

Fundamentals of Payout

A One Day Program 8 Hours of CPE Credit Are Awarded

This program provides oil and gas accountants and managers with an understanding of the principles and methodologies of calculating and interpreting Payout. It explores the unique language of payout, provides both examples and interactive exercises of situations encountered in the industry today.

Who Should Attend:

- Payout Calculation & Reporting accountants
- Joint Interest Accountants
- Revenue Accountants
- Back Office Petroleum Accountants
- Anyone who works with Joint Operating Agreements (JOAs)
- Anyone responsible for calculating, evaluating and report well profit & loss (P&L)
- Managers who are responsible for project P&L

Delivery Method: Instructor-Live **Program Level:** Basic to Intermediate
Recommended CPE Credits: 8

Advance Preparation: Bring a calculator

Prerequisites: A basic understanding of oil and gas terminology and joint interest accounting procedures

Field of Study: Accounting

Upon completion of the program, participants will:

- Interpret the provisions of the JOA affecting Payout
- Perform Payout calculations and interpret industry Payout reports
- Determine the effect of Farmins and Farmouts and Non-Consent on Payout
- Evaluate Payout Cases

Key Topics:

- Definition and importance of Payout
- Payout related special terminology
 - Promotion, Back-In & Non-Consent
 - Operator & Partner Charges
 - The Payout Account
- The Joint Operating Agreement (JOA) -
 - Key provisions relating to Payout
 - Accounting procedures per the JOA
- Payout versus Profitability versus Royalty
- Impact of Payout on Joint Operations
 - Farmouts

- Non-Consent
- Carried Interests
- Individual Payouts
- COPAS Impacts on Payout
 - 24 Month Limitations
 - Audits
- Interactive Exercises
 - Farmout
 - Non-Consent
 - Carried Interest



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