



Association of International Petroleum Negotiators

SPRING CONFERENCE AND ANNUAL MEETING

Hyatt Lost Pines Resort, Austin (Bastrop), Texas

April 23-25, 2008

*"Big Projects, Big Rewards, Big Risks -
Addressing the New Realities for Major Projects"**

Wednesday April 23rd

5:00-7:00pm **Early Registration**

7:00-10:00pm **Welcome Reception**

LBJ Gallery

Thursday April 24th

7:30-8:30am **Breakfast & Registration**

8:30-8:45am **Conference Welcome**

Ballroom A-D

Doug De Filippi; Scotia Waterous; John Bowman, King and Spalding; Conference Chairs

8:45-9:15am **Opening Remarks and Introduction**

Outgoing AIPN President, Tim West; Incoming AIPN President, Pat Allison

9:15-9:45am **BP Returns to Libya**

Toufic Nassif, BP Exploration Operating Company Ltd.

This presentation will encapsulate the solutions to the many challenges that face the energy industry: how to meet rising global energy demand; the geographic dislocation of energy supplies from the main consumer markets; increasing constraints on carbon emissions; and the challenge of renewing assets and people. Many of these challenges can be met by national and international oil companies applying their unique strengths and working together. This will be illustrated using the example of BP's recent \$1.25 billion exploration and production agreement, the largest exploration commitment ever in BP's history, with Libya's National Oil Corporation and the Libyan Investment Authority.

9:45-10:15am **Facing up to Gas Flaring**

Robert M. Lesnick, Global Gas Flaring Reduction Initiative, The World Bank

Mr. Lesnick will describe in detail this major issue that is facing many existing and future energy developments worldwide. From environmental impact projections to the economic benefits of conservation, penalties to nations or companies that do not comply with conservation. Mr. Lesnick will describe what costs are involved to comply with pending legislations by region and the associated timetables.

10:00-10:30am **Morning Coffee Break**

10:30-11:30am **Opening LNG Terminals on Gulf Coast Spring 2008 (TBC)**

11:30-Noon **Canadian Oil Sands - New Royalties, New Challenges**

Graig Ritchie, Marathon Oil

Mr. Ritchie will provide and update and overview of Marathon's recent footprint acquisition in the Canadian Oil Sands business and convey the future issues facing their project. The recent government royalty changes have affected certain projects and the extent of that royalty change will be discussed.

12:00-1:30pm **Luncheon Presentation Topic – Worldwide Experiences**

Ali Moshiri, Chevron Africa and Latin America Exploration and Production Company

Mr. Moshiri's career with Chevron spans over 30 years. He has been involved in virtually all the major upstream projects of the corporation either in the initiation or execution phase. Operating from head office or regions of operation, Mr. Moshiri will share his experiences and provide some relevant learnings to our audience on mitigating risks in today's environment.

1:30-2:30pm **Strategic Investments: “Foot-print Acquisitions,” Reserve Capture, and Other Strategic Plays**

Dan Hanchera, Murphy Oil; Adrian Goodisman, Scotia Waterous; NOC representative – TBC

Mr. Hanchera will describe how Murphy international has successfully embarked on expanding its portfolio. From a publically traded IOC's perspective, Mr. Hanchera will describe the assessments of risk mitigation against prospective returns that ensure balance is achieved for optimal portfolio performance and shareholder return. Establishing new core areas is fundamental to all companies in this sector and techniques to assess selection will be discussed.

Mr. Goodisman will discuss how strategic "footprint" acquisitions are impacting the way companies are pursuing their growth objectives. Mr. Goodisman will review and interpret statistics on footprint acquisition frequency, international and domestic, capital availability, follow-on opportunities and comparisons to F+D costs that are driving more companies in this direction. Access to various plays and regions will be reviewed as well.

The NOC speaker will present the perspective of an active NOC operating in an environment of high commodity prices and ever increasing competition in its own country. Maintaining capital investments, technology applications and addressing their relationship with the government will be described. Discussion of techniques to expand outside the country will also be presented.

2:30-3:00pm **Countries Offering The Most Attractive Fiscal Terms for Foreign Investors**

Daniel Johnston, Daniel Johnston & Company, Inc.

With Host Governments and state oil companies demanding a greater share of production and more project control, imposing higher taxes and royalties, and insisting on renegotiating petroleum contracts in response to higher crude oil prices, Mr. Johnston will discuss some of the “best deals out there,” with respect to fiscal terms in contracts and hydrocarbons laws, offering his views on recent trends, Host Government strategies, and investor opportunities.

3:00-3:30pm **Afternoon Coffee Break**

3:30-4:15pm **Managing Rising Costs in Large Scale Projects**

Scott Hagood, Pegasus International

Mr. Hagood will outline trends in capital and operating costs for some of the most capital intensive activities in the industry. Heavy oil sands development, deep water activities, new rig construction trends (deep/shallow), steel price trends, rig rates, labor costs all will be discussed as well as efforts to control these costs to increase margins.

4:15-5:30pm **Manpower Constraints on Industry Growth: Challenges, Trends, and Answers**

Karl Mc Garvey, Boyden Global Executive Search

Mr. Mc Garvey will highlight the trends in manpower for technical and non-technical personnel that drive the industry as we know it today. Projecting out 5 to 10 years,

Mc Garvey will predict where the pools of labor will be found, compensation trends and what we should be doing today to prepare for these outcomes.

7:00pm **AIPN Gala Dinner**

Lost Pines Ballroom

Friday April 25th

7:30-8:30am **Breakfast**

8:30-9:30am **Recurring Issues and Practical Problems in FCPA Compliance**

Scott Maberry, Fulbright & Jaworski; Luis Derrota, Anadarko Petroleum; Jay Martin, Baker Hughes Inc.

These three preeminent experts on anti-bribery laws and requirements will talk about the practical challenges companies face in implementing corporate compliance programs, in terms of changing corporate cultures, in-house education and accountability, and investigation and audit. While anti-bribery laws provide the backdrop for their discussion, these experts will focus on how to implement effective compliance programs and what to do when questions about compliance arise.

9:30-10:00am **Challenges in Global Security Risk Assessment – An IOC Perspective**

Terry F. Whitley, CPP CFE, Shell Oil Company

Mr. Whitley will discuss an often overlooked element of project planning, that of assessing security risk in new environments and implementing proactive programs to provide for the protection of company personnel, assets, information and reputation. Using the Shell Oil risk assessment program as a model, Mr. Whitley will review methodologies for conducting risk assessments, the collection and analyzing of intelligence, the adoption of minimum physical security standards, and the implementation of assurance programs to facilitate compliance with internal security and legal requirements.

10:00-10:30am **Morning Coffee Break**

10:30-11:15am **Investment Disputes: IOCs' Recourse and Remedies for Partial and Indirect Expropriation**

R. Doak Bishop, King & Spalding; Elisabeth Eljuri, Despacho de Abogados miembros de Macleod Dixon, S.C.

The speakers will focus on the recent trend of Host Government actions constituting partial or indirect expropriation of foreign investments. As a transactional lawyer, Eljuri will discuss the phenomenon of forced contract renegotiation and contract migration, how IOCs can best protect their investments and contract rights during these negotiations, and if all else fails, how to formulate and implement exit strategies. As a disputes lawyer, Bishop will discuss how to protect investors' contract and treaty rights, recent key arbitration cases concerning those rights, and damages and other remedies available to the prevailing investor.

11:15-12:00pm **Close of Conference**

Updates on Model Contracts, Education Initiatives and Conferences

Ben Welmaker, Thompson & Knight LLP; Karen Krug Denton Wilde Sapte; and Pablo Alliani, Alliani and Bruzzon

1:30-5:00pm **Golf Tournament**
