

PASH Education Day May 31, 2018

Course Descriptions (Advertisements)

Cost of registration: Day Event Price (Member - \$155, Non-Member - \$195, late fee after May 16, 2018 - \$45)

This is a non-refundable event; substitutions can be made prior to the day of the event, so badges and CPE registration can be updated, by notifying Jennifer Holt-McKellar (pashjennifer@yahoo.com). However, you may still substitute someone the day of the event by filling out the change of attendance form at the registration desk. Complaints/concerns can be sent to Jennifer Holt-McKellar.

Opening Presentation: 8:00am – 8:50am

Topic: Cybersecurity (NT)

Title: Cybersecurity Threats and Risks

Presented by: Ronald Hulshizer (BKD)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Information Technology**

Description: Cybersecurity has been discussed repeatedly over the past few years and companies are well aware of the need for a robust cybersecurity program. However, savvy cyber criminals continue to evolve and relentlessly target companies with an expanding arsenal of tools and tactics.

Learning Objective:

By the end of this presentation, you will be able to:

1. Discuss the ever-evolving landscape of cyber threats and risks
2. Identify steps companies can take to minimize effects of cyber threats
3. Describe the weakest links in the cyber security chain
4. Recite the trench stories of cyber security cases
5. List the resources a company can leverage
6. Explain how to plan for effectively responding to a cyber incident

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

Breakout 1.1: 9:00am – 9:50am

Topic: Vendor Audit (T)

Title: Best Practices for Implementing and Running a Vendor Audit Program

Presented by: Markley Ward (AMS-PAR) & Kim Goodwin (AMS-PAR)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Auditing**

Description: Equipment is moving again, which means money is being spent. Are we confident we are spending our money prudently? Are we realizing the value of our relationships like we think we are? A vendor audit program reviews the relationship between your company and your vendors. A good vendor audit program can reinforce a good vendor relationship or uncover unknown issues and risks. This session will review the best

practices of a vendor audit program and how to enhance your program, whether you don't have one, or even if you have a robust program.

Learning Objective:

By the end of this presentation, you will be able to:

1. Discuss how to identify higher risk vendors based on contract or spend category
2. List the most common audit findings for vendor audits
3. Recall common hurdles and pitfalls of building a vendor audit program
4. Explain how to implement lessons learned.
5. Describe various motivations behind vendor audit programs

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

Breakout 1.2: 9:00am – 9:50am

Topic: Land Update (NT)

Title: Land – Issues & Updates

Presented by: Jim Hoffman (PDI – The Professional Development Institute of UNT)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Specialized Knowledge**

Description: Mineral and Surface Owners are often confused and are bringing up issues regarding their leases that will become more significant to E&P companies. This one hour overview addresses Land related concerns that could affect operations and the bottom line.

Learning Objective:

By the end of this presentation, you will be able to:

1. Discuss issues that mineral and surface owners are bringing forth in new leasing
2. List concerns about lease retention

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

Breakout 1.3: 9:00am – 9:50am

Topic: Severance Tax (T)

Title: Understanding Severance Tax Responsibilities, Incentives and Opportunities

Presented by: Debra Sandoval (PricewaterhouseCoopers)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Taxes**

Description: As a result of improvements to technology and the shale boom, many states have come to rely on severance tax for revenue. This course will provide a broad understanding of the history and imposition of severance tax in the United States. You will walk away with specific information as it relates to incentives and exemptions in Texas, Louisiana, Ohio and North Dakota.

Learning Objective:

By the end of this presentation, you will be able to:

1. Explain severance tax
2. Recall who pays severance tax
3. Describe similarities in TX, ND, OH and LA
4. Identify incentives and opportunities
5. Recall legislative updates

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

Breakout 2.1: 10:15am – 11:05am

Topic: JOAs – Horizontal Wells (T)

Title: Horizontal Well JOAs

Presented by: Karla Bower (Joint Interest Consultant, ConocoPhillips)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Accounting**

Description: This session will cover features of the AAPL 610-2015 and 1989H model form JOAs for horizontal wells, and how they evolved.

Learning Objective:

By the end of this presentation, you will be able to:

1. Identify and explain features of AAPL's model form JOAs for horizontal wells.
2. Discuss how the JOA provisions apply to accounting and auditing functions.
3. Identify potential conflicts between the AAPL 610-2015 model form JOA and the COPAS 2005 model form accounting procedure.

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

Breakout 2.2: 10:15am – 11:05am

Topic: Federal Royalties & Royalty Policy Committee (T)

Title: Common Reporting Issues & an Update on the Royalty Policy Committee

Presented by: Steve Dudgeon (Ryan LLC)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Accounting**

Description: An overview of common production reporting issues that generate audit issues on the royalty side. In addition, we will be covering what the Royalty Policy Committee is, who the members are, their goals and recent developments.

Learning Objective:

By the end of this presentation, you will be able to:

1. Identify potential audit issues generated from common production reporting issues
2. Describe who the RPC is and who your representatives are
3. Recall issues currently being worked by the RPC

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

Breakout 2.3: 10:15am – 11:05am

Topic: Fair Valuing O&G Properties (T)

Title: Fair Valuing Oil & Gas Properties in Today's Economic Environment

Presented by: Tom Ramos (Director – Valuation & Business Analytics at BDO USA, LLP)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Accounting**

Description: As commodity prices fluctuate and environmental concerns continue to draw the attention of regulators, the natural resources industry continues to face pressure. During this session, we will discuss recent trends in the oil & gas industry and how the current environment has impacted valuations.

Learning Objective:

By the end of this presentation, you will be able to:

1. Identify current trends in the E&P industry
2. Explain why values may differ for different purposes
3. List common valuation approaches
4. Describe E&P focused valuation considerations and approaches

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

Breakout 3.1: 11:15am – 12:05pm

Topic: JV Expenditure Audit (T)

Title: The Joint Venture Expenditure Audit: The Basis, the Whys, the Hows, and Current Exposures

Presented by: Mike Cougevan (Martindale Consultants, Inc.)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Auditing**

Description: Whether you are contemplating conducting a joint venture expenditure audit or are about to be the object of one, at the end of this comprehensive and fast-paced session you will understand the contractual basis for audits, why they should be done, how to select audit candidates, industry protocols, and current exposure.

Learning Objective:

By the end of this presentation, you will be able to:

1. Describe the contractual basis for expenditure audits.
2. Recall why audits are done.
3. Discuss how to select candidates.

4. Explain industry protocols
5. List current exposure areas

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

Breakout 3.2: 11:15am – 12:05pm

Topic: Blockchain (NT)

Title: Ondiflo: A Story about Blockchain for Oil & Gas

Presented by: Nicolas Roquefort-Villeneuve (Amalto Technologies/Ondiflo)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Specialized Knowledge**

Description: An introduction to Blockchain Technology and its benefits for the Corporate Finance and Corporate Accounting ecosystems. Plus, a presentation of Ondiflo, a revolutionary Blockchain-based application for the Oil and Gas industry.

Learning Objective:

By the end of this presentation, you will be able to:

1. Describe the basics of Blockchain
2. Summarize the benefits of Blockchain for Finance and Accounting

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

Breakout 3.3: 11:15am – 12:05pm

Topic: Decommissioning (NT)

Title: The Management of Aging Offshore Infrastructure in the Gulf of Mexico: What has happened, and the outlook for 2018

Presented by: Elena Keen, PhD (Keen Consulting, LLC)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Specialized Knowledge**

Description: The management of aging offshore energy infrastructure (the removal process formally known as decommissioning) is currently a problem for the United States federal government. This presentation discusses how this happened, and what possible outcomes could come to light in 2018.

Learning Objective:

By the end of this presentation, you will be able to:

1. Describe the history of oil and gas exploration in the Gulf of Mexico
2. Explain basic oil and gas platform decommissioning management strategies
3. Identify associated financial issues and problems
4. Discuss the involvement of the federal government in preparing a solution.

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

Lunch Presentation: 12:45pm – 1:35pm

Topic: Ethics – Fraud (NT)

Title: The Ethics of Enron

Presented by: Michael E. Anderson (Retired – FBI)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Specialized Knowledge**

Description: A discussion of the ethics in Enron's leadership, culture and accounting that facilitated unethical and criminal behavior and contributed to the failure of the seventh largest company in America followed by a retrospective on how the FBI investigated the most complex White Collar Crime case in FBI history resulting in the convictions of 22 people and forfeiture of over \$100 million to the victims of the Enron fraud.

Learning Objective:

By the end of this presentation, you will be able to:

1. Recall the importance of ethics, integrity and corporate governance.
2. Discuss the investigation of the Enron corporation with the public.

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

Breakout 4.1: 1:45pm – 2:35pm

Topic: Audit Findings, Royalties and GLO Overview (T)

Title: Maximizing Oil & Gas Royalties Paid to the State

Presented by: Mike May (GLO – Texas General Land Office)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Auditing (Governmental)**

Description: Learn strategies used by the Texas General Land Office (GLO) to maximize oil and gas royalties paid to the State of Texas. Find out what the royalties are used for and other functions of the GLO.

Learning Objective:

By the end of this presentation, you will be able to:

1. Recall various methods used to maximize royalty.
2. Explain how the royalties are used.
3. Describe the overall functions of the GLO.

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding

registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregisry.org.

Breakout 4.2: 1:45pm – 2:35pm

Topic: Production in Paying Quantities (NT)

Title: Production in Paying Quantities

Presented by: A. Antroy Arreola (Zabel Freeman)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Business Law**

Description: Production in paying quantities is an oil gas term that is familiar to many in the industry, but the definition of the term can change in different contexts. Production in paying quantities may mean one thing when dealing with a habendum clause but may have a different meaning when dealing with the express or implied covenants to drill, develop, or prevent drainage. Perhaps most critical from an accounting standpoint is what types of expenses are included when determining whether a well is producing in paying quantities? This presentation seeks to provide easy to understand summaries of each of the production in paying quantities definitions and to provide an overview of the different cost categories that fall within each definition.

Learning Objective:

By the end of this presentation, you will be able to:

1. Describe the term producing in paying quantities in different contexts.
2. Discuss what types of costs are included in the calculation depending on the context and jurisdiction.
3. Explain how accounting data is actually used in oil and gas litigation by reviewing trial exhibits and jury instructions from a recent Texas Supreme Court case dealing with production in paying quantities.

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregisry.org.

Breakout 4.3: 1:45pm – 2:35pm

Topic: Financial Reporting (T)

Title: Tangible Asset Valuations for Purposes of Financial Reporting

Presented by: Joe Mease (Grant Thornton LLC)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Accounting**

Description: Explore various considerations when performing tangible asset valuations for purposes of financial reporting. Specific focuses include definitions of value, appropriate methodologies, common misconceptions and errors, and asset type/industry specific considerations. Presentation is designed for internal and external accounting professionals engaged in the preparation, review or audit of valuations in a financial reporting setting.

Learning Objective:

By the end of this presentation, you will be able to:

1. Describe common valuation methodologies and the instances in which each method is most applicable.
2. Recite various definitions of value (including Fair Value under ASC 820 as well as tangible-asset-valuation-specific definitions) and how they relate to financial reporting.
3. Identify Accounting Standards Codifications for which tangible asset valuations are often employed (including ASC 805, ASC 360).

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

Breakout 5.1: 2:45pm – 3:35pm

Topic: JV Auditing (T)

Title: A Bi-Directional Approach to JV Accounting & Auditing

Presented by: Chris Odom (Consultant, Sasol Chemicals USA & Adjunct Professor, UH-Downtown)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Auditing**

Description: To enhance the skills for those involved in the accounting and auditing of Upstream E&P activities, focusing on a Bi-Directional approach in order to reduce errors/mistakes and irregularities (e.g. contract compliance).

Learning Objective:

By the end of this presentation, you will be able to :

1. Explain the concepts of auditing
2. Apply knowledge and understanding of JV COPAS Auditing
3. Describe the Bi-Directional audit/accounting approach and analysis of audit findings

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

Breakout 5.2: 2:45pm – 3:35pm

Topic: Property Taxes (T)

Title: Texas Property Taxes & Energy Industry

Presented by: Mark Andrews (KE Andrews)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Taxes**

Description: Learn the impact of property taxes and how to lower exposure.

Learning Objective:

By the end of this presentation, you will be able to:

1. Explain the significance of property taxes in Texas to local jurisdictions and taxpayers alike.
2. Illustrate ways to reduce exposure and liabilities.

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

Breakout 5.3: 2:45pm – 3:35pm

Topic: Merger and Acquisition Trends (NT)

Title: US Onshore M&A Trends

Presented by: Brian Matlock (BKD) & Thomas Thayyil Thomas (BKD)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Specialized Knowledge**

Description: Overview of US onshore M&A trends in 2017 focusing on upstream and oil field services sectors. The course will discuss growing focus on free cash flow generation and how a robust due diligence process will support value creation.

Learning Objective:

By the end of this presentation, you will be able to:

1. List drivers of the M&A trends in the US onshore upstream and oil field services sectors
2. Explain how a robust financial due diligence process prevents value erosion and aids value creation in oil and gas transactions

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

Closing Presentation: 3:55pm – 4:45pm

Topic: Social Security (NT)

Title: Social Security Planning

Presented by: Elaine Simmons (Consultant, Former Social Security Admin) & Steve Roberts (Merrill Lynch)

Program Level: **Basic** Delivery: **Group Live** CPE Credits: **1**

Prerequisites: **None** Advance Prep: **None** Cost/Fee: **Day Rate**

Field of Study: **Specialized Knowledge**

Description: Social Security Planning is such an important part of retirement planning for the baby boomer generation. Retirement for this generation is a second and third career in life. It is so important to get it right, to make an informed decision based on your personal situation. Truly understand what Social Security benefits represent. Knowing our options helps us make a better decision.

Learning Objective:

By the end of this presentation, you will be able to:

1. Recall when to start your retirement benefits and factors to consider.
2. Discuss how to maximize your benefits.
3. Describe the insured status provision for disability benefits.
4. Explain when Medicare is the primary insurance and how the premiums are now tied to your modified adjusted gross income and tax-exempt interest income.

Council of Petroleum Accountants Societies (COPAS), Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.