



International Pavilion



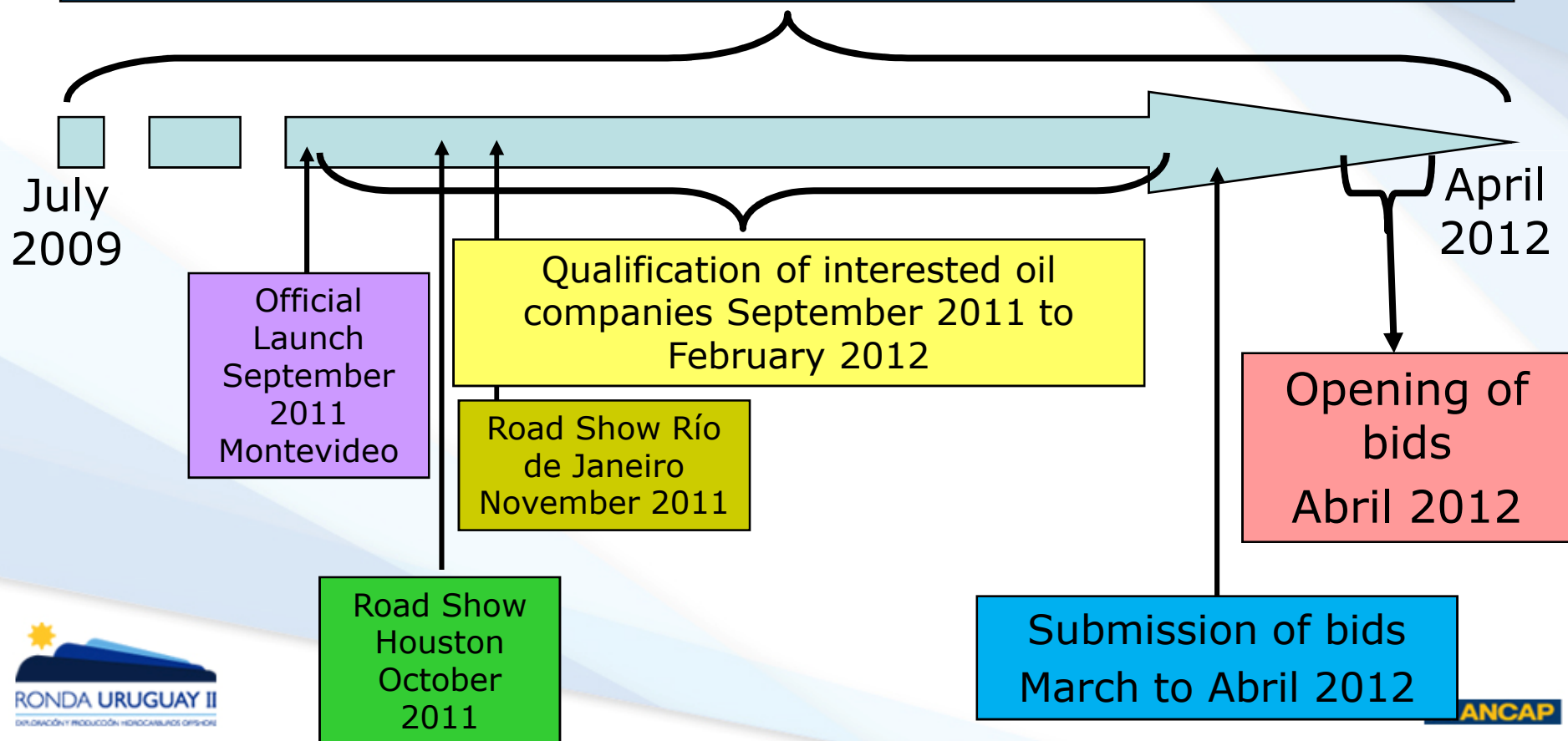


- ANCAP is the National Oil Company of Uruguay
- The Executive Branch is the responsible of fixing the policy and everything related to activities of hydrocarbon exploration and exploitation. ANCAP is the one to execute the activities, business and operations of hydrocarbons industry, by itself or by third parties.
- ANCAP will sign with the Oil Company the Exploration-Exploitation Contract after approval and on behalf of the República Oriental del Uruguay Executive Branch
- Fields and extracted substances are State property (original and common domain).

Uruguay Round II: Schedule

Promotion activities: AAPG, APPEX, NAPE, EAGE, SPE, SEG, etc

Data Rooms and meetings with the companies



ANCAP's OIL COMPANIES REGISTER

- **QUALIFICATION**
 - Technical Information
 - Economical & Financial information
 - Legal issues
- **RESULT**
 - Qualified as operator for all areas
 - Qualified as operator only for shallow waters
 - Qualified as a non operator
 - Not Qualified

BIDDING ROUND TERMS - OFFERS

- Offers will be compared according to:
 - Exploratory program
 - wells, 2D and 3D seismic
 - Minimum exploratory program by area (tailored for each block)
 - No mandatory drilling in the first exploration period
 - Economic terms:
 - % of profit oil
 - Maximum ANCAP's association will be biddable, offered by the Oil Company (20% minimum)

Contract Model

- **PSA: Production Sharing Agreements** for which Contractor assumes all risks, costs and responsibilities of the activity.
- **No** royalty is applied
- **No** signature or production bonuses.
- **No** surface rentals
- **No** taxes paid to provinces or municipalities
- Term: 30 years plus a maximum + 10 year extension
- Exploration period: 3 + 3 + 2 + 1

Contractor Economy

- The Contractor is paid with the part of hydrocarbons produced corresponding to **Cost Oil** and the **Profit Oil**
 - PROFIT OIL URUGUAY
 - PROFIT OIL IOC
 - COST OIL (recovery limit 60% for oil and 80% for NG)

% PROFIT OIL to be offered by Oil Company.

-Different Profit Oil % based on R factor (total income/ total expenditures)

- Contractor is entitled to freely dispose and export such oil, but ANCAP has the preferential right to totally or partially purchase the oil, for domestic consumption
- Oil and gas price fixed at real value of the international market for hydrocarbons of similar characteristics.



GENERAL TAX REGIME ON CORPORATIONS

- **Income Tax**
 - Corporate Income Tax (IRAE)
 - Income Tax on Non Residents (IRNR)
- **Tax on Net Worth (IPAT)**
- **Consumption Taxes**
 - Value Added Tax (IVA)
 - Specific Consumption Tax (IMESI)
- **Custom Taxes**
- **Social Security Contributions (CESS)**

INVESTMENT
PROMOTION
REGIME

EXEMPTED

(Hydrocarbons Law)

ONLY GOVERNMENT'S TAKE IS ITS SHARE OF THE PROFIT OIL

RESULTS OF URUGUAY ROUND 2009

Qualification



Bids

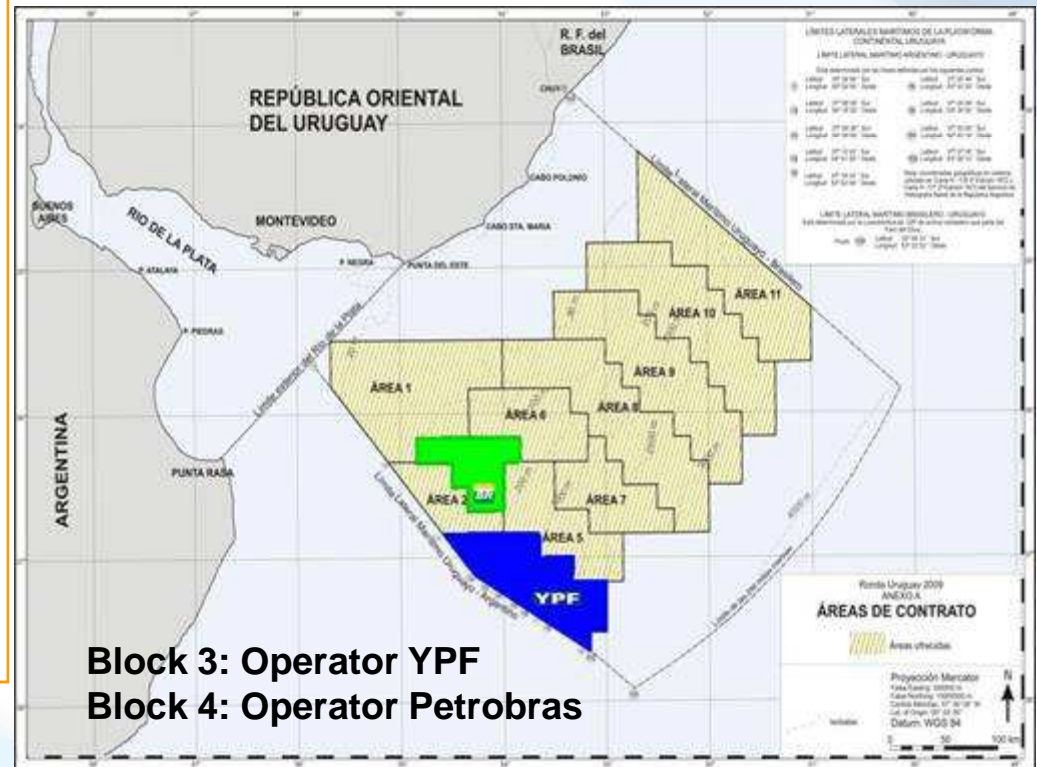
- Consortium formed by:

BR PETROBRAS 40%

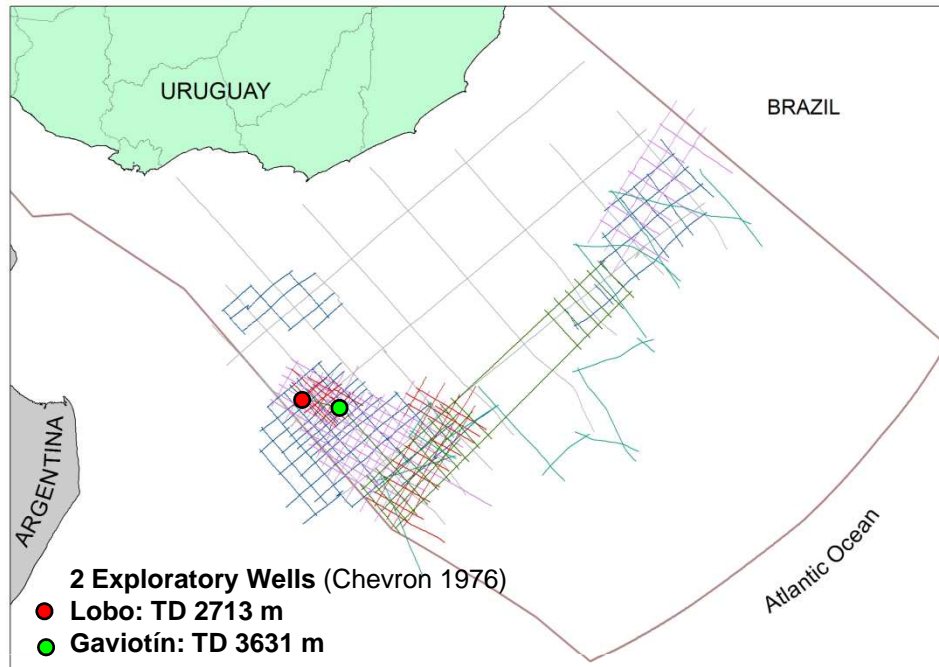
YPF 40%

galp energia 20%

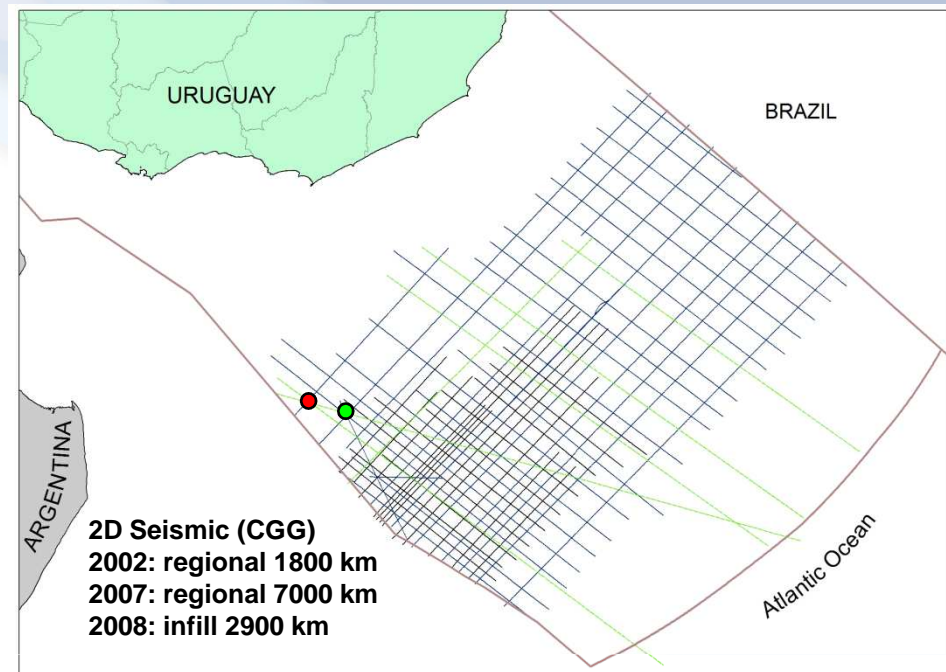
- Submitted offers for blocks 3 and 4



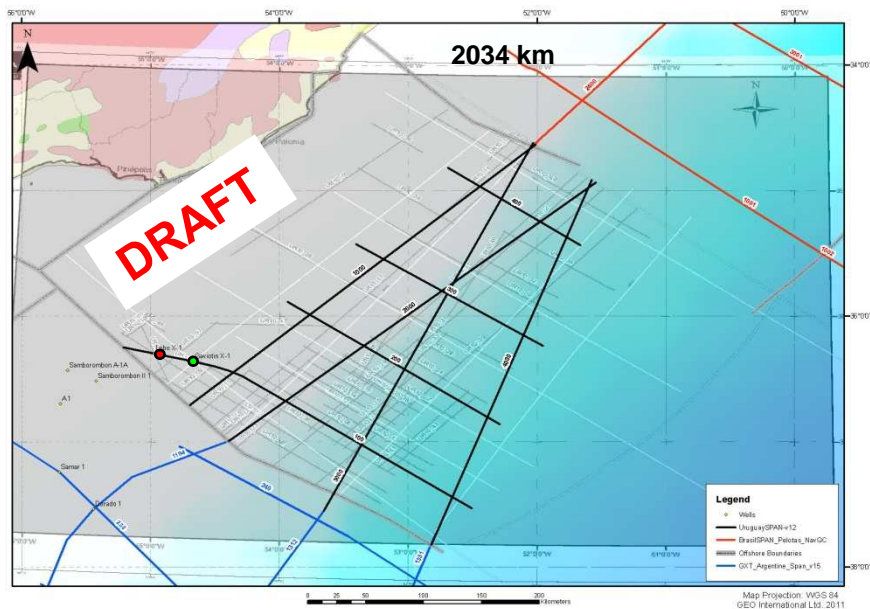
1970 – 1982 SEISMIC SURVEYS (Property of ANCAP)



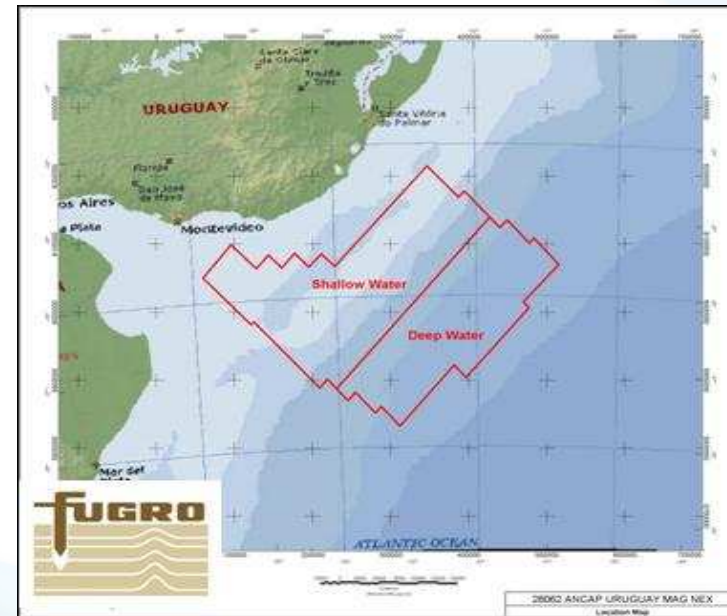
2002 – 2007 – 2008 SEISMIC SURVEYS (Multiclient CGG)



ION GXT SEISMIC SURVEY (PLANNED FOR 2011)

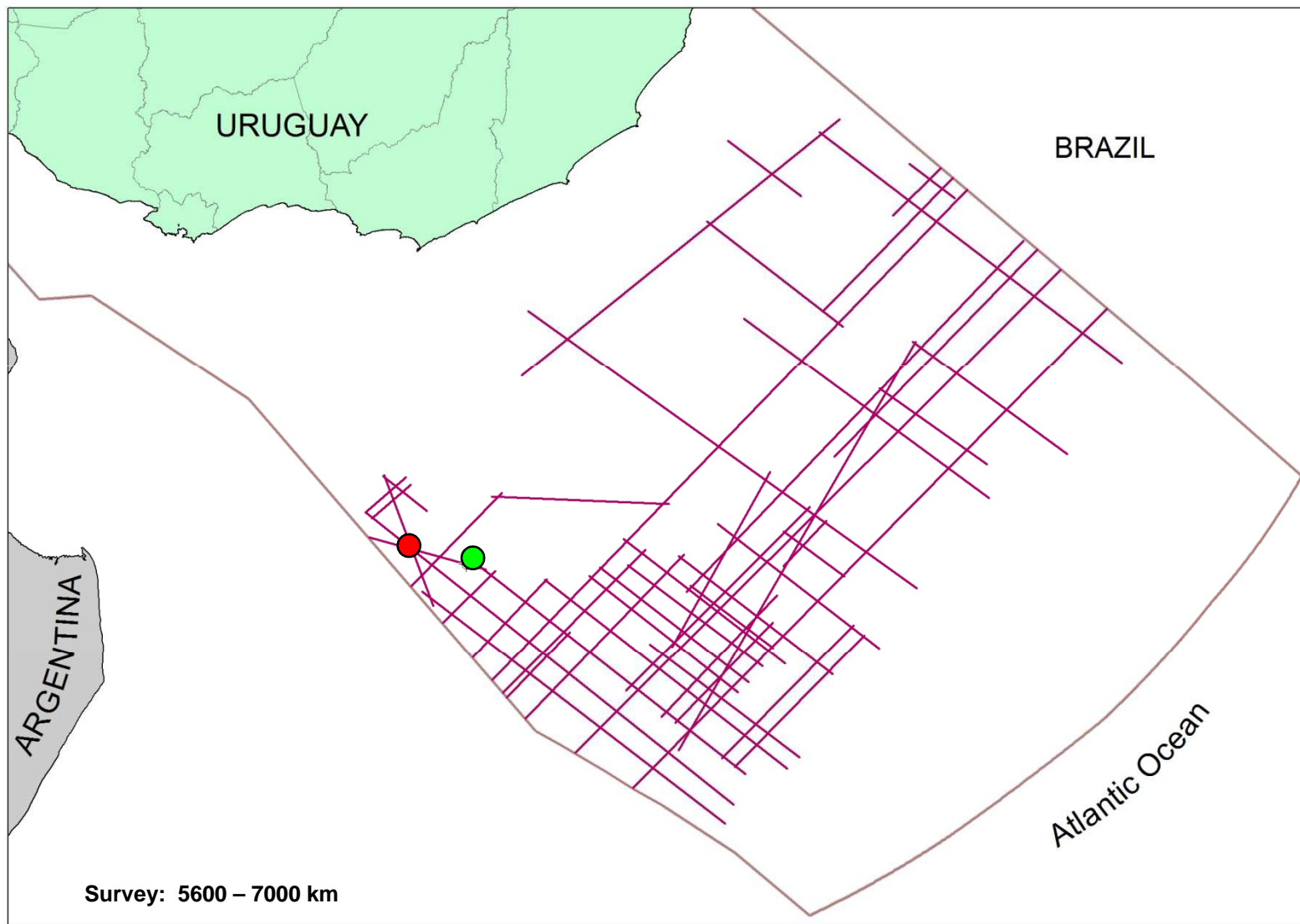


FUGRO AEROMAGNETICSURVEY (PLANNED FOR 2011)



ANCAP Seismic survey 2011

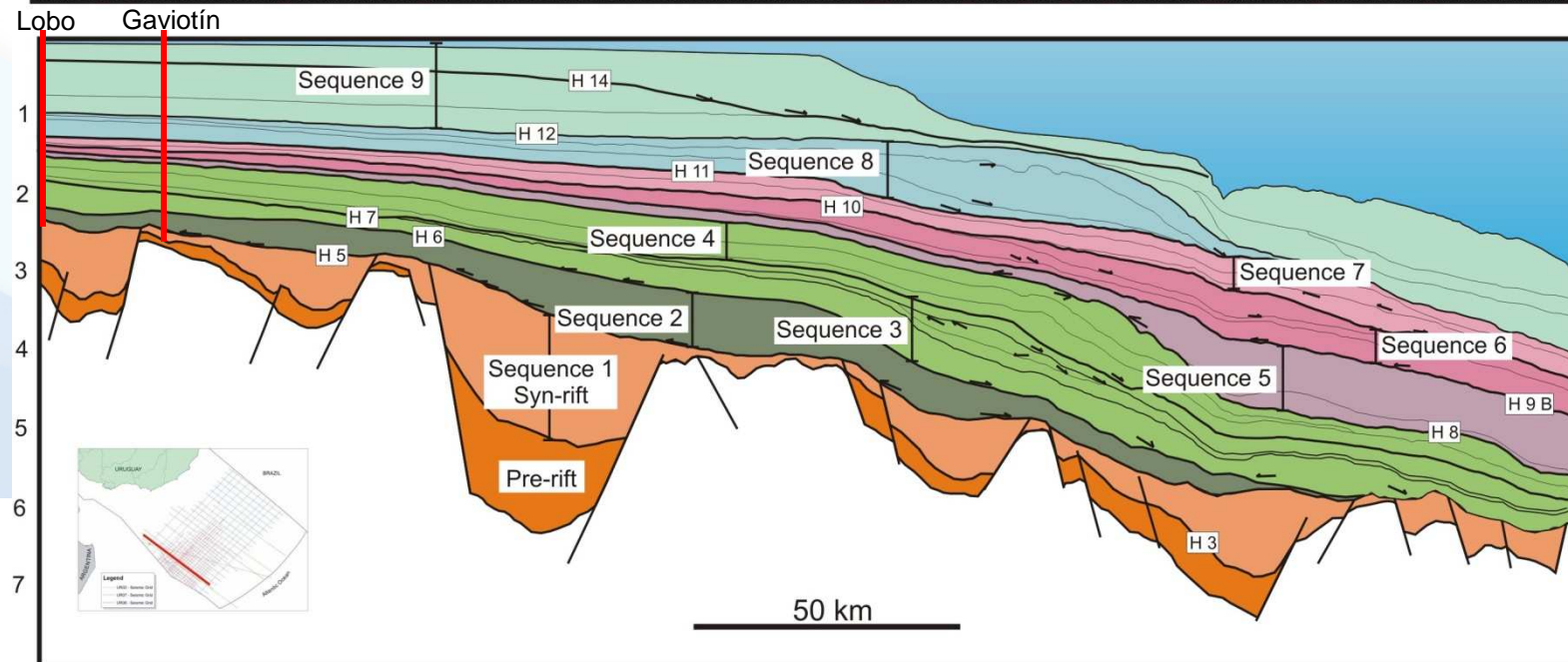
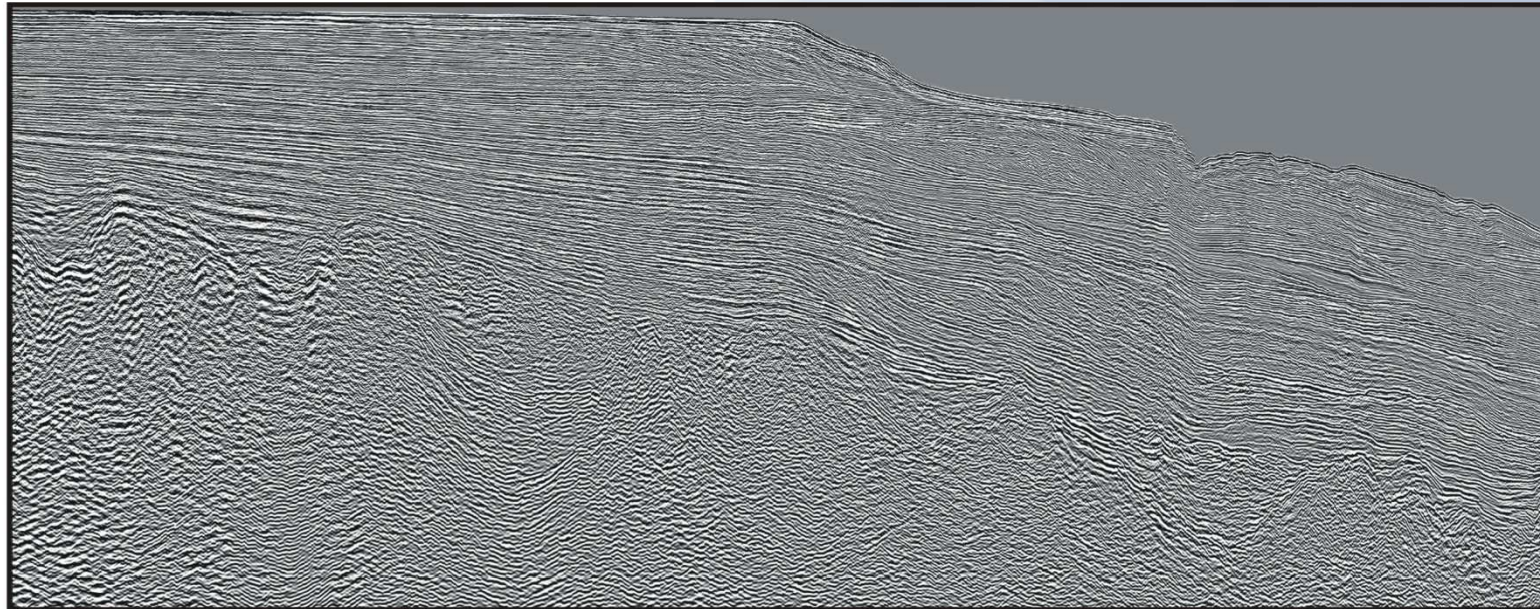
(data currently being acquired)



PUNTA DEL ESTE BASIN – STRATIGRAPHIC FRAMEWORK

NW

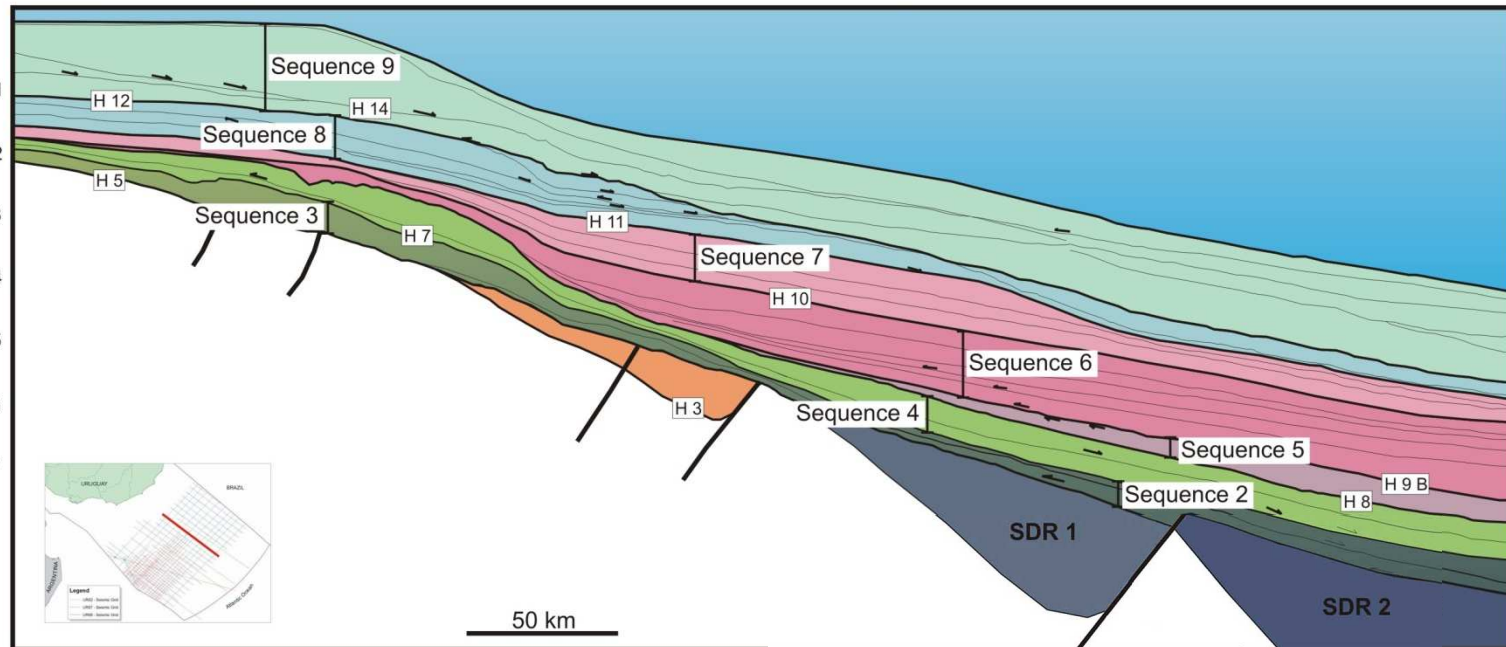
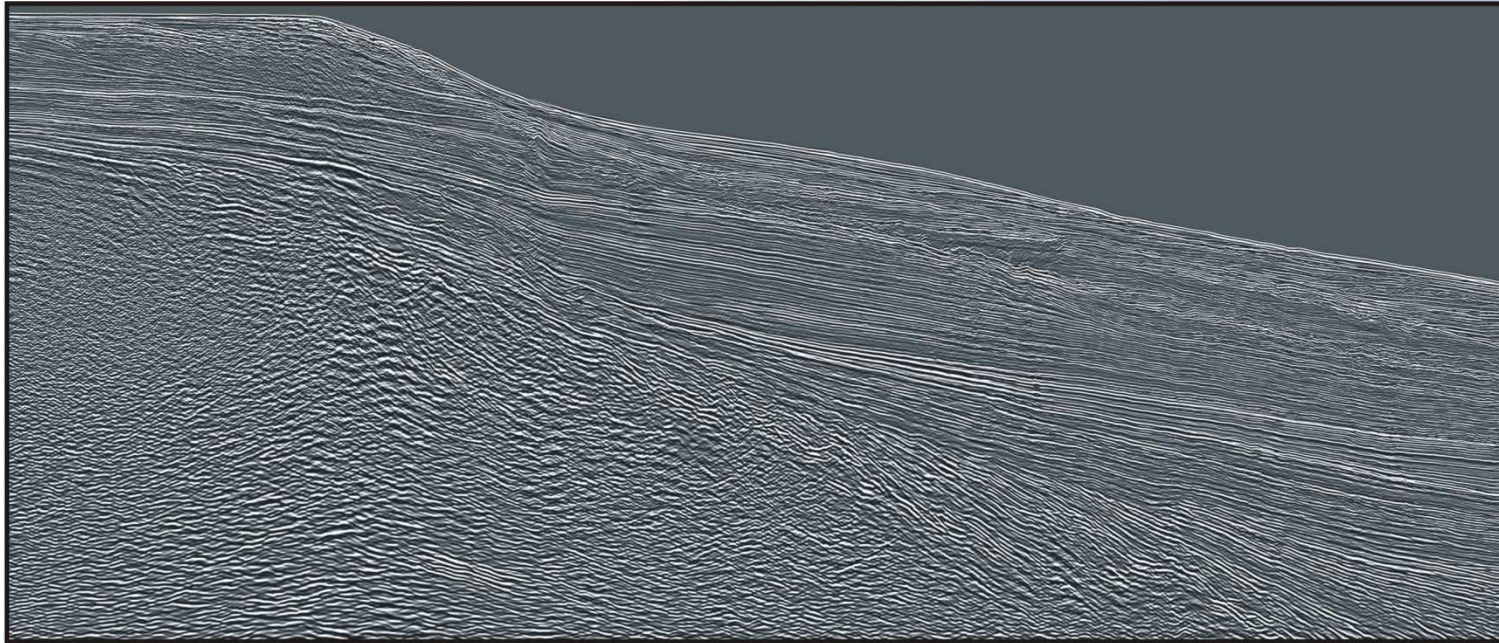
SE



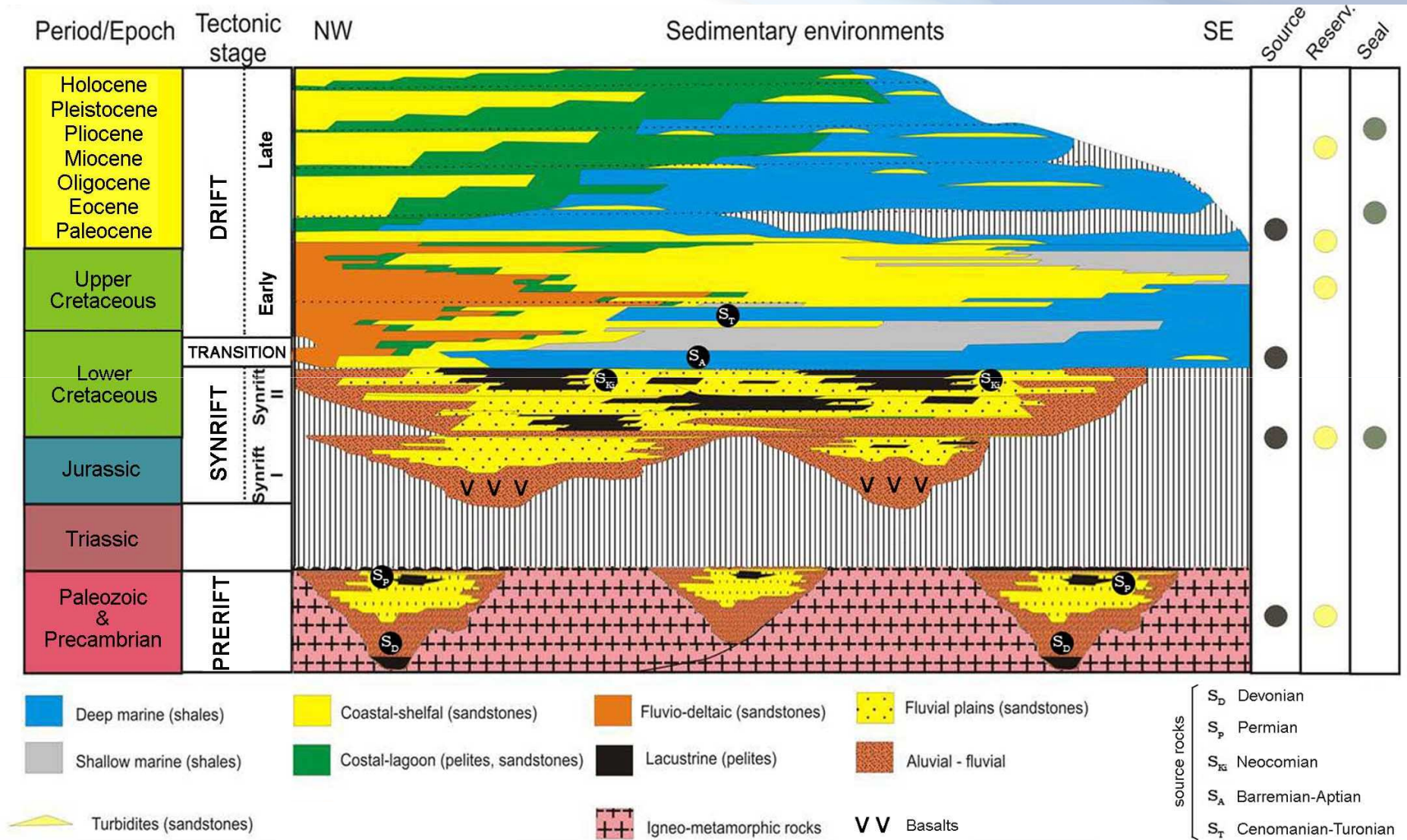
PELOTAS BASIN – STRATIGRAPHIC FRAMEWORK

NW

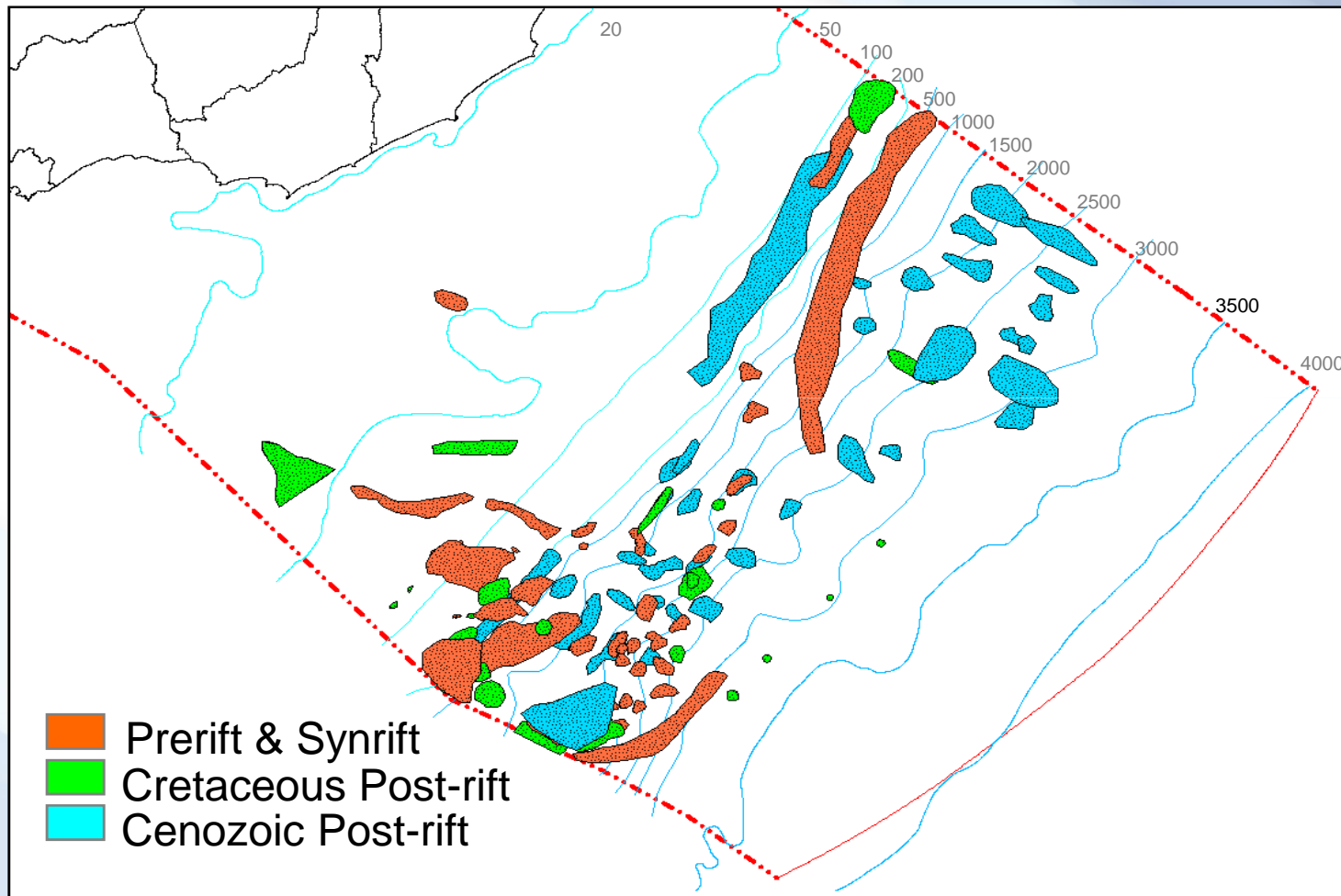
SE



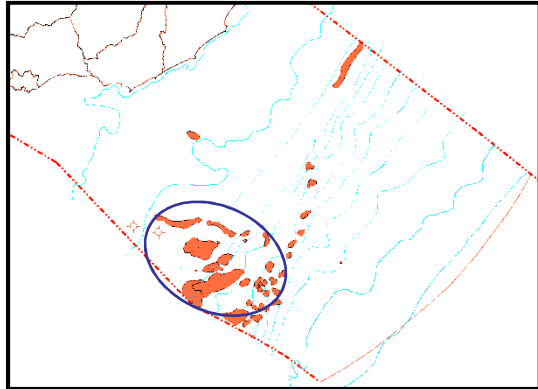
BASIN MODEL – PETROLEUM SYSTEM



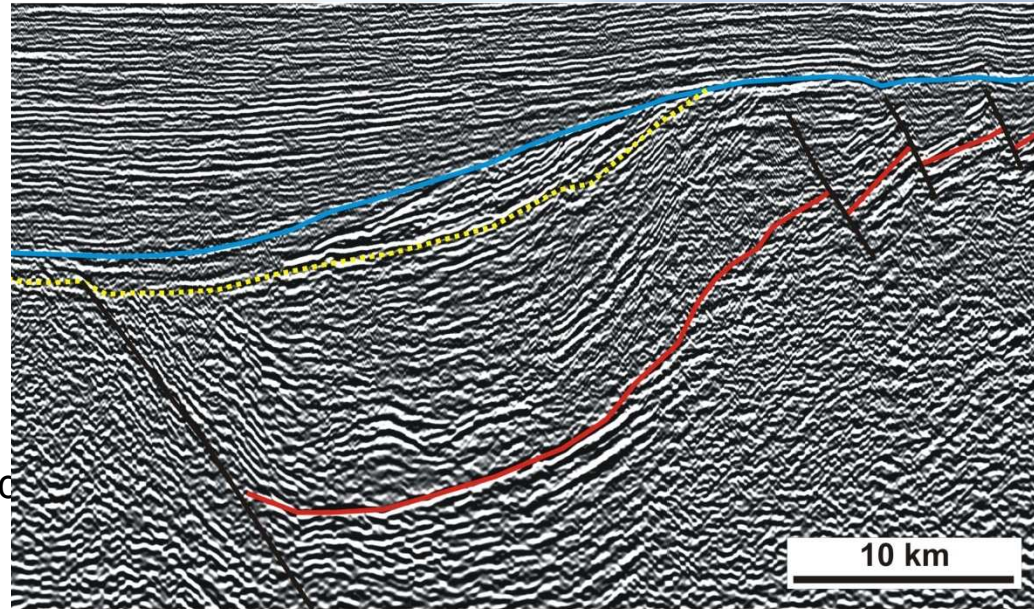
EXPLORATORY POTENTIAL LEADS & PROSPECTS



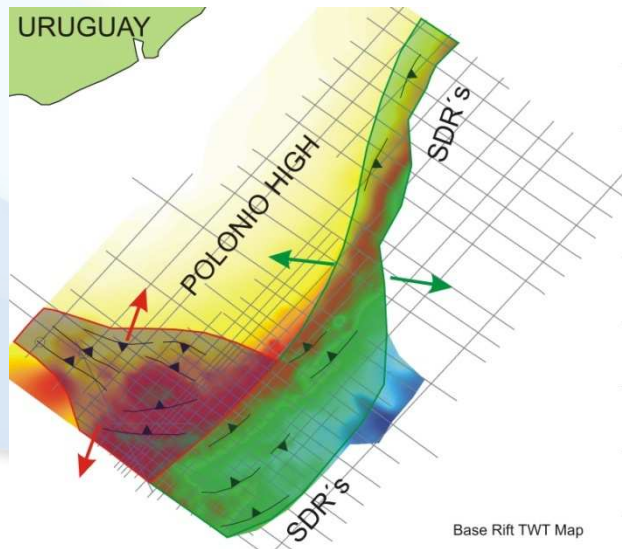
PLAY LOCATION



INTERPRETED SEISMIC SECTION

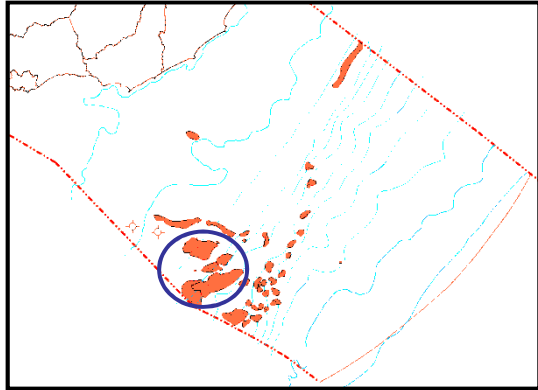


Rifts related to NW-SE depocenters trend

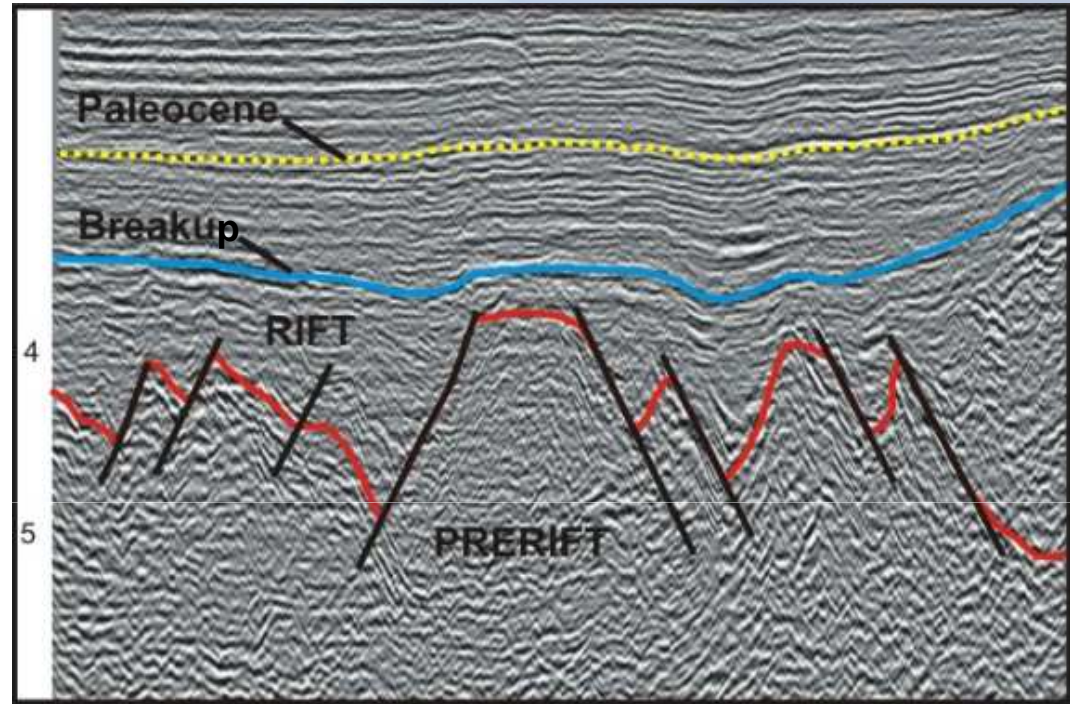


PLAY TYPE:
Faulted and rotated blocks
(syn-rift sequence)

PLAY LOCATION

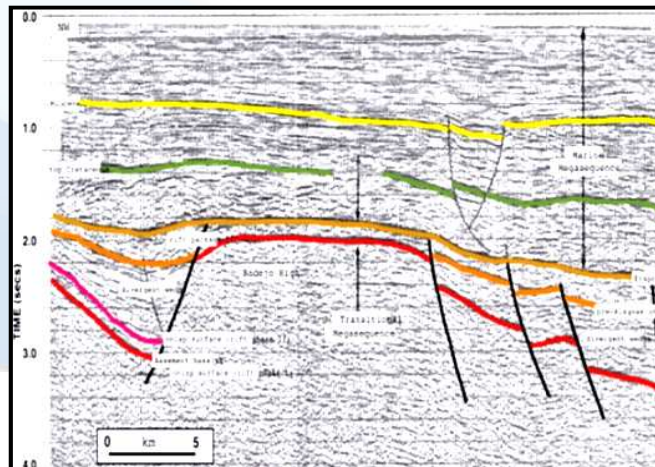


INTERPRETED SEISMIC SECTION



PLAY ANALOGY

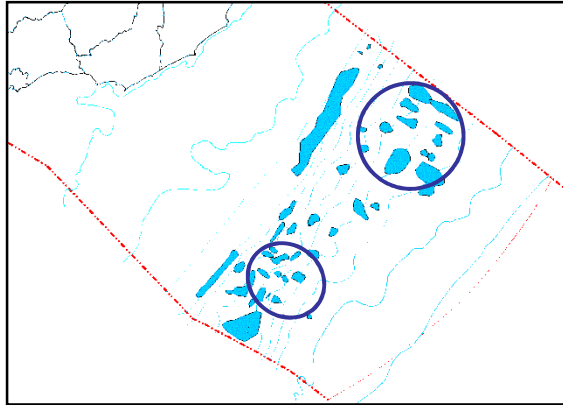
Campos Basin (Brazil)



Karner (2000)

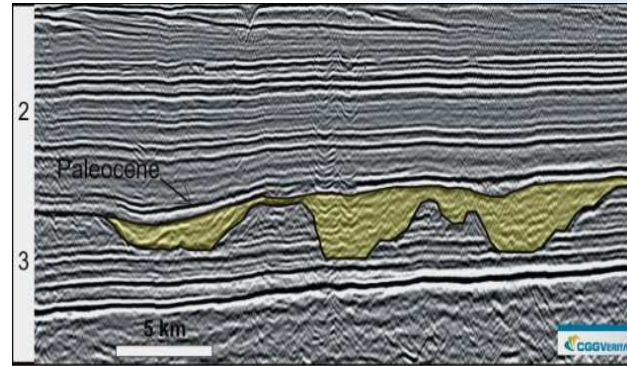
PLAY TYPE:
Anticline related to structural high

PLAY LOCATION

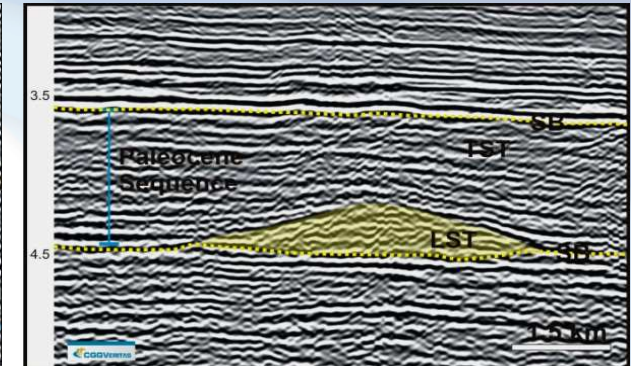


INTERPRETED SEISMIC SECTION

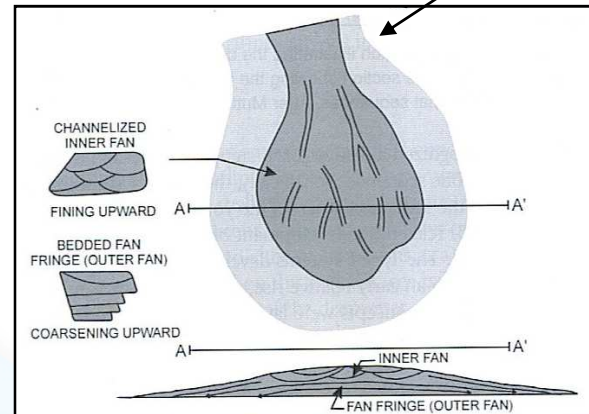
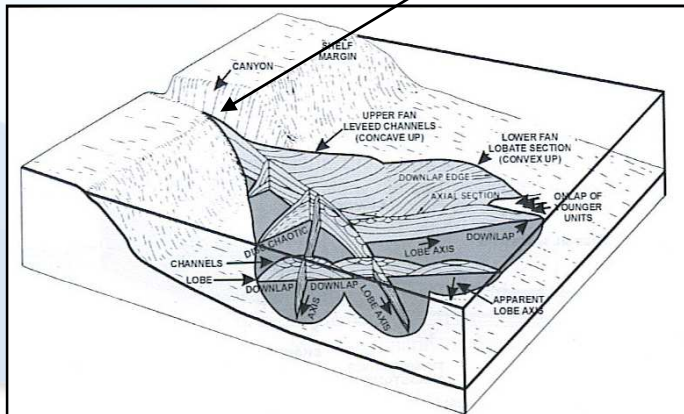
Canyons in the shelf



Low stand fan



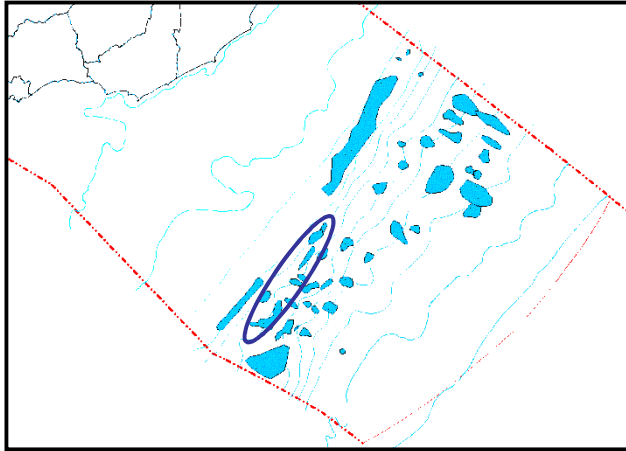
PLAY MODEL



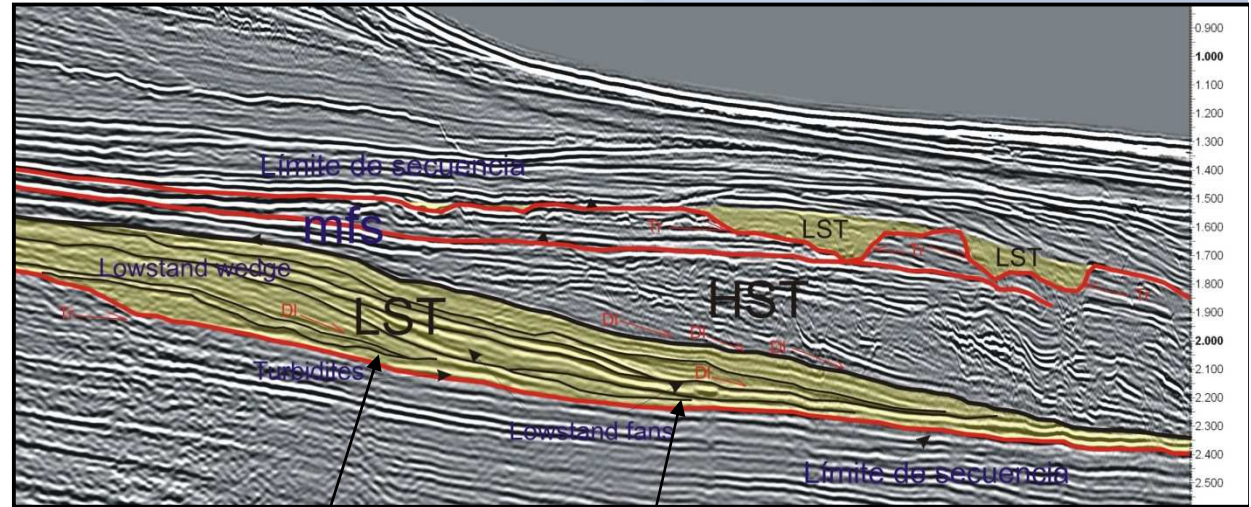
**PLAY TYPE:
Channel fan
Complex (LST)
(Sequence 5)**



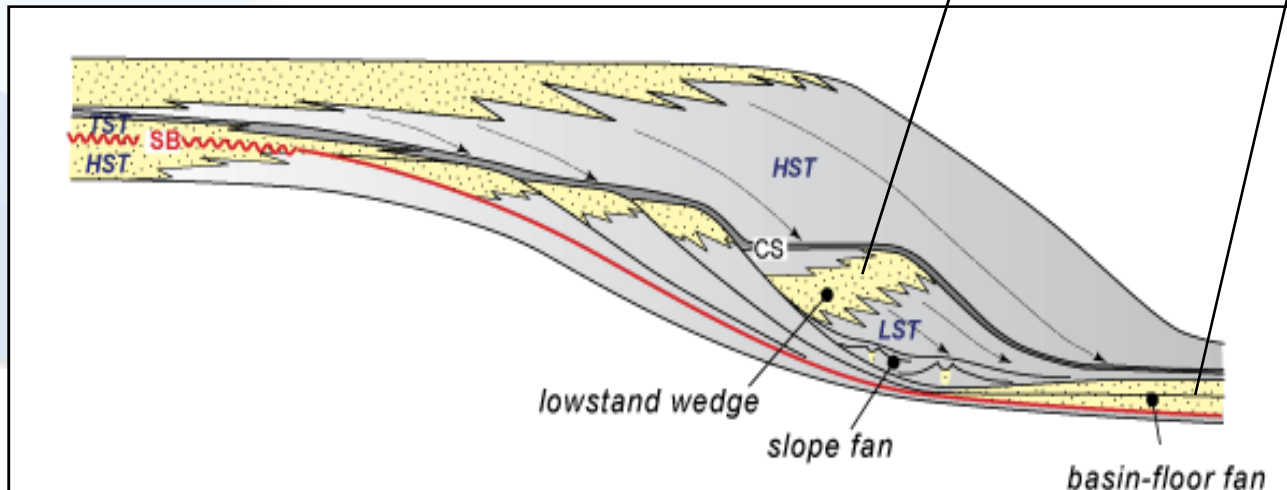
PLAY LOCATION



INTERPRETED SEISMIC SECTION



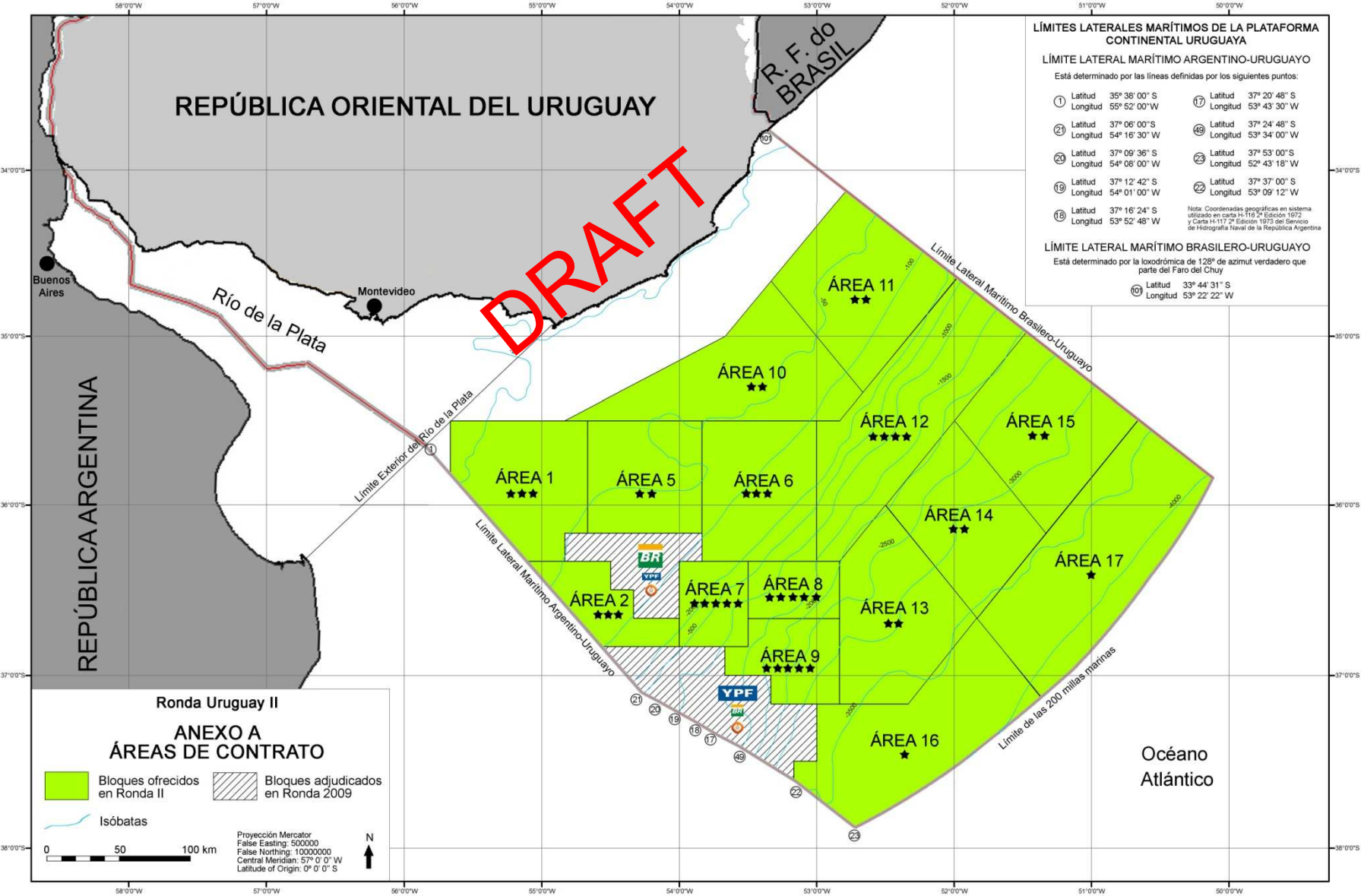
PLAY MODEL



**PLAY TYPE:
Low stand fans
(Sequence 8)**

Original three-tract model after Vail (1987), Posamentier & Vail (1988)

Uruguay Round – New blocks



Concluding remarks

- Uruguay can offer...
 - Political, Economic and Social Stability
 - Energy Strategy agreed by all political parties
 - Optimal business environment for investments, marked by history of certainties, seriousness and security
 - An interesting, unexplored and intriguing geology, with many analogies and correlations with exploratory and geological features of producing basins of the Atlantic margin, showing promising alternatives
 - Sound and fair bidding round terms and contract model, with many improvements from the ones that ruled the previous bidding round

WEB PAGE: www.rondauruguay.gub.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

Meet us at booth
#1940,
International
Pavillion

