

MSCPA and PASM
OIL AND GAS TAXATION
OCTOBER 27 & 28, 2010

Through a joint effort of the Mississippi Society of Certified Public Accountants ("MSCPA") and the Petroleum Accounting Society of Mississippi ("PASM"), we are pleased to offer up to 16 hours of industry-specific CPE for those working with or interested in the oil and gas industry.

The oil and gas CPE sessions will be held Wednesday and Thursday, October 27-28, 2010 from 8:30 a.m. until 4:30 p.m. at the MSCPA Center located at 306 Southampton Row, Ridgeland, Mississippi.

We are pleased to have Dr. Patrick Hennessee leading these sessions. Dr. Hennessee is Professor Emeritus with the University of Tulsa and is one of the nation's foremost authorities on oil and gas taxation. He currently serves as the editor and writer of Commerce Clearing House's *Oil and Gas Federal Income Taxation*. He has taught over 500 oil and gas tax related seminars to CPAs and attorneys and has had over 10,000 participants in his programs over the last 30 years.

We are pleased to offer these courses to our members at a rate of \$200 per day or attend both sessions for \$350. Your registration includes printed course materials, electronic resource materials, lunch and snacks during the day.

Registration will be limited to the first 40 participants.

Please register no later than Friday, October 15, 2010. Register for this program the way you normally do for any CPE program. Please be sure to indicate if you are attending both days, or only Day 1 or Day 2.

Oil and Gas Taxation
Petroleum Accounting Society of Mississippi
October 27 and 28, 2010
Pat Hennessee

DAY 1 – TENTATIVE AGENDA

1. The Nature of the Oil and Gas Industry and Property Acquisitions
 - Industry Overview
 - Terminology of Mineral Ownership
 - Oil and Gas Leases
 - Delay Rentals
 - Oil and Gas “Unit of Property”
2. Exploration for Oil and Gas – Geological and Geophysical Costs
 - Overview of the Geology of Oil and Gas Reservoirs
 - Domestic Exploration / International Exploration
 - Drilling Contributions
3. Development of Oil and Gas Properties – IDCs
 - Defining Intangible Drilling and Development Costs
 - The Election to Deduct IDCs
 - The Section 59(e) Election to Capitalize IDCs
 - Prepaid IDCs
 - AMT Issues

DAY 2 – TENTATIVE AGENDA

4. Depletion of Oil and Gas Properties
 - The Economic Interest Concept
 - Cost Depletion
 - Percentage Depletion in General
 - Retailer and Refiners
 - Limitations of Section 613A on Independent Producers
 - Refiners and Retailers
 - 1000 BBL Limitation
 - 65% of Adjusted Taxable Income Limitation
5. Depreciation of Oil and Gas Lease and Well Equipment
 - Unit of Production Method and MACRS for Lease and Well Equipment
 - Pipeline Issues
6. Conveyances, Deal Structuring and Financing Issues
 - Subleases
 - Sales of Oil and Gas Property and Sec. 1254 Recapture
 - Carved Out and Retained Production Payments
 - Sharing Arrangements – Carried Interests/Farmouts
 - Like Kind Exchanges of Oil and Gas Properties

Dr. Pat Hennessee

Dr. Hennessee is Professor Emeritus, University of Tulsa. He has been a CPA in both Oklahoma and Colorado. He is currently the editor and writer of Commerce Clearing House's Oil and Gas Federal Income Taxation. He has taught over 500 oil and gas tax related seminars to CPAs and attorneys and has had over 10,000 participants in his programs in the last 30 years. He also has a consulting practice in which most of his clients are oil and gas exploration and production firms, or CPAs and attorneys advising on oil and gas issues. He has published numerous articles in both academic and professional journals. He has just recently retired from the University of Tulsa where he taught for over 30 years. While at the University of Tulsa, he served as Director of the School of Accounting; he initiated the University's Master of Taxation and later initiated the on-line Master of Taxation for the University.