

HRODC Postgraduate Training Institute

A Postgraduate-Only Institution

048

**Advanced Oil and Gas Accounting: International
Petroleum Accounting (3)**

Course or Seminar

Leading To:

DIPLOMA – POSTGRADUATE IN

***Advanced Oil and Accounting: International
Petroleum Accounting (3)***

Accumulating to

POSTGRADUATE DIPLOMA

Progressing To A Masters Degree –

MBA – MSc - MA

Course Co-ordinator:**Prof. Dr. R. B. Crawford – Director HRODC Postgraduate Training Institute**

- PhD (University of London);
- MEd. M. (University of Bath);
- Adv. Dip. Ed. (University of Bristol);
- PGCIS (Thames Valley University);
- ITC (UWI);
- Member of the Standing Council of Organisational Symbolism (MSCOS);
- Member of the Asian Academy of Management (MAAM);
- Member of the International Society of Gesture Studies (MISGS);
- Member of the Academy of Management (MAOM);
- LESAN;
- Professor, HRODC Postgraduate Training Institute;
- Visiting Professor, Polytechnic University of the Philippines (PUP).

For Whom This Course is Designed**This Course is Designed For:**

This programme is designed specifically for all who work with financial information and measures of performance for Oil & Gas Exploration & Production activities, and people seeking to advance their career by improving their understanding of industry financial management. The target people seeking to broaden knowledge to improve job performance include:

- Finance Directors and Managers;
- Financial Controllers;
- Chief Accountants;
- Treasury Officers;
- Asset Accountants;
- Joint Venture Accountants;
- Management Accountants;
- Internal and External Auditors;
- Government Regulators;
- Financial Analysts;

- Public Accountants;
- People who have good Financial Accounting Skills and who are interested in learning Oil and Gas Accounting.

Duration: 5 Days

Cost: £5,000.00 Per Delegate

Please Note:

- V.A.T. (Government Tax) does not apply to Corporate Sponsored Individuals, taking Programmes or Courses in any location - within or outside the UK.
- It applies only to Individuals and Corporations based in the UK and to Non-UK Individual Residents taking courses in the UK.

Cost includes:

- Free Continuous snacks throughout the Event Days;
- Free Hot Lunch on Event Days;
- Free City Tour;
- Free Stationery;
- Free On-site Internet Access;
- Diploma – Postgraduate –in **Advanced Oil and Gas Accounting: International Petroleum Accounting (3)**; or
- Certificate of Attendance and Participation – if unsuccessful on resit.

HRODC Postgraduate Training Institute's Complimentary Products include:

1. HRODC Postgraduate Training Institute's **Leather Conference Folder**;
2. HRODC Postgraduate Training Institute's **Leather Conference Ring Binder/ Writing Pad**;
3. HRODC Postgraduate Training Institute's **Key Ring/ Chain**;
4. HRODC Postgraduate Training Institute's **Leather Conference (Computer – Phone) Bag** – Black or Brown;
5. HRODC Postgraduate Training Institute's **8GB USB Flash Memory Drive**, with Course Material;
6. HRODC Postgraduate Training Institute's **Metal Pen**;
7. HRODC Postgraduate Training Institute's **Polo Shirt**.

****Please see product images, as a separate file - Complimentary Products For Students and Delegates, from HRODC Postgraduate Training Institute.****

Daily Schedule:9:30 to 4:30 pm.

Location: Central London and International Locations

**Advanced Oil and Gas Accounting:
International Petroleum Accounting (3)**
**Leading to Diploma-Postgraduate in Advanced Oil and Gas Accounting:
International Petroleum Accounting (3)**

Course Objectives

By the conclusion of the specified learning and development activities, delegates will be able to:

- Determine the three (3) basic methods of conveying mineral interest;
- Distinguish between operating (working) interests and nonoperating (nonworking) interests;
- Differentiate basic working interest and joint working interest;
- Define Basic Royalty Interest (RI), Royalty Interest (ORI), Production Payment Interest (PPI) and Net Profits Interest;
- Summarise the conveyance rules contained in SFAS No. 19;
- Cite the requirements of SFAS No. 153 for "Exchanges of Nonmonetary Assets;"
- Identify the transactions considered as farm-out;
- Define the terms farm-in and farm-out;
- Discuss the concept of farms-in/farms-out with a reversionary working interest;
- Specify the accounting treatment for a free well arrangement;
- Determine under what situation sole risk arises;
- Identify who is considered as a carried interest or carried party in a sole risk;
- Describe a situation considered as a joint venture under paragraph 47e of SFAS No. 19;
- State the effect of pooling and unitization;
- Distinguish pooling from unitization;
- Give the purpose of unitization;
- Compute barrels for payout, proved reserves and proved developed reserves;
- Determine what are involved in the sale of oil and gas property;
- Summarise the accounting treatment of the sales of oil and gas properties;

- Discuss the accounting treatment of a sale of the entire interest in an unproved property;
- Specify the special accounting treatment given to sales of partial interest in an unproved property;
- Know when loss and gain are recognised in sales of an entire interests in a proved property.
- Give an example illustrating the accounting procedure for proved property sales;
- Indicate the accounting treatment for sales of partial interest in proved property;
- Know how loss or gain is determined when the entire working interest in a proved property is sold and a nonworking interest is retained;
- Explain how production payment interest is created;
- Discuss the accounting treatment for retained production payment;
- Compare the treatment of conveyances under successful efforts and full cost accounting;
- Identify the companies required to present disclosures under SFAS No. 69 and discuss the applicable rules in such disclosure.;
- Identify the test in determining whether an enterprise is having significant oil and gas producing activities for purposes of the application of the disclosure requirement;
- Enumerate the information required to be disclosed by publicly traded companies in their annual financial statements;
- Distinguish between deterministic and probabilistic reserve estimation methodology;
- Identify the type of reserve that may be reported under SFAS No. 69;
- Define the term “reserve;”
- Compare developed proved reserve and undeveloped proved reserve;
- Explain why SFAS required the use of year-end price in estimating reserve;
- State the purpose of reserve quantity disclosure;
- Determine how and what are included in the disclosure of capitalised cost relating to oil and gas producing activities;
- Cite the importance of disclosing information about property acquisition, exploration and development activities;
- Explain concessionary system and give the obligations and rights of parties therein;
- Identify the owner of the tile the oil or gas under the concessionary system;
- Identify the parties in a concessionary agreement;
- Determine the extent of the participation if the government in concessionary agreements;

- Describe the applicable rules under the contractual system;
- Identify the role of the government in a contractual system;
- Know what triggered the existence of production sharing contract (PSC);
- Specify the common feature of concessionary agreements and PSC;
- Define a signing or signature bonus and production bonus;
- Explain capital uplifts, ringfencing, domestic market obligation and royalty holidays and tax holidays;
- Distinguish between risk service contracts and nonrisk service contracts;
- View a model form of international joint operating agreement;
- Differentiate recoverable and non-recoverable costs;
- Differentiate financial accounting and contract accounting;
- Enumerate the issues to be resolved to compute entitlement reserves;
- State the importance of reporting the company's net prove reserves separately;
- Explain the relevance of International Financial Reporting Standards (IFRS) in addressing accounting issues in the upstream oil and gas industry;
- Specify the function of reserve life ratio;
- Define gross wells and net wells;
- Determine the use of ratio of net wells to gross wells;
- Know how average reserves per well ratio evaluate a company's future profitability;
- Compute the daily production per well;
- Identify the basis of reserve cost ration;
- Determine what makes calculating and using the finding cots per BOE (based on energy content) ratio difficult;
- Know the basic formula for computing BOE;
- Distinguish DD&A from lifting costs;
- Be familiar with the formula for computing value of proved reserve additions per BOE;

Course Contents, Concepts and Issues

Please note that the breakdown represents a guide only and not a rigid arrangement. The tutor has the right to deviate from the order, as he or she deems necessary. While we aim to cover as much as possible of the concepts and issues, it is impossible to discuss all aspects. As a Postgraduate Course, Delegates and Students are expected to conduct their own research. As for all academic and professional examination, this course assesses

selected knowledge and skills area, for each course iteration (delivery). Delegates and students should take responsibility for all the contents, concepts and issues that are presented below.

Part 1: Conveyances

- Mineral Interests:
- Conveyances: General Rules;
- Conveyances: Exchange and Poolings:
- Computation of Barrels For Pay-out;
- Computation of Proved Reserves;
- Computation of Proved Developed Reserves;
- Conveyances: Sales:
- Conveyances: Production Payments:
- Conveyances-Full Cost.
- Problems and Issues Associated with Conveyance.

Part 2: Oil and Gas Disclosures

- Required Disclosures;
- Illustrative Example;
- Proved Reserve Quantity Information:
- Capitalized Costs Relating to Oil and Gas Producing Activities;
- Costs Incurred for Property Acquisition, Exploration, and Development Activities;
- Results of Operations for Oil and Gas Producing Activities;
- Standardized Measure of Discounted Future Net Cash Flows Relating to

Part 3: Accounting for International Petroleum Operations

- Production Sharing Contracts:
- Joint Operating Agreements:

Part 4: Analysis of Oil and Gas Companies' Financial Statements

- Contractual Systems:

- Other Terms and Fiscal Incentives:
- Service Contracts;
- Joint Operating Agreements;
- Financial Accounting Issues:

Part 5: Analysis of Oil and Gas Companies' Financial Statements

- Source of Data:
- Comparing Financial Reports;
- Reserve Ratios:
- Reserve Cost Ratios:
- Reserve Value Ratios:
- Financial Ratios;
- Liquidity Ratios:

Service Contract, incorporating Terms and Conditions

Click, or copy and paste the URL, below, into your Web Browser, to view our Service Contract, incorporating Terms and Conditions.

https://www.hrodc.com/Service_Contract_Terms_and_Conditions_Service_Details_Delivery_Point_Period_Cancellations_Extinuating_Circumstances_Payment_Protocol_Location.htm

The submission of our application form or otherwise registration by of the submission of a course booking form or e-mail booking request is an attestation of the candidate's subscription to our Policy Terms and Conditions, which are legally binding

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