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COURSE BROCHURE

Farm-Out and Partner Carry Funding for Upstream Assets Training Course

4 – 8 April 2027
Dubai

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Registered in the United Kingdom and Saudi Arabia

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Ref: 2300_85705 **Date:** 4 – 8 April 2027 **Location:** Dubai **Fees:** 4900 GBP

Farm-Out and Partner Carry Funding for Upstream Assets is a 1-week training course for finance and planning staff who fund exploration and field development by bringing in equity partners, and who build a funding options comparison for a field development. As capital for upstream projects grows more selective, the terms on which a partner earns its working interest shape both risk and returns. Jupiter Prime Training delivers this course on farm-out and partner carry funding.

Why Farm-Out and Partner Carry Funding Matters Now

Three forces shape farm-out and partner carry funding today: investors who ration capital across fewer, larger projects; host governments that expect firm work commitments before any licence is extended; and partners who now price exit flexibility as carefully as reserves. An operator that structures a carry well keeps control of its asset while sharing exploration risk. One that structures it badly gives away upside or stalls drilling. The course rests on the joint operating agreement JOA and on reserve classification under the Petroleum Resources Management System PRMS.

Who Gains Most from Farm-Out and Partner Carry Funding

- Corporate finance specialists who compare equity, carry and debt routes for new licences
- Planning analysts who build the cash-call and capital expenditure profiles behind each deal
- New ventures staff who screen partners and draft term sheets for farm-in offers
- Joint venture accountants who track carried costs, recoveries and partner billing
- Commercial advisers who negotiate working interest, earning obligations and exit clauses

A new ventures group whose finance, commercial and accounting members attend together gains most, sharing one view of how a carry is priced and recovered.

Farm-Out and Partner Carry Funding Capabilities

Participants move from a licence work commitment to a priced partner offer, testing each carry structure.

- Calculate the promote a farmee pays for its earned working interest — farm-out pricing decision
- Build carried-interest cash flows with recovery and uplift terms — partner negotiation
- Compare equity farm-outs with reserve-based lending and project finance — funding route choice
- Design cash-call and default provisions within a joint operating agreement — operator and non-operator
- Assess capital allocation across a portfolio of carried and uncarried assets — investment committee
- Communicate a funding recommendation with its trade-offs — board and host government

Key Farm-Out and Partner Carry Funding Terms

- Farm-out — a transfer of part of a working interest to a new partner in return for funding work.
- Carry — an arrangement where one partner pays another partner's share of costs, recovered later from production.
- Promote — the extra share of costs a farmee pays above its earned interest, reflecting the value of entry.
- Working interest — a partner's percentage share of costs and production under a licence and joint operating agreement.
- Cash call — a request from the operator to partners for their share of approved spending ahead of the work.
- Earning obligation — the work or spending a farmee must complete before its interest in the licence vests.

Farm-Out and Partner Carry Funding Day by Day

Day 1: Upstream Funding Landscape

- Capital Sources Map — Where Equity, Debt and Carries Fit
- Asset Life Cycle Funding Needs — Exploration Versus Development Spending
- PRMS Reserve Classes — What Lenders and Partners Will Fund
- Licence Work Commitments — Pressure to Bring In Partners
- Partner Motives Screening — Strategic Versus Financial Farm-In Interest

Day 2: Farm-Out Structures and Pricing

- Farm-Out Agreement Anatomy — Earning Obligations and Vesting Conditions
- Promote Calculation Models — Price of Entry for the Farmee
- Full, Partial and Capped Carries — Exposure Each Party Retains
- Back-In Rights and Deferred Consideration — Upside Kept by Farmor
- Data Room and Bid Round Design — Attracting Credible Farmees

Day 3: Joint Venture Cost Sharing

- Joint Operating Agreement Funding Clauses — Cash Calls and Budgets
- Default and Forfeiture Provisions — Remedies When Partners Stop Paying
- Carried Cost Recovery and Uplift — Timing of Partner Payback
- Joint Venture Billing and Audit Rights — Accuracy of Charged Costs
- Midstream Tie-In Cost Allocation — Shared Pipeline and Processing Spending

Day 4: Debt Alternatives and Capital Allocation

- Reserve-Based Lending Capacity — Borrowing Base Against Producing Assets
- Project Finance Ring-Fencing — Non-Recourse Funding for Developments
- Cost of Capital Comparison — Equity Dilution Versus Interest Burden
- Portfolio Capital Ranking — Carried Assets Against Retained Projects
- Sensitivity and Downside Cases — Funding Gaps Under Price Shocks

Day 5: Practising the Funding Options Comparison

- Field Case Setup — Development Profile and Spending Schedule
- Farm-Out Offer Modelling — Applying Promote and Carry Terms
- Debt Route Testing — Applying Borrowing Base and Ring-Fence Limits
- Cash-Call Exposure Check — Applying Joint Venture Default Rules
- Funding Options Comparison — Recommended Route for Investment Committee

Applying Farm-Out and Partner Carry Funding After the Course

- Rebuild the promote and carry model for a licence planned for farm-out and test two partner offers.
- Review cash-call and default clauses in a live joint operating agreement and list gaps for partners.

Farm-Out and Partner Carry Funding Questions FAQ

What is farm-out and partner carry funding, and why does it matter now?

Farm-out and partner carry funding is the use of new partners' money to pay for exploration or development in return for a share of the licence. It matters now because upstream capital is scarce and work commitments still have to be met on time.

Which roles gain most from farm-out and partner carry funding skills?

Finance, planning, new ventures, joint venture accounting and commercial staff gain most, because they price partner offers, forecast cash calls and recover carried costs.

How does farm-out and partner carry funding differ from a course on oil and gas lending?

It centres on equity partners rather than lenders. Debt is studied only as an alternative, while promotes, carries and joint venture cash calls form the core.

What do you bring back from farm-out and partner carry funding training?

You bring back a funding options comparison for a field development, built on a case asset. It sets farm-out, carry and debt routes side by side.

Farm-Out and Partner Carry Funding: The Way Forward

The funding options comparison first informs whether to farm out an asset or fund it alone. Investment committees and new ventures staff use it to weigh offers on equal terms. After its first use, revisit the carry recovery assumptions against actual cash calls, since spending overruns shift how quickly a carried partner is repaid.