NAPAC
North American Petroleum Accounting Conference

May 19-20, 2016
Dallas, Texas
Westin Galleria

Earn up to 14 Hours of CPE

Keynotes:
Todd Onderdonk / Exxon Mobil Corp.
Thomas Long / Energy Transfer Equity, L.P.
J. Ross Craft / Approach Resources, Inc.
Anthony Murphy / Federal Reserve Bank of Dallas

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Join us in Dallas on May 19 and 20 for NAPAC

The North American Petroleum Accounting Conference features outstanding industry speakers, current topics and convenient session formats. The annual two-day exhibit showcases industry vendors who represent a variety of products and services. Take a few minutes and look over the schedule, then enroll on-line at energy.pdi.org. You may also use one of several convenient enrollment options found in this brochure.

Schedule

Thursday, May 19, 2016

7:30 a.m.  Registration/Continental Breakfast
8:00 a.m.  Opening Remarks
8:20 a.m.  General Session
The Outlook for Energy: A View to 2040
Todd Onderdonk, Senior Energy Advisor - Corporate Strategic Planning/Exxon Mobil Corp./Irving

9:30-10:20 a.m.  Concurrent Sessions

Tax Legislation and IRS Policy
In this dual presentation, Mr. Kummer will address tax legislative developments in 2016 including the continued debate to overhaul the Internal Revenue Code, examine tax proposals put forth by presidential candidates and look at the potential implications for corporate and individual taxpayers. Mr. McKnight will highlight the recent restructuring of the IRS Foreign Payments Practice with a focus on practical implications to accounts payable and tax departments.

Jeff Kummer, Director of Tax Policy, Washington National Tax LLP US/Washington D.C./Wade McKnight, Director of Tax Controversy Services/ Deloitte Tax LLP/Houston

A Great Disturbance in the Force: Financing Energy Deals in Turbulent Times
This presentation will focus on how capital providers are approaching the financings of acquisitions and operational capital in this distressed environment. The presentation will also include creative acquisition structures that many buyers are attempting to utilize to buy assets in a low-price environment.

Jason Schumacher, Partner/Locke, Lord, Bissell & Liddell LLP/ Dallas

Do LNG Exports Offer Hope for U.S. Gas Producers?
U.S. gas producers utilizing horizontal drilling and hydraulic fracture technologies unleashed huge new supplies of natural gas from shale formations overwhelming existing markets. Increased U.S. industrial and power generation demand will take some of the expanded supplies but gas prices languish under the excess gas supply still available. International markets for LNG, much of it historically tied to crude oil prices, beckons but what are the economics for U.S. LNG suppliers and the likely impact of LNG exports on U.S. gas producers?

Dick Moore, Instructor/Professional Development Institute/Denton

The Exciting World of Asset Retirement Obligations
Learn how to estimate, predict and revise your company’s AROs.
Nathan McEown, Partner/Whitley Penn LLP/Dallas

10:30-11:45 a.m.  Concurrent Sessions

Tax Issues on Purchase and Sale of Oil and Gas Properties
This topic will cover both basic and complex tax issues arising upon a sale, purchase or other disposition of oil and gas properties. Among the issues addressed will be relevant tax provisions in a typical oil and gas PSA (including effective date provisions), sales v. lease concerns, recapture issues, like-kind exchange planning and transactions involving tax partnerships.

David Wheat, Partner and Todde Keator, Partner/Thompson & Knight/Dallas

Fraud
The presenter will define occupational fraud, outline the elements of fraud, list the classifications of fraud and provide a statistical analysis of who commits it, what industries are most impacted, and why it is committed.

Felix Lozano, CPA, CFE, Partner in Charge/Whitley Penn LLP/Dallas

The NGL Market: Economics and Process in North America
This presentation will briefly cover the fundamental terms of Natural Gas Liquids and delve into the economics of NGLs, as well as an overview of NGL processing and the costs associated with NGL logistics.

Jim Tallant, President/Exigent Information Solutions/Denver

Key Elements of State and Federal Audits
This presentation is a basic overview of the phases and common audit issues for both a State severance tax and a Federal royalty audit. To help with a successful, efficient and effective audit completion, pointers will be provided on how to best prepare for an audit.

Derek Weekly, Audit Manager/State of Wyoming Department of Audit/Cheyenne

12:00 p.m.-1:15 p.m.  Luncheon and Presentation
MLPs and Their Role in the Energy Infrastructure
Thomas Long, CFO/Energy Transfer Equity, L.P./Dallas

1:30-2:45 p.m.  Concurrent Sessions

Dealing With Distress in the Oil Patch
This panel discussion will delve into the topics of survival in the current oil patch environment including court versus out of court restructuring, impact of borrowing base redetermination, dealing with lenders and stakeholders in time of crisis, current issues in Chapter 11 bankruptcy cases, and the tax implications of change of control and debt forgiveness/exchanges.

David Scott, Partner/KPMG/Fort Worth (moderator); Tom Bibby, Partner/KPMG/Dallas; Steve Pezanosky, Partner/Haynes and Boone LLP/Fort Worth; Jeff Dodson, Partner/KPMG/Dallas
Board of Director Considerations in Difficult Times
This timely presentation will discuss operating in a low price environment including cost cutting, relations with banks, buy back high yield public notes, raising capital, financial statement impact, and bankruptcy protection.
Alan Bell, CPA/Dallas

Midstream and NGL Basics
A basic discussion of how and why gas is processed, examining both technical and financial business drivers.
Mike Merritt, Lead Accountant-Midstream Revenue/Energy Transfer Partners/Dallas

Advances in Drilling and Completion Techniques for Horizontal Wells
To economically drill and complete horizontal wells in today’s challenging price environment, the oil and gas industry continues to develop new technologies that increase efficiency and reduce costs. This presentation will highlight some of the more recent advances in bit technology, drilling rigs, completion equipment and hydraulic fracturing that are helping deliver economic returns on horizontal wells drilling in unconventional reservoirs.
Aaron Byrd, Senior Drilling Engineer and Chris Calvert, Senior Completions Engineer/Matador Resources Company/Dallas

2:55-3:45 p.m. Concurrent Sessions

Tangible Property Regulations Update
This presentation will examine how the oil and gas industry has implemented the tangible property regulations. Application of the Section 174 prototype regulations to the industry will also be discussed including their impact on AMT and potential recapture.
Peter Baltmanis, Principal; Stacey Mirelez, Federal Tax Managing Director; Gregory Homen, Tax Senior Manager/KPMG/Dallas

The Acquisition and Divestiture Landscape in Challenging Times
This discussion will include an analysis of how commodity price volatility affects purchase transactions in the oil and gas sector.
Chris Atherton, President/EnergyNet.com, Inc./Houston

You’re Overruled! The Relationship Between the JOA and Accounting Procedure
For more than 55 years, COPAS has published the accounting procedure attached to virtually every joint operating agreement and provided joint interest accounting interpretations and guidelines for use by the oil and gas industry. When the accounting procedure is attached to a JOA, it becomes part of the contract between the parties. Attend this session and learn about the relationship between the JOA and the accounting procedure, how the agreements work in tandem and the provisions that complement each other, and what happens when JOA provisions conflict with the accounting procedure.
Mike Cougevan, Senior Consultant-Martindale Consultants/ Denver

Gas Processing for Non-Engineers
This session will present the hows and whys of natural gas processing. It will include discussion of gas composition and how that affects the type and degree of processing required; the leading commercial technologies for gas dehydration, removal of impurities, and extraction of natural gas liquids for value upgrade; and how those technologies work in layman’s terms.
Jack Whiteside, Jack Whiteside Consulting, LLC/Murphy, TX

3:55-5:00 p.m. Concurrent Sessions

Non-Traditional Credits and Incentives for the Oil and Gas Industry
This presentation will provide an overview of credits and incentives, an understanding of the role of incentives, and how to determine what’s out there.
Mark Mitchell, Director/RSM US LLP/Houston

Where Do U.S. Crude Oil and Natural Gas Commodity Prices Go From Here?
The short, intermediate and long term trends in crude oil and natural gas commodity prices will be discussed.
Chris High, CMT, Managing Partner/Concentio Capital Management/Dallas

Debt Facilities: Structure and Borrowing Base in Today’s Pricing Environment
This session will take a look at how lenders are evaluating reserved asset based facilities in the current pricing environment. What are the impact and consequences to borrowers?
Colin Watson, Vice President Energy Finance/Bank of Texas/ Dallas

Recent Land Developments
Topics of discussion among royalty owners include concerns about easements and rights of way, what holds a lease, what charges are deductible from a royalty check and confusion associated with royalty statements. Perhaps during this time of reduced activity we as an industry can consider our relationship with mineral and surface owners and maybe identify opportunities to bridge the gap that has traditionally existed between those who own the minerals and the extractive industry.
Jim Hoffman, National Sales Director/Professional Development Institute/Denton

5:00-6:00 p.m. Reception

Friday, May 20, 2016

8:30-9:30 a.m. General Session
Cost Management in the Permian
Mr. Craft will share his experiences dealing with lower commodity prices while running operations and development on the company’s properties in the Permian Basin.
J. Ross Craft, CEO/Approach Resources, Inc./Fort Worth

9:35-10:35 a.m. Concurrent Sessions

Depletion, Apportionment and Other Reporting Issues in State Income Tax Compliance
Navigating state income taxes in the oil and gas industry can be challenging as companies work to comply with complex multi-state reporting while also reducing overall tax liability. This presentation will provide insight and best practices on depletion, apportionment, and other reporting items for companies operating within state income tax jurisdictions.
Marty Tschida, State and Local Tax Manager/Hein & Associates/ Denver

Accounting and Financial Reporting Update
FASB, SEC and other standard setter pronouncements that impact oil and gas private or public companies will be discussed.
Cameron Moates, Partner/PwC/Dallas
Eminent Domain From Each Side
This session will define Eminent Domain, identify who the players are, and outline the considerations involved in condemnation action from both the Condemnor and Condemneree perspective.
Scott Moran, Founding Partner and Scott Doggett, Attorney/Baker Moran/Plano

Gas Producer and Pipeline Balancing
This session will cover the how and why producer and pipeline imbalances are created and how to account for them. The discussion will also cover how to minimize these imbalances.
Don Looney, CPA/Tulsa

10:40-11:40 a.m. Concurrent Sessions
The New Partnership Audit Rules—Just When You Thought TEFRA Could Not Get More Complicated
In an effort to streamline partnership audits, the Bipartisan Budget Act of 2015 repeals the unified audit rules and the special rules for ELPs. In their place is a single system of centralized audit, adjustment and collection for all partnership tax. This discussion will highlight the key provisions of the new rules and what can be done now to prepare for the implementation.
Joel Crouch, Attorney/Meadows, Collier, Reed, Cousins, Crouch & Ungerman, L.L.P./Dallas

Registered Investment Advisors in the Energy Industry
Given the rise of oil and gas pooled capital products, such as exploration funds and net-profit interest funds, more oil and gas groups are finding they must register as a Registered Investment Advisor under the U.S. Securities and Exchange Commission’s Investment Advisors Act of 1940. This panel discussion will explain the legal aspects of why a group must be registered, the process of registration, the ongoing administration and regulatory compliance, and the annual audit and tax considerations.
Brian Matlock, Partner and National Energy and Natural Resources Industry Leader/BKD, LLP/Dallas; Jim Deeken, Partner/Akin Gump Strauss Hauer & Feld LLP/Dallas; Jon Gwynn, Manager/Kaufman Rossin Fund Services/Dallas

Information Technology Strategies for the Current Market Trends in the Energy Industry
An overview of IT strategies related to the trends in the energy industry including M&A integration, business intelligence and process improvement through technology.
Scott Lovejoy, Practice Director of Business & Technology Consulting/Accretive Solutions/Dallas

Gas Plant Accounting
This presentation will discuss the different types of plant contracts including a simplified example of gas plant allocations and accounting.
Don Looney, CPA/Tulsa

11:45 a.m.-1:00 p.m. Luncheon
Through the Looking Glass: The Uncertain Economic Outlook
The outlook for the world economy appears bleaker and more uncertain than six months ago. The Chinese economy has slowed down. Oil prices have plummeted. Stock markets have fallen and are extremely volatile. Are many commentators and markets overreacting to short-term news? What about the outlook for the U.S. economy? Has the consensus forecast of two and one half percent growth in U.S. output in 2016 and 2017 changed? Mr. Murphy will address all these issues.
Anthony Murphy, Policy Advisor and Senior Economist/Federal Reserve Bank of Dallas

1:15 p.m.-2:15 p.m. Concurrent Sessions
Reserve Estimation for Tax Purposes in an Era of Declining Prices
Determining the correct quantity of recoverable units for cost depletion can be a challenging task and can sometimes lead to disagreements between taxpayers and IRS examiners. This presentation will provide a review and update of potential issues that can arise when estimating reserves for cost depletion purposes.
George Gasper, Area Counsel Natural Resources and Construction/Internal Revenue Service/Dallas

Revenue Recognition
The presenter will discuss the revenue recognition standard on the oil and gas sector and related action items leading to adoption.
Mark Zajac, Partner/KPMG/Houston

How to Speak Accounting to Oil and Gas Operations
Explaining how to effectively communicate accounting information to operations teams within the oil and gas industry may help bridge the gap you may be experiencing in your company.
Ken Hood, CPA, Accounting Advisor and Mentor/Exco Resources/Dallas

Introduction to DD&A and Impairment
This session will provide instruction on how to estimate depletion and impairment under both the full cost and successful efforts methods of accounting.
Jordan Whitten, Senior Manager/Hein & Associates/Dallas

Send 10 Or More?
Receive a 10% discount on each registrant by sending 10 or more individuals to NAPAC ‘16. All registrants must be received at the same time for this discount to apply.
To take advantage of this one-time only discount, contact
Mary Ann Crow at mcrow@pdi.org or 940.565.3356.

Sponsors
COPAS of Dallas is dedicated to furthering the development of improved accounting methods. COPAS of Dallas and PDI provide a professorship at the University of North Texas to promote oil and gas accounting. COPAS of Dallas also sponsors annual Education Days to address basic oil and gas operations and accounting. Education Days, open to member companies, qualify for CPE.
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The Professional Development Institute of the University of North Texas is a 501(c)(3), not-for-profit education corporation that provides versatile training services. PDI is recognized as one of the world’s largest providers of oil and gas accounting education and has a large offering of corporate training options.
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Registration
Registration fee is $475 and includes luncheons and coffee breaks.
Register Online at pdi.org. If registering by mail or via fax, please return entire panel to
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$475 to attend NAPAC. Total amount enclosed $ ________________________

Paying by: □ Check (payable to PDI) or □ VISA □ MasterCard □ American Express □ Discover

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Please indicate which sessions you will be attending
Thursday, May 19
9:30-10:20 a.m.
□ Tax Legislation and IRS Policy
□ Financing Energy Deals
□ Do LNG Exports Offer Hope?
□ Asset Retirement Obligations
10:30-11:45 a.m.
□ Tax Issues on Purchase and Sale Transactions
□ Fraud
□ The NGL Market: Economics and Process
□ State and Federal Audits
1:30-2:45 p.m.
□ Dealing With Distress in the Oil Patch
□ Board of Director Considerations in Difficult Times
□ Midstream and NGL Basics
□ Drilling and Completion Technology
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□ Tangible Property Regulations Update
□ Acquisition and Divestiture in Challenging Times
□ Relationship Between JOA and Accounting Procedure
□ Gas Processing for Non-Engineers
3:55-5:00 p.m.
□ Non-Traditional Credits and Incentives
□ U.S. Crude Oil and Natural Gas Commodity Prices
□ Debt Facilites
□ Recent Land Developments
Friday, May 20
9:35-10:35 a.m.
□ State Income Tax Compliance
□ Accounting and Financial Reporting Update
□ Eminent Domain From Each Side
□ Gas Producer and Pipeline Balancing
10:45-11:40 a.m.
□ New Partnership Audit Rules
□ Registered Investment Advisors
□ IT Strategies for Current Market Trends
□ Gas Plant Accounting
1:15-2:15 p.m.
□ Reserve Estimation for Tax Purposes
□ Revenue Recognition
□ How to Speak Accounting to Operations
□ Introduction to DD&A and Impairment

Accommodations are not included in your registration fee. For your convenience, the Westin Galleria is offering a special room rate of $189 for single/double occupancy. The cut-off date for the special rate is May 4, 2016. Rooms not reserved by the cut-off date will then be released to general sale. Reservations will continue to be accepted subject to availability. The conference rate will be offered based on availability and is not guaranteed to be offered if availability of the room block is sold out before the cut-off date. The Westin Galleria reserves the right to charge a higher rate for rooms reserved after the cut-off date. To make your reservations, contact the Westin Galleria at 888.627.8536. Identify the meeting as NAPAC to receive the reduced rate. The hotel is located at 13340 Dallas Parkway, Dallas, TX, 75240. Self-parking is complimentary at the hotel as well as shared parking with the Galleria Mall.

ADA Special Services: Please check here □ if you require special accommodations to fully participate. Attach a written description.

CPE Credit: Up to 14 hours. Dress Code: Business Casual.

Terms and Conditions: Please note that the following apply to all registrants, whether pre-paid or invoiced. A participant may receive a full refund by providing to PDI written cancellation 10 or more business days prior to the starting date of the program. No refunds will be granted within 10 business days of the starting date of the program. No refunds will be granted after the start of the program. Substitutions are accepted at any time up to and including the starting date of the program. Under special circumstances, PDI may allow you to transfer your registration. If your registration is transferred and you later cancel your registration, only 50% of your registration fee will be refunded.

If the enrollment is not sufficient to warrant holding the program, PDI reserves the right to cancel. If this situation does occur, you would receive a full refund (or if you prefer PDI will transfer your registration to the next offering of the program). PDI is not responsible for any expenses (such as airline tickets) incurred by registrant due to cancellation.

Conditions: Always bring a sweater or jacket to ensure comfort. Smoking is prohibited in the meeting rooms and foyer areas.
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