

Spring 2017

5297 Drafting & Negotiating International Petroleum Agreements - Norman Nadorff- 38539

Professor: Norman Nadorff (ADJUNCT)

Credits: 2

Course Areas: Energy, Natural Resources and Environmental Law; International Law

Time: INTERSESSION

Course Outline:

When asked to describe this course, Professor Nadorff, who has more than 30 years of experience in international oil and gas transactions, informally renames it, "How I Do My Job 101". Professor Nadorff and his invited industry experts impart the sort of practical knowledge and techniques they wish they had learned in law school.

In order to set the stage and to even the playing field, Professor Nadorff starts the course with a high-level review of the various types of international petroleum agreements, titled "Forget the Beverly Hillbillies: How Contracts Work (or don't) Outside the U.S.", based on his speech to the 2016 North American Petroleum Expo (NAPE).

<http://www.epmag.com/lessons-oil-gas-contracts-and-pitfalls-forget-beverly-hillbillies-838386>

The course is designed to enhance the students' knowledge of major types of international oil and gas agreements while providing practical, hands-on experience in contract drafting and negotiation. Students will be provided a detailed and realistic fact pattern showing how oil and gas deals are conceived of, proposed, negotiated and eventually formalized. The students will then apply the fact pattern to various types of oil and gas model agreements. In short, Professor Nadorff will show the students how an international oil and gas lawyer approaches every day oil and gas industry legal and commercial challenges, including how to navigate office "politics" and deal with various types of industry players.

The course contains the following major components:

- A brief review of the major types of international petroleum agreements.
- A discussion of the role of the contract drafters and negotiators in the oil and gas industry.

- Practical tips on how to write contracts and other documents more clearly and effectively as well as identifying pitfalls to be avoided.

- Contract drafting and negotiation strategies.

- A thorough discussion of pre-contractual documents (letters of intent, memoranda of association, etc), including a detailed in-class review and re-write of a poorly conceived and drafted letter of intent.

- An introduction to the Association of International Petroleum Negotiators (AIPN) and the AIPN Model Form Contracts (including their proper use and potential abuse).

- In class, on-screen editing by the students of key AIPN Model Form Agreements (most likely: Confidentiality, Joint Study and Bidding, Farmout, Joint Operating Agreement, International Consultant, and Well Services.

- In-class negotiations and other simulated exercises based on the supplied fact pattern.

It is anticipated that for each class, Professor Nadorff will invite a different oil and gas lawyer or negotiator in order to: (i) share professional experiences; (ii) provide personal perspectives and (iii) to help facilitate the in-class exercises.

Schedule: January 2, 3, 4, 5, 6, 9 and 10 from 9:00a-12:30p, which includes a 10-minute break.

Quota: 30 students. To the extent possible, in the case of over-enrollment, priority will be given to students enrolled in the Energy, Environment and Natural Resources LL.M. program or who have taken International Petroleum Transactions.

Prerequisites: None. However, relevant work experience or course work in oil and gas law (in particular International Petroleum Transactions) is highly recommended).

Suggested Readings:

My first suggestion is that you enjoy your shortened holiday break, spend time with your family and friends, get some well deserved rest, and then come to my class relaxed and refreshed.

There are no required readings for the course, as most of the learning will come from hands-on exercises in class, preceded by some lectures along the way to give the necessary background.

Those of you who have taken Professor Weaver's International Petroleum Transactions course (or have significant work experience in international oil and gas contracting) should be well equipped to jump right into our class room activities. For those of you who lack such background, I refer you to the free petroleum law textbook available for download at:

<http://openoil.net/understanding-oil-contracts/>

The whole book is worth a skim, but you might concentrate on the pages up to 119.

In terms of general writing skills, I like the classic, *On Writing Well*, by William Zinsser.

Specifically on legal writing (including contracts), I recommend *Writing in Plain English* by Bryan Gardner.

In terms of negotiating skills and strategies, I recommend, *The Mind and Heart of the Negotiator* (very expensive if purchased new – earlier editions available for much lower price on *amazon.com*). This is the book used in the AIPN Negotiations Skills workshop.

If you want an interesting holiday read to prep your interest in the industry, you can't go wrong with *The Prize* by Daniel Yergin.

Finally, there will be a collection of hole-punched and shrink-wrapped materials available at the copy center which will facilitate classroom discussion and exercises. It is suggested that these materials be placed into a three-ring binder.

NOTE ON ATTENDANCE: Given that: (i) the course is of short duration; (ii) there are no required readings; (iii) this is a very hands-on practical course, and (iv) the class is based on a continuing story line, classroom attendance is imperative for success. An attendance sheet will be distributed daily and closely monitored. You are thus asked to arrange your schedules and priorities accordingly. **Note:** If you are unable to attend the first class (January 2) I suggest you not take the course, as the remaining days flow from the initial class.

Otherwise, there is no need to do anything prior to class than to read Chapter 1 of the Narrative that will be supplied in your materials.

Final Exam Schedule: January 13, 9:00 a.m. Given the nature of the exam, students will be encouraged to write their exam on a laptop computer.

Book Requirements: None

