

Transitioning from Unincorporated JV (UJV) to an Incorporated JV (IJV) Arrangement in the Oil & Gas Industry

Duration: 5 Business Days (25 – 29 September 2017 or later)

Locations: Houston/Katy, TX USA

Lead Instructor: Steve Verhardt

Course overview

The investors in the oil and gas industry are now, more than ever, in dire need to address all those issues that tend to becloud timely realization of petroleum projects (Greenfields or Brownfields) to ensure a return on their investments. A central part of this is to understand how an oil and gas joint venture works, in an environment of funding challenges, year-on-year, particularly when the business is first transitioning to an Incorporated JV (IJV) arrangement from an Unincorporated JV (UJV).

There is no gainsaying the fact that major resources projects generally require certain skill sets, large scale coordination, business acumen and the right experience in similar or larger projects. Often, parties interested in each project will come together to form a joint venture. Joint ventures enable participants to configure a specialist project team with the requisite skills and technical expertise, and share costs, risks and financial capabilities, which they may not otherwise be able to offer separately. The questions then arise: what are your joint venture structure options and what are the important considerations for parties entering a joint venture?

This course assesses Joint Venturing in general, analyzes and exposes participants to some critical issues which feature in joint ventures, including funding, decision making, monetization of the resource, cash calls and dispute management. It also defines IJV and UJV, what needs to be understood while transitioning from a UJV to an IJV: options, performance requirements, challenges, risks, opportunities and some real life key learnings.

It will be an ideal forum where investors, business leadership, portfolio/program and project leadership, analysts, strategists, scientists and other decision makers review, explore and comprehend the fundamentals, the mechanics, the risks and benefits of incorporated joint venturing.

Who is this Training Course for?

Whether you are an operations manager, strategist, planner, project engineer/manager, discipline engineer, scientists, finance analyst, or an economist, this program will

strengthen and sharpen your joint venturing knowledge, contract cost control and broad petroleum investment management services skills.

Course Content

Day One: Joint Venturing in General

- Pre-course assessment
- The What, The How, The Why
- JV comparison learnings
- Case Studies

Day Two: Structuring a JV Arrangement

- Formation and governance
- Liability issues per JV type
- The Significance of flexibility
- Joint costs and profits sharing
- Tax implications, and
- Key ramifications
- Case Studies

Day Three: Key Characteristics of an IJV

- General & Transition elements (UJV-IJV)
- Formation
- Liability
- Flexibility
- Profits & Costs
- Tax
- Case Studies

Day Four: Key Characteristics of an IJV

- Compliance
- Practical issues: law, disputes, etc.
- JV Risks Management
- Subcommittees:
 - Technical, Financial
 - Lifting, Logistics
- Accounting Procedure
- AFE & Cash Call Process
- Work Program and Budget
- Case Studies

Day Five: Case Management

- Governance structure/organization
- IJV SWOT analysis
- Self-funding options
- Reporting & performance monitoring
- Seeking advisory services
- Self-assessment & course evaluation
- Presentation of course certificates
- Wrap up

About the Instructors:



Steve Verhardt, Principal Consultant, has over 35 years' experience with BHP Billiton in the commercial, joint venture and risk management fields of the oil and gas industry in North Africa, the Middle East, Asia, Australia, the United States and the Caribbean.

He has extensive experience in the commercial and joint venture fields of the oil and gas industry in North Africa, the Middle East, Asia, Australia, the United States and the Caribbean with customers and joint venture partners. He has engaged with host governments in the negotiation of production agreements where cultural awareness and sensitivity is required to enable a successful outcome. More recently he has been responsible for risk management in the petroleum division of the Company where risk has been incorporated into the running of operations and investment evaluations. He identifies and facilitates monitoring and management of risks and opportunities to create value for stakeholders. This has included risk

assessments of potential new ventures as well as existing operations, incorporation of risk management in investment and operational decisions as well as designing representations of the organization's risk profile.

Steve is also the Founder of NorthArm Advisory Services – a firm that provides enterprise and strategic risk management consulting support following ISO 31000 to the resources industries, and is available to assist the manufacturing, construction, transport, medical and defense industries. Driving organizations to evolve from basic compliance and ad-hoc responses to optimized business risk management. NorthArm develops solutions following ISO 31000 in which the value of risk management far outweighs the costs. This approach enables organizations to reduce overall enterprise risk and improve resiliency to risk events. With extensive experience in petroleum joint ventures, NorthArm is also able to provide advice and support in joint venture arrangements in oil and gas projects across the world. Contact Steve [here](#).



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Akin is currently the Principal and Chief Development Officer for Eftex Energy Services, LLC (www.eftexenergyservices.com), a firm of world-class SMEs specializing in Mergers, Acquisitions & Divestments (MA&D), Engineering & Technology Solutions, Project Management Services, Expert Consulting and, Engineering and Project Management Training in multiple industries and across continents.

Akin holds a First Class Honors degree in Mechanical Engineering, an executive MBA in Project Management and various global credentials. He has expertise leading the application of best practices to MA&D activities, major technical studies, field development and execution of oil, natural gas, LNG, refining, mining and infrastructure engineering projects in different cultural environments. Recognized for implementing a strong focus on Leadership, People, Process, Technology, Deliverable and Sustainability, he has held senior project and program leadership roles, with asset-intensive businesses, accountable for functional and delivery Project Management globally. He currently consults for major petroleum refiners in The Americas and Africa on Upstream & Downstream Major Capital Projects Development, Reviews and Governance, amongst his many other activities. Contact Akin [here](#).



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