

RECENT DEVELOPMENTS

Government to hand over Mahakam block to Pertamina

Jakarta (ANTARA News) - The government will hand over the operation of the Mahakam oil and gas block to state-owned oil and gas company Pertamina when the contract of Total E&P expires in March 2017.

The Work Control Unit Head of the Ministry of Energy and Mineral Resources (ESDM) Widhyawan Prawiraatmadja said that the government would soon issue a decision to that effect. He explained that the government would fully transfer the Mahakam Block to Pertamina. It will be up to Pertamina to decide on the management of the oil and gas block after 2017. "We will hand over the Mahakam Block to Pertamina, and Pertamina will be pleased to manage it to its maximum potential for the state. We are waiting for a response from Pertamina," he noted. He stated the management options for the oil block after 2017 will be decided by Pertamina. It can also cooperate with earlier operators Potal E&P Indonesia and Inpex Corporation through a scheme that will benefit the state.

Widhyawan said one of the possible cooperation schemes is that Pertamina will get the opportunity to operate an oil block belonging to Total overseas. "If Total is given a chance to operate the Mahakam, we should see what Total gives us. We will give them a chance to make a business deal and will facilitate it," the ESDM official said. However, no matter what option Pertamina chooses, it should be able to convince the government of the benefit it can give the state. He also asked Pertamina to make a proposal on the development of the Mahakam oil field in the future.

Last year, the oil and gas contractors spokesman, Kristanto Hartadi, had said that the country's largest natural gas producer had aimed to spend around Rp73 trillion (US\$7.3 billion) in investment through 2017 to maintain the blocks production. Total E&P Indonesia, which is responsible for nearly one-third of the country's total gas production, had earlier expected to produce 1.1 billion cubic feet (bcf) of natural gas per day by 2017 solely from the block, if the \$7.3 billion investment plan proceeded, according to Kristanto. The block now yields 1.7 bcf of gas and 67,000 barrels of condensate per day. The block supplies the majority gas needs of the Bontang liquefaction plant, which is operated by PT Badak NGL. Most of the liquefied natural gas (LNG) from the plant is exported to Japan.

Source: <http://www.antaranews.com/en/news/96654/govt-to-hand-over-mahakam-block-to-pertamina>

LEGAL NEWS

MKK partners with Atma Jaya University for Seminar



On November 18th, 2014, MKK hosted a delegation from the Senate of Atma Jaya at the *Admiralty Club* on the topic of *Lawyering*. The workshop was organized by MKK and featured Arkie Tumbelaka as the keynote speaker, followed by Richard Weiss, foreign legal counsel, and then by Ridha Sjartina and Fitri Muharam. All spoke on the challenges that fresh law graduates face in the job market today. The seminar was carried out with a spirit of give and take, and participants were given the opportunity to ask questions on the practical aspects of lawyering, working in a law firm, job prospects, the recruitment process, among others.

After a networking session, participants were treated to a gourmet meal at the **Admiralty Club**. MKK would like to thank **Atma Jaya** for helping organize this seminar and the **Admiralty Club** for being so kind as to host us.

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