PETROSYNC’S LEGAL SERIES

DRILLING CONTRACT
NEGOTIATION &
MANAGEMENT

Unlock the Key Elements in Drilling Agreements

26—29 September 2017
Bali, Indonesia
Course Overview
Switching focus from higher cost deepwater drilling to lower-cost shallow discoveries can be seen in countries like Malaysia and Indonesia. Thus, contracts have to now cope with the downturn of the market.

Our Drilling Contract Negotiation and Management course is developed for both operator and contractor who involved in drilling and service contracts. It covers all aspects of contracts including tender process, letters of intent, contract negotiation and administration, ethics considerations and dispute resolution.

Course Design on All Aspects of Drilling Contracts
This course focuses on the whole process of Drilling contracts with a comprehensive approach on handling contract from both Operator and Contractor’s contract positioning.

Includes Specific and Practical Case Studies
Drilling contract examples on overview of provisions, contract negotiation, etc. are enhanced with practical exercises and workshops throughout the session.

You will also learn the impact of decisions through the pending Macondo litigation and contract administration in the event of a crisis. In addition to that, you will also be able to discuss the importance of assuring proper administration of drilling contracts and insurance agreements during times of crisis.

How Does This Course Benefits You?

Mitigate Contract Risks
Understand the possible risks and issues during tender, negotiation and administration processes to better allocate the risks in the drilling contracts.

Avoid Claims Failure
Learn how to develop effective contract and insurance administration in crisis response activities to avoid failure in claiming.

Attain Better Position
Learn how to design and administer “win-win” incentive and variable rate drilling contract provision to gain a better position in the contract.

Have you heard about Macondo Blowout?
Do you know really know the impact of the contract that you have drafted? Let’s look at Macondo incident!

1st Drilling Contract Course in South East Asia!
Do you know that this is the only Drilling Contract Course in Southeast Asia region? What are you still waiting for?
PetroSync Distinguished Instructor

Cary A. Moomjian
Drilling & Oil Service Contract Expert

Practical Experience
Over 35 years in the industry, and considered to be a drilling industry veteran with US & International experience. He participated in virtually all facets of drilling contracts addressing domestic and international operations.

Consulting Experience
Has served as expert consultant to O&G companies including Maersk Drilling USA, etc.

Awards
- Contractor of the Year, International Association of Drilling Contractors (IADC), 1996

Clientele List
- Transocean Offshore Deepwater Drilling Inc.
- Northern Offshore Ltd
- Borneo Sea offshore Sdn Bhd
- Sidley Austin LLP, etc.

Who Needs This Program
- People involved in Contract Management and Administration of Drilling Contract during project execution.
- People involved in Negotiation of Drilling Contract

Job Titles Include:
- Contract Lawyers & Attorneys—Rig/Drilling
- Contract Executives & Managers—Rig/Drilling
- Contract Negotiators—Rig/Drilling
- Contract Managers/Administrators
- Rig Procurement Managers
- Drilling Contractor Marketing Personnel
- Project, Operations, and Rig Managers
- Accounting and Operational Personnel
- Business Unit Heads with responsibility for Rig Selection and Management of Drilling Operations

Course Schedule

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<tr>
<th>Time</th>
<th>Activity</th>
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<tbody>
<tr>
<td>08:00—09:00</td>
<td>Registration (Day 1)</td>
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<tr>
<td>09:00—11:00</td>
<td>Session I</td>
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<tr>
<td>11:00—11:15</td>
<td>Refreshment Session I</td>
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<td>11:15—13:00</td>
<td>Session II</td>
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<td>13:00—14:00</td>
<td>Lunch</td>
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<tr>
<td>14:00—15:30</td>
<td>Session III</td>
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<tr>
<td>15:30—15:45</td>
<td>Refreshment Session II</td>
</tr>
<tr>
<td>15:45—17:00</td>
<td>Session IV (Last Session)</td>
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PetroSync Quality Assurance
All PetroSync courses are developed with top quality to address all your training needs and purposes. Our courses are vetted strictly to ensure that we always deliver the best courses with the best industry expert.

PetroSync Inhouse Solutions
PetroSync can tailor our courses to meet your specific needs at your preferred location and schedule. Contact us for more information at +65 6415 4500 or email to general@petrosync.com
Course Agenda — 4 Days

DAY 1

Drilling Contract Historical Development and Future Trends
- The Origin and Evolution of Drilling Contracts
- Development of Standard Contracts
- NOC, Operator, and Contractor Pro Forma Contracts
- Operational Events that impact Contract Terms
- How legislation, Regulations and Court Decisions have impacted Contract Terms
- The Controversial Indemnity Provisions
- The Impact of Market Forces on Contract Terms
- Performance-Based, Variable Rate and Multi-Party Contracts
- Future Trends in Contracting

Describes the basic provisions of a drilling contract with emphasis on important commercial and risk allocation provisions.

Introduction to Risk Allocation and Insurance Provisions
- Overview traditional daywork drilling contract risk allocation and insurance provisions
- Explain the nature and purpose of customary contract provisions addressing risk allocation and insurance

- This segment of the program will initially discuss basic contract drafting considerations and will proceed to review and analyse the provisions of a drilling contract from front to back. Emphasis will be placed on important commercial, performance, risk allocation, compliance, insurance and dispute resolution provisions.

DAY 2

The Macondo Litigation and its Impact on Oilfield Contracts and Insurance
- This session will review and analyse recent court decisions regarding interpretation, applicability and enforceability of the indemnification provisions in the drilling and cementing contracts applicable to the Macondo well as well as the trial and appellate court decisions regarding BP’s entitlement to coverage under Transocean’s liability insurance as an “additional assured”. The presentation will include any pertinent additional rulings that are issued prior to presentation of the program.

Crisis Management in relation to Drilling Operations and Insurance
- This session will review the role of legal, insurance, contract administration, marketing, project and operational personnel in crisis management activities that could severely impact their company.

Letters of Intent
- Purposes of an LOI/ MOU
- Typical terms and drafting pointers
- Enforceability

Exercise:
- Consider how to develop a contract framework to serve as a basis for tenders and negotiation.

Contract Administration
- Conflict Avoidance
- Basic Administrative Considerations and Practices
- Informal Dispute Resolution
- Litigation or Arbitration

Ethical Considerations
- Honesty and integrity in business
- Ethics policies
- Bribery and corruption
- Integrity of bidding process
- Observing laws & regulations
- Avoiding conflicts of interests

Drilling Contract Horror Files
- A longstanding popular feature of IADC Contract and Risk Management Conferences, this session of program will review real-world examples of onerous, poorly drafted, ambiguous and conflicting provisions in proposed drilling contracts.

Exercise:
- The participants will debate the merits and demerits of modifying drilling and service contracts and associated insurance policy terms to reflect the teachings of the Macondo litigation in contracts that are and are not governed by U.S. general maritime law.
DAY 3

Describes the basic provisions of a drilling contract with emphasis on important commercial and risk allocation provisions that are often the focus on negotiations

Variables Rate Contracts
- Variable rate contract concepts, objectives and characteristics
- Elements of an adjustable rate provision
- Frequently encountered issues

Exercise:
- Consider how to develop a contract framework to serve as a basis for tenders and negotiation.

DAY 4
The Art of Negotiating Drilling and Service Contracts

The Art of Negotiating Drilling and Service Contracts
- This session will emphasize the importance of effective negotiations and discusses the impact of market forces and relative bargaining position of the negotiating parties. The typical negotiation setting is reviewed along with various contracting philosophies.

Exercise:
- The participants will respond to hypothetical contract issues and receive guidance on effective means of negotiating a satisfactory resolution.

Incentive Drilling Contracts
- Footage
- Turnkey
- Integrated Contracts/ Strategic Alliances
- Performance Bonus

Exercise:
- Consider the best means for formulation of variable rate or incentive contract provisions.

Exercise:
- Beginning with preparation for a negotiation, the hallmarks of effective negotiations are considered. Course participants are encouraged to be nimble during negotiations and to explore various means of amicably resolving an impasse. Common negotiating tactics and ploys are reviewed and practical means of resolving disputed provisions are discussed. The session covers traditional negotiations as well as complex situations involving multi-party rig sharing and incentive contracts as well as contracts with small operators who engage an engineering firm to manage all aspects of a drilling program.

Exercise:
- Consider how to develop a contract framework to serve as a basis for tenders and negotiation.

You Might Also Be Interested In:

EPCIC Contract Management
Dispute Resolution and Arbitration
Advanced Contract Negotiation and Post Contract Management

Register For This Course Now!

Kindly fill up your particulars in the registration form placed at the end of this brochure, and send it to us or email to registration@petrosync.com

general@petrosync.com | +65 6451 4500 | www.petrosync.com
COURSE DETAILS
Title : Drilling Contract Negotiation and Management
Date : 26—29 September 2017
Location : Bali, Indonesia

INVESTMENT PACKAGES (Please Circle)

<table>
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<th>INVESTMENT PACKAGE</th>
<th>DEADLINE</th>
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<td>Standard Price</td>
<td>11 August 2017</td>
<td>USD 4,095</td>
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<tr>
<td>Early Bird Offer</td>
<td>7 July 2017</td>
<td>USD 3,995</td>
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<td>Group Discount (3 or more Delegates)</td>
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<td>USD 3,895</td>
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* Important: Please note that registration without payment will incur a SGD 200 administration fee.

DELEGATES DETAILS

1st Delegate Name: ___________________________ Mr ☐ Mrs ☐ Ms ☐ Dr ☐ Others ☐
Direct Line Number: _________________________ Email: _________________________
Job Title: ________________________________ Department: __________________________
Head of Department: _______________________

2nd Delegate Name: ___________________________ Mr ☐ Mrs ☐ Ms ☐ Dr ☐ Others ☐
Direct Line Number: _________________________ Email: _________________________
Job Title: ________________________________ Department: __________________________
Head of Department: _______________________

3rd Delegate Name: ___________________________ Mr ☐ Mrs ☐ Ms ☐ Dr ☐ Others ☐
Direct Line Number: _________________________ Email: _________________________
Job Title: ________________________________ Department: __________________________
Head of Department: _______________________

PAYMENT METHOD
☐ By Credit Card: Please quote invoice number(s) on remittance advice
Card Number: _____________________________ Security Code: _______________________
Name Printed on Card:_____________________

☐ By Direct Transfer: Please quote invoice number(s) on remittance advice
PetroSync Global Pte Ltd Bank Details:
Account Name: PetroSync Global Pte Ltd
Bank Name: DBS Bank Ltd
Account No: SGD: 288-901898-0 USD: 0288-002682-01-6
All bank charges to be borne by payer. Please ensure that PetroSync Global Pte Ltd receives the full invoiced amount.

CONFIRMATION
I agree to PetroSync’s terms & conditions, payment terms and cancellation policy.
Authorized Signature: __________________________

PAYOUT TERMS : Payment is due in full at the time of registration. Full payment is mandatory for event attendance.