#### King & Spalding

# Energy Newsletter



May 2012

#### **TRANSACTIONAL**

**Transactions** 

### **2012 AIPN Model International Joint Operating Agreement – A New Industry Standard?**

Jennifer Josefson

In February 2012, AIPN published the 4th version of its model Joint Operating Agreement (JOA). The revisions include changes and additions to provisions related to (i) Operator rights and duties, (ii) limitations on Operator liability, (iii) removal and replacement of Operators, (iv) revisions to Work Programs, Budgets, and AFEs, (v) decommissioning, (vi) the consequences of Exclusive Operations, (vii) default, (viii) conflicts of interest, and (ix) Bribery compliance.

#### **Transactions**

## **Strategies for Development of Cross-Border Petroleum Reservoirs** *Philip Weems, Archie Fallon*

If countries share a common hydrocarbon reservoir across an established border, and are unable to agree on a definitive unitization agreement after making reasonable efforts to cooperate, international law does not require them to unitize the reservoir. Most countries, however, prefer a cooperative approach for economic and political reasons, not necessarily legal reasons. More »

#### **Corporate / London**

### **U.K.** Commercial contracts - withholding your consent

Hywel Jones

The legal principles governing the withholding of consent were developed by English courts in the context of landlord and tenant disputes. They had not been applied to energy contracts until relatively recently. More

#### REGULATORY

#### **FERC**

## FERC Authorizes Sabine Pass LNG Export Project; Vacates Authorization for Jordan Cove LNG Import Project

Neil L. Levy, David G. Tewksbury, Stephanie S. Lim

FERC recently granted authorizations to site, construct, and operate facilities to export LNG at Sabine Pass LNG's existing import terminal in Louisiana. This represents the first time that FERC has authorized a project that would export LNG from domestic production. Concurrently, FERC issued an order vacating the authorization previously granted to Jordan Cove for an LNG import terminal

#### **Upcoming Events**

Global Investment Conference for Energy Companies in the Middle East

Date:

Wednesday, May 23, 2012

Where:

Abu Dhabi, United Arab Emirates

Further details will follow.

More Information »

#### In The News

Government Contractors Aren't The Problem They're Made Out To Be More »

Final EPA Oil and Gas Air Emissions Rule Adopts Phased Approach for "Green Completion" of Gas Wells

More »

Federal Court Requires Greater Disclosure of Corporations that Fund Electioneering in Oregon based on its understanding that the company is instead planning to use the proposed facilities to export natural gas. More »

#### **Global Competition Law**

### Pakistan's Competition Commission grants Leniency in Electrical Products Cartel

Suzanne Rab

In April, Pakistan's Competition Commission (CCP) granted a manufacturer total immunity from fines for its cooperation in a cartel investigation relating to bid rigging in supplies to power companies. This case is the first time that the fledgling competition authority has received and granted a request for leniency.

More »

#### **Environmental**

### **Does** *Sackett* **Add to the Enforcement Defense Toolbox For Energy Companies?**

Drew Bell, Chris Benson, Cynthia Stroman

In *Sackett v. EPA*, the Supreme Court unanimously held that landowners may bring a civil action under the Administrative Procedure Act ("APA") to challenge an EPA compliance order issued under the Clean Water Act ("CWA"). *Sackett* may have broader implications for regulated parties, including energy companies in two areas holding promise for extending *Sackett's* reasoning: (1) challenges to compliance orders issued under environmental statutes other than the CWA; and (2) challenges to the substance of EPA compliance orders. More »

#### **Global Competition Law**

#### **India Coal Complaint Sets Off Explosive Fine**

Suzanne Rab

The Competition Commission of India (CCI) has fined ten explosives companies for rigging bids put out by Coal India Limited. The fines show the CCI strenuously asserting its cartel enforcement jurisdiction. At the same time, its reasoning as to the finding of an "agreement" and the level and quality of the evidence relied on, have not been beyond question. More

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#### DISPUTE RESOLUTION

Oil & Gas Litigation

**New Decisions -- Pleading Requirements for Complaints Alleging Contamination from Hydraulic Fracturing** 

H. Victor Thomas

Two recent decisions apply federal pleading requirements to complaints alleging contamination from hydraulic fracturing, but with very different results. More »

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