Exploration Update and Opportunities offshore Uruguay

Booth # 22

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Wednesday 2nd March, 2016
London, UK
Uruguay is the second best place for exploration investment in Latin America and the Caribbean, according to the Global Petroleum Survey 2015.

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Uruguay in Latin America</th>
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<tbody>
<tr>
<td>Democracy Index</td>
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<td>(Economist Intelligence Unit, 2014)</td>
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<td>Global Peace Index</td>
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<td>(Institute for Economics &amp; Peace, 2014)</td>
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<td>Low corruption</td>
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<td>(Transparency International, 2014)</td>
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<td>Prosperity Index</td>
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<td>(Legatum Institute, 2014)</td>
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<td>Rule of Law Index</td>
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<td>(World Justice Project, 2014)</td>
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<td>Press Freedom</td>
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<td>(Reporters without borders, 2014)</td>
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<td>Worldwide Governance Indicators</td>
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<td>(World Bank, 2014)</td>
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<td>Economic Freedom</td>
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<td>(Heritage Foundation, 2015)</td>
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Source: Uruguay XXI

Global Petroleum Survey 2015
Fraser Institute
Contracts in place

Exploration update: offshore

- Almost all working commitment has been completed:
  - 39.000Km² of 3D seismic
  - 13.500Km² of 3D EM
  - 3.000Km of 2D seismic
  - 250 seabed samples
- Maturation from play to prospect (Pre-Rift, Cretaceous and Tertiary).
- New multi-client products in place.
- BP has relinquished 3 areas and YPF 1 area.
- Farm-in activity:
  - Exxon-Mobil (35%) and Statoil (15%) in Block 14.
  - Inpex (30%) and Statoil (35%, in process) in Block 15.
- 1 ½ years extension of exploration period of all contracts in force offshore, due to downturn in upstream industry.
- Planning Uruguay Round 3.
Raya-1: World record well to be spud in March 2016 (3411 m WD)

Selected 2016 high-impact wells to watch
Sailing to / ETA
RAYA-URUGUAY / Mar 10, 09:00

Course: N/A
Speed: 8.6 kn
Gross Tonnage: 60683 t

Current draught: 14 m
Built: 2014
IMO number: 9633563

Last received ship position
FEB 20, 2016 15:21 UTC

Download VT Explorer
and track 85,000+ ships.

https://www.vesselfinder.com/
Update: 20 Feb 2016
Submarine Fans

One of the most extended plays within Uruguayan offshore (identified in the 3 basins, within different stratigraphic positions from late Cretaceous to Oligocene), and an emerging proven play for the south Atlantic and equatorial margin.
The following petroleum systems, based on offset and regional data, and analogous South Atlantic and continental basins:

- Pre-Rift.
- Syn-Rift.
- SDRs.
- Post-Rift: Aptian.
- Post-Rift: Turonian.
- Post-Rift: Paleocene.

Some of them have been evaluated from play to prospect, after geophysical and geological data acquisition, and are ready to be drilled.
The level of deformation of the Paleozoic Pre-Rift is not identified in the Syn & Post-Rift seq.

Outcrop of Cordobés Fm.

Core of Mangrullo Fm.

Evidence of compressive events at the Paleozoic, Uruguay onshore outcrops.

Thrust fault with hanging-wall anticline
Uruguay Round 3
Map of blocks

Areas Type I: Shallow waters, up to 100m
Lower qualification requirements for oil companies

Areas Type II: Deep waters, ranging from 100m up to 3500m

Areas Type III: Ultra-deep waters
Longer exploration periods
Higher cost recovery limits: 70% and 90% instead of 60% and 80% as for Areas Type I and II

17 blocks
From 2.500 to 6.500Km²
Avg. Size: 4.380Km²

Map of Blocks is still a Draft until bidding round terms and contract model are officially approved by the Executive Branch.
Main features of terms and contracts

- Definitive bidding round terms and contract model available since the official announcement
- Very similar to those applied in Uruguay Round II: PSC, biddable items: profit oil sharing, ANCAP’s association and committed exploratory program
- Qualification of Oil Companies regarding legal, financial and technical documentation
- Licensing multi-client or ANCAP’s data is not mandatory but will count as working units
- Some blocks can be awarded by just licensing existing data
Data available through multi-client agreements

- Spectrum: 10400Km of 2D seismic
- PGS: 15700Km2 of 3D seismic
- ION: 2800Km of 2D seismic
- Robertson: 2 geological reports

Other MC agreements, paperwork in progress:
- Robertson: geochemical database
- TGS: 2D seismic
- TGS: well logs
- ION: reprocessing of 10,000Km of 2D seismic
- ION: 3D seismic

- FIT: Fluid Inclusions Study of Lobo and Gaviotin wells
- Schlumberger: Advanced Interpretation Data Package
- EMGS: 3D CSEM (not acquired yet)
Website

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 and presentations