International Legal Framework – Arctic Oil & Gas Development

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James Lloyd Loftis
Leader – International Dispute Resolution Practice
Vinson & Elkins RLLP – London
Adjunct Professor – University of Texas School of Law, Center for Global Energy Law
Arctic Hydrocarbon Resources
Arctic Hydrocarbon Regions

• 25 Arctic regions believed to have significant hydrocarbon deposits

• 18 regions are within territory of a single state

• 7 are in disputed territory or cross international boundaries:
  – East Barents Basin (EBB)
  – Amerasia Basin (AM)
  – West Greenland-East Canada (WGEC)
  – Eurasia Basin (EB)
  – Lomonosov-Makarov (LM)
  – North Chukchi-Wrangel Foreland Basin (NCWF)
  – Hope Basin (HB)
Existing Treaty Coverage

- 2 regions are subject to existing cross-border field development agreement:
  - East Barents Basin and Eurasia Basin (Nor.-Rus.)
  - 2010 Barents Sea Agreement contains Annex on hydrocarbon resources
- 3 regions are subject to maritime delimitation agreements that do not address cross-border development:
  - North Chukchi-Wrangel Foreland Basin and Hope Basin (Rus.-US)
  - West Greenland-East Canada (Can.-Den.)
- 2 regions are not addressed by any treaty:
  - Amerasia Basin (Can.-US)
  - Lomonosov-Makarov (Can.-Rus.)
# Existing Treaty Coverage

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<th>Russia</th>
<th>Norway</th>
<th>Canada</th>
<th>Denmark</th>
<th>USA</th>
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<tbody>
<tr>
<td>Russia</td>
<td>***</td>
<td>2010 (EBB, EB)</td>
<td>No treaty (LM)</td>
<td>No treaty (LM)</td>
<td>1990 (NCWF, HB)</td>
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<tr>
<td>Norway</td>
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<td>1965, 1979</td>
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<td>Canada</td>
<td>***</td>
<td>***</td>
<td>***</td>
<td>1973 (WGEC)</td>
<td>No agreement (AM)</td>
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<td>Denmark</td>
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<td>No border</td>
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<tr>
<td>USA</td>
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Precedents for a Unitization Framework

• 2010 Barents Sea Agreement (Nor.-Rus.)

Annex II

to the Treaty between the Kingdom of Norway
and the Russian Federation concerning
Maritime Delimitation and Cooperation
in the Barents Sea and the Arctic Ocean

Transboundary Hydrocarbon Deposits

Article 1

The Unitisation Agreement between the Parties concerning exploitation of a transboundary hydrocarbon deposit, referred to in Article 5 of the present Treaty, shall provide for the following:
Precedents for a Unitization Framework

• 2010 Barents Sea Agreement (Nor.-Rus.)
  – Annex II – Transboundary Hydrocarbon Deposits

• North Sea Agreements (Nor.-UK)
  – Frigg and Statfjord Agreements

• Other bilateral international agreements
  – Australia/Timor L’Este; Trinidad and Tobago-Venezuela

• Examples of commercial parties providing solutions
  – Brunei/Malaysia
Forthcoming Arctic O&G Writings

- OGEL Special Edition on the Arctic Region: Boundaries, Resources and the Promise of Co-operation