

BASIC CONTRACTS & AGREEMENTS USED IN PETROLEUM LAND MANAGEMENT

INSTRUCTOR: Seth Williams

Instructor's email: Seth@petroleumeducation.com

COURSE QUESTIONS: If a student has specific course questions they can contact Seth Williams via email.

TECHNICAL QUESTIONS: For technical support, students will contact Pam Melton email: pmelton@okcu.edu

COURSE DESCRIPTION

Contracts are the heart and soul of the oil and gas industry which uses a number of unique agreements in order to explore for, develop, produce and market oil and gas. This course will provide an understanding of contract law and is designed for all oil and gas professionals or those having a desire to work directly or indirectly in land or land administration.

COURSE MATERIALS

A curriculum book provided by Petroleum Education Workshops is entitled *Contracts Used by the Land Professional*.

EVALUATION AND CLASS PARTICIPATION

Each student will develop a six section area called "**The Madison Prospect.**" Two companies, Sunrise Oil & Gas and Venture Oil & Gas, are competing companies that have an interest in the area. Other companies have drilled several very successful vertical wells a few miles to the north and south of the area. The producing horizon in each of these wells was located between 11,000 to 12,000 feet. Over the course of putting the area together, both companies must enter into and negotiate several different contracts. It is in this framework that each of the contracts will be studied

COURSE ASSIGNMENTS, DISCUSSIONS AND QUIZZES

During the course, each student will be expected to complete weekly assignments. **These assignments must be completed and be submitted via dropbox with the deadline.** These assignments are located on the Desire2Learn website within each week's content. Also, discussion questions will be presented throughout the course. Each participant must enter the online discussion room in order to weigh in on the topic being discussed. Additionally, within each chapters of the course are

Short quizzes. These quizzes must be completed within the deadline on the Desires2Learn website.

GRADING

This is a Pass/Fail course. Thus, in order to achieve a passing grade the student must complete each assignment with at least a proficient mark. They will also need to earn at least a 70% score on all quizzes and the final exam.

SPECIFIC TOPICS WILL INCLUDE

Chapter One - The Essence of a Contract

- Six Components of a Contract
- The Rules for Contract Interpretation

Chapter Two - The Seismic Phase

- The Seismic Option Agreement

Chapter Three - The Development Phase

- The Confidentiality Agreement
- The Joint Venture Agreement
- Letter Agreements
- The Oil and Gas Lease
- The Area of Mutual Interest Agreement
- The Farmout
- Production Payments

Chapter Four - The Drilling Phase

- Surface Contracts

Chapter Five - Joint Operating Agreements

Chapter Six - Unit Operating Agreements