Training - Production Sharing and Joint Operating Agreements

CPA-EN-P

Face-to-face only

3 days

To provide participants with an in-depth understanding of the concepts, mechanisms and articles of Production Sharing and Joint Operating Agreement

Level

Skilled

Public

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

Objectives

Attendees will be able to implement the following skills:

- Identify the main concepts, principles and articles of a Production Sharing Agreement which contractually binds petroleum companies with a ministry and/or a state oil company
- Evaluate the management of Petroleum Exploration and Production partnerships to successfully find and produce hydrocarbons
- Discuss the practical aspect of contracts: identifying key issues, understanding constraints and deadlines, getting familiar with the document

Pedagogical & technical resources

- Case studies
- Exercises on Production Sharing Contracts
- Analysis of Joint Operating Agreements
- Examples of petroleum laws and fiscal regimes around the world

Assessment of achievements

- Trainees are assessed throughout the training through practical application phases and interactions with the trainer
- A final on-the-spot evaluation may also be carried out at the end of the course and/or at the end of each module using tests designed to verify the learners' understanding and assimilation of the knowledge linked to the training objectives

Prerequisites

No prerequisites are necessary to follow this course

Responsable

IFP Training instructors, with expertise in the field and trained in modern teaching methods adapted to the specific needs of learners from the professional world

Program

PRODUCTION SHARING AGREEMENTS (PSA) — 1 day

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.

Case study: comparative reading of a mining law and a PSC.

MAIN ARTICLES OF AN E&P CONTRACT — 1 day

General structure of patrimonial contracts.
Exploration phase: duration, commitments, surrender, data and information, etc.
Appraisal phase: work program, gas provisions, commerciality, etc.
Development phase: financing, State participation, budgets and development plans, unitization, etc.
Production phase: work conduct and supervision, audit and accounting, financing, taxation, transportation and marketing of production, hydrocarbon price determination, etc.
General terms & conditions: title transfer, sole risk, force majeure, local content, environmental protection, governing law and dispute resolution.
Conclusion: Recent trends in oil taxation and patrimonial contracts.
Real-life examples from the news.

JOINT OPERATING AGREEMENTS (JOA) — 1 day

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.

Case study: discussing the main articles of a selected Joint Operating Agreement (JOA).

To French entities : IFP Training is referenced to DataDock ; you may contact your OPCO about potential funding.
Please contact our disabled persons referent to check the accessibility of this training program : referent.handicap@ifptraining.com