



Gas Processing CONTRACTS & NEGOTIATIONS

Course Outline

This course is for anyone wanting to acquire a more nuanced understanding of gas processing agreements. It is appropriate for new hires in the processing arena, but also perfect for executives and mid-level management, accounting personnel, and our division order staff. The course is ideal for mid-stream companies, and companies considering developing midstream assets.

End users of natural gas will gain invaluable knowledge and become familiar with key strategies for successfully negotiating a natural gas contract.

Agenda

8:00 - 8:50 AM	Gas and NGL Marketing Historical regulated times Restructuring Deregulation
8:50 – 9:30 AM	Gas Marketing Market factors Cash, index, hedging Historical and future prices
9:30 – 10:30 AM	NGL Marketing Markets, transportation, fractionation Historical pricing Indices
10:30 – NOON	Processing Agreements Historical processing and agreements Historical, current, and future players Historical and current margins Historical and current thru puts

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NOON – 1:00 PM	LUNCH
1:00 – 2:00 PM	Styles of Agreements Standard allocated P.O.P. deals Fixed fuel and recovery P.O.P. deals Keep whole and fee deals Discussion of evolution of processing deals and economics
2:00 – 3:00 PM	Contract Terms and Language Pricing, term, delivery point Pressures, quality specs, economics Measurement, force majeure, testing
3:00 – 4:00 PM	Accounting and Negotiations Plant settlement statements Negotiating fees and percentages Customer relations and strategies
4:00 – 5:00 PM	Class Exercises Calculating allocated gallons of NGLs Shrinkage and fuel calculations Accounting settlement calculations Calculating wellhead values Calculating plant margins

