

## **Recent developments in the Oil & Gas industry in Mexico: 1) Announcement of final Bidders structure of prequalified companies for Round 2.1; 2) Amendments to Rounds 2.2 & 2.3 Bidding Terms and License Contract ; 2) Amendments to the Bidding Calendar from Farmouts Ayin-Batsil; Ogarrio, and Cárdenas-Mora**

On June 12, 2017, the Mexican National Hydrocarbons Commission (CNH) approved the Oil & Gas industry requests for updating the Bidding Calendar for the Farmouts in fields Ayin-Batsil; Ogarrio, and Cárdenas Mora as well as some amendments to the bidding terms of Round 2.2 and 2.3.

Below is a summary of the most important modifications of the aforementioned documents. These documents are published and accessible to the public in the CNH's webpage (<http://rondasmexico.gob.mx/>)

Lastly, the CNH authorized the modification on Bidders structure for the Bidding process of Round 2.1, thus announcing the final list of interested parties.

### **Modifications to Round 2.2 & 2.3**

#### License Contract

- ▶ The term for submitting the Exploration Plan for the CNH's approval was extended, from 120 to 180 days.
- ▶ This term may be modified up to 90 additional days upon Contractor's request and subject to CNH approval.
- ▶ Precisions regarding the Corporate Guarantee Applicable Law were made on Annex 6-A (Letter of credit).

#### Bidding Guidelines

- ▶ Economic Bid dismissal cause regarding Over Royalty value is included (i.e. Over Royalty value shall be within the minimum and maximum limits proposed by the Ministry of Finance).

Furthermore, as anticipated for Round 2.3 bidding process, the variable related to the Minimum Working Program additional investment is included in the Economic Bid value.

In this sense, the mechanism for determining the Winning Bidder was adjusted, incorporating the following formula for determining the weighted value of the Economic Bid:

$$\text{Economic Bid Value} = \text{Over Royalty} + \left( 7.55 \times \left( \frac{\text{Over Royalty}}{100} \right) + 1.33 \right) \times \text{Investment Factor}$$

**Modifications to Bidding Calendar from Ayin-Batsil; Ogarrio and Cárdenas- Mora Farmouts**

Given the Oil & Gas industry requests, the CNH approved amending the following dates of the calendar:

Topic	Prior date	Amended date (06/12/2017)
Publication of final documents	September 1, 2017	September 4, 2017
Term to request access to data room	Until June 27, 2017	Until July 25, 2017
Registration fee & prequalification appointment request	June 30, 2017	July 28, 2017
Filing of prequalification documents	From July 3 to July 7, 2017	From July 31 to August 2, 2017
Pre-qualification phase (review of documents by CNH)	From July 10 to August 18, 2017	From August 3 to August 29, 2017
Publication of list of prequalified bidders	August 23, 2017	September 4, 2017
Modification to the Bidders structure	From September 4 to September 8, 2017	From September 11 to September 13, 2017
Limit to request authorization to modify the bidder's structure	September 20, 2017	September 26, 2017

It is important to mention that the former amendments do not modify the dates corresponding to the Proposal Opening date (i.e. October 4, 2017), nor the Contract Awarding (i.e. October 6, 2017).

Final Bidders structure from prequalified companies of Round 2.1

Please find below the prequalified parties; presenting the final structure approved by CNH: 20 individual bidders and 16 consortiums:

	<b>Individual Bidder</b>	<b>Countries</b>
1	<b>Chevron energía de Mexico S. de R.L. de C.V.</b>	<b>USA</b>
2	<b>China Offshore Oil Corporation E&amp;P Mexico, S.A.P.I de C.V</b>	<b>China</b>
3	<b>ConocoPhillips Mexico, B.V.</b>	<b>USA</b>
4	<b>Dea Deutsche Erdoel AG</b>	<b>Germany</b>
5	<b>Ecopetrol Global Energy, S.L.</b>	<b>Colombia</b>
6	<b>ENI Mexico, S. de R.L. de C.V.</b>	<b>Italy</b>
7	<b>Hunt Overseas Oil Company</b>	<b>USA</b>
8	<b>Inpex E&amp;P Mexico, S.A. de C.V.</b>	<b>Japan</b>
9	<b>LLC RN-SHELF SOUTH</b>	<b>Russia</b>
10	<b>Murphy Sur, S. de R.L. de C.V.</b>	<b>Russia</b>
11	<b>LUKOIL International Upstream Holding B.V.</b>	<b>USA</b>
12	<b>Noble Energy Mexico, S. de R.L. de C.V.</b>	<b>USA</b>
13	<b>ONGC Videsh Limited</b>	<b>India</b>
14	<b>Ophir Mexico Limited</b>	<b>UK</b>
15	<b>PanAmerican Energy LLC</b>	<b>Argentina</b>
16	<b>PC Carigali Mexico Operations, S.A de C.V.</b>	<b>Malaysia</b>
17	<b>Pemex Exploración y Producción</b>	<b>Mexico</b>
18	<b>Repsol Exploración Mexico, S.A de C.V.</b>	<b>Spain</b>
19	<b>Shell Exploracion y Extraccion de Mexico S.A. de C.V.</b>	<b>Netherlands</b>
20	<b>Total E&amp;P Mexico S.A de C.V.</b>	<b>France</b>

	<b>Consortiums</b>	<b>Countries</b>
1	Capricorn Energy Limited Citla Energy E&P S.A.P.I. de C.V.	UK - Mexico
2	Chevron energía de Mexico S. de R.L. de C.V. Pemex Exploración y Producción INPEX E&P Mexico, S.A. de C.V.	USA - Mexico - Japan
3	Dea Deutsche Erdoel AG Diavaz G y P S.A.P.I. de C.V.	Germany – Mexico
4	Dea Deutsche Erdoel AG Pemex Exploración y Producción	Germany – Mexico
5	ENI Mexico, S. de R.L. de C.V. Citla Energy E&P S.A.P.I. de C.V.	Italy - Mexico
6	ENI Mexico, S. de R.L. de C.V. Capricorn Energy Limited Citla Energy E&P S.A.P.I. de C.V.	Italy - UK - Mexico
7	ENI Mexico, S. de R.L. de C.V. LUKOIL International Upstream Holding B.V.	Italy - Russia
8	Murphy Sur, S. de R.L. de C.V. Talos Energy Offshore Mexico 7 S. de R.L. de C.V. Ophir Mexico Limited	USA - USA - UK
9	Noble Energy Mexico, S. de R.L. de C.V. Talos Energy Offshore Mexico 7 S. de R.L. de C.V.	USA - USA
10	Noble Energy Mexico, S. de R.L. de C.V. PC Carigali Mexico Operations, S.A de C.V. Ecopetrol Global Energy, S.L.	USA - Malaysia - Colombia
11	PC Carigali Mexico Operations, S.A de C.V. Ecopetrol Global Energy, S.L.	Malaysia - Colombia
12	Pemex Exploración y Producción Ecopetrol Global Energy, S.L.	Mexico - Colombia
13	Premier Oil Exploration and Production Mexico, S.A. de C.V. Sierra Perote E&P, S. de R.L. de C.V.	UK - Mexico
14	Repsol Exploración Mexico, S.A de C.V. Premier Oil Exploration and Production Mexico, S.A. de C.V. Sierra Perote E&P, S. de R.L. de C.V.	Spain - UK - Mexico
15	Repsol Exploración Mexico, S.A de C.V. Sierra Perote E&P, S. de R.L. de C.V.	Spain - Mexico
16	Total E&P Mexico S.A de C.V. Shell Exploracion y Extraccion de Mexico S.A. de C.V.	France - Netherlands

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