

AIPN is internationally known and respected for its model contracts. Development and publication of model contracts is one of AIPN's flagship services it provides to its members and to the industry. These contracts are developed over a number of years with the input of leading practitioners of the subject area as well as a diverse group of participants. Numerous industry professionals, at all levels of knowledge, participate on the drafting committees. Because of the breadth and depth of input, the contracts are known to be fair and balanced. They serve as a starting point for negotiations. You, as a member are welcome to actively participate on any of the drafting committees, or just to monitor and learn. Non-members are welcome to participate as well. In the future committee meetings will be recorded and made available on the website. You are also welcome to provide comments if you are not inclined to join the committees. Contact our Executive Director, Valerie, and let her know the committee you would like to participate on at: Valerie@aipn.org.

The AIPN model contract package includes Guidance Notes, prepared by the drafting committee to give users insight into the thinking behind the various clauses, options and alternatives in the contract. In addition, Education Modules (a powerpoint presentation outlining the major provisions of the model contract) are available to Regional Chapters for model contract presentations at their regional events. To assist members where English is not a first language, several of the contracts are translated into French, Russian, Spanish and soon Portuguese. To assist those who cannot participate in our conferences or education opportunities, we are investigating producing an audio recording. One of the drafting committee co-chairs will talk you through a powerpoint presentation of each model contract.

AIPN currently has the following model contracts available to its members, free of charge and to the industry for a nominal fee:

- Confidentiality Agreement (1990, 1999, 2007)
- Study and Bid Group Agreement (1992, 2006)
- Joint Operating Agreement (1990, 1995, 2002)
- JOA Accounting Procedure (1992, 2000, 2004)
- Secondment Agreement (2002)
- Farmout Agreement (2004)
- Consultant Agreement for Business Development (1999, 2008)
- Crude Oil Lifting Agreement (2001)
- Service Contracts:
 - Master Services (2002)
 - Seismic Acquisition (2002)
 - Well Service (2002)
- Dispute Resolution Agreement (2004)
- Gas Sales Agreement (2006)

Unitization and Unit Operating Agreement (2006)
Gas Transportation Agreement (two versions – one with and one without infrastructure in place) (2009)
Model Contract Handbook (2006)
LNG Sales and Purchase Agreement (2009) - our most recently completed contract, just undergoing final approval, and available shortly.

Every summer AIPN hosts a model contracts workshop to discuss model contracts currently being developed or revised. If you have not participated in a model contracts workshop, I highly recommend the experience. This year's workshop in Rio de Janeiro was sold-out. A detailed discussion of the workshop is found in this issue of the Advisor. The following agreements are currently being developed and were discussed at the workshop in Rio:

Joint Operating Agreement (revision of 2002 version)
Drilling Contract
Data Exchange Agreement
Model Contract Templates, Terms and Definitions
Area of Mutual Interest

The interesting thing about this year's Rio workshop was the unusually high percentage of local participation in the workshop. The venue was outstanding. Rio is a wonderful city to experience. Petrobras gave a presentation about the offshore pre-salt oil and gas play and other developments in Brazil. Brazil is certainly one of the key countries for future petroleum development. Next year's model contracts workshop venue is currently being considered, so if you have an opinion about where it should be held, please let Michael Josephson, VP of Model Contracts know: Michael.Josephson@nexeninc.com know.

Thanks to our two co-chairs of this year's model contract workshop: Marilda Rosado and Gary Howe for their dedication and hard work. As an outcome of this workshop, Marilda is helping form a new student club at Rio de Janeiro State University (UERJ). She plans to have the students listen and discuss the audio recordings of the various model contracts committee meetings.

To further the use of our model contracts, AIPN made a presentation explaining our model contracts to the World Bank this month. Our new VP of Communications, Rob Lesnick brought together World Bank representatives and Chris Moyes, Jim Barnes and Tim Martin made presentations with particular focus on our gas model contracts. We hope this will further the industry's acceptance and use of our contracts.

We are always looking for creative ideas and helpful suggestions. You will find you get the very most of your AIPN membership when you get involved!

Regards,

Karen Krug
AIPN President