International Oil and Gas Law
3-8 April 2017 (Monday-Saturday)

Programme & Introduction

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Short Course Leader
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Unit Code: LAWS5507

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1. **Six-day Program**

Unless otherwise indicated, Professor Weaver is the presenter. She may invite guest lecturers for particular topics.

<table>
<thead>
<tr>
<th>Session</th>
<th>Time</th>
<th>Session Title / CPD Points</th>
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<tbody>
<tr>
<td>DAY 1</td>
<td>April 3 Monday 8.30 – 9.00</td>
<td>Registration</td>
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<td>10.40 – 11.00</td>
<td>Break</td>
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<td>Session 2</td>
<td>11.00 – 1:00</td>
<td>Rise of Nationalism, OPEC, UN Resolutions and National Oil Companies&lt;br&gt;Readings based on Professor's excerpted material; Baker Institute of Public Policy Energy Forum study of National Oil Companies.&lt;br&gt;CPD Points - Substantive Law: 2.0</td>
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<tr>
<td>DAY 2</td>
<td>April 4 Tues</td>
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| Session 3 | 9:00 - 10:40 | Overview of Host Government Laws; Host Govt Contracts from the Sultan of Oman to the US lease; the LIAMCO arbitral award.  
Readings: excerpted material by professor.  
Class exercise: Looking at a selected country’s Legal Framework for petroleum development.  
Class exercise: Identifying key contract provisions in the LIAMCO arbitral award in the assigned reading.  
CPD Points - Substantive Law: 1.5. |
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<td>10:40 – 11.00</td>
<td>Break</td>
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| Session 4 | 11:00 – 1:00 | Morning topics continued.  
Gaining Access to Host Govt Development Rights  
Finish class exercise on Liamco contract and arbitral award.  
Reading: Excerpted material on gaining access.  
Class exercise: Doing a timeline for a typical host gov’t E&P contract.  
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<td>DAY 3</td>
<td>April 5 Wed.</td>
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| Session 5 | 9.00 – 10:40 | Host government contracts: Comparing the fiscal provisions of the Royalty-Tax License; the Production Sharing Agreement; a note on Service Contracts.  
Reading: Powerpoint by J Weaver;  
CPD Points – Substantive Law: 1.5 |
|         | 10.40 – 11.00 | Break                                                                        |
| Session 6 | 11.00 – 1:00 | (Finish fiscal comparisons if necessary)  
Non-fiscal provisions in host govt contracts; Investors seek the "3 Pillars of Security." What do host govts seek: work obligations; information and control through approvals of major decisions.  
Class exercise: Comparing Management Committees in Pakistan's PSC and Ghana's License (0.5 hours).  
CPD Points - Professional Skills 0.5; Substantive Law: 1.5 |
| Day 4   | April 6 Thurs. |                                                                               |
| Session 7 | 9:00 – 10:40 | The Model Joint Operating Agreement (JOA). The marriage between the Operator and Non-operators:  
Readings: The AIPN Model International JOA (in abbreviated form); JOA chapter by J Weaver.  
CPD Points - Substantive Law: 1.5. |
|         | 10.40 – 11.00 | Break                                                                        |
| Session 8 | 11:00 – 1:00 | Small Group Session: negotiating the JOA. Role-playing exercise.  
Readings: as in morning, plus Small Group Exercise Scenario for 5 players in each group.  
CPD Points – Professional Skills: 2.0 |
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<tr>
<td>Day 5</td>
<td>April 7 Friday</td>
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Readings: Excerpted material by Professor  
CPD Points - Substantive Law: 1.5 |
|           | 10.40 – 11.00| Break                                                                        |
| Session 10| 11.00 – 1.00| From Litigation to Codes of Conduct: the Voluntary Principles for Security and Human Rights.  
Readings: Excerpted material by Professor. In-class memo on Choc v. Hudson Bay, Canadian mining case re: negligence and use of codes.  
CPD Points – Substantive Law 1.5  Professional skills: 0.5 |
| Day 6     | April 8  Sat. |                                                                               |
| Session 11| 9:00 – 10:40| UN Guiding Principles on Business and Human Rights; Examples of industry best practices.  
Readings: as in Day 5. Class exercise on applying the UNGPs to oil and gas operations.  
CPD Points - Substantive Law: 1.5. |
|           | 10:40 – 11:00| Break                                                                        |
| Session 12| 11:00 – 1:00| AM topics continued.  
"Good oilfield practice" and social, environmental contract provisions. Videos and photos of good practices.  
Readings: Excerpted material by Professor; videos on mediating a mining dispute in Peru or Chevron in Niger Delta; photos from onshore oil field in Uganda (Tullow as operator).  
CPD Points – Substantive Law – 1.5  Professional Skills: 0.5 |
2. Introducing the Course Leader

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<th>Presenter</th>
<th>Experience</th>
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| Jacqueline L. Weaver  
Short Course Leader  
Centre for Mining, Energy and Natural Resources Law | Professor Weaver is the A.A. White Professor of Law at the University of Houston Law Center. Her teaching and research interests cover oil and gas law, energy law and policy, international petroleum, and environmental and natural resources law. She has lectured on topics in international petroleum transactions in Africa (Uganda, Namibia, and Angola), Kazakhstan (as a Fulbright scholar), Lisbon, China and Bangkok. She is a co-author of the casebook titled *International Petroleum Transactions* (Rocky Mtn. Min. L. Fd. Press); the treatise *International Petroleum Exploration & Exploitation Agreements* (Barrows 2009); Smith and Weaver, *The Texas Law of Oil and Gas* (3-volume treatise); and a national casebook titled *Energy, Economics and the Environment*. She has written articles on offshore safety after the *Macondo* disaster in the Gulf of Mexico, energy markets, sustainable development in the international petroleum industry, comparative unitization laws, energy policy, and traditional oil and gas law topics. Professor Weaver holds a B.A. in Economics from Harvard University and a J.D. degree from the University of Houston. She worked as an economist in the Corporate Planning Department of Exxon Co. USA before joining the University of Houston Law Center. |
3. Continuing Professional Development (CPD) Points

Full attendance at this short course entitles a practitioner to 6 CPD points, to be selected from the Competency Areas below.

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<th>Competency 2</th>
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<tbody>
<tr>
<td>Professional Skills</td>
<td>Ethics &amp; Professional Responsibility</td>
<td>Substantive Law / Legal Knowledge</td>
</tr>
<tr>
<td>5</td>
<td>0</td>
<td>16</td>
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4. Introduction

This course is about the international petroleum industry and the host government contracts commonly used by that industry to do business in the upstream Exploration and Production (E&P) sector. These contracts govern how (and whether) oil and gas resources are explored and developed in countries throughout the world. Usually the contracts involve multiple parties and a high degree of government oversight. A well-drafted contract minimizes disputes and litigation between the company and the host government, and also between the parties to the contract.

The content of the course reflects the current conditions of petroleum exploration and exploitation internationally. The legal forms of State petroleum regimes internationally are compared and the legal position and policy objectives of host states examined, along with the objectives of international oil companies engaged in exploration and production.

The course also discusses the policies and geopolitical issues that surround the international petroleum industry. Most Western oil companies will be working with National Oil Companies (NOCs) of the host government and will often be in developing countries where the rule of law is not well-established and where poverty, corruption, and lack of infrastructure and a trained workforce prevail.

The course is designed both for lawyers who want to begin to develop a specialised competence in the field of international oil and gas law, and for non-lawyers active in the industry or its related services who would like to gain an appreciation of the legal and geopolitical context in which industry activities are carried on.

Course Objectives:

At the end of this course you should be able to (1) understand why oil and gas exploration and production require specialised legal solutions; (2) grasp the general characteristics of modern oil and gas law regimes; and (3) understand how contracts and regulations are deployed by the state to support its oil and gas policies.
As part of this, you will:

1. Gain an understanding of the international petroleum industry, the key parties involved in it, and its geopolitics. This goal includes looking at the outlook and projections of energy supply and demand through 2040 and beyond in a world of climate change.

2. Identify the important kinds of host government contracts that are commonly used in the E&P sector to grant investors the right to develop. These contracts must be consistent with the host government’s underlying petroleum law and with its constitution.

3. Learn how to work with a model contract form. Model contract forms are often used to minimize the transactions costs of doing a deal (by bringing certainty to standard issues so that the parties can focus on the crucial issues that may be more contentious) and to instill confidence that the parties are using standards representing “international practice” which are familiar and more certain in meaning.

4. Understand the role of Codes of Conduct and “soft” international law, particularly as related to issues of socio-economic development, the environment and human rights in developing countries with petroleum resources.

Overall, this course seeks to give you an understanding of how the key host government contracts relate to commercialization of petroleum reserves and to the goals of both the host country (often a developing country) and the investor.

Teaching

The module is taught through a mixture of plenary sessions and small-group exercises. The plenary sessions are in the form of lectures interspersed with class discussion. Reading materials are posted on the UWA website, organized by session topic. Small-group sessions will look at particular problems for more detailed examination of particular laws or contract terms, sometimes in role-playing format. A detailed syllabus with questions for class discussion will be posted. Key readings related to class discussion and in-class exercises are noted on the syllabus.

Course materials

All material will be posted on the UWA course website. It is strongly recommended that participants read the indicated key material in advance of each session, and consider how they would answer the questions posed for class discussion and memos in the detailed Syllabus.

Some of the readings included in the materials are drawn directly from legislation, regulations, and reports of judicial decisions. Context and language may be unfamiliar to course participants who do not have a legal background, but the lectures aim to clarify the context, significance and meaning of this material.