



PROFESSIONAL TRAINING
FOR THE OIL & GAS INDUSTRY

MAXIMISING ECONOMIC RECOVERY (MER)

**You may not be interested in MER,
but MER is interested in you!**

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 **VASSPETRO**
Petroleum Law Specialists

Holt Energy
Advisors **HEA**

Maximising Economic Recovery (MER)

"MER" refers to the 2016 legal requirement to maximise economic recovery of UKCS petroleum as required by the Petroleum Act 1998 as amended, and as provided in the MER Strategy 2016 as amended in 2021. The 2021 amendment imports Net Zero obligations into the MER framework.

MER is a highly complex regulatory scheme, but none of us in the UKCS industry can evade its requirements.

TRAINING DESIGNED FOR:

Oil industry in-house lawyers and commercial executives (UKCS only)

DURATION:

Approximately 90 minutes to 2 hours

PRESENTER:

Uisdean Vass

SUBJECTS COVERED INCLUDE:

- The Wood Review
- Formation and powers of NSTA (formerly OGA)
- The "principal objective"
- MER Parties and MER obligations
- The MER Strategy 2016 - Old MER
- The Central Obligation - MER's Sword
- "Economically Recoverable"
- The Safeguards - MER's Shield
- "Satisfactory Expected Commercial Return"
- SECR - Divestment or Relinquishment
- Swordplay - The Supporting Obligations
- Exploration
- Asset Stewardship
- Decommissioning
- TAQA v Rockrose - The effect of MER on private contracts
- The MER Strategy 2021 - New MER
- Net Zero and the Central Obligation
- "Reducing greenhouse emissions as far as reasonable in the circumstances"
- "Good and proper governance"
- Collaboration
- Carbon Capture
- Climate Change Act as amended
- Loach v OGA & BEIS
- Relevant climate change litigation

Maximising Economic Recovery (MER)

"The 2019 project work which was completed by Uisdean Vass and his team was well structured, detailed and provided us with valuable information. Uisdean was extremely knowledgeable regarding international jurisdictional policies and in particular, the UK regulatory system covering MER, fallow fields, and third-party access. Uisdean was professional throughout the project cycle and we hope to use his services in the future."

David Corkey, Director of Petroleum Engineering in the Province of Newfoundland and Labrador Department of Natural Resources, Canada.

"I regard Uisdean Vass as a well-informed and thoughtful commentator on the MER system of offshore regulation in general and the decommissioning system in particular."

Jim Christie, ex-Head of Worldwide Decommissioning, Marathon Oil Company, ex-Head of Decommissioning, Oil & Gas Authority

Our Training Programs

THE FARMOUT AGREEMENT

A detailed review of the classic deal document / when and why it is used / "Equity First" and "Equity After" variants / how the carry works / consideration / damages / relationship with JOA and more

KNOCK-FOR-KNOCK CLAUSES, INDEMNITIES AND EXCLUSIONS

An analysis of the vital role of indemnities and exclusions in oil and gas docs / reviewing LOGIC K4K / Carve-outs and Carve-ins / "Negligence", "Gross Negligence" and "Wilful Misconduct" / English law compared to Deepwater Horizon decision and Brazil, and more

MAXIMISING ECONOMIC RECOVERY (MER)

The UKCS has undergone a regulatory revolution with the 2016 advent of MER - In this training, we look at original MER (2016) and amended MER (2021) / who owes MER duties to whom / the principal MER duties / the effect of MER on private contracts / the impact of Net Zero / Loach v OGA, and more

THIRD PARTY ACCESS TO OFFSHORE INFRASTRUCTURE (TPA)

Covering issues such as TPA provisions of Energy Act 2011 / our negotiated access system / powers of the NSTA / impact of MER / ICOP / TPA Guidance / Nelson-Howe dispute, and more

HYDROCARBON SALES

Managing the value of hydrocarbon sales is critical to ensuring you can maximise the value of product streams. In this training, we will give background on the key hydrocarbons and how and where they are sold and their associated trading fundamentals.

PETROLEUM ECONOMICS FOR M&A

This training we seek to demonstrate how key Petroleum Economics concepts are used in M&A and farmout transactions in a practical way to value assets being acquired but also to structure commercial structures to give the best chance of buyer and seller alignment on deals.

