



OPEN URUGUAY ROUND

Cartagena, 23rd August 2018

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Exploration & Production

ANCAP





THANK YOU VERY MUCH FOR YOUR ATTENTION



Uruguay: a reliable country

ANCAP: Uruguayan NOC



Ranking		Uruguay in Latam
Democracy Index	(Economist Intelligence Unit, 2015)	#1
Corruption Perceptions Index	(Transparency International, 2015)	#1
Prosperity Index	(Legatum Institute, 2016)	#1
Rule of Law Index	(World Justice Project, 2016)	#1
Press Freedom Index	(Reporters without borders, 2016)	#2
World Governance Indicators	(World Bank 2015)	#2
Global Peace Index	(Institute for Economics & Peace, 2016)	#3
Index of Economic Freedom	(Heritage Foundation, 2016)	#3

- Vertically integrated NOC
- ANCAP is the agency competent to manage the activities, business and operations of hydrocarbons industry, by itself or by third parties
- ANCAP will sign with the Oil Company the Exploration-Exploitation Contract after approval and on behalf of the Uruguayan Executive Branch

Uruguay Round 3 Results

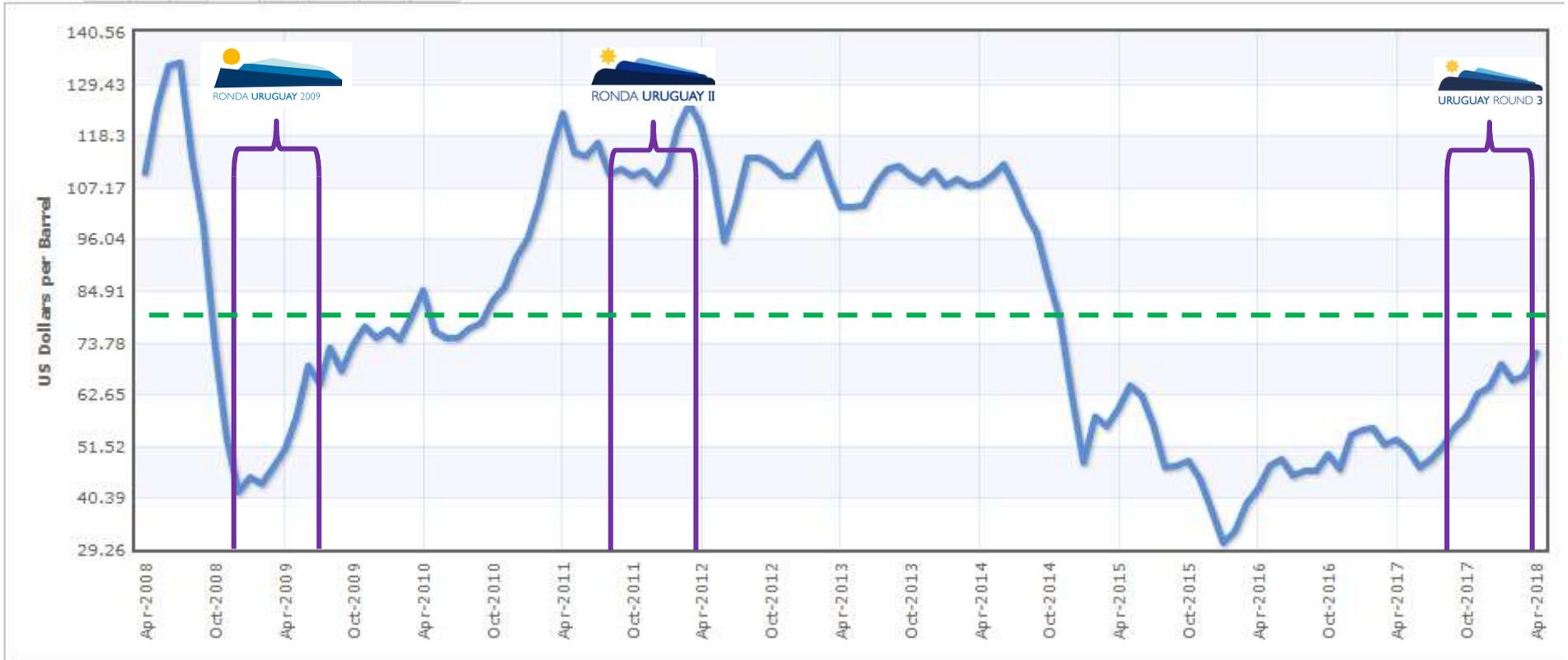
Bidding Round	Companies Qualified	Offers	Areas Awarded
 RONDA URUGUAY 2009		2	2
 RONDA URUGUAY II		19	8
 URUGUAY ROUND 3		-	-

Uruguay Rounds vs. Price of Brent

Crude Oil (petroleum); Dated Brent Monthly Price - US Dollars per Barrel

Range 6m 1y 5y 10y 15y 20y 25y 30y

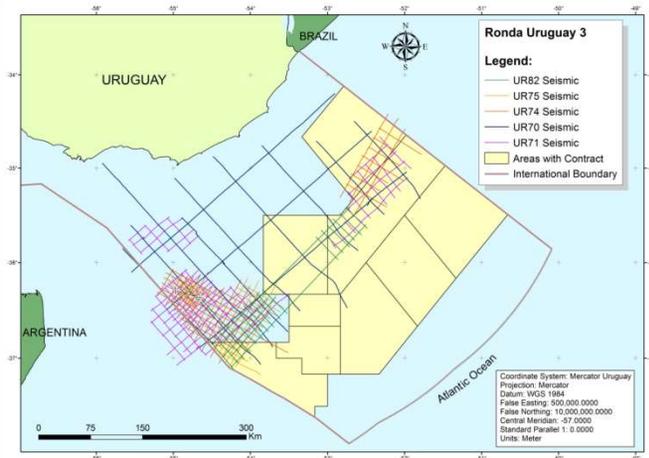
Apr 2008 - Apr 2018: -38,560 (-34.99 %)



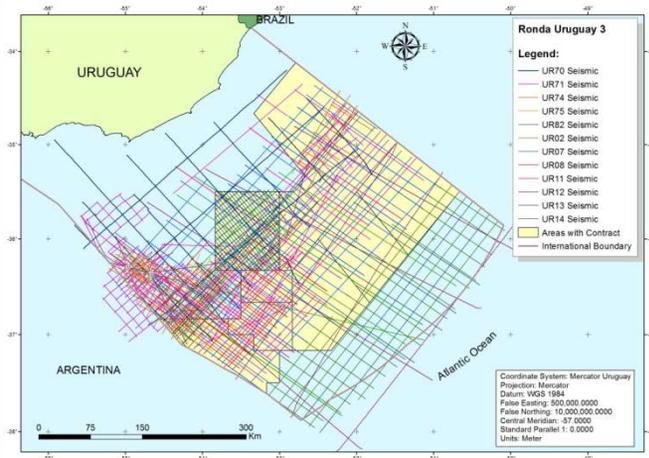
Description: Crude oil, UK Brent 38° API.

--- Breakeven US\$/Bbl Brent for Ultra-deep waters production

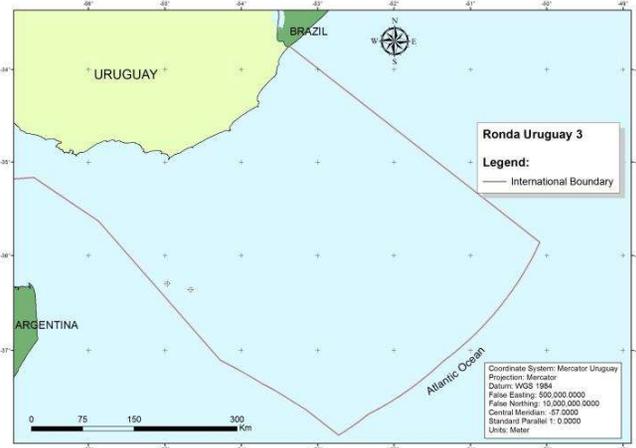
2D and 3D Seismic offshore



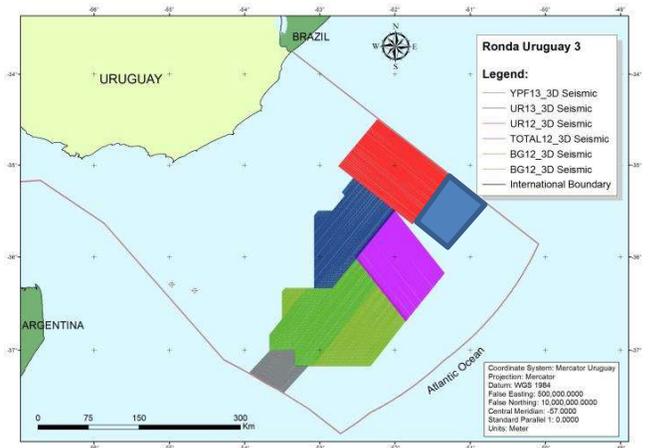
2D Seismic before 2007: 13.000Km



Present 2D Seismic: 41.000Km

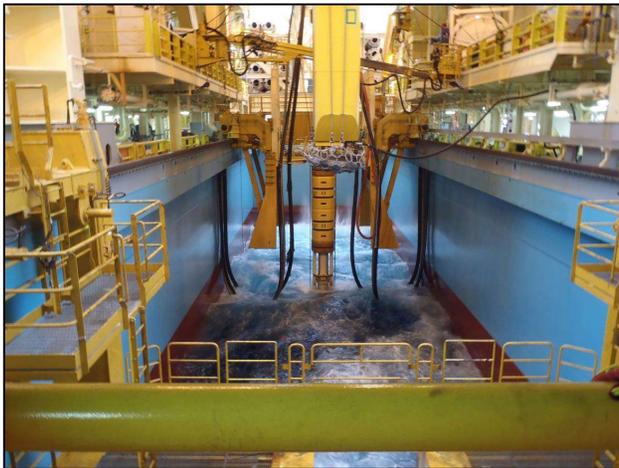
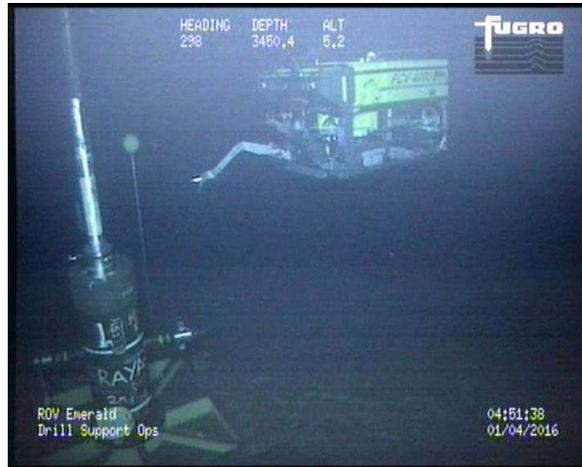


3D Seismic before 2012: 0Km²



Present 3D Seismic: 42.000Km²

Raya X-1

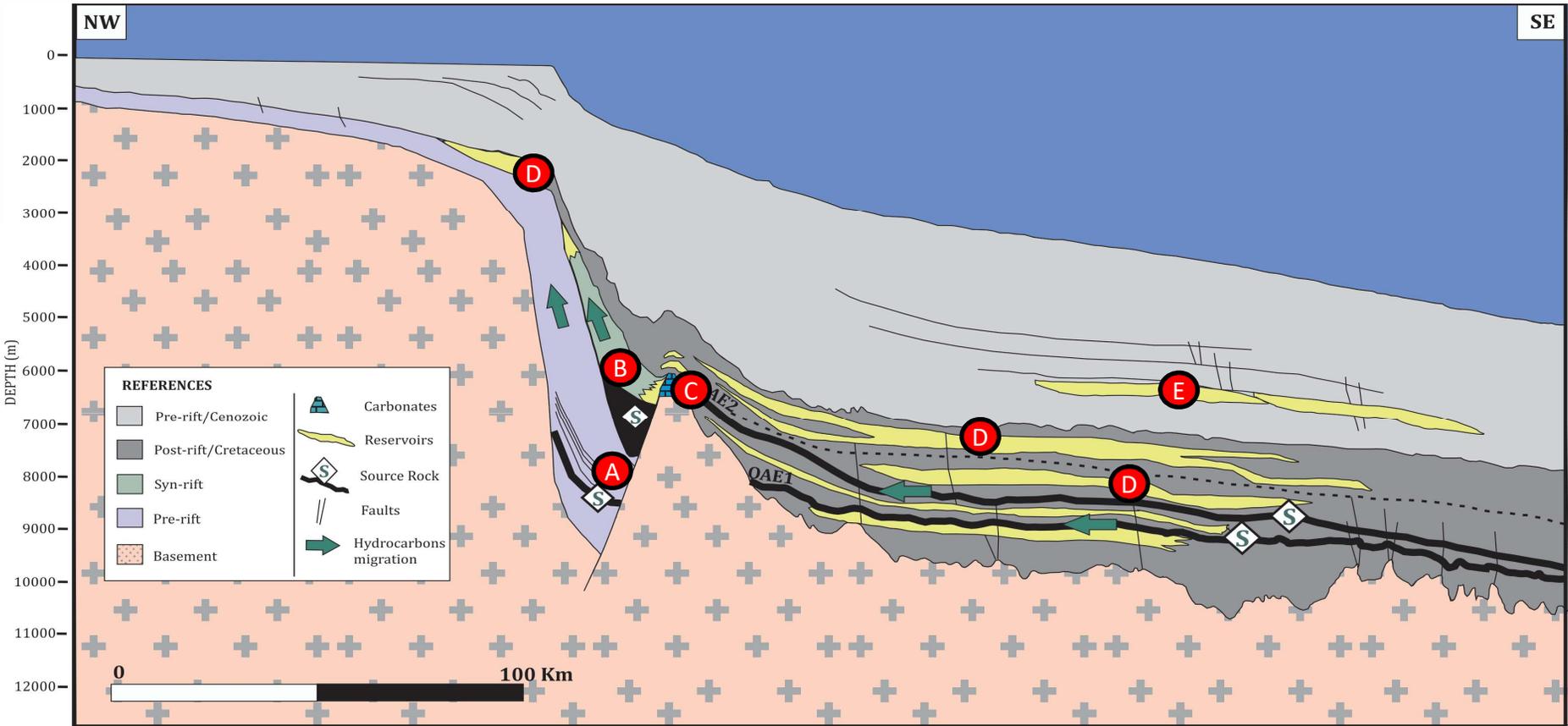


- World record well (WD).
- On time and budget.
- Tie to seismic.
- High porosity 140 m thick Tertiary turbidite deposits.
- Dry well.
- Not conclusive.

Play Types

- A) pre-Rift Plays (pre-Cretaceous)
- B) Synrift Plays
- C) Transition Carbonate Plays

- D) Post-Rift Cretaceous Siliciclastic Plays
- E) Post-Rift Cenozoic Siliciclastic Plays



Onshore: short update



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

First Oil Recovered in Uruguay



ASX RELEASE
2 November 2017

- *Oil recovered to surface confirms hydrocarbon prospectivity in Uruguay*
- *Petrel Energy Limited (ASX:PRL) announces that Schuepbach Energy Uruguay SRL (SEU) has successfully completed production testing at Cerro Padilla-1 and recovered a small amount of oil to surface from 2m of oil saturated sand at 795m.*
- *Although only a small amount of oil was recovered it appears that the current well is off structure and therefore is at the base of a thin oil zone. It is nonetheless the first time oil has been produced to the surface in Uruguay.*

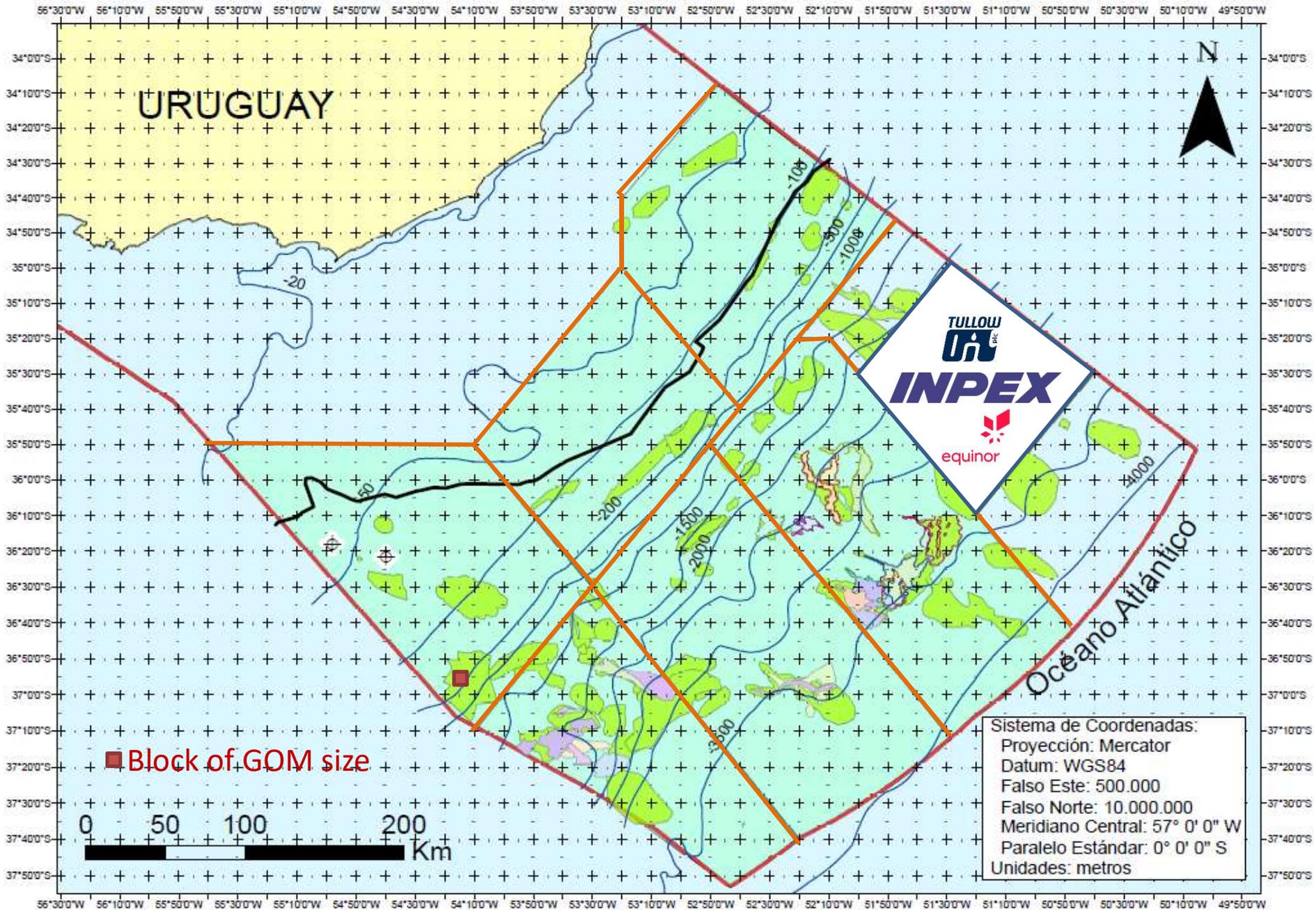
Lessons Learned

- Confidence.
- Seduction.
- Pragmatism.
- Long term.
- Intelligence.

Open Uruguay Round - Main Features

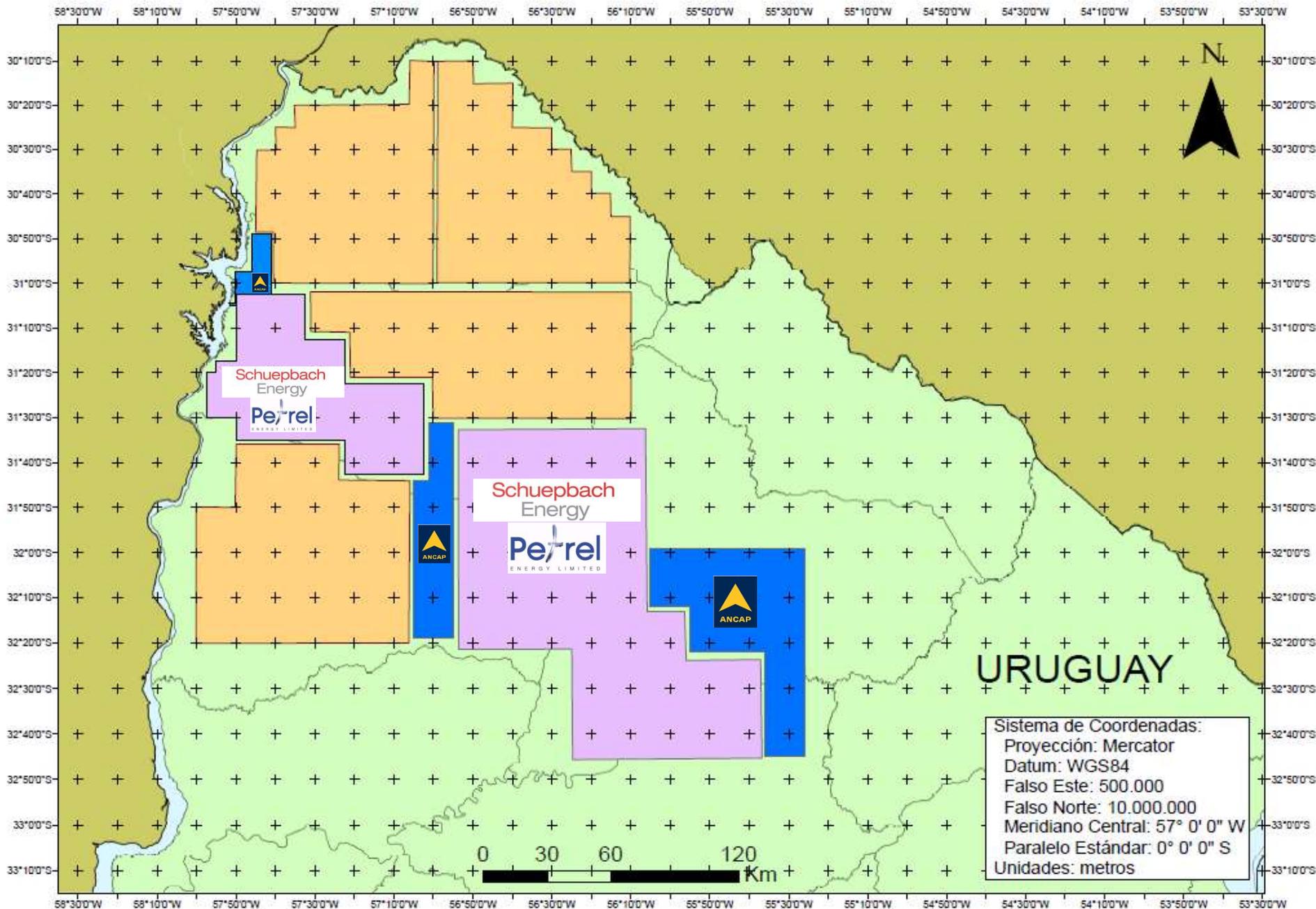
- A bidding round every semester
- Offshore and Onshore areas
- Large blocks (offshore \approx 15,000Km²; onshore \approx 5,000Km²)
- Commitments: intelligence.
- Low qualification criteria
- First come, first served.
- Offers opened at 30th of September and 31st of March
- Competitive: when 2 offers for same block at same time.

All info regarding Open Uruguay Round is a Draft (terms, contract model, areas, etc) until officially approved by the Executive Branch



Blocks are a DRAFT until officially approved by Executive Branch





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Final Remarks

- Uruguay is a reliable country; above ground risks minimized
- Uruguay Round 3 received no bids, confirming a difficult business environment for deepwater frontier exploration
- Success in previous bidding rounds and MC agreements allowed a huge increase in the available database, reducing exploratory risks.
- Data available from ANCAP and from Service Companies
- Many play types yet to be tested offshore
- First Oil recovered in surface onshore last year
- Open door system with very large blocks, for onshore and offshore
- Excellent opportunity to acquire an asset with low exploratory program requirements and very good bidding round and contract terms



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