

# DEALING WITH DEFAULT

**Presented by**  
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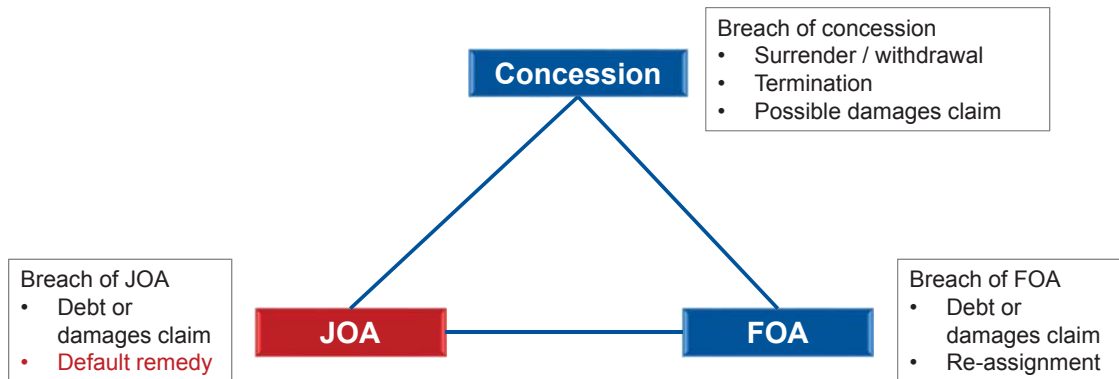
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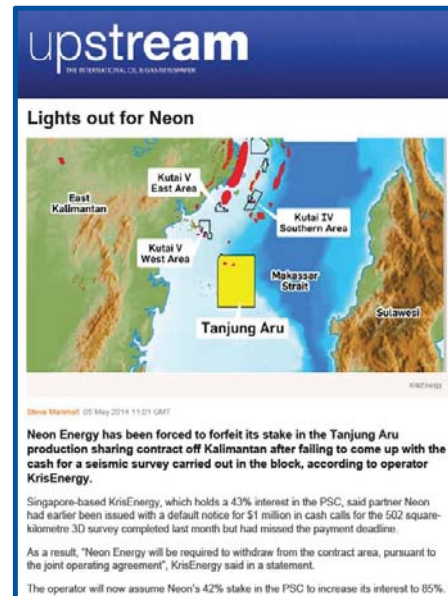
# Today's presentation



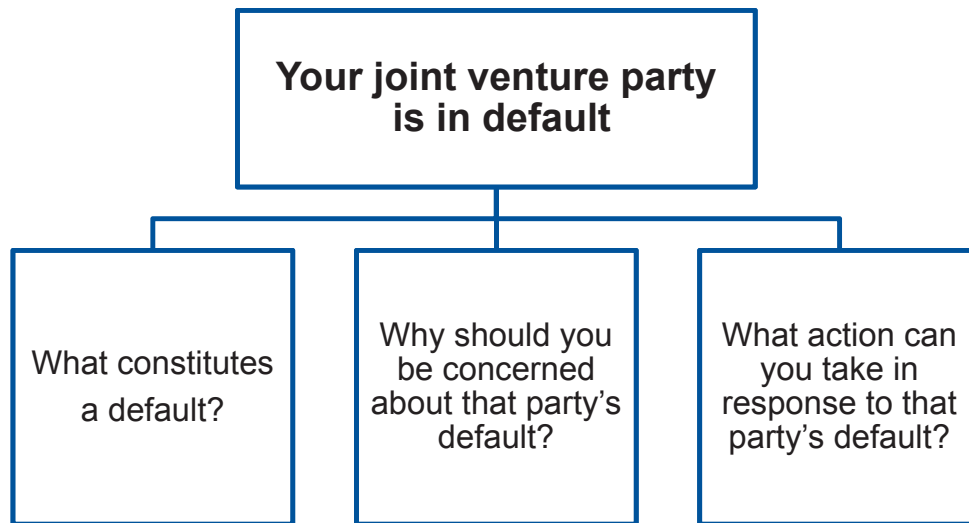
# Today's presentation...contd.

Today's assumptions:

- ⇒ You have entered into a JOA.
- ⇒ You are the operator.
- ⇒ You are not in default.



## Today's presentation...contd.



## What constitutes a default?

Typically a very narrow concept:

*"Any Party that fails to pay when due its share of Joint Account charges (including Cash Calls and interest), or provide when due and maintain any Security required of such Party under the Contract or this Agreement, [or perform its indemnity obligations under the Contract or this Agreement,] shall be in default under this Agreement ..."*

Art. 8.1A, AIPN JOA 2012

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[Joint Operating Agreements: Managing JV Relationships and JV Partner Default: plus Agreements for Unconventional Oil and Gas Plays](#)

First appeared as part of the conference materials for the  
2015 International Upstream Energy session

"An Uncomfortable Balancing Act: Managing JV Relationships and JV Partner Default"