

# Cash Calls in Oil and Gas Undertaking Operations

Classify, Discover, Assess and Analyze Cash Calls in the Joint Venture Business

## Introduction

Many multinational and domestic oil and gas businesses are working together on joint ventures (JVs) in order to develop and produce oil and/or gas in an economically viable manner. Additionally, it helps gas and oil firms reduce risk during various phases of a field's lifecycle.

The upstream projects receive annual investments in the billions of dollars. The terms and conditions of a Joint Operating Agreement (JOA), which requires all parties to contribute money to joint operations, will primarily govern this enormous amount of capital. Basically, when the operator calls for funds, each member of the joint venture is obliged to pay their portion of the operating or capital expenses; if an investor doesn't pay their share, the venture will not proceed. A Joint Operating Agreement's (JOA) terms and conditions will typically classify such a failure as a "Default."

In order to explain the fundamentals of cash calling in joint venture contracts, as well as the workflows and types of cash, outstanding cash calls and repayment options, and the impact of cash default on joint venture operations and profitability, this Course N Carry training course on cash calls in oil and gas undertaking operations has been created. Important concerns about the implementation of budgeting and auditing procedures for oil and gas joint ventures are also covered in the course. To show how the course's topics are applied in the real world, both the structural components of cash calling and case studies will be covered.

## Objectives

Delegates from all financial and commercial disciplines may successfully comprehend the Cash Calling activities through the oil and gas joint venture thanks to this innovative training programme, which employs professional methodologies. Included are unresolved disputes, ongoing cash calls and repayment alternatives, and the effect of financial default on the project's viability.

Contract types will also be covered in this Cash Calls in Oil and Gas Undertaking Operations training course. It also covers the accounting, budgeting, and auditing

procedures that are necessary to successfully manage an oil and gas joint venture as well as other important concerns.

### **Following completion of this training session on Cash Calls in Oil and Gas Undertaking Operations:**

- Participants will be able to comprehend every kind of joint venture agreement in the oil and gas sector.
- The matters to be negotiated and agreed upon in a JVCC Arrangement will be understood by the delegates.
- The delegates will have the ability to choose the most suitable JVCC forms.
- It will be taught to the delegates during the asset's production phase.
- Additionally, this advanced training will give participants the knowledge they need to contribute effectively and efficiently in the JVCC Arrangement setting.

### **Training Methodology**

A range of tried-and-true methods will be used in this Course N Carry Cash Calls in Oil and Gas Undertaking Operations training course to guarantee that the material is understood, comprehended, and retained to the greatest extent possible. Participants in this highly interactive training session engage in discussions, case study analysis, and activities. These will, when appropriate, incorporate actual problems that attendees of the workshop brought up.

### **Organizational impacts**

The organisations will gain a great deal from their employees' involvement in this Cash Calls in Oil and Gas Undertaking Operations training course because it directly relates to the oil and gas industry.

### **The following personnel will benefit the company:**

- Recognising the characteristics of joint venture business structures and knowing how to carry out the benefits and risks analysis in a joint venture (JV) efficiently
- Recognising the accounting, budgeting, reporting, and auditing procedures used in oil and gas joint ventures
- Examining finance, accounting, and cash call types for joint venture operations in the oil and gas industry
- Examining cash calling and assessing its effects in joint venture enterprises
- Resolving cash call-related issues in Oil & Gas venture operations

### **Personal Impact**

**Delegates to this training session on Cash Calls in Oil and Gas Undertaking Operations will personally benefit from the following:**

- A deeper comprehension of the significance and context of the work you undertake
- Enhanced understanding and abilities to increase efficacy
- The capacity to assess, scrutinise, and suggest measures
- Enhanced drive and self-assurance in the workplace
- Increased contentment at work in giving management superior support
- Increased capacity for motivating, developing, and supervising colleagues

## Who should attend?

All business/investment analysts and asset managers, operation managers, cost controllers, accounting executives and managers, financial reporting managers, oil and gas operators, joint venture operators, joint venture non-operators, joint venture accountants, government regulators, and others are targeted by this Course N Carry Cash Calls in Oil and Gas Undertaking Operations Training Course.

## Course Outline

### Day 1

#### An Overview of Oil and Gas Industry Joint Ventures

- An Overview of Today's O&G Industry
- Different Joint Venture Types and How to Enter Them
- Principles of Oil and Gas Joint Ventures
- Bookkeeping for a Partnership
- Ties with the host governments
- Key Drivers Differing for IOCs and NOCs

### Day 2

#### The Basics of Oil and Gas Joint Venture Financing

- Establishing and negotiating joint ventures
- Important Finance and Accounting Clauses
- Funding for joint ventures, cash management, and billing specifications
- Methods for Efficiently Juggling Cost, Risk, and Reward
- The Impact of Current Regulatory Trends and Oil Prices on Joint Ventures

### Day 3

## **Cash Calls for the Gas and Oil Sector**

- An Overview of Types of Cash Calls in Joint Venture Operations for Oil and Gas
- Petroleum Financing Through Cash Calls
- Operating Principles and Budgeting for Joint Ventures
- Joint venture operations: Cost concepts, allocations, product-specific costing, and activity-based costing
- The procedures for funding cash calls, reconciling accounts, and reporting
- Outstanding Repayment Options and Cash Calls (Deficit)

## **Day 4**

### **Conditions for Cash Calls in Joint Ventures for Oil and Gas**

- Liabilities of Joint Venture Partners Regarding Oil and Gas
- Handling Cash Call Statement
- Keeping Track of Deficit Cash Calls
- Effects of Cash Default on Profitability and Operations
- The distinction between a cutback and a cash call

## **Day 5**

### **Cash Call Procedures & Advancements**

- Cash Call Procedure
- Cash Call Issues
- Not Paying a Cash Call
- Enhancement of the Cash Call Procedure