

# OPEN URUGUAY ROUND

AAPG Annual Conference & Exhibition 2018  
International Pavilion Theatre

Salt Lake City, 22<sup>nd</sup> of May 2018

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Exploration & Production

ANCAP



# 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

# Multiclient Agreements

## In force

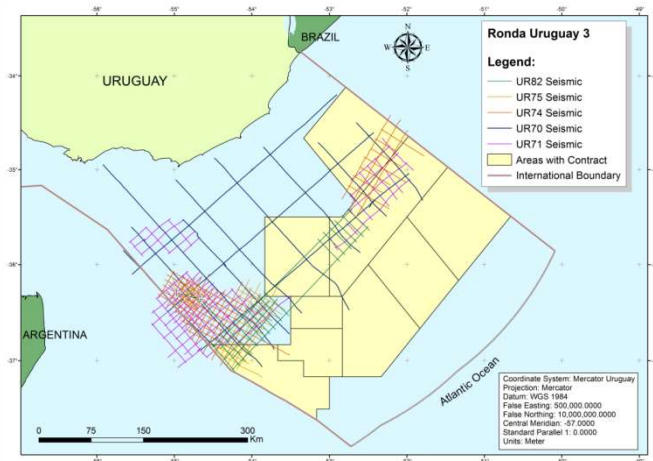
- AGI: micro-seeps detection of hydrocarbons into sediment samples
- CGG/Robertson: 2 geological reports
- Geokinetics: 2D seismic onshore
- ION: 12800Km of 2D seismic
- ION: 3D seismic
- PGS: 15700Km<sup>2</sup> of 3D seismic
- Schlumberger: Advanced Interpretation Data Package
- Schlumberger (FIT): Fluid Inclusions Study of Lobo and Gaviotin wells
- Spectrum: 10400Km of 2D seismic
- TGS: Well Logs

## In process of approval

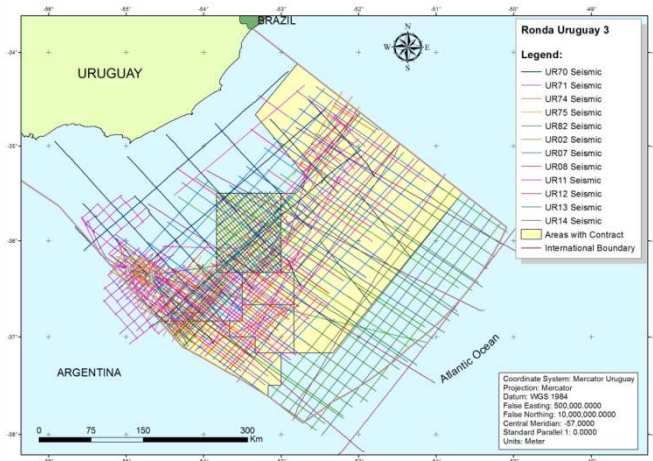
- Airborne gravimetry
- Reprocessing of EM data
- EM acquisition
- RockScan of Onshore wells cores
- PostMortem report of Raya X-1 well
- Biostratigraphy of offshore wells
- Offshore Multibeam



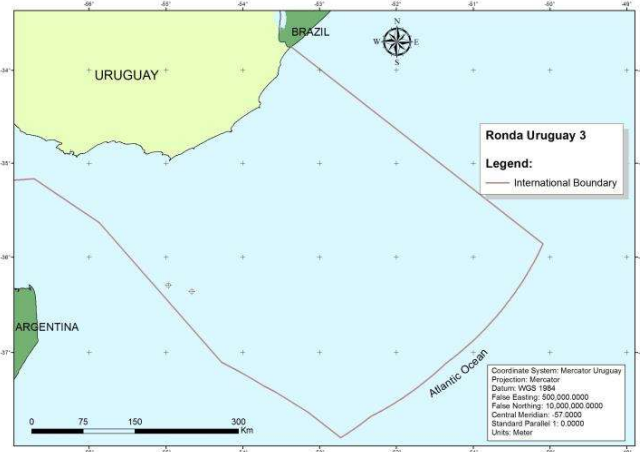
# 2D and 3D Seismic offshore



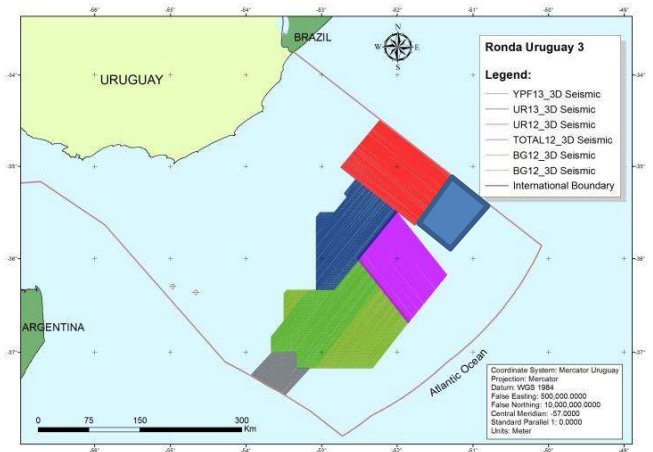
2D Seismic before 2007: 13.000Km



Present 2D Seismic: 41.000Km



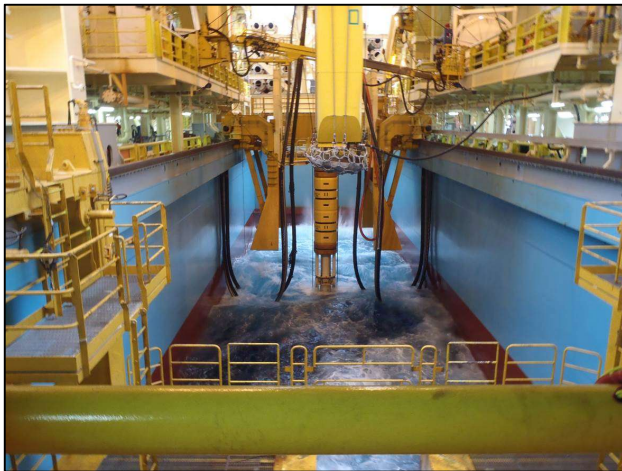
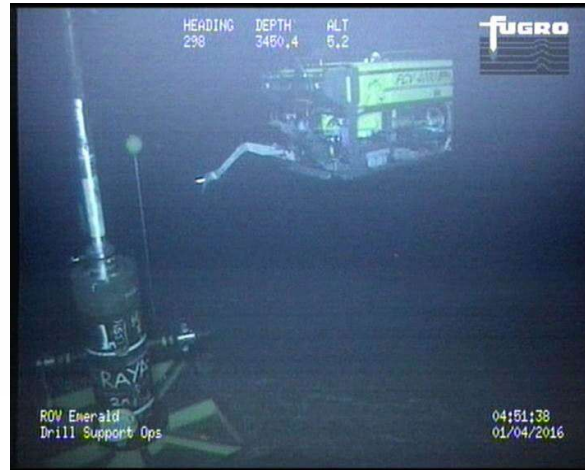
3D Seismic before 2012: 0Km<sup>2</sup>



Present 3D Seismic: 42.000Km<sup>2</sup>



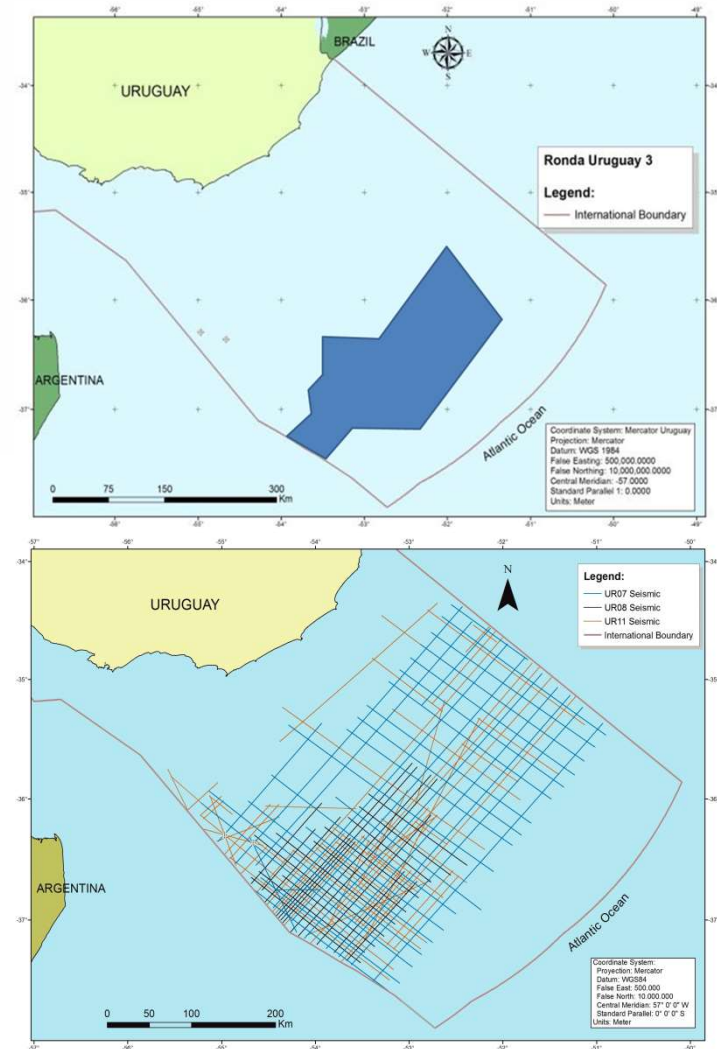
# Raya Well



- 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

# Data marketed by ANCAP

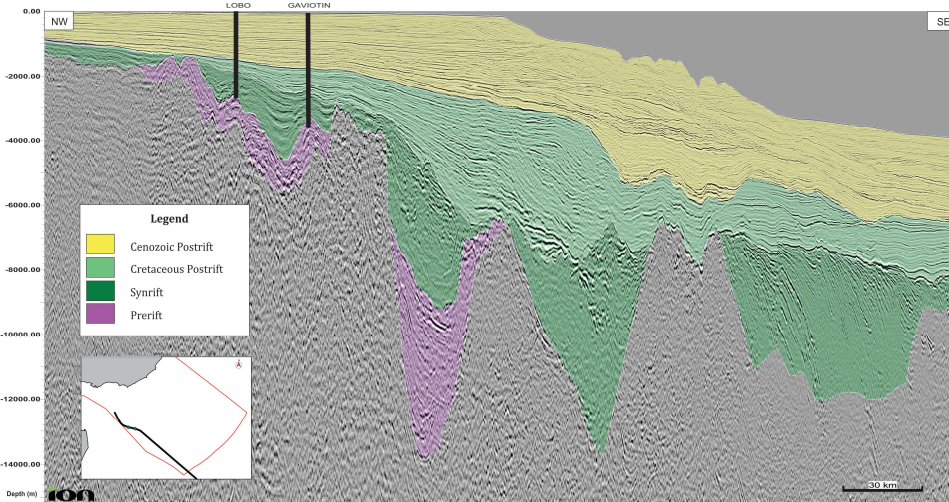
- 22.000Km<sup>2</sup> of 3D seismic
- 16.000Km of 2D seismic
- 13.000Km<sup>2</sup> of 3D EM
- Offshore data-package with wells and other data
- Onshore data-package with wells and other data
- Piston cores data



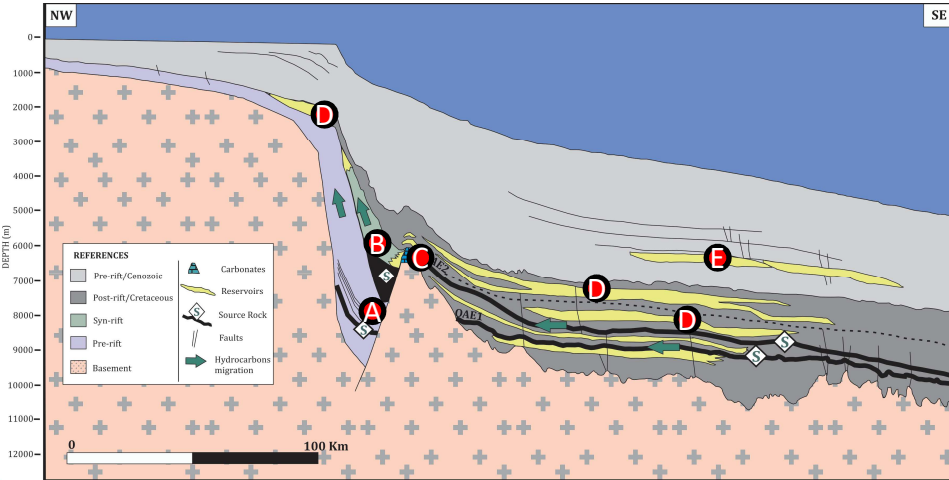
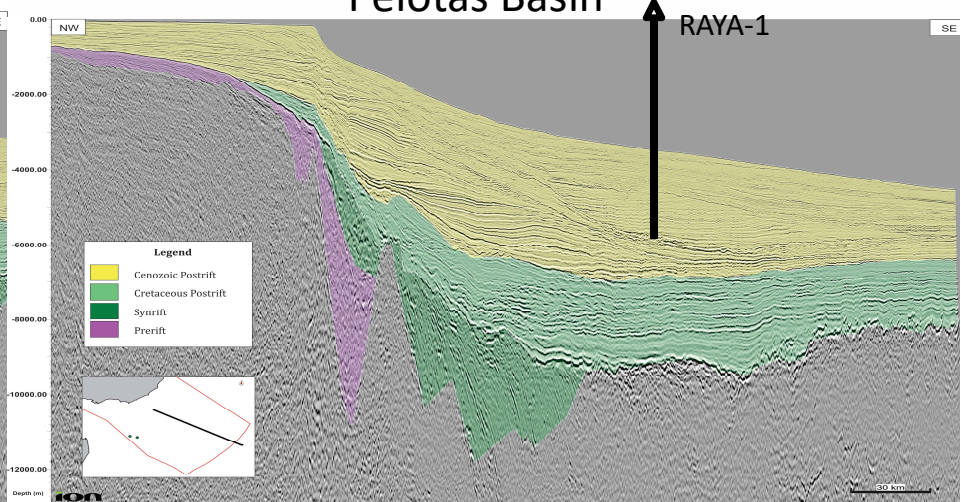


# Play Types

Punta del Este Basin



Pelotas Basin



- 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

# Exploratory wells onshore campaign

## Operator: Schuepbach Energy Uruguay



- 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

- 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



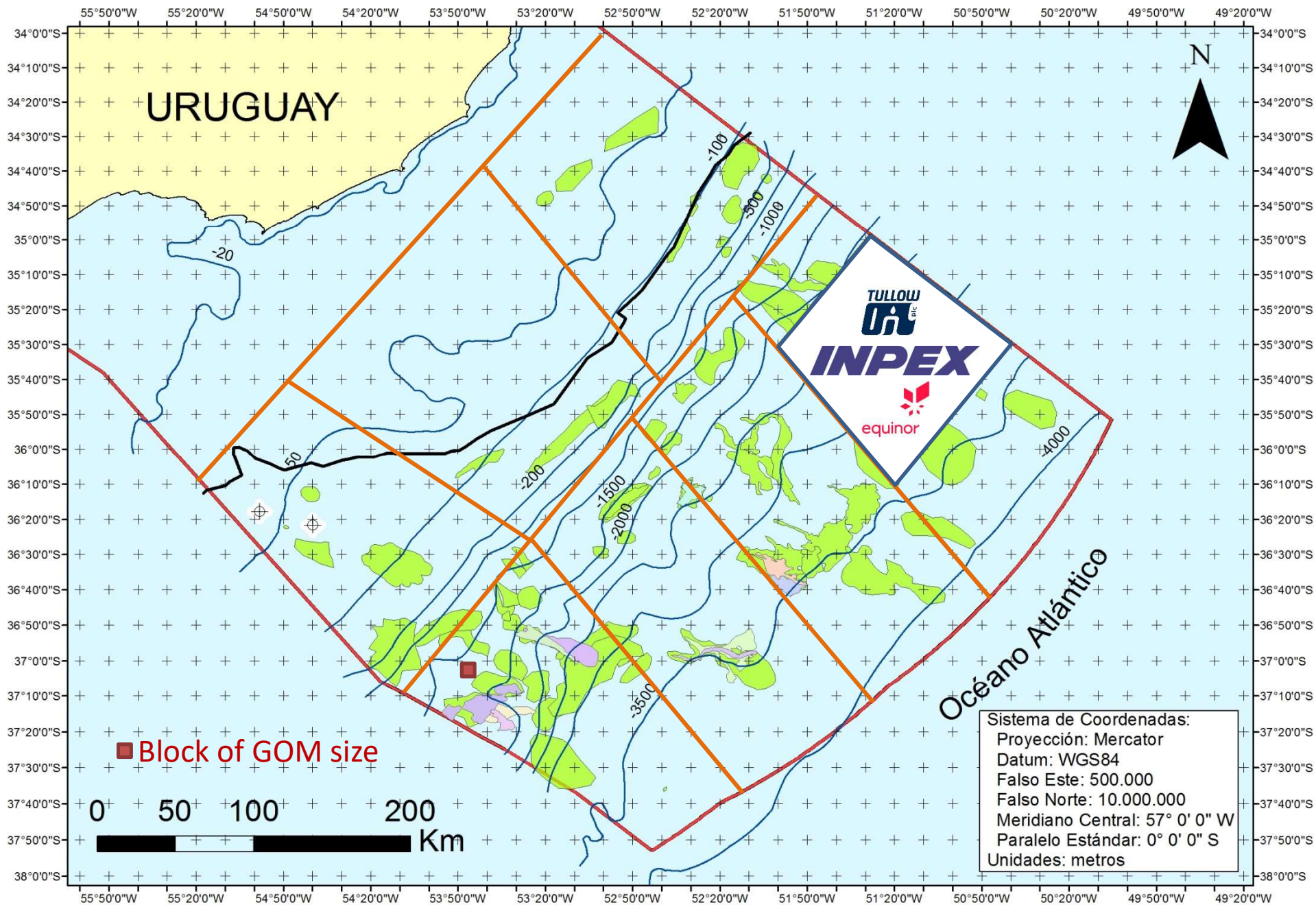
**ASX RELEASE**  
2 November 2017

# Open Uruguay Round - Main Features

- Not Direct Negotiation, system works like a bidding round every semester
- For offshore and onshore areas
- Very large blocks (offshore  $\approx 15.000\text{Km}^2$  and onshore  $\approx 5.000\text{Km}^2$ )
- Very moderate work commitments
- Low qualification criteria
- First come, first served
- Companies can qualify at any time, only qualified companies can offer
- Offers opened at 30<sup>th</sup> of September and 31<sup>st</sup> of March
- In case of competition for the same area on the same semester, offers are compared with an equation and the area awarded to the highest score offer
- Objective: to have the new system in place for 30<sup>th</sup> of September

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

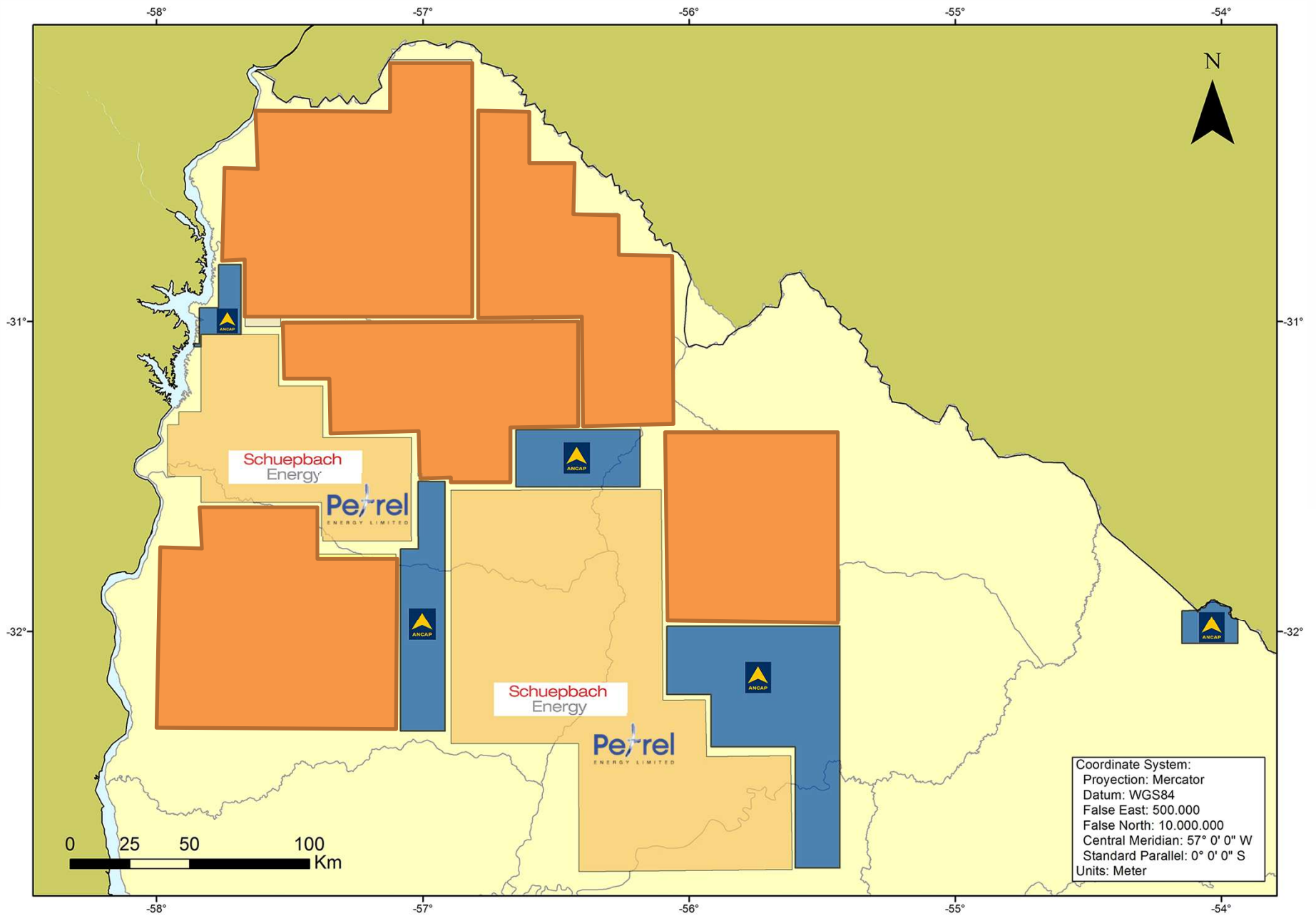




Blocks are a DRAFT until officially approved by Executive Branch







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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
- Book Data Rooms or Meetings
- Excellent opportunity to acquire an asset with low exploratory program requirements and very good bidding round and contract terms



THANK YOU VERY MUCH FOR YOUR ATTENTION

