

## Energy Transactions

### Closing Energy Deals with Straight Talk

Businesses that explore, develop, produce, store, market, transport, process and use energy resources are among the most capital intensive in the world. Energy industry transactions—from business combinations to capital raising—are high stake and big impact.

Andrews Kurth lawyers help natural gas, oil and electric power companies, and power and liquid natural gas (LNG) project developers to structure and finance the deals that fuel their growth. Our counsel on industry-defining projects includes:

- Business Combinations
- Financing Counsel
- Global Energy Project Finance
- Privatization of National Energy Companies

More than 85 of our lawyers form one of the nation's largest, and highly effective, energy transaction practices. Annually, the dollar value of energy-related projects for which Andrews Kurth provides legal counsel often tops \$1 billion.

The result of our Straight Talk approach is seen in our top-tier energy industry rankings, including being credited with "Deal of the Year" on numerous occasions. Our work has led to rankings as a Top 10 Power Project Finance firm by *American Lawyer* magazine and recognition by *Petroleum Economist* magazine. We get deals done for a range of energy clients including:

- Biofuels developers and financiers
- Cogenerators
- Energy marketers and exchanges
- Gathering, processing, marketing and storage companies
- Independent power producers
- Integrated and independent oil and gas producers and refiners
- Natural gas and electricity users
- Natural gas, oil and refined products pipelines
- Onshore and offshore service companies
- Power project developers

### Business Combinations

Oil, petroleum, natural gas and electric power companies frequently engage us to devise an optimal organizational approach to business combinations.

One facet of our counsel is structuring partnership and joint venture arrangements. We also counsel on related sophisticated tax allocation, governance and ownership strategies. The overall goal is to maximize available financial return for clients while assuring agreed participation and compliance with all regulatory requirements.

### Financing Counsel

Andrews Kurth lawyers assist our clients in arranging and documenting favorable financing terms and advise on the full array of financing structures, including:

- Debt swap arrangements
- Letters of credit
- MLPs, royalty trusts and other energy company public offerings

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- Private placements
- Project finance
- Public and private royalty trusts
- Regulation S offerings
- Rule 144A financings
- Sale/leasebacks
- Secured and unsecured term loans, including “borrowing base” loans
- Subordinated debt
- Synthetic leases
- Tax-exempt bonds
- Venture capital and private equity for clean technology companies

### Global Energy Projects Finance

Andrews Kurth's worldwide counsel encompasses projects involving development, finance, restructuring, purchasing and selling energy, and other infrastructure endeavors.

We have facilitated projects valued at hundreds of millions of dollars, located throughout the Western Hemisphere, including in Argentina, Brazil, Ecuador, El Salvador, Mexico, Puerto Rico and Trinidad/Tobago. Our global experience also includes projects in China, Indonesia, Pakistan, Turkey and Russia.

### Deals of the Year

Noted transactions that earned accolades from *Project Finance* magazine included our counsel in “2002 Latin American Petrochemical Deal of the Year,” which involved a \$237 million term loan to finance a 5,000 ton per day methanol production facility in Trinidad/Tobago.

Also mentioned was our counsel in “2000 Latin America Oil & Gas Deal of the Year,” for the Compañía Mega project, a three-unit liquid natural gas processing plant at the southern tip of South America.

### Major Infrastructure Projects

Our transactional counsel on international energy projects includes:

- **Indian Biodiesel**—Development, financing and construction of the first biodiesel manufacturing project in India.
- **South America Oil Pipeline**—Financing of \$220 million for the first oil pipeline between Argentina and Chile.
- **Ecuadorian Pipeline**—Construction of a gas pipeline connecting a natural gas field off the coast of Ecuador with a gas-fired electrical generation plant in that country.
- **Energy IPO**—Counsel on the IPO of Argentina's largest natural gas distribution company.
- **Colombian Pipeline**—Financing and construction of a pipeline from the giant Cusiana oil field to the Colombian port of Coveñas.
- **Indonesian Natural Gas**—Guiding project financings of \$2 billion for two expansion projects at a liquefied natural gas plant in Indonesia.
- **North Sea Oil**—Leading \$200 million project financing to help a major independent oil company develop reserves in the U.K. sector of the North Sea.

### Privatization of National Energy Companies

Andrews Kurth has played a significant advisory role in helping formerly state-owned energy companies privatize and secure public financing. We have a special focus on these types of conversions in South America. Our record of

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achievement includes:

- **YPF Sociedad Anónima**—We helped transform Argentina's former state-owned energy concern into YPF Sociedad Anónima, one of the world's largest publicly traded oil and gas companies. Andrews Kurth served as counsel to YPF in the then largest-ever international initial public offering of a single company's shares—\$3.05 billion for 45% of YPF.
- **Gas del Estado**—We were selected by The World Bank to serve as chief international counsel for the privatization of Gas del Estado, the Argentine state-owned natural gas transportation and distribution monopoly. Our lawyers divided the system into ten independent companies, which were sold for \$2 billion in international bidding.
- **PETROPERU, S.A**—The Peruvian government chose Andrews Kurth as international legal counsel in connection with the privatization of PETROPERU, S.A., the state-owned oil and gas company.