



URUGUAY ROUND III OFFSHORE AREAS FOR E&P

ANCAP Role in Upstream Development

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CEO - ANCAP

London, 20th of October 2017

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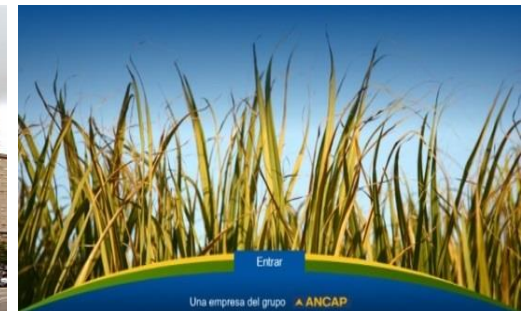
- ANCAP and Institutional Framework
- Past and present E&P activity in Uruguay
- Uruguay Round 3
- Final Remarks

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- **ANCAP and Institutional Framework**
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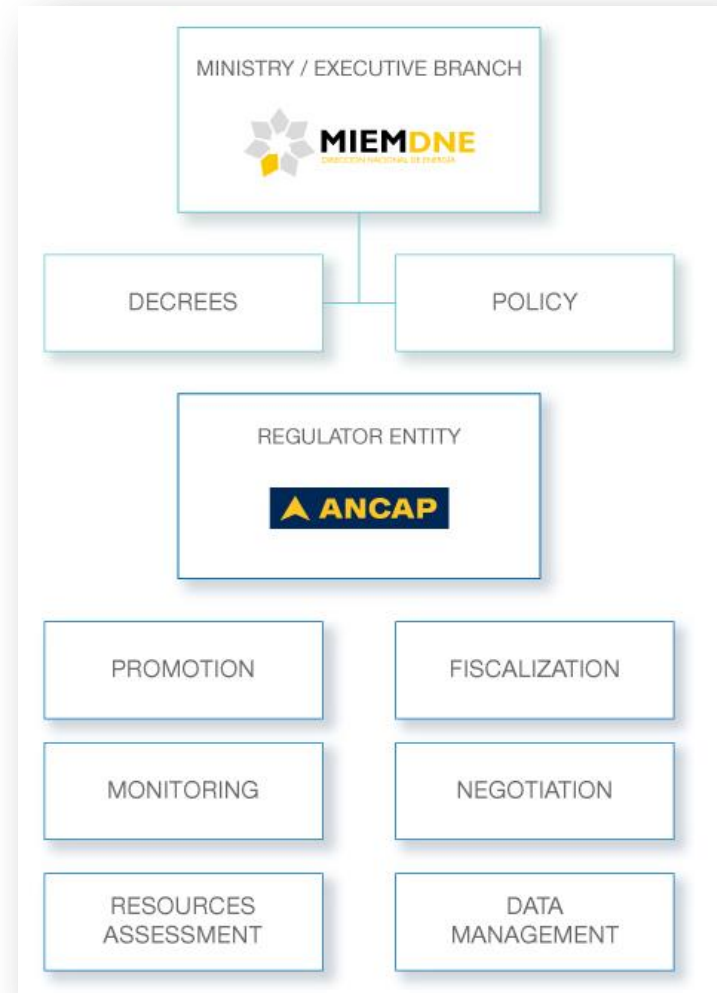


- Vertically integrated National Oil Company
- 2016 Revenue: USD 2673m
- ANCAP is responsible for developing Uruguayan E&P business and operations, by itself or via third parties agreements
- ANCAP will sign with the Oil Company the Exploration-Exploitation Contract on behalf of *Uruguayan* state



Upstream framework - ANCAP and Government Duties

- Legal and regulatory framework
- Licensing policy and strategy
- Promotion
- Negotiation and Licensing
- Monitoring operations
- Resource Assessment
- Data Management
- Revenues Management



ANCAP's Role and impact in E&P activities

Vision

Focused on sustainable development of fossil fuels and renewables

Enabler

between government agencies and private companies to boost and develop the E&P activity

Contracts

Assist in the regulation of E&P activities to generate stable, transparent, sound and fair terms

Promotion

E&P opportunities in Uruguay with a synergic, equilibrated and dynamic vision

Uruguay E&P Expertise

Highly professional technical E&P staff, with proven experience in upstream regulation

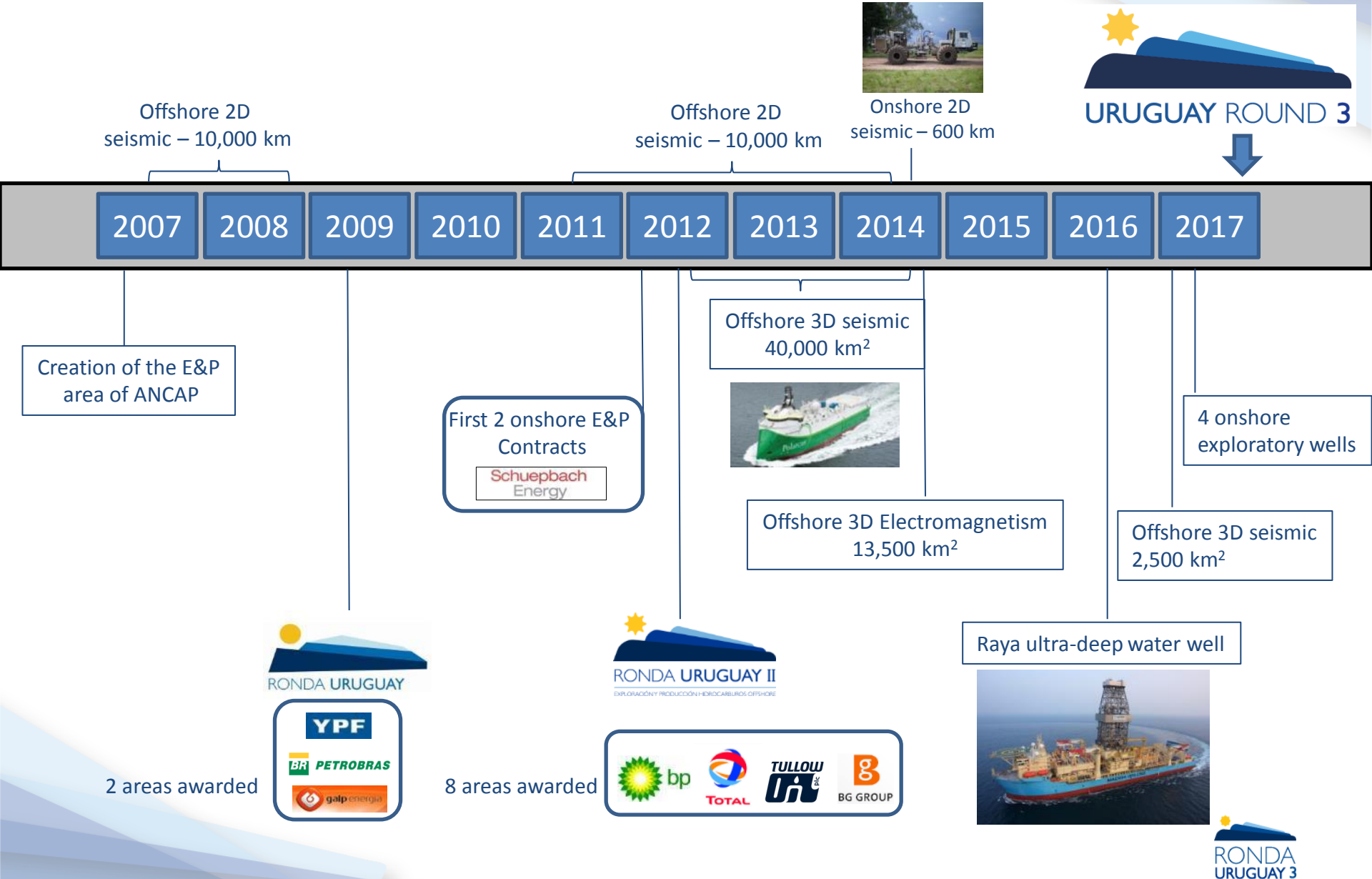
Data Management

Manages E&P database available and accessible for oil and service companies to mitigate exploratory risks

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E&P activity timeline in Uruguay



Oil & Gas Map of Uruguay



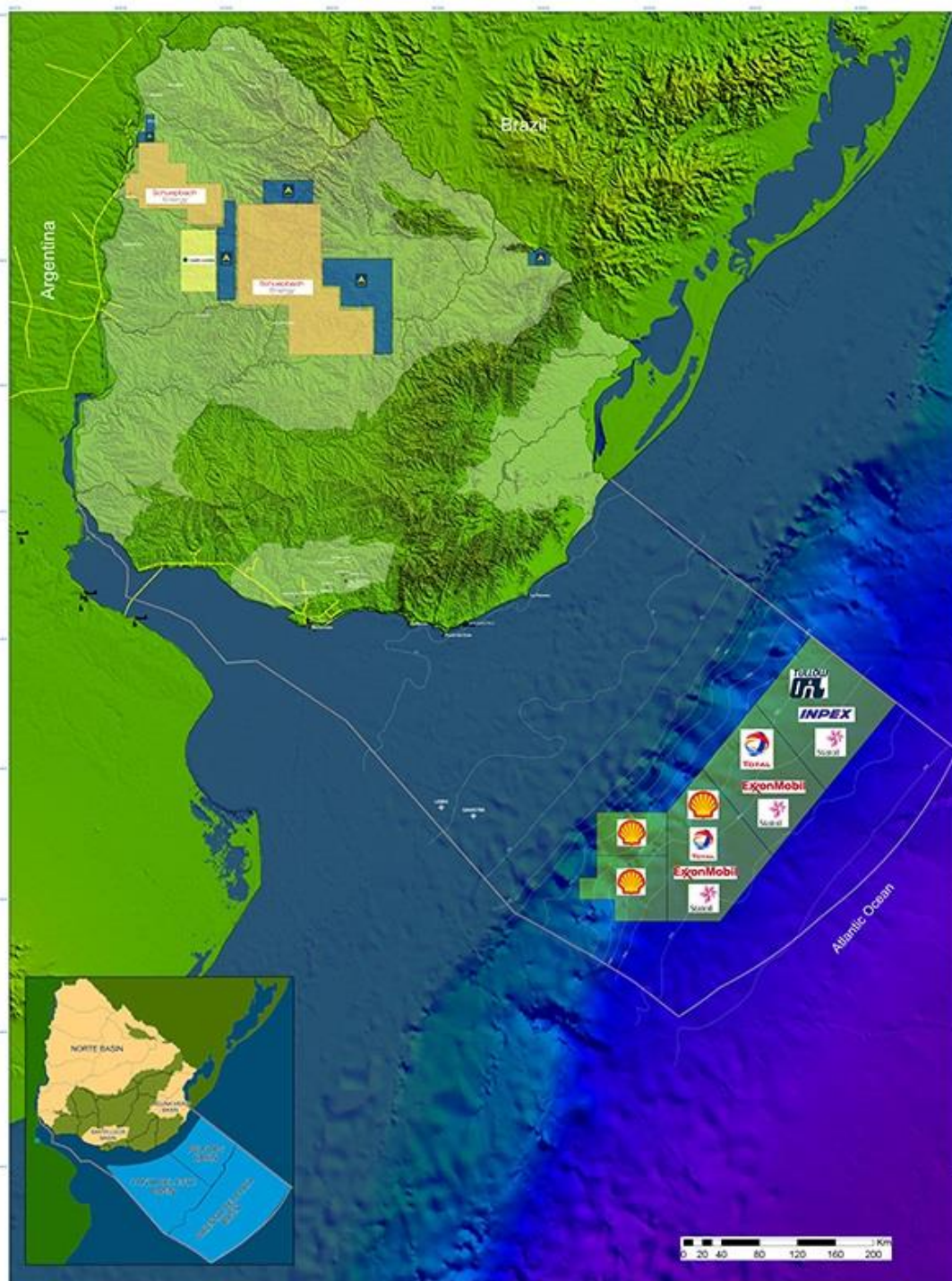
RONDA URUGUAY 2009



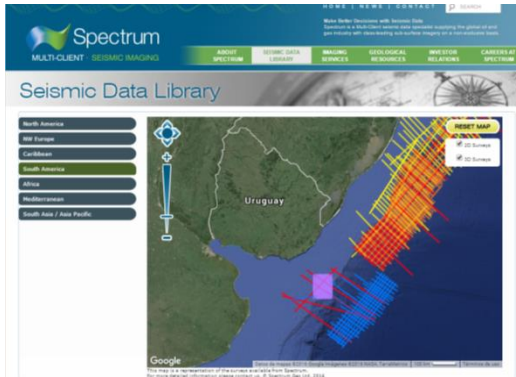
RONDA URUGUAY II



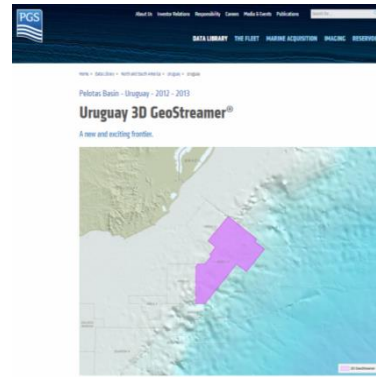
BG GROUP



Multiclient Agreements



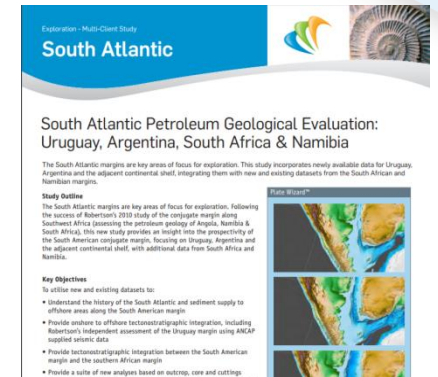
Spectrum: 10400Km of 2D seismic



PGS: 15700Km2 of 3D seismic



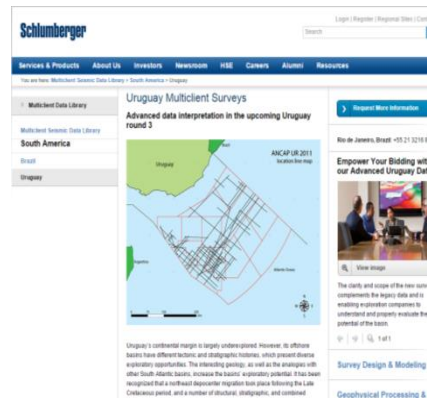
ION: 9800Km of 2D seismic



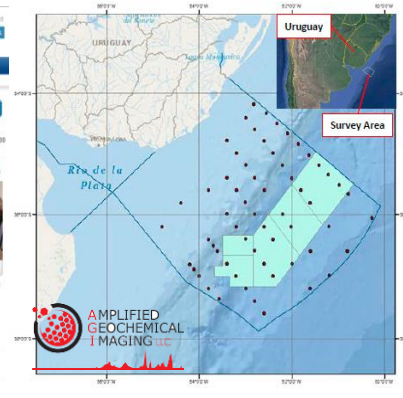
Robertson: 2 geological reports



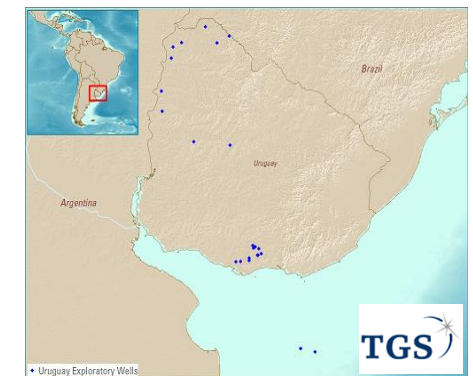
FIT: Fluid Inclusions Study of Lobo and Gaviotin wells



Schlumberger: Advanced Interpretation Data Package



AGI: micro-seeps detection of hydrocarbons into sediment samples

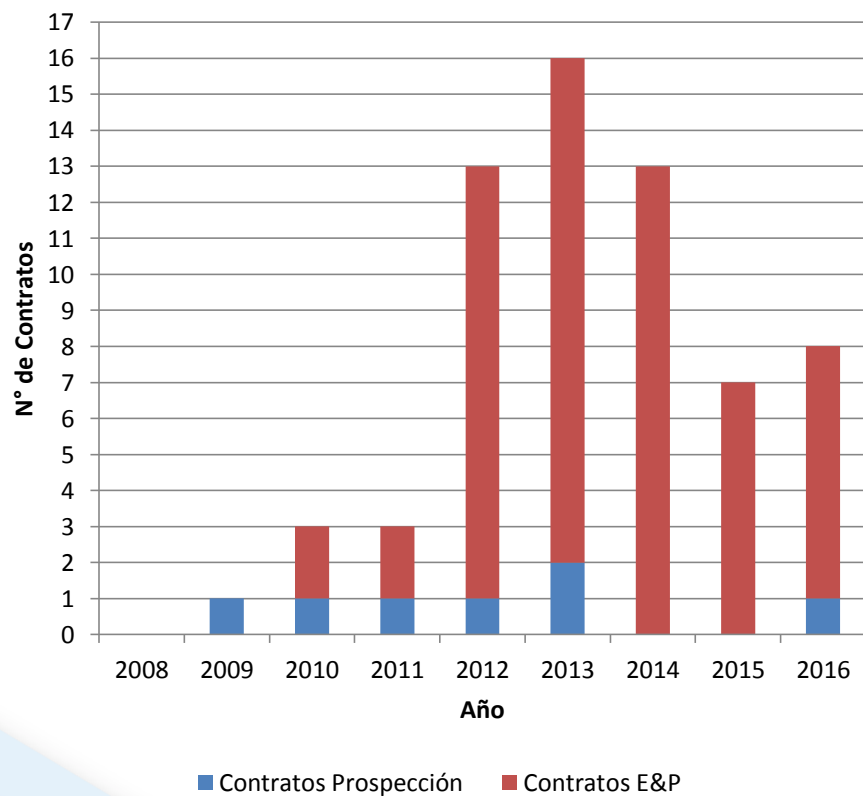


TGS: Well Logs

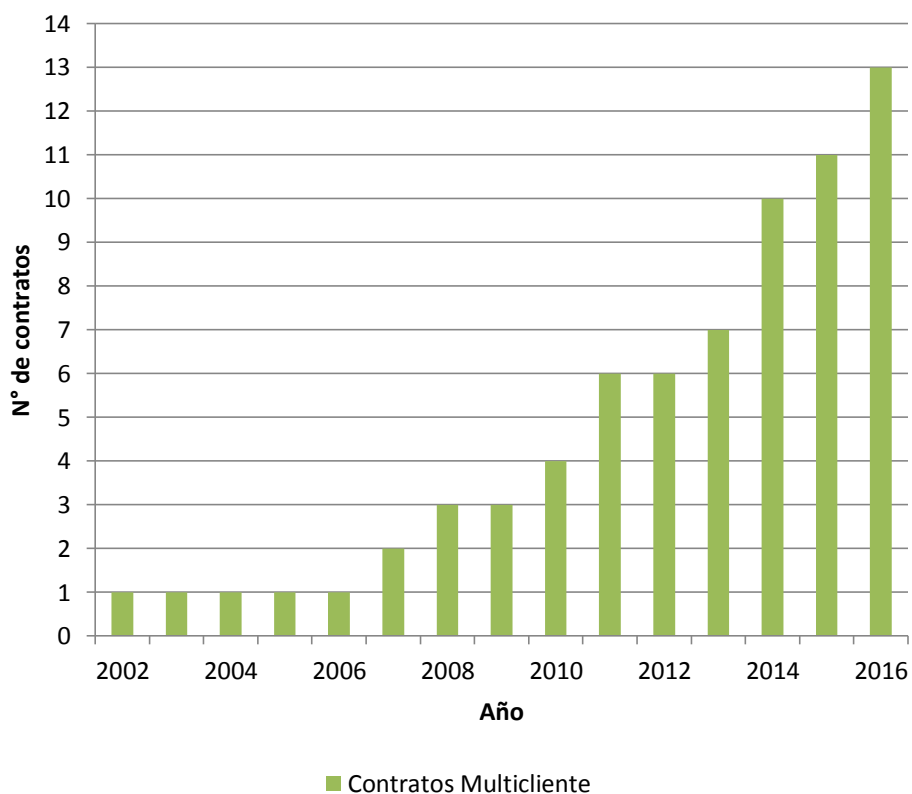
Several MC agreements process of approval

Contracts Evolution by year

E&P Contracts and Prospection Contracts



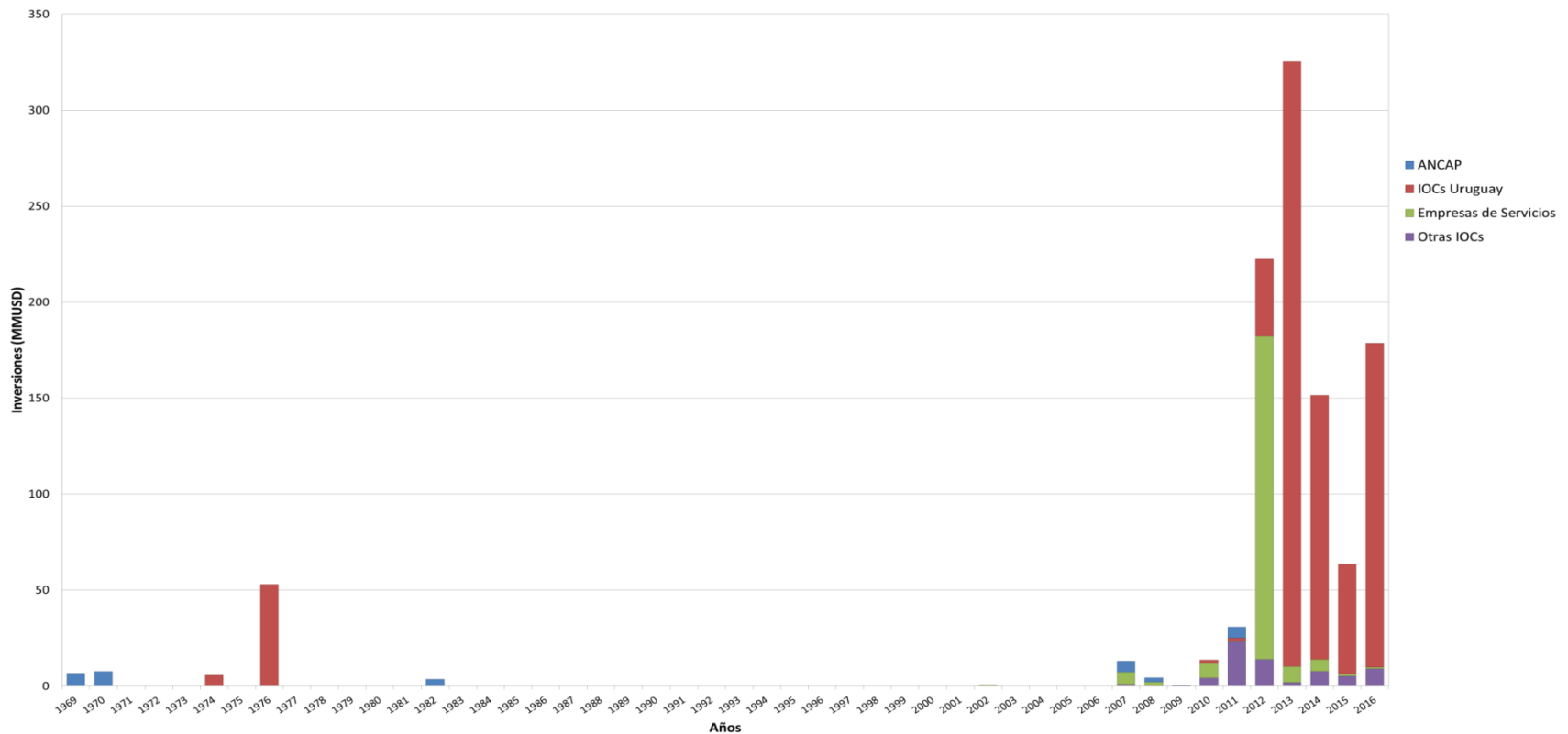
Multiclient Contracts with Service Companies



Exploration of Hydrocarbons

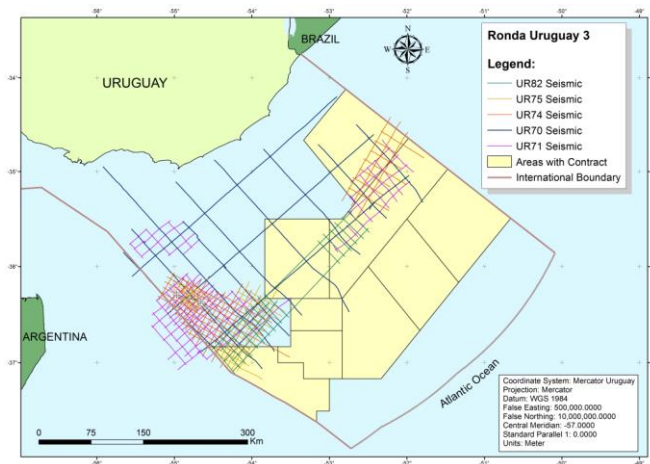
Investment in Uruguay

- 1017MMUS\$ since 2007; 14MMUS\$ by ANCAP, 736MMUS\$ by Oil Companies operating in Uruguay, 66MMUS\$ by other IOCs and 200MMUS\$ by Service Companies

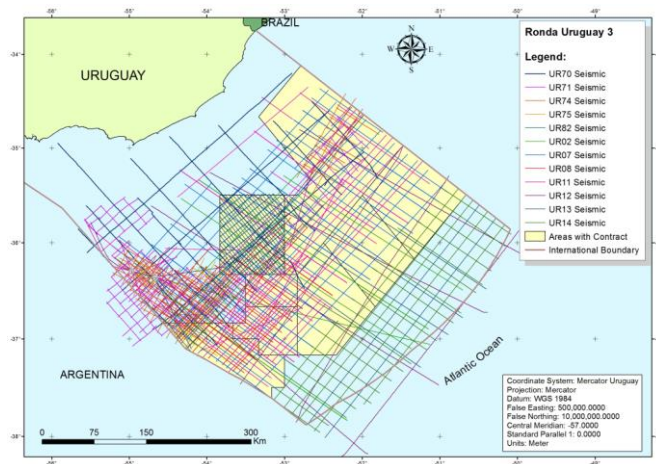


(*) Values updated to September 2016 based the Consumer Price Index published by the Bureau of Labor Statistics of USA.

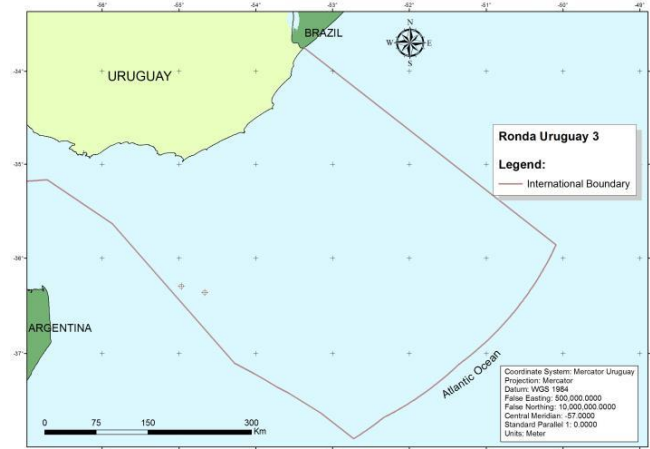
2D and 3D Seismic offshore



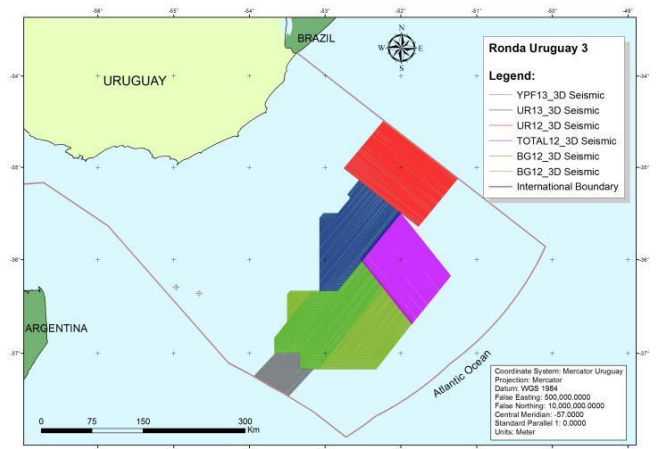
2D Seismic before 2007: 13.000Km



Present 2D Seismic: 41.000Km

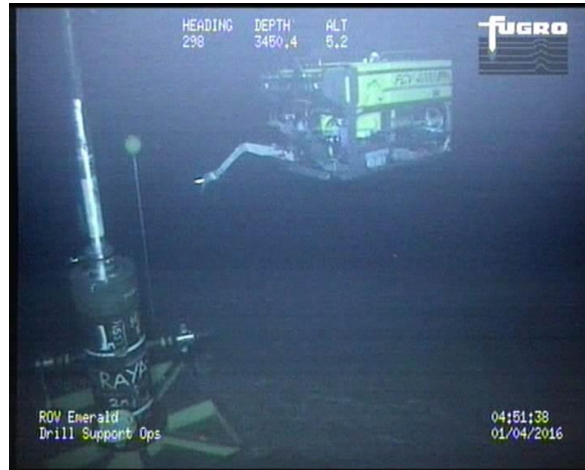


3D Seismic before 2012: 0Km²



Present 3D Seismic: 42.000Km²

Raya Well – Proven Operational Record



- 100 days of operation: on time and budget
- Complex Logistics on Port
- Construction of Mud and Cement plants
- Imports and Exports authorized by ANCAP and DNA in coordination
- Success from operational, HSE, drilling engineering, etc. point of views
- 2 people from ANCAP – E&P on board during whole operation

Exploratory wells onshore campaign

Operator: Schuepbach Energy Uruguay



Schuepbach
Energy

Petrel
ENERGY LIMITED

- 4 well conventional programme will address:
 - multiple wells different targets
 - significant conventional potential with very material upside
 - oil and gas targets
 - non-binary outcome, 3 of 4 wells have multiple objectives

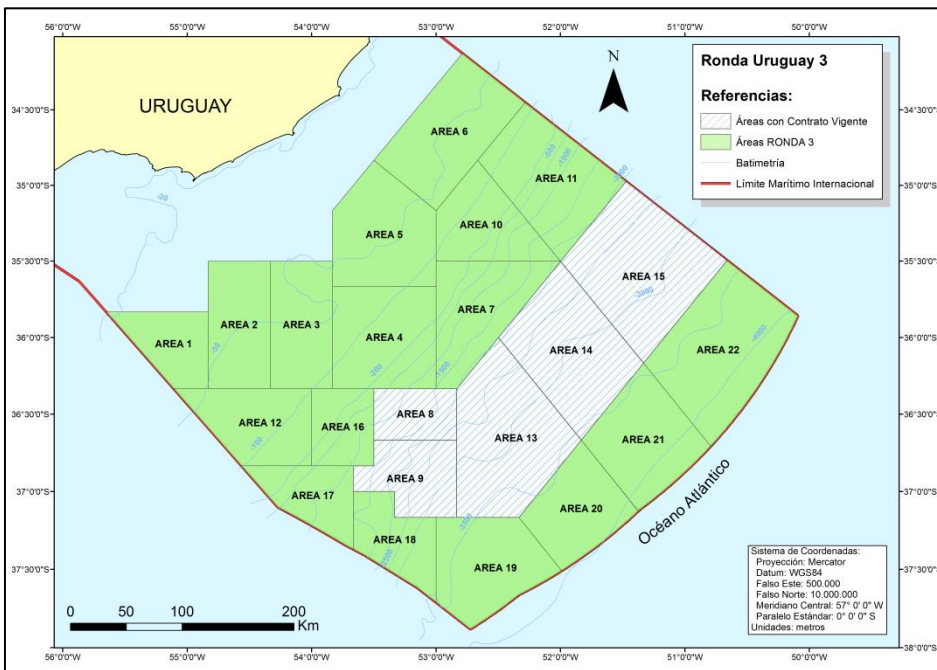
Source: Petrel Energy Limited's ASX RELEASE
28 August 2017 Cerro Padilla-1 Update

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Uruguay Round 3

17 areas offered



Main dates of Schedule

- Qualification Period:
Today thru 6th of April 2018
- Submission of offers:
24th thru 26th of April 2018



Uruguay Round 3 vs Round 2

RONDA URUGUAY II

URUGUAY ROUND 3

Changed	Qualification for E&P	Qualification for Exploration only and for E&P (with lower requirements)
	15 areas offered	17 areas offered
	Same periods and contract terms for all areas	Areas Type III with longer exploration periods and higher cost recovery limits
Same	Same formula for comparison of offers	
	Same biddable items	
	Contract model almost identical to the contracts signed as a result of Uruguay Round II	

Very small modifications with regards to the bidding round terms and the contracts signed as a result of Uruguay Round II

Data Rooms

- Data Rooms: Houston, London and Montevideo.
- Data packages for licensing are available: marketed directly by ANCAP or by service companies under Multilcient agreements.
- The licensing of such information will be counted in the offers as part of the Committed Exploratory Program.

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Summary and conclusions

- **Low operational risk** - ANCAP and Uruguayan Government facilitate logistics, permitting, and support to E&P operations – success record in complex operation.
- **Improved basin knowledge** - Vast database available reducing exploratory uncertainties.
- **Sound terms**, reviewed in line with the current upstream industry business environment

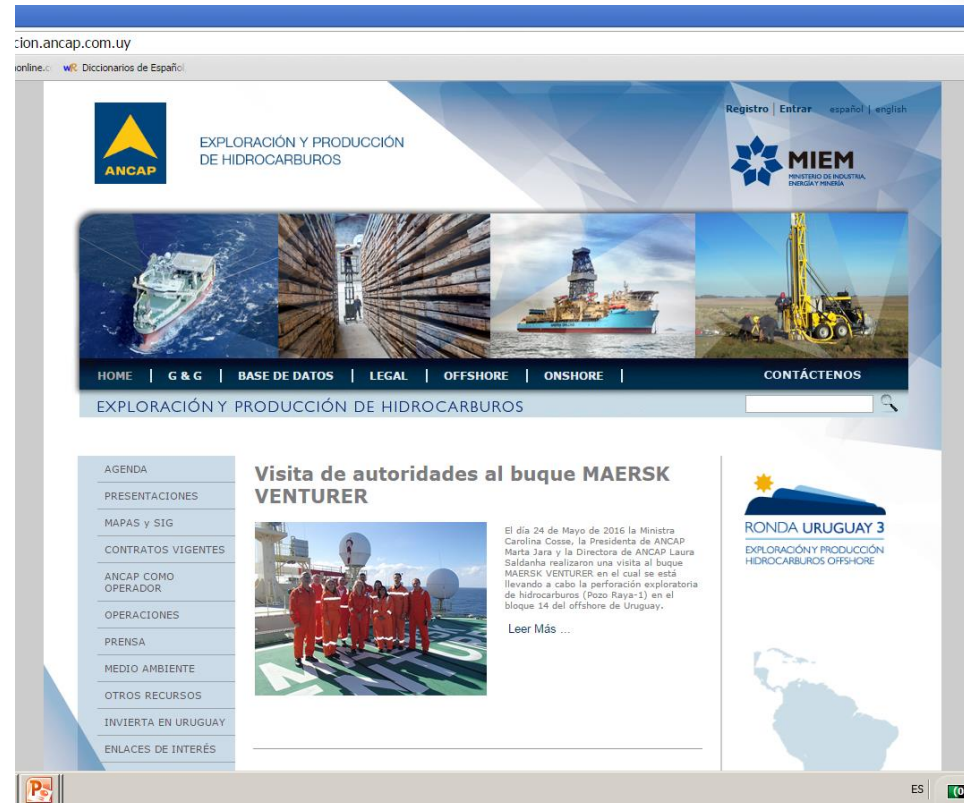
Uruguay Round 3 is an excellent opportunity to acquire frontier exploration asset with low entry cost and very good operations, knowledge and contract terms.

WEB PAGE: www.rondauruguay.gub.uy

or: <http://exploracionyproduccion.ancap.com.uy/>

- Geological information about Uruguayan offshore and onshore basins
- Available E&P database
- Bidding round terms
- Map of offered areas
- Contract Model
- FAQs
- Contact information
- Videos
- Presentations

All relevant information regarding E&P activities in Uruguay is being uploaded and posted at this web page



THANK YOU FOR YOUR ATTENTION