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Upstream Petroleum Contracts and Licence Obligations Training Course

30 November – 4 December 2026
Barcelona

Upstream Petroleum Contracts and Licence Obligations Training Course

Ref: 1733_63540 **Date:** 30 November – 4 December 2026 **Location:** Barcelona **Fees:** 6200 GBP

Upstream Petroleum Contracts and Licence Obligations is a 1-week training course for upstream commercial, legal and contracts staff who must read host government agreements and partner contracts and turn them into a licence obligations register. Shorter exploration periods, tighter cost recovery audits and more frequent equity transfers make missed contractual duties expensive. Jupiter Prime Training runs this course for teams administering petroleum agreements.

Why Upstream Petroleum Contracts and Licence Obligations Matters Now

Two groups shape how petroleum agreements are handled today: host governments that tighten minimum work commitments and audit recoverable costs more closely, and co-venturers who trade participating interests more often. A company that tracks each relinquishment deadline, bond and reporting duty keeps its acreage and its cost pool intact; one that loses sight of them risks forfeiture, disallowed costs and partner disputes. The course draws on industry model joint operating agreements, standard production sharing structures and established accounting procedures attached to them.

Who Gains Most from Upstream Petroleum Contracts and Licence Obligations

- Commercial staff who track fiscal entitlements, cost oil and profit oil splits
- Legal advisers who draft and interpret licence, production sharing and partner clauses
- Contracts administrators who maintain commitment schedules, notices and approvals
- Joint venture coordinators who prepare operating committee ballots and partner correspondence
- New ventures analysts who screen farm-in offers and assignment terms

Asset commercial units gain most when legal, contracts and joint venture staff attend as one group.

Upstream Petroleum Contracts and Licence Obligations Capabilities

Participants move from reading clauses to tracking the duties, rights and deadlines those clauses create.

- Compare concession, production sharing and risk service models clause by clause — choice of contract model in licensing bids
- Calculate cost recovery, profit oil and contractor entitlement under typical terms — host government audits
- Specify minimum work commitments, relinquishment steps and security instruments — licence retention decisions
- Apply joint operating agreement voting, sole risk and default provisions — operating committee positions
- Assess farm-in, carry and assignment terms against pre-emption and consent rights — equity transfer negotiations
- Build an obligations register with owners, triggers and notice periods — contract compliance across the licence life

Key Upstream Petroleum Contracts and Licence Obligations Terms

- Concession — a licence giving the company title to produced petroleum in return for royalties and taxes.
- Production Sharing Contract PSC — an agreement where the host keeps title and the contractor recovers costs and shares profit oil.
- Joint Operating Agreement JOA — the co-venturers' contract setting operator role, voting, cost sharing and default remedies.
- Farm-In — a transfer where an incoming party earns an interest by funding part of the existing holder's work or costs.
- Relinquishment — required surrender of part of a licence area at set exploration milestones.
- Pre-Emption Right — a partner's right to match an offer before an interest passes to an outsider.

Upstream Petroleum Contracts and Licence Obligations Day by Day

Day 1: Host Government Agreements in Context

- Petroleum Ownership and Licensing Rounds — How Rights Pass to Investors
- Concession Licence Structure — Royalty, Tax and Title to Production
- Production Sharing Contract Architecture — Host Title and Contractor Entitlement
- Risk Service and Technical Service Contracts — Fee-Based Returns Without Reserves
- Contract Model Comparison Matrix — Selecting Terms for a Licensing Bid

Day 2: Fiscal Clauses and Cost Recovery

- Cost Recovery Limits and Carry Forward — Timing of Contractor Reimbursement
- Profit Oil Split Mechanisms and R-Factor Sliding Scales — Host Share Shifts
- Accounting Procedure Annex — Recoverable and Non-Recoverable Cost Categories
- Host Audit Rights and Cost Disallowance — Defending the Cost Pool
- Stabilisation and Fiscal Change Clauses — Protection Against Later Tax Changes

Day 3: Licence Obligations and Exploration Duties

- Minimum Work Commitment Schedules — Wells, Seismic and Phase Extensions
- Parent Company Undertakings and Performance Bonds — Security for Commitments
- Relinquishment and Licence Extension Provisions — Retaining Prospective Acreage
- Discovery Declaration and Development Plan Approval — Moving to Production
- Decommissioning Funding and Abandonment Duties — End-of-Life Liability Allocation

Day 4: Partner Agreements and Interest Transfers

- Joint Operating Agreement Structure — Operator Duties and Committee Voting
- Sole Risk, Non-Consent and Default Provisions — Remedies Against Non-Paying Partners
- Farm-In and Carry Arrangements — Earning Interest Through Funded Work
- Assignment, Pre-Emption and Change of Control — Consent Paths for Equity Sales
- Dispute Resolution and Arbitration Clauses — Forum Choice and Expert Determination

Day 5: Practising the Licence Obligations Register

- Production Sharing Entitlement Exercise — Applying Cost Recovery and Profit Splits
- Farm-In Offer Review — Applying Carry, Consent and Pre-Emption Tests
- Operating Committee Ballot Simulation — Applying Voting and Sole Risk Rules
- Negotiation Role Play on Commitment Extension — Trading Work for Time
- Licence Obligations Register — Completed Duties, Owners and Notice Triggers

Applying Upstream Petroleum Contracts and Licence Obligations After the Course

- Map the minimum work commitments, bonds and relinquishment dates of one live licence.
- Check the last cost recovery statement against the accounting procedure annex and flag items at risk of host disallowance.

Upstream Petroleum Contracts and Licence Obligations Questions FAQ

What are upstream petroleum contracts and licence obligations and why do they matter now?

They are the host agreements and partner contracts that grant exploration and production rights, plus their attached duties. They matter now because governments audit costs more closely and interests change hands more often, so missed duties cost acreage and money.

Which roles gain most from upstream petroleum contracts and licence obligations training?

Commercial, legal, contracts and joint venture staff gain most. Each drafts, reads or administers petroleum agreements.

How does an upstream petroleum contracts and licence obligations course differ from an oil and gas negotiation course?

This course centres on contract structure and duty tracking across the licence life. A negotiation course concentrates on bargaining tactics instead.

What do you bring back from upstream petroleum contracts and licence obligations training?

You bring back a clear method for reading host and partner agreements and turning their clauses into tracked duties with owners and deadlines.

Upstream Petroleum Contracts and Licence Obligations: The Way Forward

The licence obligations register is the first output to put to use. It informs whether a licence keeps its acreage at the next relinquishment point, and it is used by contracts administrators, legal advisers and joint venture coordinators. After its first quarter in use, revisit how notice triggers were set to see which duties surfaced too late for partner approval.