

Tips for Dispute Avoidance in the Current Oil Price Environment

Oil prices, which held below \$50/bbl in August 2015, are projected to remain below \$60/bbl through 2016, writes Michael P. Lennon Jr., a partner in Mayer Brown. "As a result, the conventional belief is that oil and gas disputes will rise in the latter part of 2015 and into 2016, triggered in some measure by the banks' next round of reserve-based redeterminations for oil and gas companies. Whether it is for this reason or some other, financial strain in the industry is likely to spin off disputes between producers and service companies and/or among working interest partners. Infrastructure and construction disputes also will be in the mix."

His article outline three steps that could maximize opportunities for dispute avoidance. "If a dispute is not avoided, a party taking these steps should also be in a better position to manage and, hopefully, prevail in an eventual dispute," he writes.

Read the article.