the joint ventures and use of a JOA
- The relationship of the JOA to other oil industry contracts
- Structure of a JOA, definitions and terminologies.

#### The Operator

- Appointment, Rights and Duties, Liabilities, Responsibilities, Resignation, Removal.

#### The Partners

- Rights and Duties, Liabilities, Responsibilities.

#### The Operating Committee and Sub Committees

- Establishment, Powers and Duties, Notices, Voting procedures, Impact of voting, Pass-Mark.

#### Work Programme & Budget

- Exploration, Development and Production budgets, Service contracts tendering and awards, AFE procedure.

#### The Sole Risk/Non Consent Clause

- Procedure, Responsibilities, Consequences, Penalties.

#### Disposal of Production

- Rights and Obligations.

#### Permit/Concession/Block

- Surrender, Extensions, Renewals, Abandonment of wells.

#### Legal Matters and Miscellaneous

- Applicable laws, Pre-emption, Dispute resolution, Default, Transfer of rights, Insurances, Withdrawal, Confidentiality, Conflict of interests, Proprietary information.

#### Accounting Procedure

- Principles, Budgets, Audits, Operator's Management & Administrative Overheads, Parent Company Overheads, Payments, Inventories.

#### AIPN Model Contract

- Review of main topics.