



OPEN URUGUAY
ROUND

EXPLORATION OPPORTUNITIES IN URUGUAY

AAPG International Conference & Exhibition

Cape Town, 5TH of November 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

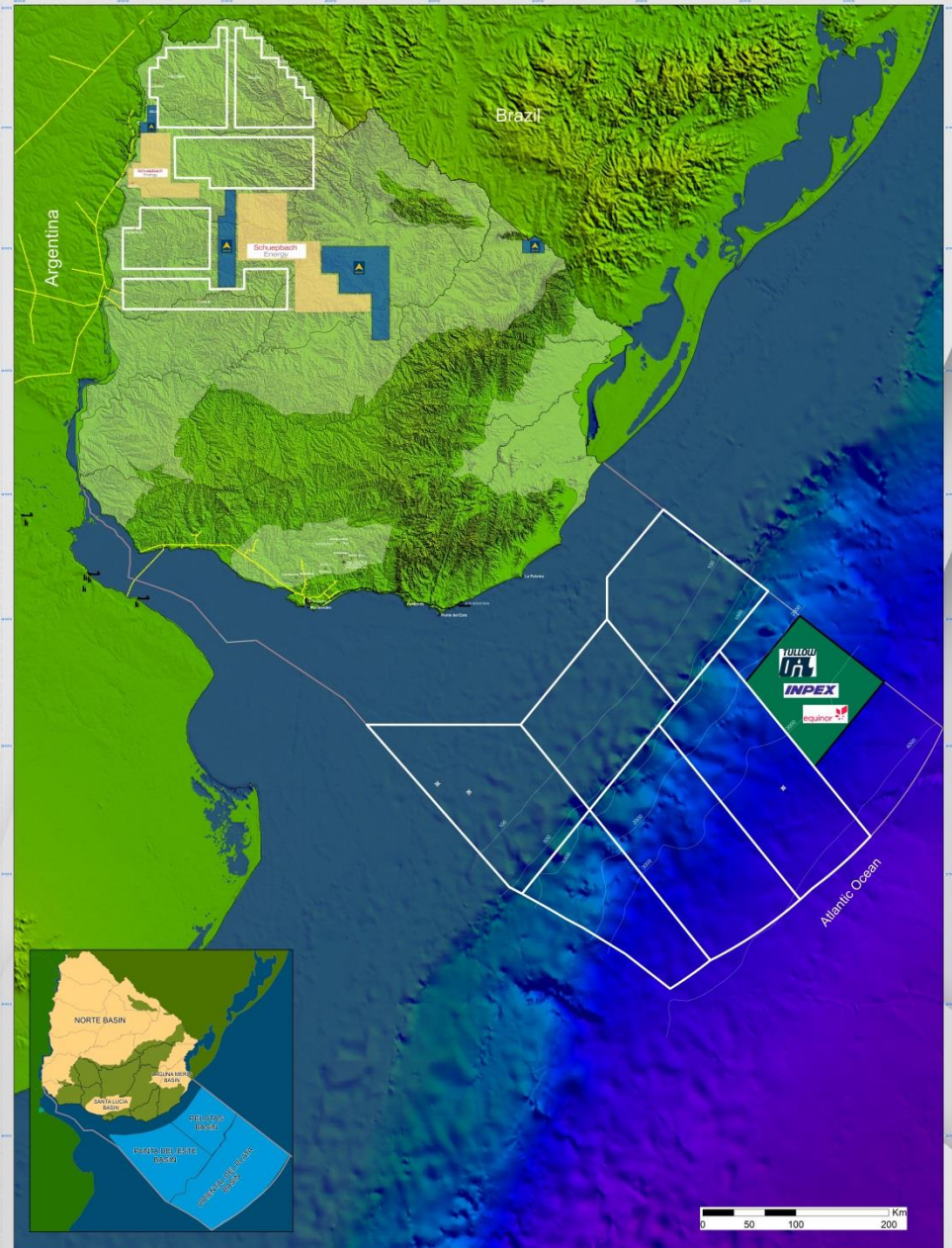
Present Day Oil & Gas Map of Uruguay



BG GROUP



OIL & GAS MAP URUGUAY



Present Day Oil & Gas Map of Uruguay

Onshore Activity

Schuepbach
Energy



TOTAL

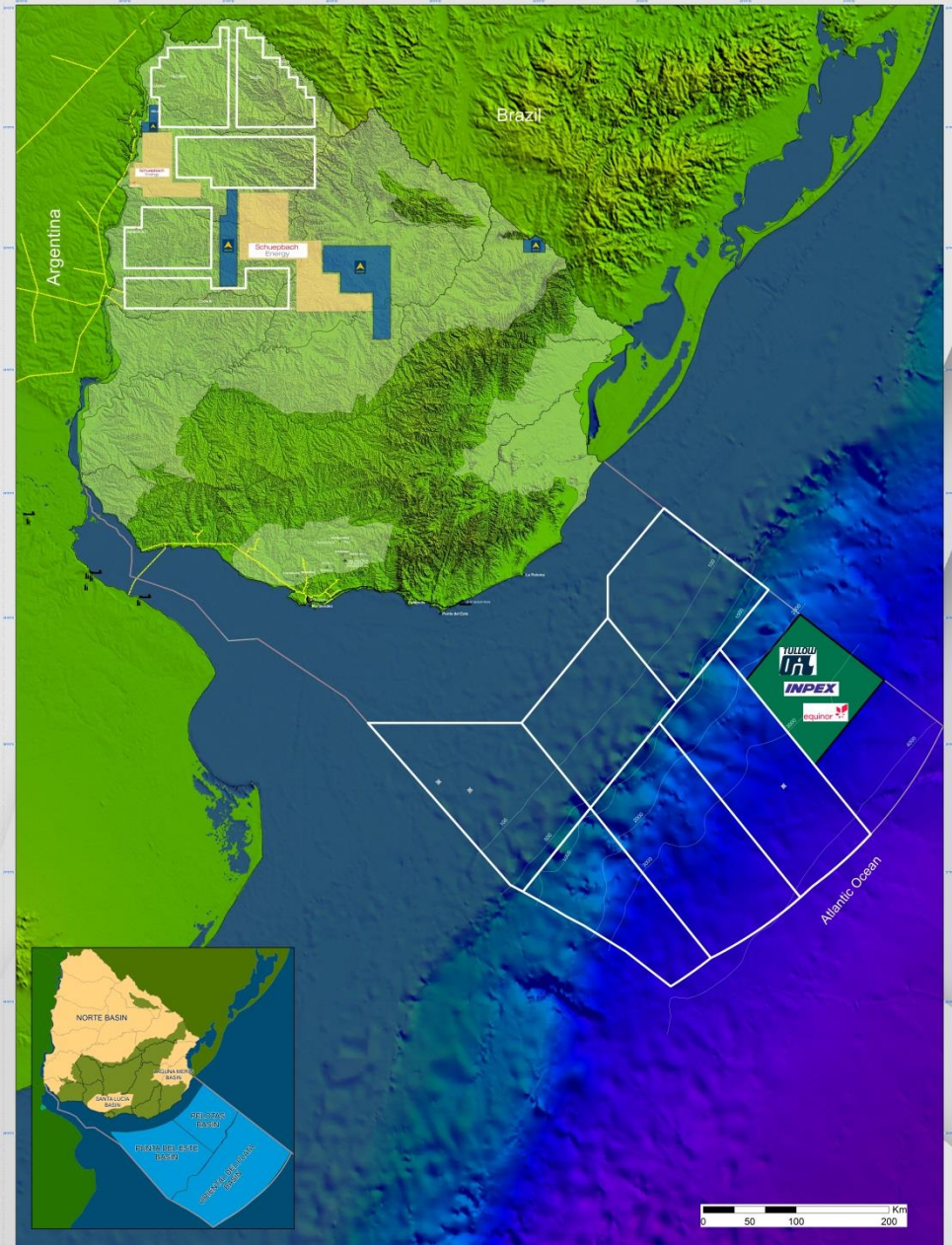
Petrel
ENERGY LIMITED



UNION OIL & GAS GROUP



OIL & GAS MAP
URUGUAY



Multiclient Agreements in force

In force

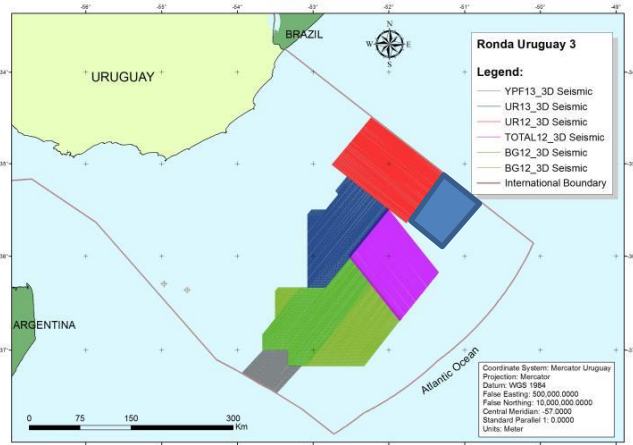
- AGI: micro-seeps detection of hydrocarbons into sediment samples
- CGG/Robertson: 2 geological reports
- CGG/Robertson: RockScan of Onshore wells cores
- Geokinetics: 2D seismic onshore
- ION: 12800Km of 2D seismic
- ION: 3D seismic
- PGS: 15700Km² of 3D seismic
- Schlumberger: Advanced Interpretation Data Package
- Spectrum: 10400Km of 2D seismic
- TGS: Well Logs

In process of negotiation or approval

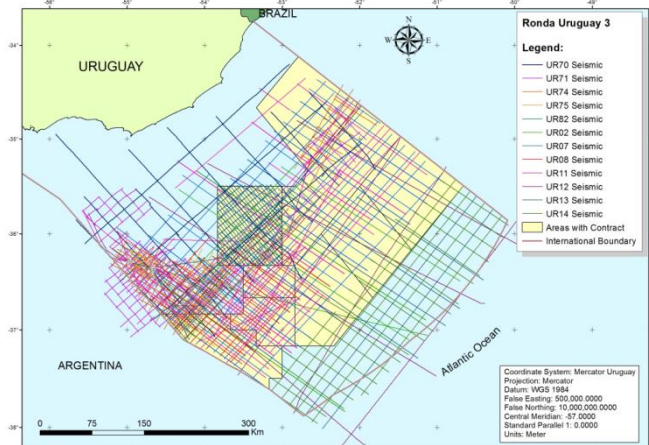
- Airborne gravimetry
- Reprocessing of EM data
- EM acquisition
- PostMortem report of Raya X-1 well
- Biostratigraphy of offshore wells
- Offshore Multibeam



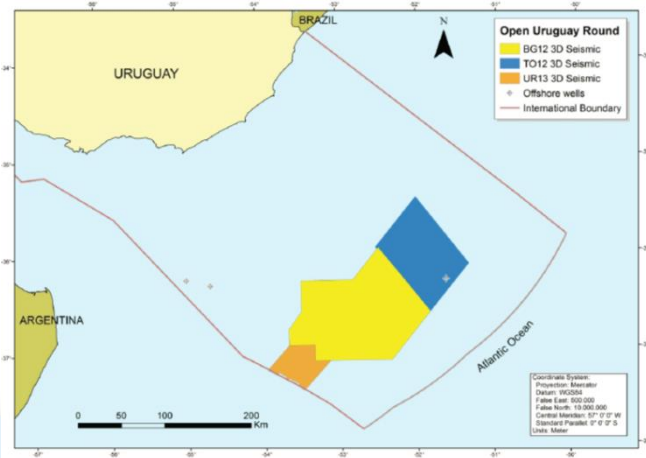
2D and 3D Seismic offshore



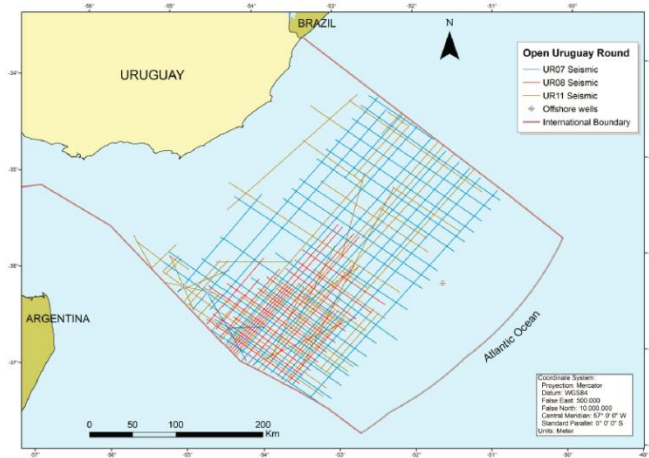
Present 3D Seismic: 42.000Km²



Present 2D Seismic: 41.000Km



3D Seismic marketed by ANCAP: 23.000Km²

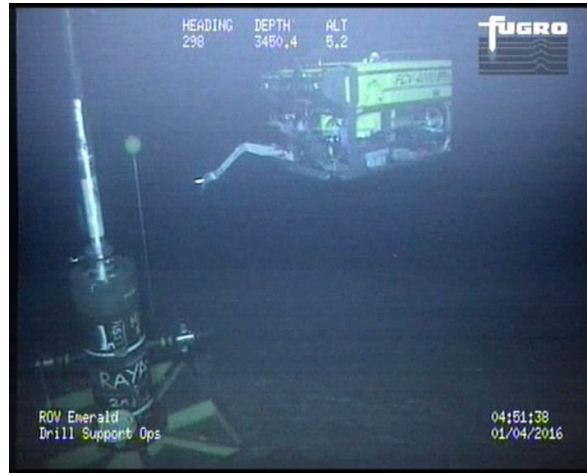


2D Seismic marketed by ANCAP: 17.000Km

- 2D seismic
- 3D seismic
- 3D EM
- Grav & Mag
- Onshore and Offshore datapackages marketed directly by ANCAP



Raya Well: Exploratory well in ultra-deep waters

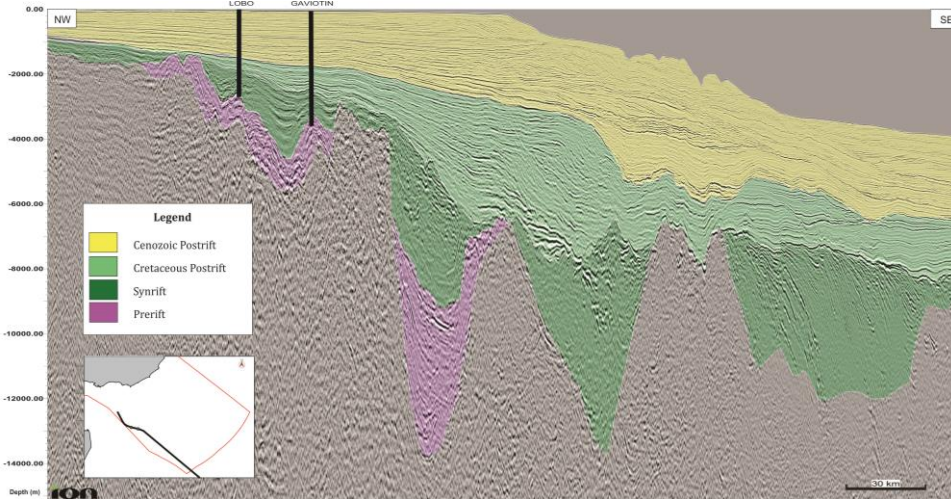


- Drilled after 40 years
- World Record Water depth (3404 m)
- 100 days of operation: on time and budget
- Complex Logistics on Port
- Construction of Mud and Cement plants
- Imports and Exports authorized by ANCAP and DNA in coordination
- Success from operational, HSE, drilling engineering, etc point of views
- 2 people from ANCAP – E&P on board during whole operation

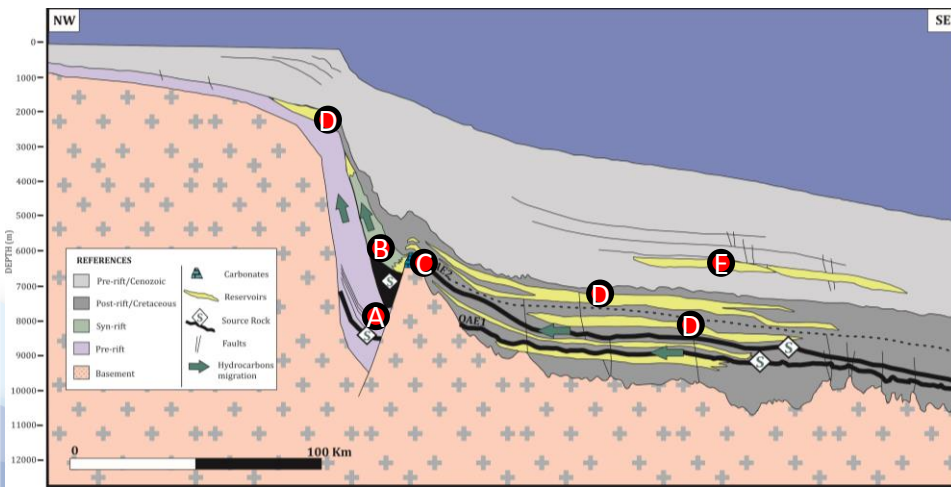
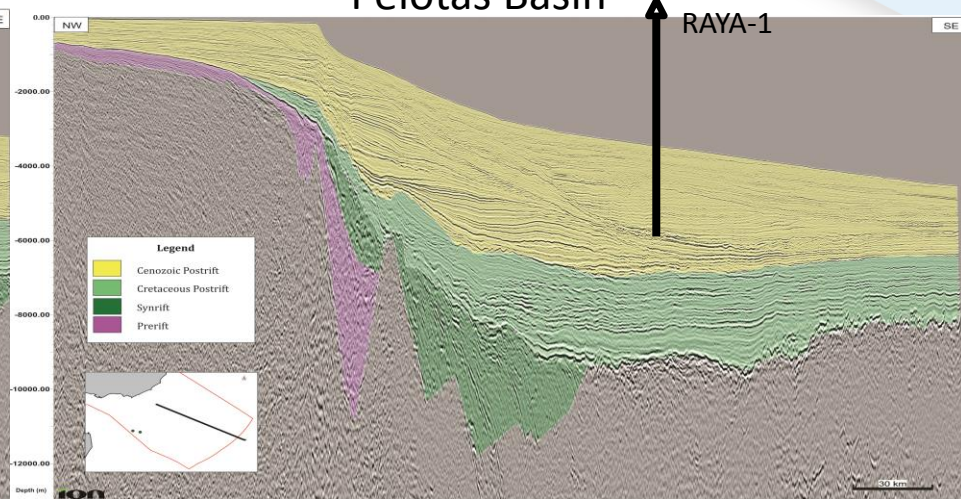


Play Types Offshore

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

Schuepbach
Energy

Petrel
ENERGY LIMITED

- 600Km of 2D seismic in 2014
- 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

Sources:

Petrel Energy Limited's ASX RELEASE 28 August 2017 Cerro Padilla-1 Update
<http://www.schuepbachenergy.com.uy/es/inversion-y-tareas>



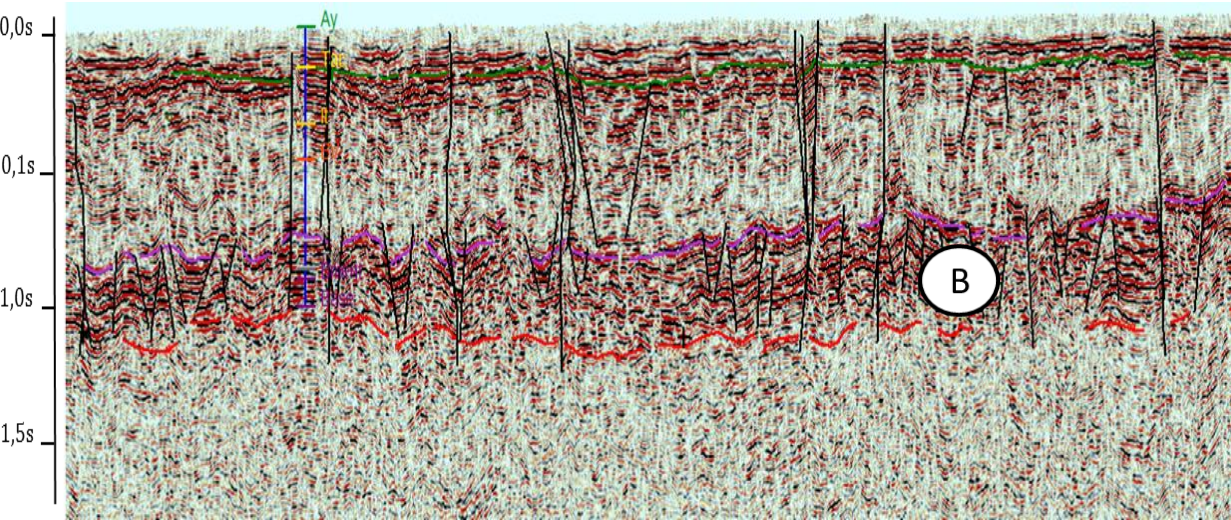
Recent Success...Oil Discovery @ Cerro Padilla 1

- ✓ Well successfully drilled to Total Depth (TD) of 845m
- ✓ Logging confirmed 2m of oil saturated sand at 793m with fluorescence (oil shows) across extended interval
- ✓ **Testing confirms first ever discovery with oil to surface in Uruguay**
- ✓ Very encouraging but further work required as appears well missed top of structure



Modest initial discovery but **quantum leap in hydrocarbon prospectivity** of Uruguay

Play Types Onshore

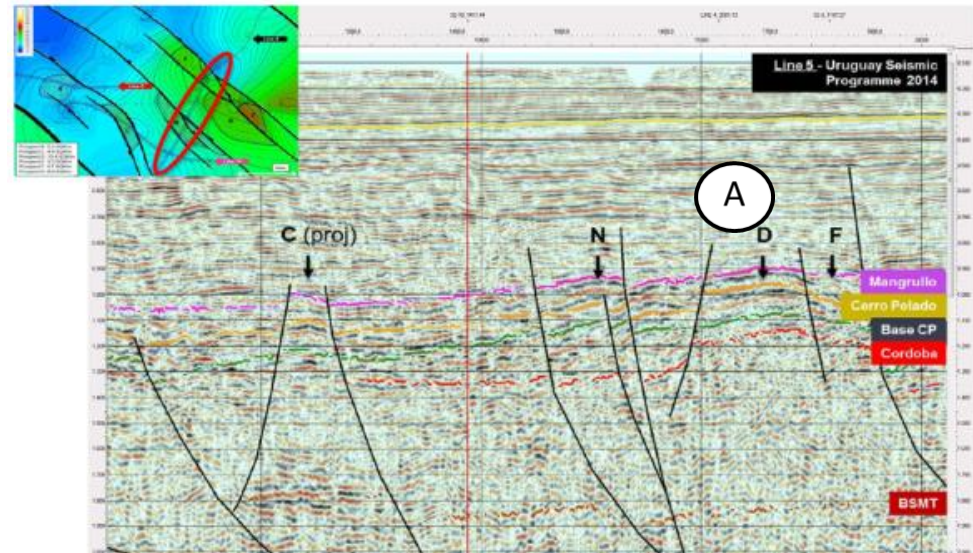
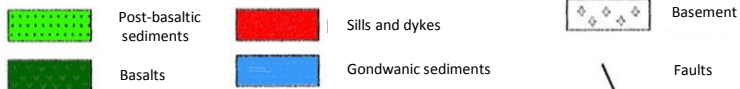
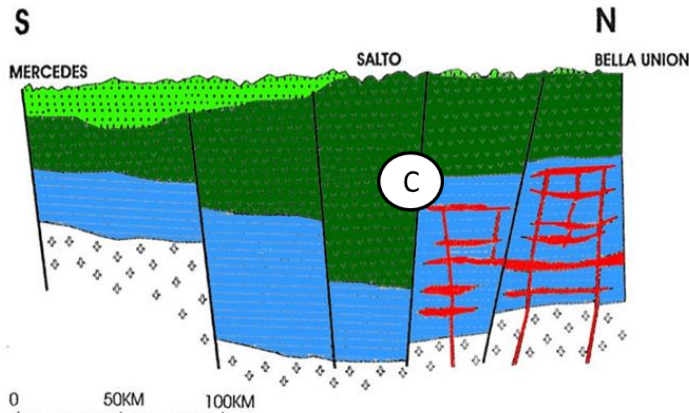


Structural:

- A) 4 ways closure anticlines
- B) Faulted blocks
- C) Sills related traps

Stratigraphic:

- D) channels, pinchouts, etc

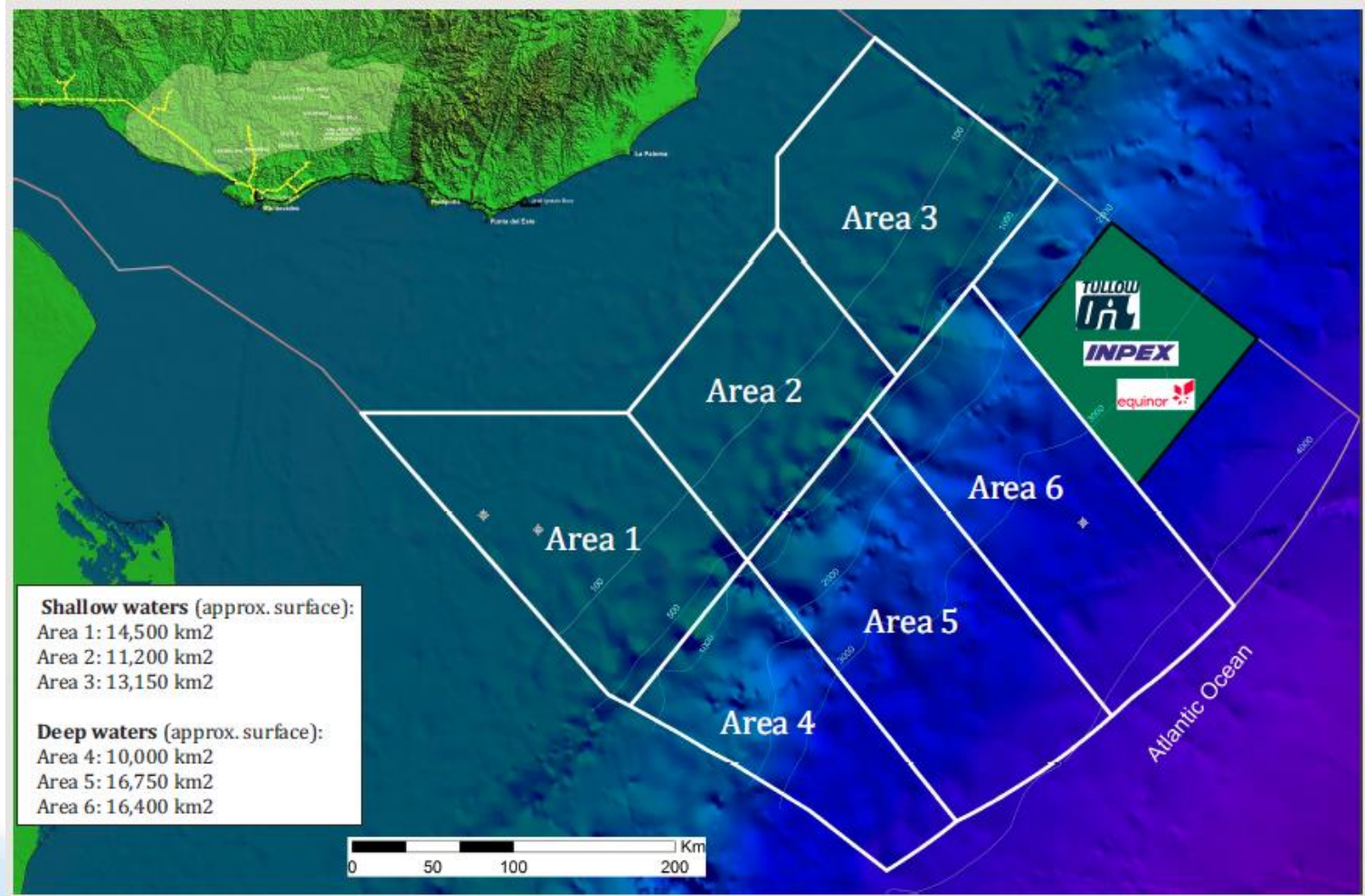


Uruguay Open Round

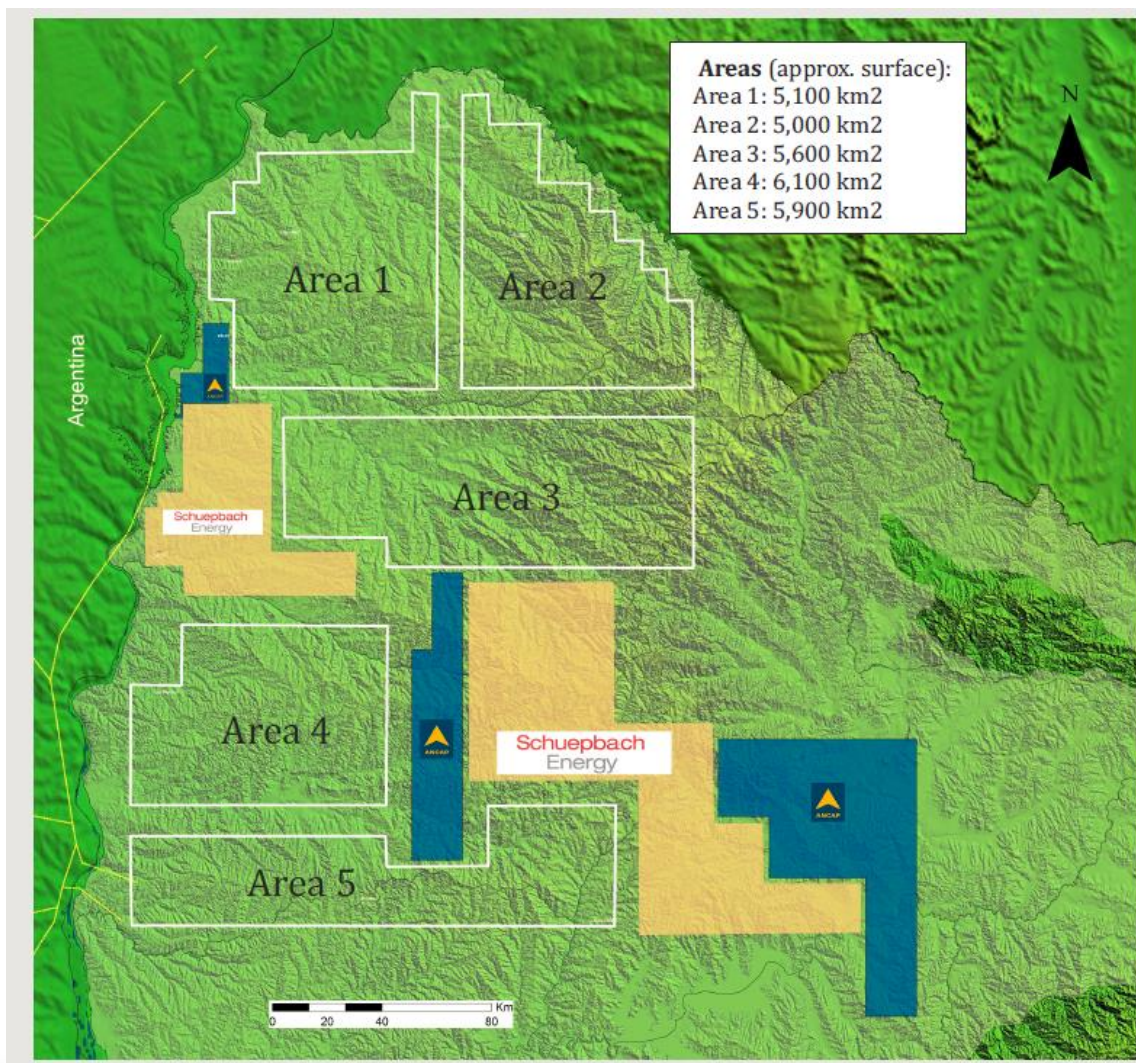
MAIN FEATURES

- Open door: qualification and submission of offers at any time
- Not Direct Negotiation, system works like a bidding round every semester, open continuously
- For offshore and onshore areas; very large blocks
- Low qualification criteria and reduced guarantees
- Companies can qualify at any time (term ending 1 month before offers submission deadline). Only qualified companies can offer
- Offers opened at the end of September and at the end 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
- Companies bid: work program for the 1st exploration period, profit oil split and ANCAP's association %
- Very moderate work commitments required
- Companies could have an offshore Area for 6 years before committing a well
- Objective: to have the new system in place for **March 31st 2019**

Map of Areas offered Offshore



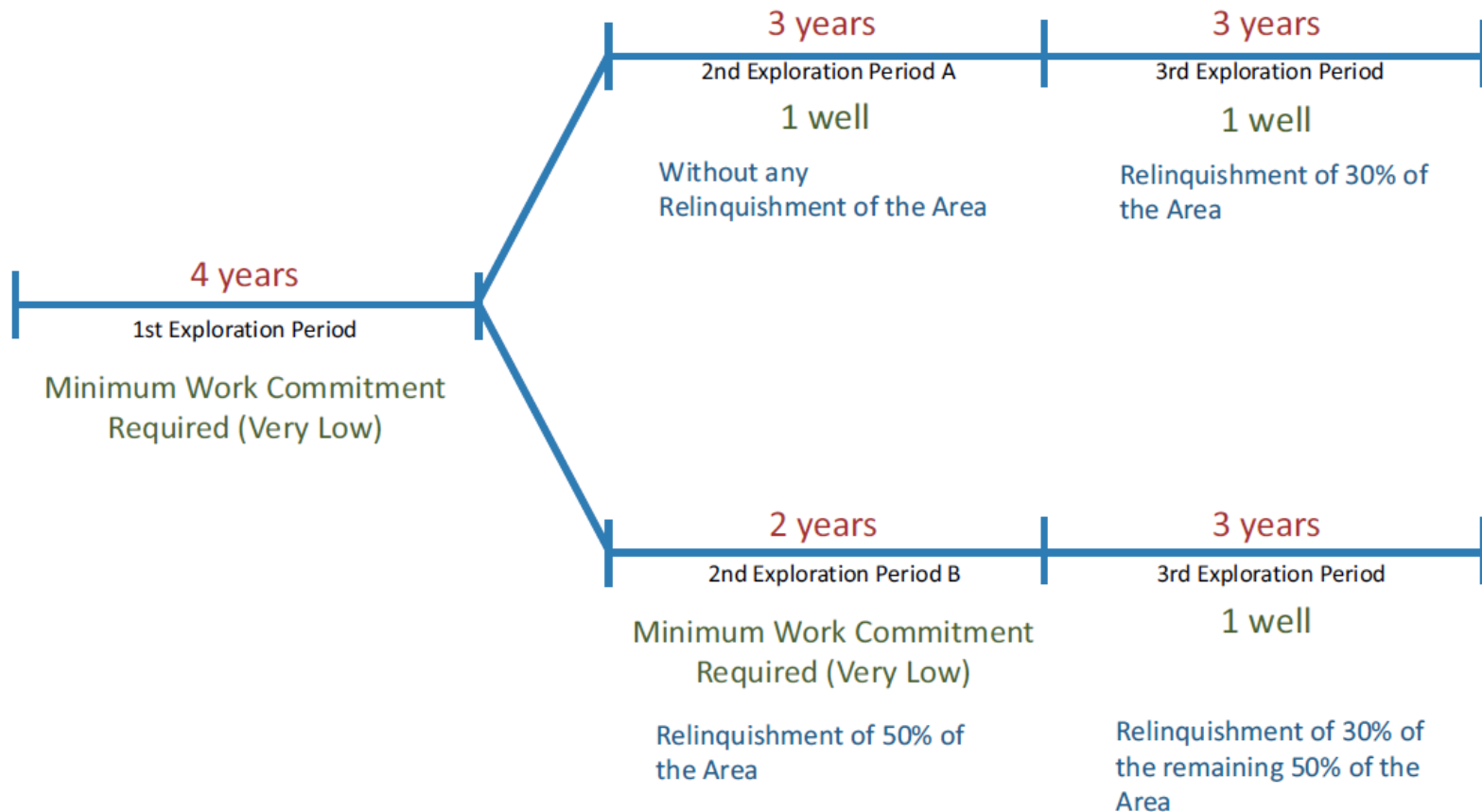
Map of Areas offered Onshore



Schedule – Open Round

Activity	Offers on the 1st Instance	Offers on the 2nd Instance
Submission of Intention Letter and documents for the Qualification of Oil Operations Companies	Until the last working day of February	Until the last working day of August
Notification of Qualification of Oil Operations Companies	Until the penultimate working day of March	Until the penultimate working day of September
Submission of Offers	Until the last working day of March , 14:00 local time.	Until the last working day of September , 14:00 local time.
Opening of Offers	Until the last working day of March, 14:30 local time.	Until the last working day of September, 14:30 local time.
Decision of ANCAP on the best proposal for each Area(*)	No later than the last working day of June	No later than the last working day of December
(*) Note: The signature of the Contract is subject to the approval by the Executive Branch		

Exploratory commitments



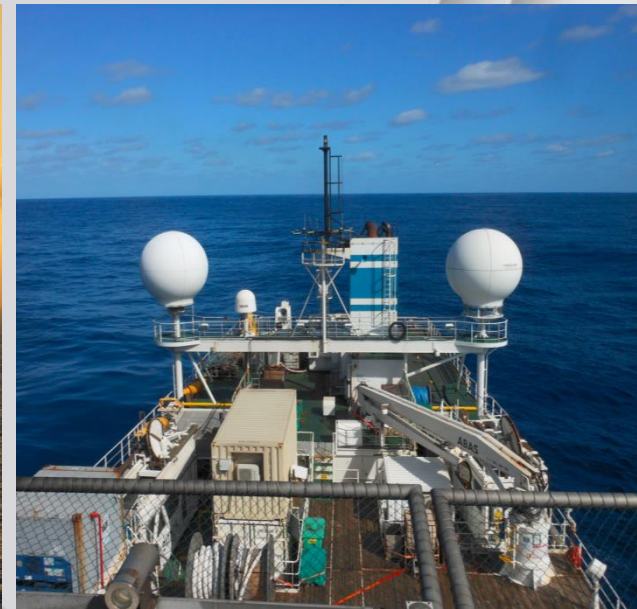
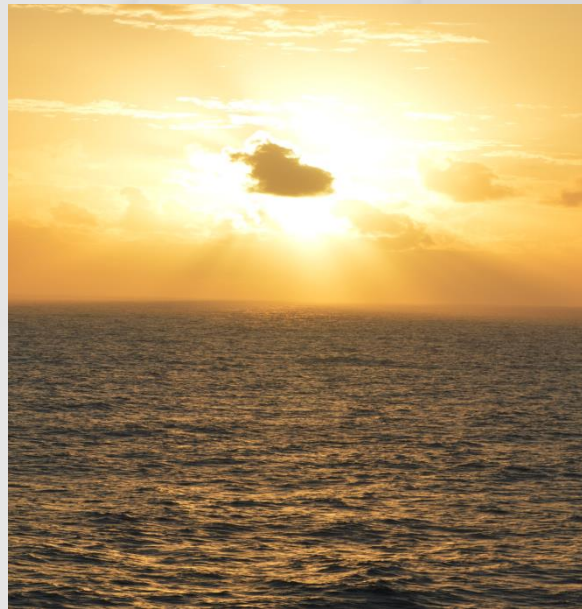
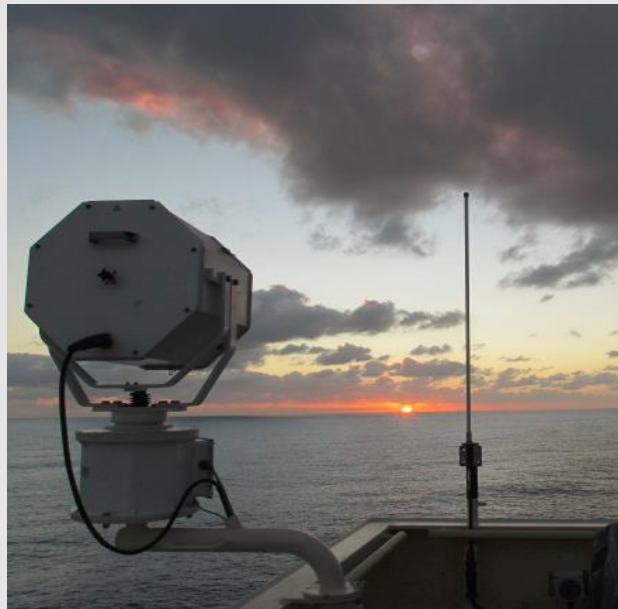
Same concept for Onshore

Conclusions

- Uruguay is a reliable country; above ground risks minimized
- Success in previous bidding rounds and MC agreements allowed a huge increase in the available database, reducing exploratory risks. ANCAP markets a lot of such data.
- ANCAP and Uruguay were able to deliver in complex projects such as 3D seismic or Raya well
- Many play types yet to be tested
- 6 Areas offshore and 5 Areas onshore will be offered in Open Uruguay Round 3
- Very large Areas
- Book Data Rooms or Meetings
- Excellent opportunity to acquire an asset with extremely low exploratory program requirements
- Very good bidding round and contract terms



THANK YOU VERY MUCH FOR YOUR ATTENTION



For further information contact us at sferro@ancap.com.uy