

Spring 2020

6223 Drafting & Negotiating International Petroleum Agreements - Norman Nadorff-17708

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 calls 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 begins 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 petroleum agreements while providing practical, hands-on experience in contract drafting and negotiations. Students will be provided a detailed and realistic narrative 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 everyday 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).

-A introduction to international anti-corruption laws (and their application in one or more of the in-class exercises)

-In class, on-screen editing by the students of key AIPN Model Form Agreements

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

Visiting Practitioners. For each class, Professor Nadorff will invite one or more oil and gas lawyers or negotiators to: (i) share professional experiences; (ii) provide personal perspectives and (iii) to help facilitate the in-class exercises, and (i) in some cases, lecture on a subject chosen for their expertise.

Schedule: January 6, 7, 8, 9 and 10, from 9:00 – 12:00 noon (with 10 minute break) and 1:00 – 2:50 p.m.

Quota: 35 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.

Prerequisites: None. Knowledge of the oil and gas industry is a useful by-product, rather than a pre-requisite. The first class will contain an overview of international oil and gas agreements to provide a foundation for subsequent lectures and exercises.

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 begin the class relaxed and refreshed with minimal outside distractions during the week.

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

Those of you who have taken 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. As noted, above, however, the class will begin with an overview of international oil and gas agreements.

Specifically, I recommend *Garners Guidelines for Drafting and Editing Contracts* by Bryan Gardner. The initial chapters would be a great background for my lectures. Also, those of you who plan to be transactional lawyers would do well to buy this book now, as it should serve you well for decades to come, as its subject matter and advice is timeless.

In terms of general writing skills, I like the classic, *On Writing Well*, by William Zinsser, though Gardner's book is more on point for this class.

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 book has been 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.

Other readings: Students will be provided electronically various articles on subjects related to class lectures. Those who are not familiar with the relevant subject matters are strongly encouraged to read these articles prior to class.

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 6) I suggest you not take the course, as the remaining classes build from what is taught in the initial class

Classroom Exercises: You will likely be required to participate in one classroom exercise (office vignette, negotiation, drafting session). These exercises are designed to give the students practical professional experience and are not graded. If there are not enough volunteers, students will be drafted for roles, in which case participation is mandatory.

Final Exam: January 11, 9:00 a.m. Given the nature of the exam, students are highly encouraged to use a laptop computer, though a hand-written version will be available as well. If your handwriting is difficult to read, you should take the exam by laptop. The professor cannot give credit for what he cannot decipher with reasonable effort.

Book Requirements: None

Counseling and Psychological Services (CAPS): CAPS can help students who are having difficulties managing stress, adjusting to the demands of a professional program, or feeling sad

and hopeless. You can reach CAPS (www.uh.edu/caps) by calling 713-743-5454 during and after business hours for routine appointments or if you or someone you know is in crisis. No appointment is necessary for the “Let's Talk” program, a drop-in consultation service at convenient locations and hours around campus. See:

http://www.uh.edu/caps/outreach/lets_talk.html.