

## Oil and Gas Natural Resources

### Industry Leadership

For more than a century, Andrews Kurth and the energy industry have worked closely together. Today we are recognized as a leading law firm in assisting domestic and international oil and gas clients achieve their business goals. Our client base includes all facets of the global oil and gas industry, including:

- Independent producers
- Major multi-national, and foreign national oil companies
- Energy service companies
- Financial institutions, equity funds and royalty trusts
- Midstream and downstream treating and processing operations
- Refiners
- Transportation and pipeline companies
- Chemical companies.

We have experience in a broad range of oil and gas acreage, property, and entity acquisitions, and exploration, production, development, and transportation transactions. Our work involves large, complex oil and gas projects throughout the U.S. including offshore Gulf of Mexico and California, the Outer Continental Shelf, and deepwater. In connection with our oil and gas expertise, Andrews Kurth also provides environmental, tax, real estate, corporate/partnership, securities, antitrust, maritime, bankruptcy, litigation, international, and labor advice and support with respect to issues which may arise in the course of an oil and gas transaction.

### Acquisitions Skill

Whether an acquisition involves a single producing property or an entire integrated oil and gas company, Andrews Kurth offers one-stop help to its clients. Working with domestic, out-of-state or international counsel as necessary, our lawyers assist in all phases of the acquisition process:

- Finalize all the details of entity structure, transfer, title, tax, lien priority, labor contracts, ERISA, and securities compliance
- Negotiate and draft the transaction documents
- Ensure that due diligence, title, and contract issues, environmental assessments, and regulatory review are properly completed
- Make all required state, federal, and foreign governmental filings and notices with the appropriate agencies including:
  - Texas Railroad Commission
  - Minerals Management Service
  - Bureau of Land Management
  - Federal Energy Regulatory Commission
  - Securities & Exchange Commission
  - Federal Trade Commission
  - and any other regulators with a role in acquisitions
- Obtain third-party consents and waivers, such as consents to assign and preferential purchase rights.

### Extensive Finance Experience

As one of America's top-ranked corporate law firms, Andrews Kurth has deep strength and experience representing lenders, underwriters, and borrowers on all types of oil and gas financing transactions. We advise clients on the lien and security issues unique to oil and gas property investments, and help structure a variety of investment and financing vehicles

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including:

- Reserve-based financing
- Production payment financing
- Mezzanine financing
- Net profit interests
- Volumetric production payments
- Asset monetization/securitization
- Equipment financing/leasing
- Master limited partnerships
- Structured financing
- Royalty trusts.

### **Practical Solutions**

Our lawyers have hands-on knowledge of how the energy industry works—from top to bottom. We understand the practical aspects of exploration, production, development, and operation of oil and gas properties, and work in all aspects of the oil and gas industry from the initial seismic and exploration activities through product marketing, refining, and storage. Clients look to us for guidance on:

- Negotiating and drafting drilling contracts, participation agreements, pooling and unitization agreements, joint operating agreements, farm-in and farm-out agreements, master service agreements, and site access agreements
- Structuring overriding royalty interest, net profits interest, and production payment arrangements
- Preparing oil and gas gathering, transportation, treating, processing and production handling agreements
- Developing reservoir and salt dome storage facilities and arranging for product storage
- Documenting natural gas and crude oil sales agreements, swap agreements, hedge agreements, and other derivatives
- Addressing indemnity, insurance, and risk management issues.

### **Pipeline Representation**

We frequently work in the specialized regulatory environment of interstate and intrastate pipelines. We advise our pipeline clients on such matters as:

- Easement and right-of-way agreements
- Condemnation and eminent domain proceedings
- Title review
- Governmental licensing, permitting, and approvals at the state and federal level
- EPC contracts, equipment sales and rental agreements, pipeline installation and pipeline interconnect agreements
- Federal Department of Transportation and Environmental Protection Agency compliance
- Rate and tariff hearings (including those involving LNG)
- “Open seasons” for pipeline development or expansions.

### **LNG Capabilities**

With our broad experience in project finance, global natural gas resources, and regulatory compliance, Andrews Kurth has played a key role in some of the world’s biggest liquid natural gas (LNG) projects. Our lawyers have experience in every phase of the LNG chain: initial gas production, gathering and treatment/processing, liquefaction, shipment, regasification, storage, transportation, and marketing. Our involvement in various LNG projects includes:

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- Assisting in the development of a totally integrated LNG facility involving supply, shipping, regasification, gas pipelines, electrical power generation, water desalination, and wastewater treatment
- Preparing the time charter and researched the state and federal regulatory requirements to establish a mobile, floating LNG regasification facility for use along the United States east coast
- Helping structure and implement the \$1.3 billion financing for the Bontang, Indonesia LNG Project secured by two long-term LNG supply contracts
- Representing a client on the first LNG train out of Indonesia, including the supply agreement
- Assisting with several tanker and related LNG time charters
- Constructing several LNG import terminals on the Texas Gulf Coast
- Helping an LNG shipper reactivate an FERC-certified LNG import terminal on U.S. East Coast
- Resolving Natural Gas Act Section 7(c) issues associated with constructing or acquiring LNG and related facilities
- Handling rate, LNG service agreement, tariff and other FERC regulatory issues associated with LNG storage facilities
- Settling the service and regulatory concerns raised by proposed expansion of an LNG terminal.

### **Comprehensive Solutions**

Integration is crucial to the development and exploitation of oil and natural gas resources—and integration is the way Andrews Kurth provides business and legal guidance to make industry projects successful. Our clients look to us to assist them in developing comprehensive solutions to the financial, operational, and regulatory concerns that arise in oil and gas projects. Key participants in the oil and gas industry know they can count on Andrews Kurth for the straight talk they want and the practical help they need to succeed in the volatile and diverse oil and gas industry.