



OPEN URUGUAY ROUND

Exploration & Production
2024

Index

- General Features
- Qualification of Oil Companies
- Database
- Offers Comparison
- Final Remarks of the bidding process
- Contract Model
- Final Remarks

Index

- **General Features**
- Qualification of Oil Companies
- Database
- Offers Comparison
- Final Remarks of the bidding process
- Contract Model
- Final Remarks

Purpose



ANCAP is calling, in the framework of a continuously Open Regime for the presentation of proposals: “Open Uruguay Round”, to Oil Companies interested in carrying out activities of exploration and exploitation of Hydrocarbons in onshore and offshore areas of the *República Oriental del Uruguay*, under Production Sharing Agreements

Schedule

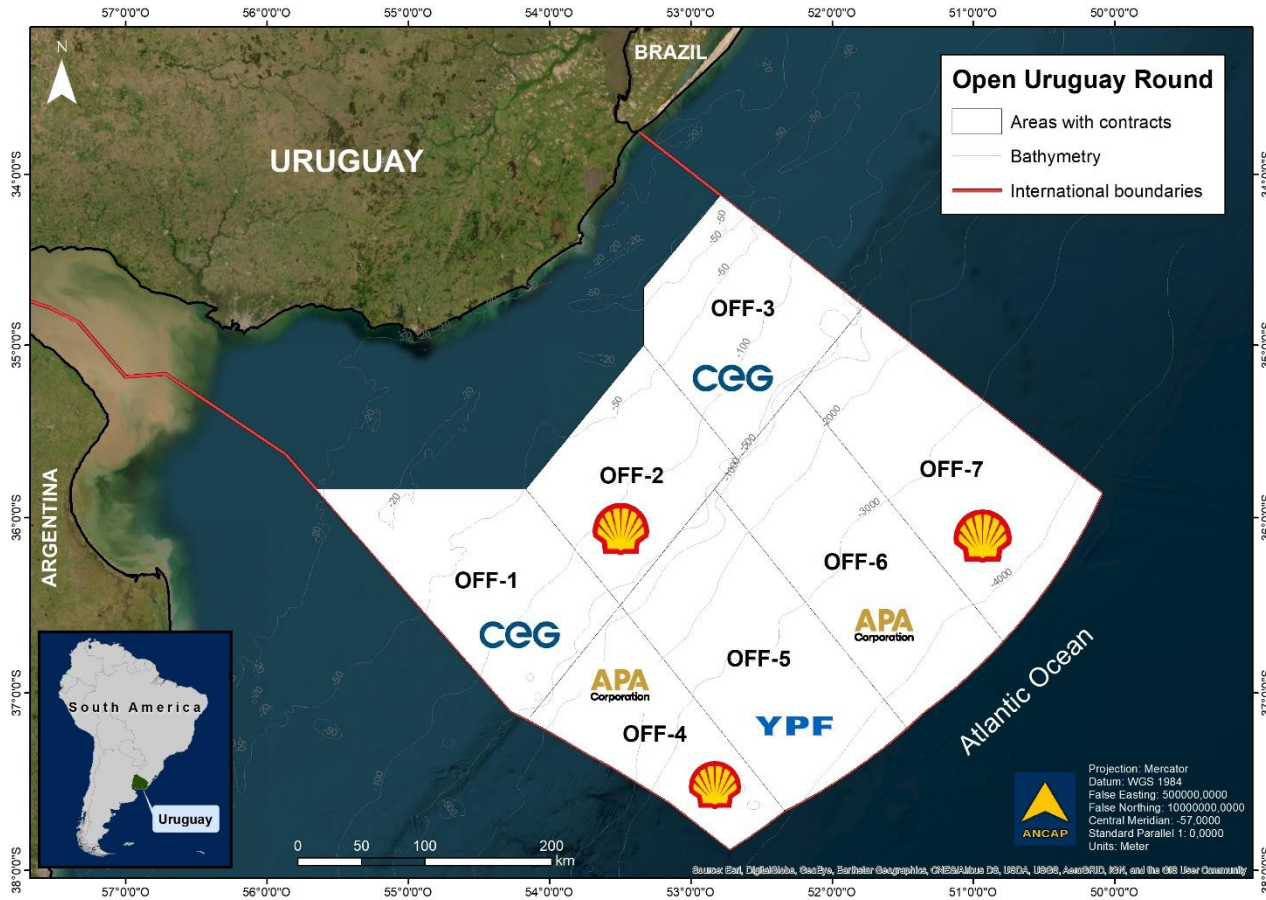
Activity	Offers on the 1st Instance	Offers on the 2nd Instance
Submission of Intention Letter and documents for the Qualification of Oil Operations Companies	Until the last working day of April	Until the last working day of October
Notification of Qualification of Oil Operations Companies	Until the penultimate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

Promotion Activities

- Main Industry Conferences: AAPG ACE, APPEX, AAPG ICE, EAGE, NAPE, SEG, OTC
- Meetings and Data Rooms: Houston and London
- Meetings and Data Rooms in Montevideo to be arranged at any time with ANCAP
- Virtual Data Rooms and Meetings also available
- Register at our web page to arrange a Data Room or a meeting



Map of Offshore Areas



Currently, there are no Available Areas offshore Uruguay under the Open Uruguay Round regime, since all the areas have contracts in force.

Farm-ins available.

General Conditions

- Only qualified companies may submit offers.
- Qualified companies might submit offers as operators for a maximum of:
 - 4 areas; or
 - 15.000 km² onshore or 30.000 km² offshore
- The proposals are independent for each area
- Offers in Spanish (except for technical documents and/or annual reports that may be submitted in English)
- e-mail: rondauruguay@ancap.com.uy
- ANCAP is the only one to interpret the Bidding Round Terms.
- If a Consortium submit offers, the Operator must qualify on Technical aspects, and participate with a minimum of 35%.

Participation Payment

ONSHORE: 5.000US\$

OFFSHORE: 10.000US\$

- It is required for the submission of proposals.
- Enables the presentation of the company in all the Areas for which it submits proposals, for all Instances.
- The Participation Payment by a company of an economic group allows the participation of any company that is part of the same economic group.
- In the event that the proposal is made by a Consortium, each of the members of the same must make the Participation Payment.
- It will grant the company the right to a disk with basic onshore or offshore data as applicable, subject to the subscription of the Confidentiality Agreement

Index

- General Features
- **Qualification of Oil Companies**
- Database
- Offers Comparison
- Final Remarks of the bidding process
- Contract Model
- Final Remarks

Legal Aspects

- Documents proving the existence and representation of the company.



Financial Aspects

Contract Period for which the Qualification is submitted	Onshore Areas	Shallow Offshore Areas	UltraDeep Offshore Areas
Exploration Subperiod without Exploration Well	<ul style="list-style-type: none"> • Average Equity 2MMUS\$ + 0.5MMUS\$ for each additional area; or • Average Asset 6MMUS\$ + 1.5MMUS\$ for each additional area 	<ul style="list-style-type: none"> • Average Equity 50MMUS\$ + 10MMUS\$ for each additional area; or • Average Asset 150MMUS\$ + 30MMUS\$ for each additional area 	<ul style="list-style-type: none"> • Average Patrimony 150MMUS\$ + 50MMUS\$ for each additional area; or • Average Asset 450MMUS\$ + 150MMUS\$ for each additional area
Exploratory Subperiod with Exploration Well	<ul style="list-style-type: none"> • Average Equity 4MMUS\$ + 1MMUS\$ for each additional area; or • Average Asset 12MMUS\$ + 3MMUS\$ for each additional area 	<ul style="list-style-type: none"> • Average Equity 100MMUS\$ + 25MMUS\$ for each additional area; or • Average Asset 300MMUS\$ + 75MMUS\$ for each additional area 	<ul style="list-style-type: none"> • Average Equity 300MMUS\$ + 100MMUS\$ for each additional area; or • Average Asset 900MMUS\$ + 300MMUS\$ for each additional area
Exploration and Exploitation Periods	<ul style="list-style-type: none"> • Top 100: Global NOC & IOC Rankings, or • Average Equity 10MMUS\$ + 2MMUS\$ for each additional area; or • Average Asset 30MMUS\$ + 6MMUS\$ for each additional area 	<ul style="list-style-type: none"> • Top 100: Global NOC & IOC Rankings, or • Average Equity 300MMUS\$ + 100MMUS\$ for each additional area; or • Average Asset 900MMUS\$ + 300MMUS\$ for each additional area 	<ul style="list-style-type: none"> • Top 100: Global NOC & IOC Rankings, or • Average Equity 500MMUS\$ + 200MMUS\$ for each additional area; or • Average Asset 1500MMUS\$ + 600MMUS\$ for each additional area

Technical Aspects (for Operators only)

Contract Period for which the Qualification is submitted	Onshore Areas	Shallow Offshore Areas	Deep Offshore Areas
Exploration Subperiod without Exploration Well	<ul style="list-style-type: none"> • Experience of the company or its personnel in oil operations (as operator or non-operator) 	<ul style="list-style-type: none"> • Experience of the company or its personnel in offshore oil operations (as operator or non-operator) 	<ul style="list-style-type: none"> • Experience of the company or its personnel in offshore oil operations (as operator or non-operator) with more than 1000m of water surface
Exploratory Subperiod with Exploration Well	<ul style="list-style-type: none"> • QHSE Policy • Experience of the company or its personnel in oil operations, including at least one exploratory drilling in the last 10 years (as operator or non-operator) 	<ul style="list-style-type: none"> • QHSE Policy • Experience of the company in offshore oil operations, including at least one offshore exploratory drilling in the last 10 years (as operator or non-operator) 	<ul style="list-style-type: none"> • QHSE Policy • Experience of the company in offshore oil operations, including at least one offshore exploratory drilling in the last 10 years as operator
Exploration and Exploitation Periods	<ul style="list-style-type: none"> • QHSE Policy • Top 100: Global NOC & IOC Rankings, or • Experience of the company or its personnel in oil operations, including at least one exploratory drilling in the last 10 years (as operator or non-operator), and • Net production of more than 1000BOE/d, or • Operated production of more than 2000BOE/d 	<ul style="list-style-type: none"> • QHSE Policy • Top 100: Global NOC & IOC Rankings, or • Experience of the company in offshore oil operations, including at least one offshore exploratory drilling in the last 10 years (as operator or non-operator), and • Net production of more than 5000BOE/d, or • Operated production of more than 10.000 BOE/d 	<ul style="list-style-type: none"> • QHSE Policy • Top 100: Global NOC & IOC Rankings, or • Experience of the company in offshore oil operations, including at least one offshore exploratory drilling as operator in the last 10 years, and • Net production of more than 20.000 BOE/d, or • Operated production of more than 40.000 BOE/d

Parent Company Guarantee

- In the case of an affiliate, subsidiary or branch, the requirements established in number 7.2 and / or 7.3 shall be deemed fulfilled, if its parent company or controlling company (a company that has more than fifty percent of the capital stock of the subsidiary) certifies the provisions in the referred numerals 7.2 and 7.3.
- In this case, the parent or controlling company of the company that intends to qualify, must sign the Letter of Guarantee that is added as Annex F.

If a company that qualified for exploration without Exploration well decides to move to an Exploration Subperiod with Exploratory well

- Prove that fulfills by itself at the moment of the decision the requirements set today in the bidding round terms for qualification for Exploratory Subperiod with Exploration Well
- Farm out at least 35% to a company that fulfills such requirements

If a company that qualified for exploration only makes a commercial discovery

- A discovery is made
- Submit appraisal program for approval
- Execute appraisal program
- Contractor decides to declare commerciality of the discovery (or not)
- To be able to do the declaration of commerciality and delimit the Exploitation Lot, the company needs to:
 - Prove that fulfills by itself at the moment of declaration of commerciality the requirements set today in the bidding round terms for qualification for E&P contracts as operator
 - Farm out at least 35% to a company that fulfills such requirements

Validity of the Qualification

- Companies qualified according to what is established in this numeral, will be able to present proposals in 10 consecutive Instances counted from the date of notification by ANCAP that has been qualified.
- Companies that have the status of operator of current contracts granted in the Open Uruguay Round Regime may submit proposals while they are of such quality, beyond the term established in the previous paragraph, for the same type of areas and stage of the Contract in execution.

Index

- General Features
- Qualification of Oil Companies
- **Database**
- Offers Comparison
- Final Remarks of the bidding process
- Contract Model
- Final Remarks

Available database

Data that can be licensed directly from ANCAP

- Onshore
 - Basic Data Datapackage (included with RUA Participation Payment)
 - SC14 and UR84 2D Seismic
 - Santa Lucía Datapackage
- Offshore
 - Basic Data Datapackage (included with RUA Participation Payment)
 - UR07, UR08 and UR11 2D Seismic + Grav&Mag at 80 USD/km
 - TO12, BG12, YF13 and TU17 3D Seismic at 250 USD/km²
 - 3D CSEM data
 - Raya X-1 Well Datapackage
 - Fluid Inclusions Report

Data that can be licensed from Service Companies (already available)

- PGS
 - UR12 3D seismic
 - 2D Seismic reprocessing
- TGS
 - UR02 2D Seismic
 - UR13 2D Seismic
 - UR14 2D Seismic
 - Well logs
- ION
 - Uruguay SPAN 2D Seismic
 - Uruguay Repro 2D Seismic
- CGG / ROBERTSON
 - 2 Geological Reports
- Schlumberger
 - Advanced processing of UR2011 2D Seismic
- AGI
 - Micro seeps detection program
- EMGS
 - Reprocessing of EM

Datapackages from ANCAP

(Disk with basic data included with Participation Payment of the Open Uruguay Round)

Onshore

- WELL INFORMATION (Records in LAS format and Reports)
 - NO_01_G_X1 – GASPAR (TD = 2247 m)
 - NO_02_A_X2 – ARTIGAS (TD = 1850 m)
 - NO_03_S_X1 – SALTO (TD = 2178 m)
 - NO_04_Q_X1 – QUEBRACHO (TD = 1103 m)
 - NO_05_Gu_X1 – GUICHÓN (TD = 924 m)
 - NO_06_Sp_X1 – SALSIPUEDES (TD = 540 m)
 - NO_07_P_X1 – PELADO (TD = 1996 m)
 - NO_08_Y_X1 – YACARÉ (TD = 2387 m)
 - NO_09_B_X1 – BELÉN (TD = 2366 m)
 - NO_10_I_X1 – ITACUMBÚ (TD = 2099 m)
- GEOPHYSICAL INFORMATION:
1,650km of 2D seismic field data of 1984 and re-processing of such data
- GEOCHEMICAL INFORMATION

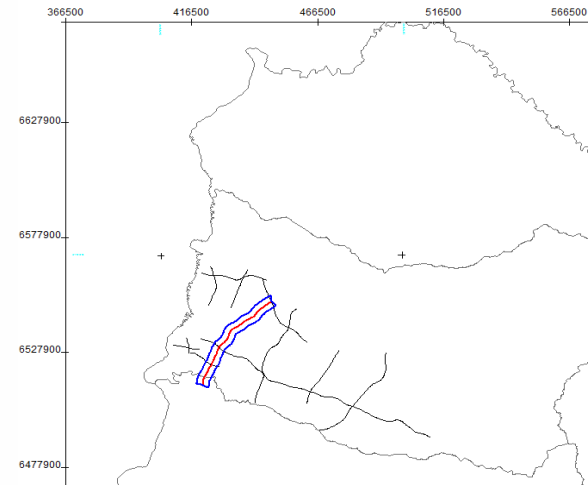
Offshore

- 2D SEISMIC DATA (CAMPAIGNS 1970 - 82, 2007 AND 2011)
 - ANCAP/ CGG 1970/71; 44 lines; 5267 km
 - ESSO/ GSI 1974; 35 lines; 2578 km
 - CHEVRON/ GSI 1975; 28 lines; 1897 km
 - ANCAP/ WESTERN 1982; 23 lines; 1402 km
 - ANCAP UR07; Acquired by Wavefield Inseis; Processed by Geotrace; 7 lines-1837 km
 - ANCAP UR2011; Acquired by Reflect Geophysical; Processed by Western Geco; 5 lines - 1324 km
- Wells (Records (LAS) and Reports)
 - Lobo
 - Gaviotín

Onshore 2D seismic from ANCAP

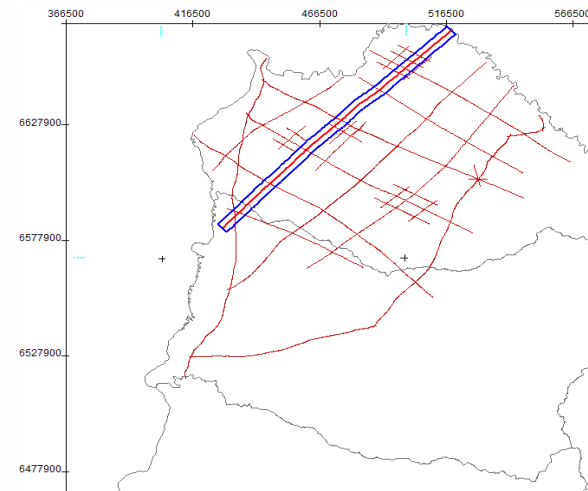
SC14

- 414 km
- Acquired by PanAmerican in 2014
- Operator: Schuepbach Energy
- Processed by Excel Geophysical Services, PoSTM



UR84

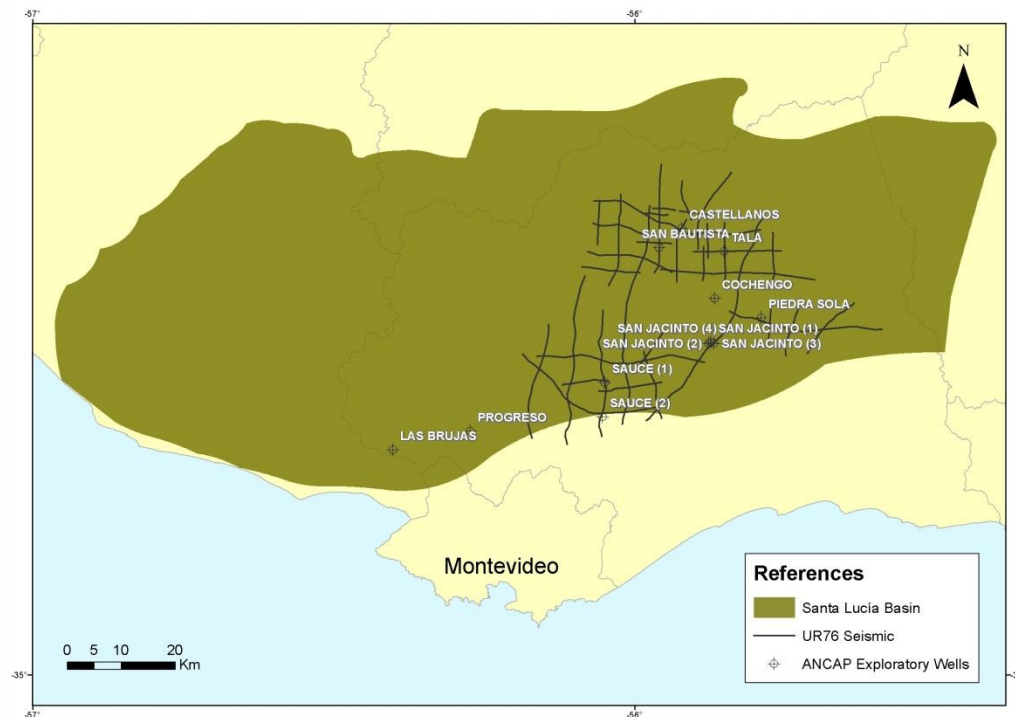
- 1,650 km
- Operator: ANCAP
- Acquired by Western Geophysical between 1984 and 1985
- Data reprocessed by Geofizyka Torún in 2014 (PSTM)



Marketed by ANCAP at 80 USD/km

Santa Lucía Basin Datapackage from ANCAP

- WELL INFORMATION (Records in LAS format and Reports)
 - SL_02_SJ_X2 – SAN JACINTO 2 (TD = 1,199 m)
 - SL_03_SJ_X3 – SAN JACINTO 3 (TD = 1,243 m)
 - SL_04_SJ_X4 – SAN JACINTO 4 (TD = 1,231 m)
 - SL_05_S_X1 – SAUCE 1 (TD = 2,459 m)
 - SL_06_P_X1 – PROGRESO (TD = 838 m)
 - SL_07_S_X2 – SAUCE 2 (TD = 1,691 m)
 - SL_08_B_X1 – LAS BRUJAS (TD = 719 m)
 - SL_09_C_X1 – CASTELLANOS (TD = 2,026 m)
 - SL_10_Co_X1 – COCHENGO (TD = 318 m)
 - SL_11_PS_X1 – PIEDRA SOLA (TD = 1,598 m)
 - SL_12_SB_X1 – SAN BAUTISTA (TD = 1,954 m)
 - SL_13_T_X1 – TALA (TD = 1,749 m)
- GEOPHYSICAL INFORMATION: 625 km of 2D seismic field data of 1975/1976
- GEOCHEMICAL INFORMATION



Marketed by ANCAP at 10,000 USD

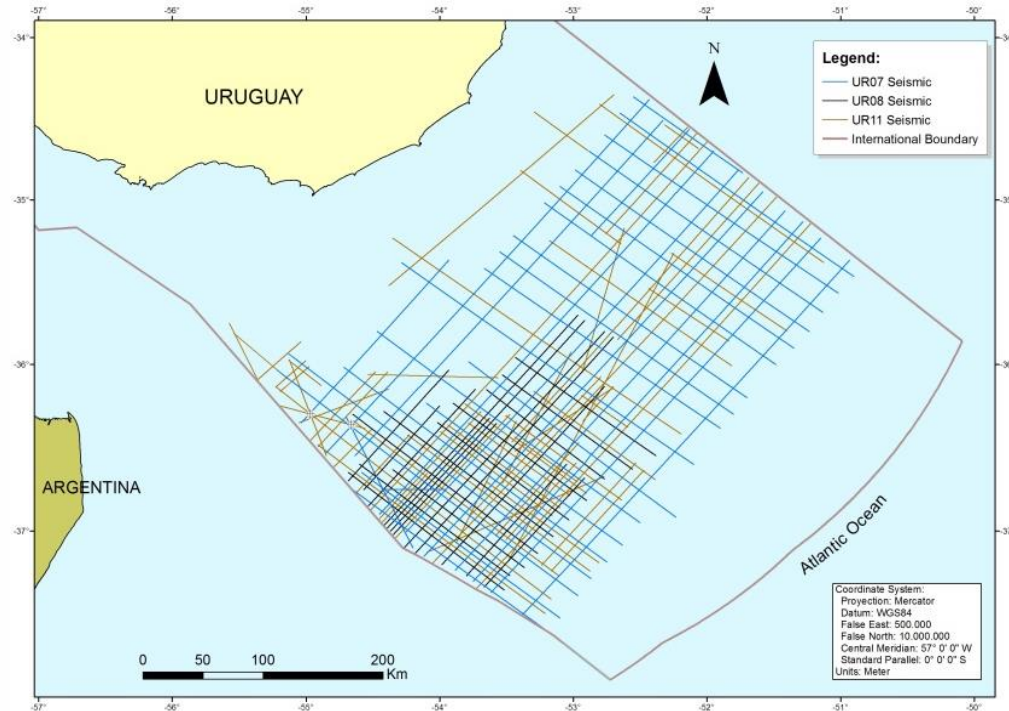
Offshore 2D seismic from ANCAP

UR07 and UR08

- UR07: 6,991 FF km
- UR08: 2,817 FF km
- Acquired by Wavefield Inseis in 2007 and 2008
- Operator: ANCAP
- Processed by Geotrace, PSDM only
- Includes Gravimetry and Magnetometry

UR11

- 6,294 km
- Operator: ANCAP
- Acquired by Reflect Geophysical in 2011
- PSTM and PSDM
- Includes Gravimetry and Magnetometry



Marketed by ANCAP at 80 USD/km

3D seismic from ANCAP

YF13

Acquired in 2013
2,082 km² FF approx.
Operator: YPF
Acquired and Processed by Western Geco

BG12

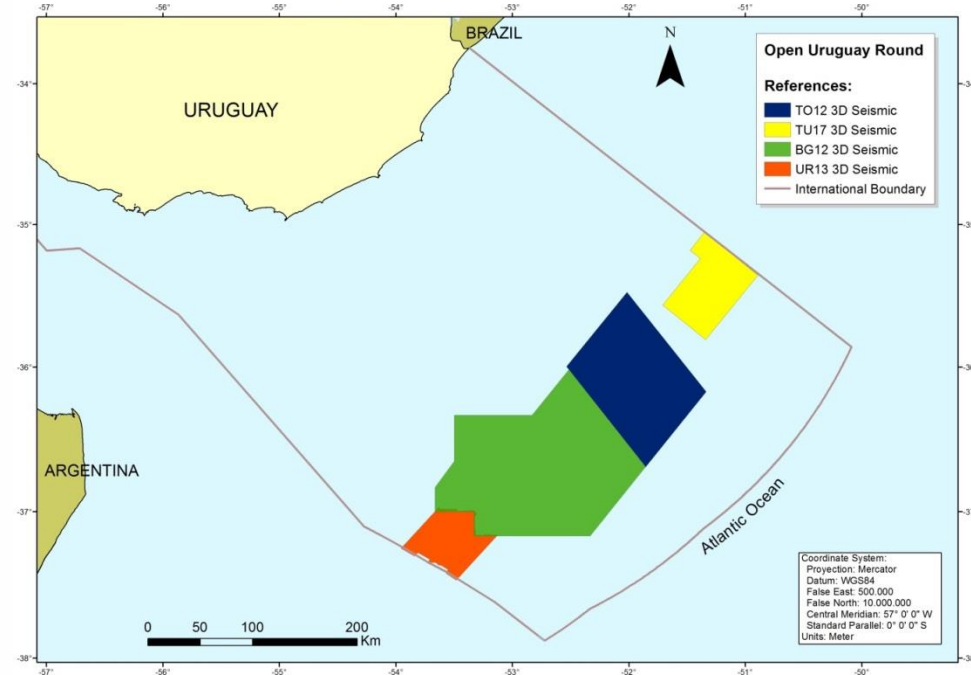
Acquired between 2012 and 2014 (2 phases)
13,306 km² FF approx.
Operator: BG
Acquired by Polarcus and Processed by PGS

TO12

Acquired in 2012 to 2014 (2 phases)
7,145 km² FF approx.
Operator: Total
Acquired by Western Geco and Processed by Schlumberger and TOTAL

TU17

Acquired in 2017
2,533 km² FF approx.
Operator: Tullow Oil
Acquired by Polarcus and Processed by Western Geco



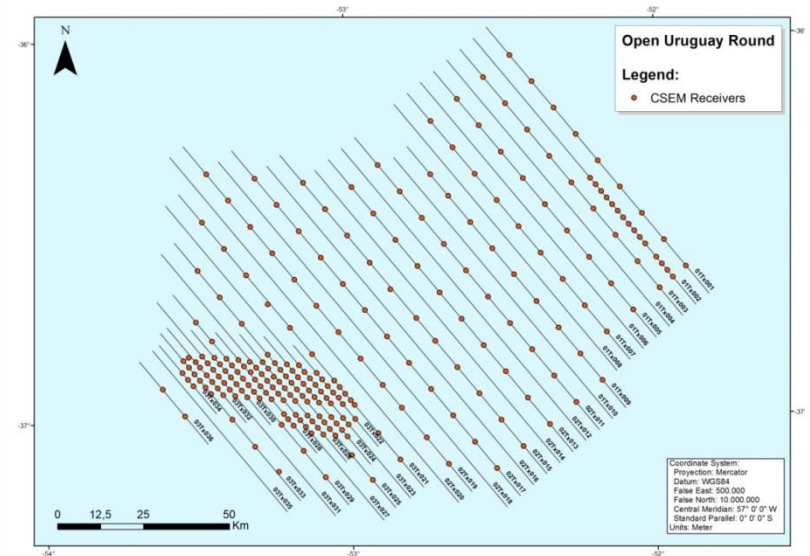
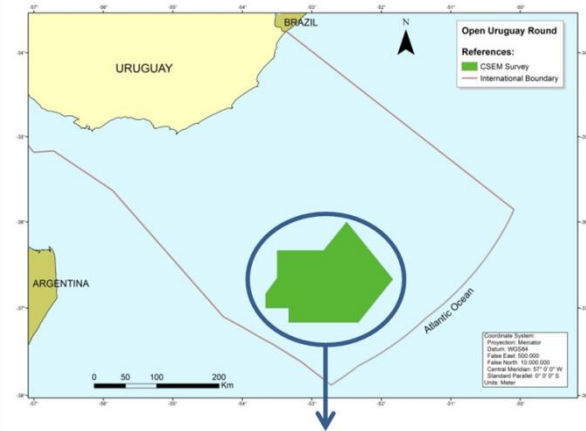
Marketed by ANCAP at 250 USD/km², or:

Product	Price
Total volume YF13	USD 400,000
Total volume TO12	USD 1,700,000
Total volume BG12	USD 2,900,000
Total volume TU17	USD 550,000

3D Electromagnetism from ANCAP

3D CSEM

- Processed CSEM data: 13,080 km² approx.
- Operator: BG
- Acquired by EMGS between 2014 and 2015
- Includes MMT data previously acquired for CSEM survey design
- Marketed by ANCAP at USD 1,000,000



Raya X-1 Well Datapackage from ANCAP

- Wireline logs for the final section of the well, in LAS and PDF format
- LWD logs in LAS and PDF format
- Also includes:
 - Mudlogging logs and reports.
 - Reports of formation fluids analyses.
 - Reports of geochemical analyses.
 - Mineralogy reports of cuttings analyses.
 - Reports of biostratigraphic analyses of cuttings.
 - Final geological report.
 - Final drilling report.
- Marketed by ANCAP at USD 50,000








Fluid Inclusions Report from ANCAP

- Study of fluid inclusions in the Lobo X-1 and Gaviotín X-1 wells, including studies of stratigraphy, petrography, API gravity and analysis of oil bio-markers.
- Includes:
 - Individual well reports on FIS results (petroleum distribution and type, seals, proximal undrilled pay, etc.).
 - Fluid Inclusion temperature, API gravity and salinity data for each well, based on FIS data.
 - Integration of the FIS data with detailed analysis of the implications for E&P in the study area.
 - Digital files of all data and reports.
- Marketed by ANCAP at USD 2,500

Purchase Options from ANCAP

- In case of acquiring onshore data for an amount exceeding USD 120,000, the “Onshore Datapackage” will be delivered free of charge.
- In case of acquiring offshore data for an amount exceeding USD 250,000, the “Offshore Datapackage” and the “Fluid Inclusions Report” will be delivered free of charge.
- In case of acquiring offshore data for an amount exceeding USD 500,000, the “Offshore Datapackage”, the “Fluid Inclusions Report” and the “Raya X-1 Exploratory Well Datapackage” data will be delivered free of charge.

Data marketed by Service Companies through Multiclient Agreements

CONTRACTS IN FORCE	
Company	Scope
	15.700 km ² of 3D seismic offshore
	2D seismic reprocessing of UR70, UR71, UR74, UR75, UR82 & UR11 surveys (max. 16.002 Km)
	10.400 km of 2D seismic offshore
	Program of digital data from exploratory well logs
	2.800 km of 2D seismic offshore
	2D seismic reprocessing of UR07&UR08 surveys (10.000 Km) Reprocessing of 3D Seismic data which forms part of ANCAP's database ("Tannat Project")
	Petroleum Geology of Uruguay (2 Reports)
	Source rock characterization of the Norte Basin of Uruguay*
	Raya-1 post-mortem well success/failure analysis*
	Offshore 3D seismic reprocessing
	6.400 Km of 2D seismic UR11: AVO Study & Seismic Inversion
	Program for the micro-seeps detection of hydrocarbons into sediment samples in the offshore
	Program for the reprocessing of CSEM data offshore Uruguay
	Acquisition, processing, interpretation and marketing of Controlled Source Electromagnetic (CSEM) data offshore Uruguay*
	Acquisition, processing, interpretation and marketing of SFD® data in the onshore/offshore Uruguay*

* Project not commenced by September 2023

From PGS

Pelotas Basin - Uruguay - 2012 - 2013

Uruguay 3D GeoStreamer: 15611 km²

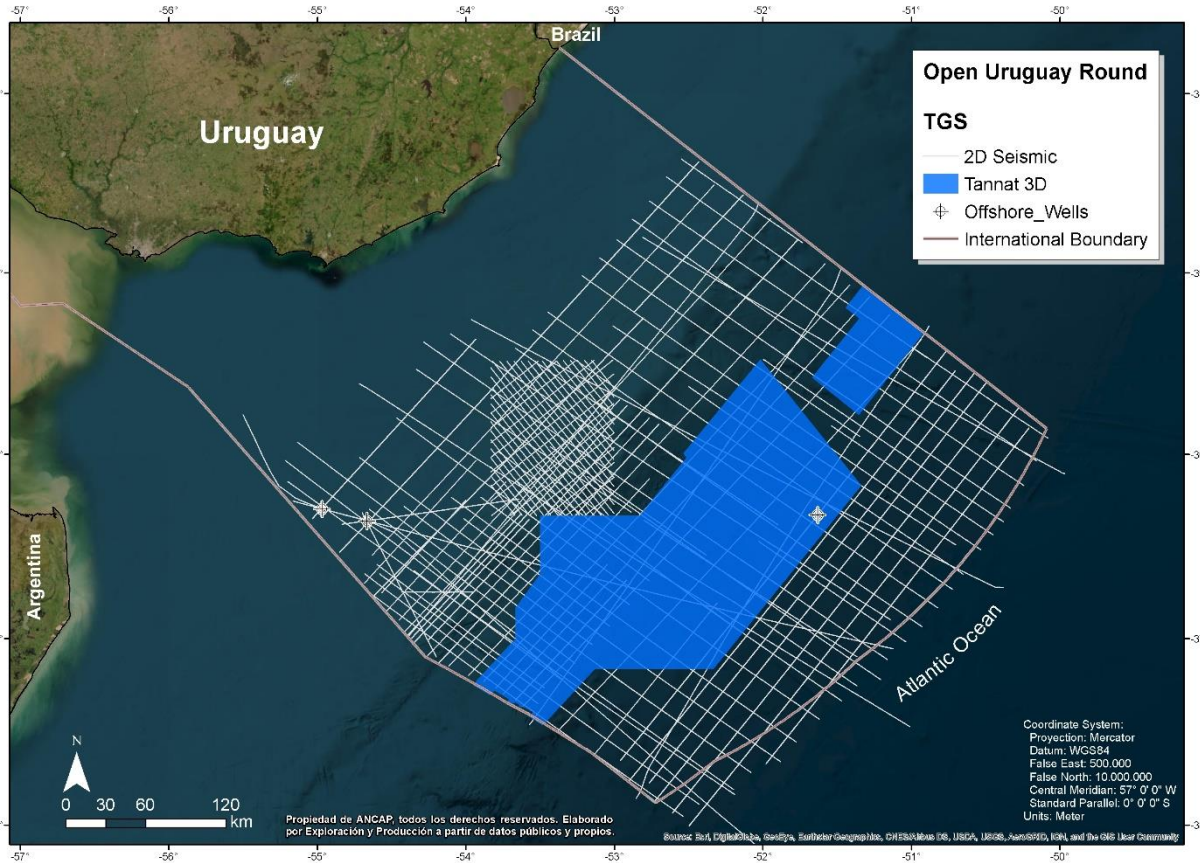
**2D Seismic reprocessing - UR70, UR71, UR74,
UR75, UR82 and UR11 surveys: max. 16002 km**



Contact Details

- Adriana Sola
- adriana.sola@pgs.com
- <https://www.pgs.com/data-library/north-and-south-america/south-brazil--uruguay/>

From TGS (1)



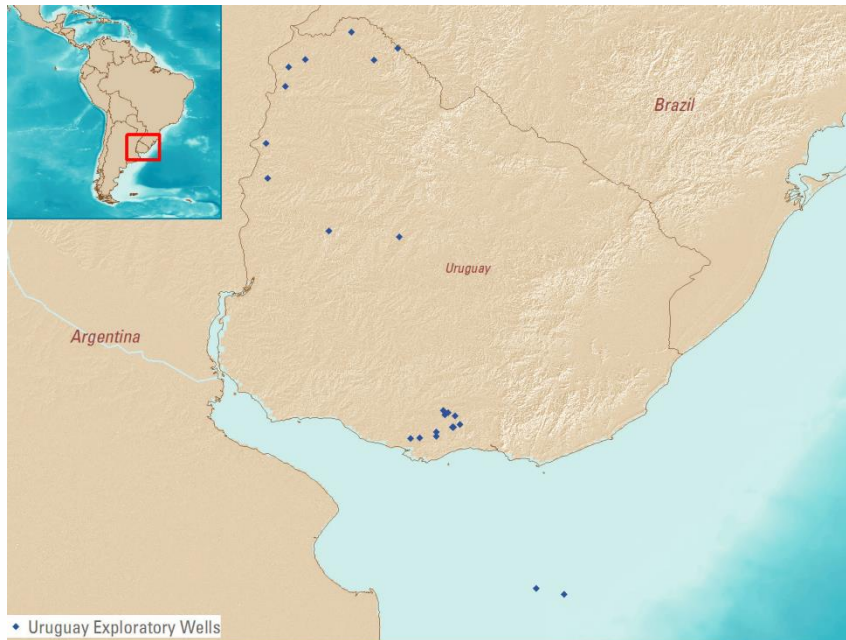
- **UR02: 1,840 km 2D seismic**
- **UR13: 4,825 km 2D seismic**
- **UR14: 3,740 km 2D seismic**
- **Uruguay SPAN: 2,800 km 2D seismic**
- **UR07&UR08 reprocessing: 10,000 km 2D seismic**
- **Tannat Project: reprocessing of 3D seismic data which forms part of ANCAP database**

Contact Details

- Gladys Reyes gladys.reyes@tgs.com

From TGS (2)

Uruguay Well Log and LAS Plus Data



Contact Details

- TGSSales@tgs.com

From CGG



Geological Reports

- South Atlantic Petroleum Geological Evaluation – Uruguay Report (2012)
- Petroleum Geology in Uruguay: Complementary Study of Pelotas, Laguna Merín and Punta del Este Basins (2014)

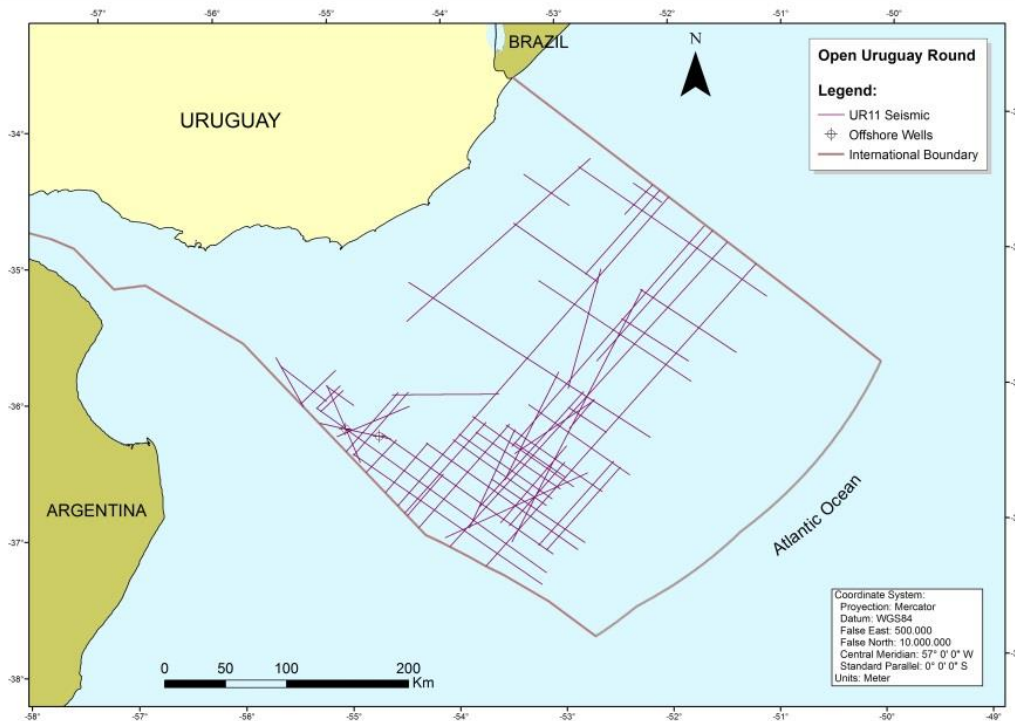
Contact Details

- Ceri Davies
- ceri.davies@cgg.com

Offshore 3D seismic reprocessing

- Imaging and interpretation of 3D surveys within the blocks offered in the Open Uruguay Round

From Schlumberger



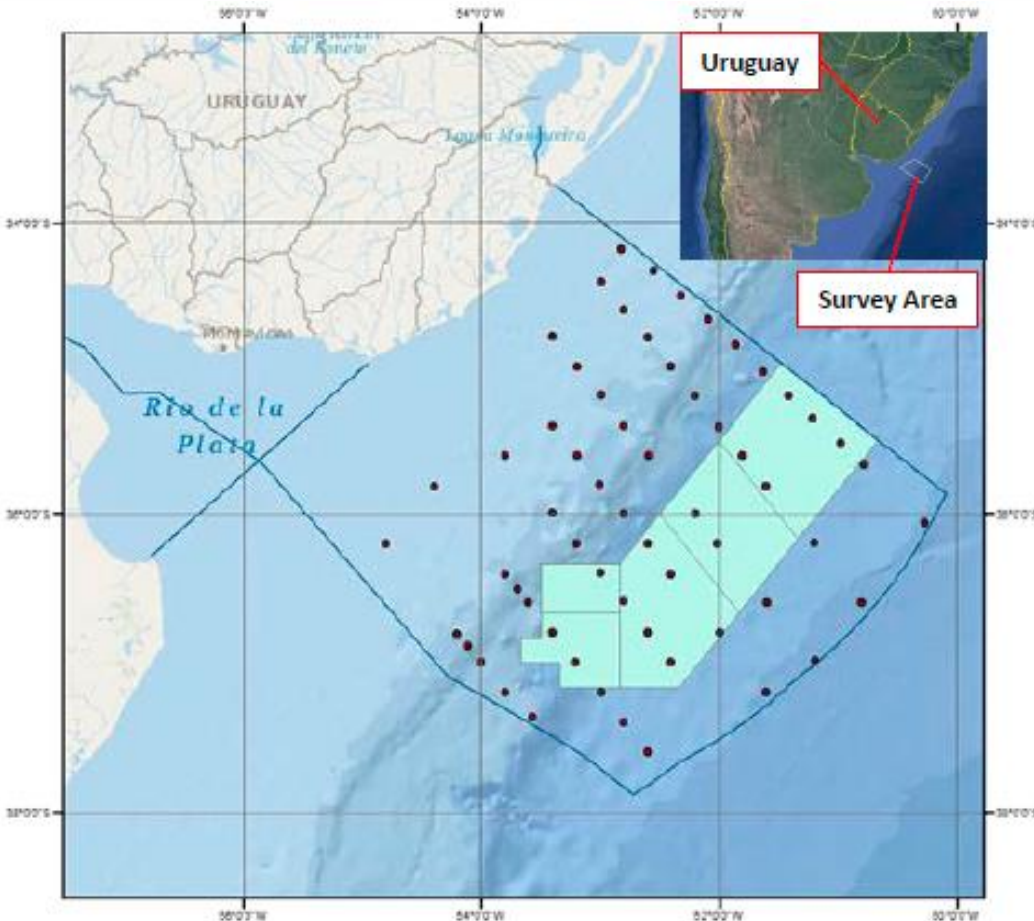
Advanced data interpretation over 6,293 Km UR11 2D seismic survey

- Angle stacks
- Seismic AVO attributes: gradient (G), intercept (P), product (P×G)
- ISIS suite of reservoir characterization technology full-stack relative inversion: acoustic impedance (AI)
- Horizons interpretation
- ISIS simultaneous AVO inversion: AI, V_p/V_s , density (RHO)

Contact Details

- Fernando Álvarez falvarez9@slb.com
- <http://www.multiclient.slb.com/south-america/uruguay.aspx>

From Amplified Geochemical Imaging



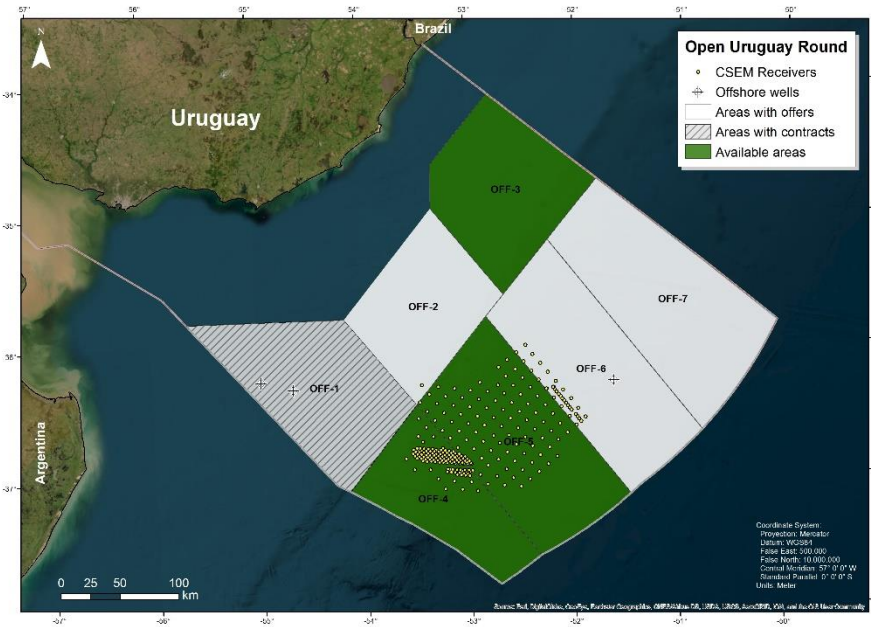
**Program for micro-seeps
detection of hydrocarbons
into sediment samples
offshore**

Contact Details

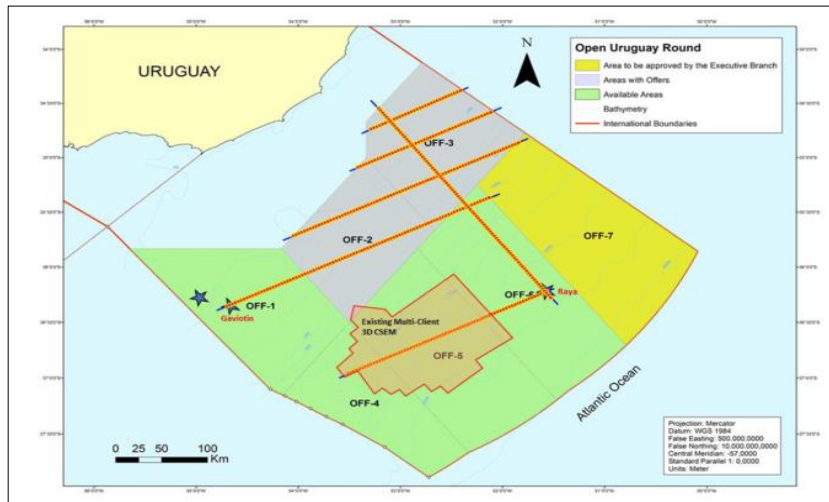
- Mark Arnold arnold@agisurveys.net

Program for the reprocessing of CSEM (Controlled Source ElectroMagnetic) data offshore Uruguay

13,500 km² Acquired by EMGS for BG in 2013



Acquisition, processing, interpretation and marketing of Controlled Source Electromagnetic (CSEM) data (not started yet)



Contact Details

- Lars Petter Solevåg lpsolevag@emgs.com

Licensing data

- Licensing data (directly from ANCAP or from these Service Companies) is counted as Working Units for the Committed Exploratory Program
- It will only be counted as WU the licensing (or the commitment to license) 3D data (Seismic, EM, etc.) inside the area for which the offer is being submitted.
- 1 WU for each USD 5,000 spent on such data

Index

- General Features
- Qualification of Oil Companies
- Database
- **Offers Comparison**
- Final Remarks of the bidding process
- Contract Model
- Final Remarks

Offers Comparison

$$TotalScore = Score_1 + Score_2 + Score_3$$

$$Score_1 = 20 * \left(\frac{A}{A_{max}} \right) + 40 * \left(\frac{UT}{UT_{max}} \right) + 40 * \left(\frac{X}{X_{max}} \right) \quad \text{For Oil } \rho\text{API} > 25$$

$$Score_2 = 20 * \left(\frac{A}{A_{max}} \right) + 40 * \left(\frac{UT}{UT_{max}} \right) + 40 * \left(\frac{X'}{X'_{max}} \right) \quad \text{For Oil } \rho\text{API} < 25$$

$$Score_3 = 20 * \left(\frac{A}{A_{max}} \right) + 40 * \left(\frac{UT}{UT_{max}} \right) + 40 * \left(\frac{X_G}{X_{Gmax}} \right) \quad \text{For Natural Gas}$$

WEIGHTING FACTOR OF OFFERS TERMS	
TERM	WEIGHTING FACTOR
Maximum Percentage of Association	20%
Committed Exploratory Program	40%
Increase of Profit Oil for the Uruguayan State	40%

% ANCAP's Association

- The bidding company must propose the maximum ANCAP's association percentage, in the range between 20% and 40%.

UT: Unidades de Trabajo (WU: Working Units) Committed Exploratory Program (PEC)

Exploratory Works in Onshore Areas	UT (WU)
Drilling an Exploratory Well (WU/well)	1.000
Evaluation of Petroleum Geology (WU/area)	100
Evaluation of Prospective Resources (WU/area)	100
Gravimetric and Magnetometric 3D Inversion and Modelling (WU/area)	100
Drilling of Stratigraphic wells (WU/well)	50
Acquisition, Processing and Interpretation of 3D Seismic (WU/km ²)	6
Acquisition, Processing and Interpretation of 2D Seismic (WU/km)	2
Acquisition, Processing and Interpretation of MT/AMT (WU/station)	0,50
Acquisition, Processing and Interpretation of airborne Gradiometric Gravimetry (WU/Km)	0,02
Acquisition, Processing and Interpretation of airborne Magnetometry (WU/Km)	0,02
Reprocessing and Interpretation of 3D Seismic (WU/km ²)	0,10
Surface Geochemistry (WU/sample)	0,10
Reprocessing and Interpretation of 2D Seismic (WU/km)	0,05
Reprocessing and Interpretation of MT/AMT (WU/station)	0,05
Acquisition, Processing and Interpretation of Gravimetry (WU/station)	0,03
Reprocessing and Interpretation of Magnetometry (WU/station)	0,01
Licensing data (5000US\$)	1

UT: Unidades de Trabajo (WU: Working Units) Committed Exploratory Program (PEC)

Exploratory Works in Shallow Offshore Areas	UT (WU)
Drilling of an exploratory well at > 100 m WD (WU/well)	5.000
Drilling of an exploratory well at < 100 m WD (WU/well)	3.000
Evaluation of Petroleum Geology (WU/area)	100
Evaluation of Prospective Resources (WU/area)	100
Gravimetric and Magnetometric 3D Inversion and Modelling (WU/area)	100
Geochemistry of seabed samples (WU/sample)	3
Acquisition, Processing and Interpretation of 3D Seismic (WU/km ²)	2
Acquisition, Processing and Interpretation of 2D Seismic (WU/km)	0,2
Reprocessing and Interpretation of 3D Seismic (WU/km ²)	0,04
Reprocessing and Interpretation of 2D Seismic (WU/km)	0,02
Acquisition, Processing and Interpretation of airborne Gradiometric Gravimetry (WU/Km)	0,02
Acquisition, Processing and Interpretation of airborne Magnetometry (WU/Km)	0,02
Acquisition, Processing and Interpretation of multibeam Bathymetry (WU/Km)	0,01
Licensing data (5000US\$)	1

UT: Unidades de Trabajo (WU: Working Units) Committed Exploratory Program (PEC)

Exploratory Works in Deep Offshore Areas	UT (WU)
Drilling of an exploratory well at > 2500 m WD (WU/well)	15.000
Drilling of an exploratory well at < 2500 m WD (WU/well)	7.500
Evaluation of Petroleum Geology (WU/area)	100
Evaluation of Prospective Resources (WU/area)	100
Gravimetric and Magnetometric 3D Inversion and Modelling (WU/area)	100
Geochemistry of seabed samples (WU/sample)	3
Acquisition, Processing and Interpretation of 3D Seismic (WU/km ²)	2
Acquisition, Processing and Interpretation of Electromagnetism (WU/receptor)	3
Acquisition, Processing and Interpretation of 2D Seismic (WU/km)	0,2
Reprocessing and Interpretation of 3D Seismic (WU/km ²)	0,04
Reprocessing and Interpretation of 2D Seismic (WU/km)	0,02
Reprocessing and Interpretation of Electromagnetism (WU/receptor)	0,3
Acquisition, Processing and Interpretation of multibeam Bathymetry (WU/Km)	0,01
Licensing data (5000US\$)	1

Committed Exploratory Program (PEC)

Some comments (1/2)

1. The licensing of any data is not mandatory, except when it offered and included as part of a PEC. The data can be licensed before or after the signature of the Contract.
2. It will only be counted as WU the licensing (or the commitment to license) 3D data (Seismic, EM, etc.) inside the area for which the offer is being submitted.
3. It won't be accounted as Working Units , the licensing of data that had already been used to complete a PEC under previous contracts.
4. For any of the items referred to as licensing of information, the corresponding payment receipt along with Annex G shall be submitted as evidence of said licensing.
5. Work done under previous contracts which exceeded the previous PEC inside the Area for which the offer is being submitted ,will be accounted for as part of an offer, prorated according to each company's working interest, should the company submit a proposal and offer such exploratory work.

Committed Exploratory Program (PEC)

Some comments (2/2)

6. Bidder must specify the type of well offered only within the options established. The total depth of each well (including water column) should be in accordance with the geological objective to be evaluated.
7. Stratigraphic study wells should recover cores continuously and perform adequate organic geochemistry and reservoir petrophysics analysis to define the petroleum system
8. Processing of 2D and 3D seismic data must be in time (PSTM) and depth (PSDM), and only Km or Km2 with full fold coverage will be computed.
9. Electromagnetism refers to CSEM, with a maximum spacing between receptors of 2.5 km.
10. Bidder may include in the offer other exploratory Works not listed in Tables corresponding to each type of area, including the technical justification of such proposal and the estimated budget or estimated cost of such exploratory works. ANCAP, at its own judgement, may decide to take into consideration or not such exploratory work and will define its value in Working Units.

New Field Activities

- The exploratory Works that are considered as New Field Activities to the effect of the constitution of the Guarantee for the Exploration Period are the following:
 - Drilling of onshore exploratory wells (WU/well)
 - Drilling of Stratigraphic wells (WU/well)
 - Acquisition, Processing and Interpretation of 3D Seismic (WU/km²)
 - Acquisition, Processing and Interpretation of 2D Seismic (WU/km)
 - Acquisition, Processing and Interpretation of MT/AMT (WU/station)
 - Acquisition, Processing and Interpretation of airborne Gradiometric Gravimetry (WU/Km)
 - Acquisition, Processing and Interpretation of airborne Magnetometry (WU/Km)
 - Surface Geochemistry (WU/sample)
 - Acquisition, Processing and Interpretation of Gravimetry (WU/station)
 - Drilling of an exploratory well at > 100 m WD (WU/well)
 - Drilling of an exploratory well at < 100 m WD (WU/well)
 - Geochemistry of seabed samples (WU/sample)
 - Acquisition, Processing and Interpretation of multibeam Bathymetry (WU/Km)
 - Acquisition, Processing and Interpretation of Electromagnetism (WU/receptor)
 - Drilling of an exploratory well at > 2,500 m WD (WU/well)
 - Drilling of an exploratory well at < 2,500 m WD (WU/well)

Minimum Committed Exploratory Program

Area	Exploratory Subperiod	Onshore	Shallow Offshore	Deep Offshore
Working Units required in the Minimum Exploratory Program	Basic Subperiod	200	200	200
Subperiod Term		4 years	4 years	4 years
Working Units required in the Exploratory Program of the Supplementary A Subperiod	Supplementary A Subperiod	2 Exploratory Wells	1 Exploratory Well	1 Exploratory Well
Subperiod Term		3 years	3 years	3 years
Area Relinquishment		0%	0%	0%
Working Units required in the Exploratory Program of the Supplementary B Subperiod	Supplementary B Subperiod	1000	1000	2000
Subperiod Term		2 years	2 years	2 years
Area Relinquishment		50%	50%	50%
Working Units required in the Exploratory Program of the Extension Subperiod	Extension Subperiod	2 Exploratory Wells	1 Exploratory Well	1 Exploratory Well
Subperiod Term		3 years	3 years	3 years
Area Relinquishment		30%	30%	30%

Economic Proposal

- The bidding company must propose the value of the increase of the Uruguayan State's Profit Oil (X) for each range of R Factor, according to the following Table.
- The R Factor is the relationship between cumulated Gross Income and cumulated Cost Oil.

R Factor	% Profit Oil State
<1	8 + X
1-1,5	15 + X
1,5-2	20 + X
>2	30 + X

- X between 0 and 70.
- X has to be offered for light oil, heavy oil and natural gas

Index

- General Features
- Qualification of Oil Companies
- Database
- Offers Comparison
- **Final Remarks of the bidding process**
- Contract Model
- Final Remarks

Final remarks about the Open Uruguay Round Regime

- The Area will be awarded to the highest score offer.
- If Qualification of the awardee company is more than 6 Instances older, the awarding is subject to the certification by the company that still fulfills the qualification requirements
- In case there are similar offers (less than 5% in Total Score), ANCAP will invite the companies to improve their offers, in a term of 5 days.
- Offer guarantee is 30.000US\$
- The Executive Branch has to authorize by Decree the signature of the Contract.
- The awardee company has to register a Uruguayan company. If the Area is awarded to a Consortium, it has to be formed by Uruguayan companies.

Index

- General Features
- Qualification of Oil Companies
- Database
- Offers Comparison
- Final Remarks of the bidding process
- **Contract Model**
- Final Remarks

Legal Framework

- Specific applicable laws
 - Decree Law N°14.181 Hydrocarbons Law
 - Mining Code Law N°15.242
 - Law 18.083 Tax System
- Fields are State property (original domain).
- Extracted substances are State property (common domain).
 - One portion for ANCAP to cover production costs (Cost Oil) and contractor's compensation (Contractor's Profit Oil)
 - One portion for the State (Uruguayan State's Profit Oil)

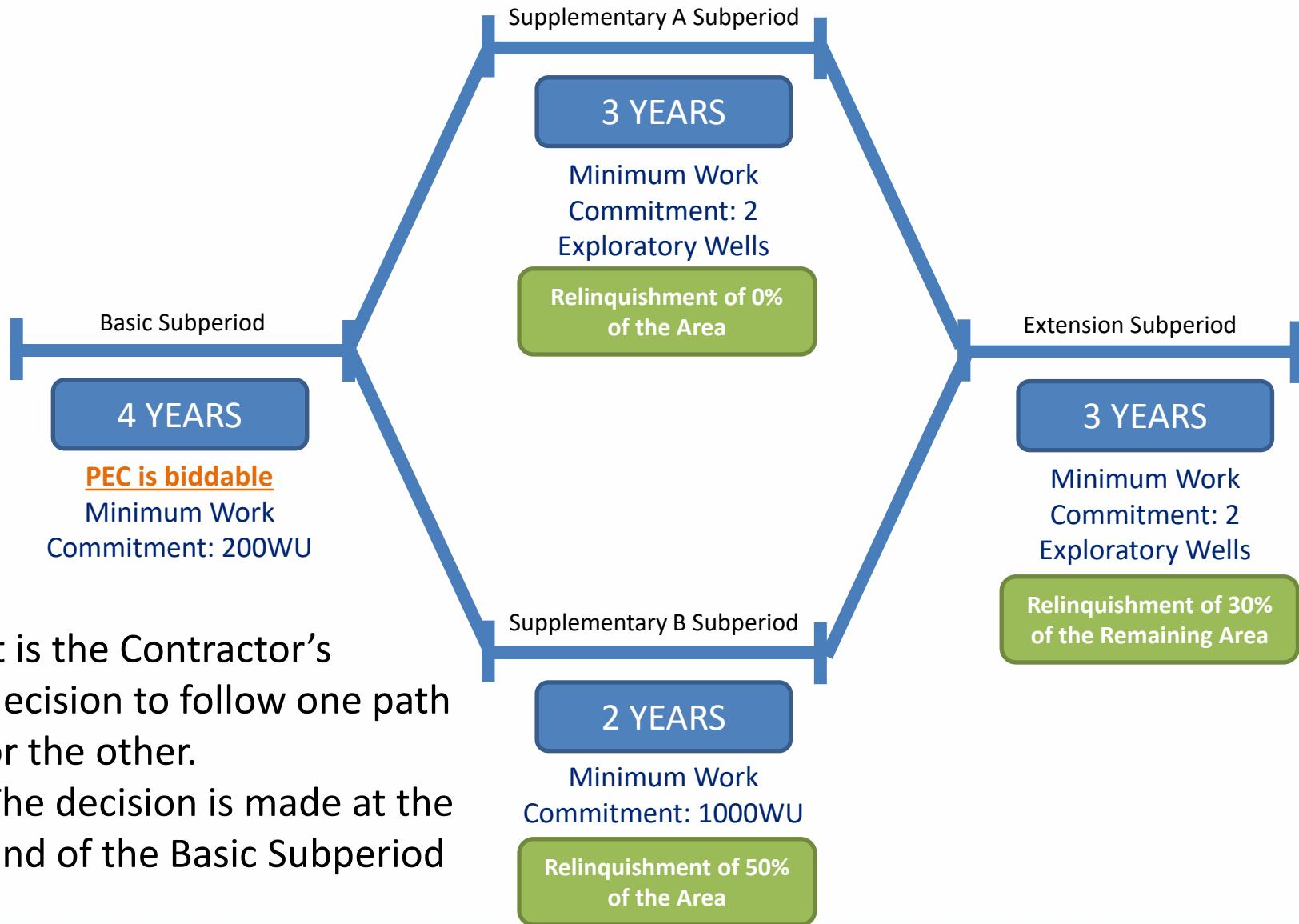
Contract

- **PSA: Production Sharing Agreements** for which Contractor assumes all risks, costs and responsibilities of the activity.
 - **No** royalties are applied
 - **No** signature or production bonuses.
 - **No** surface rentals
 - **No** taxes paid to provinces or municipalities
 - **No** Ring fencing inside the contract area
- **PARTIES' OBLIGATIONS**
 - Contractor: Perform on behalf of ANCAP all operations (exploration, development, exploitation, supplementary and ancillary operations) in the area allocated.
 - ANCAP: Pay Contractor its compensation and assist it in the fulfillment of its obligations.

Contract Term

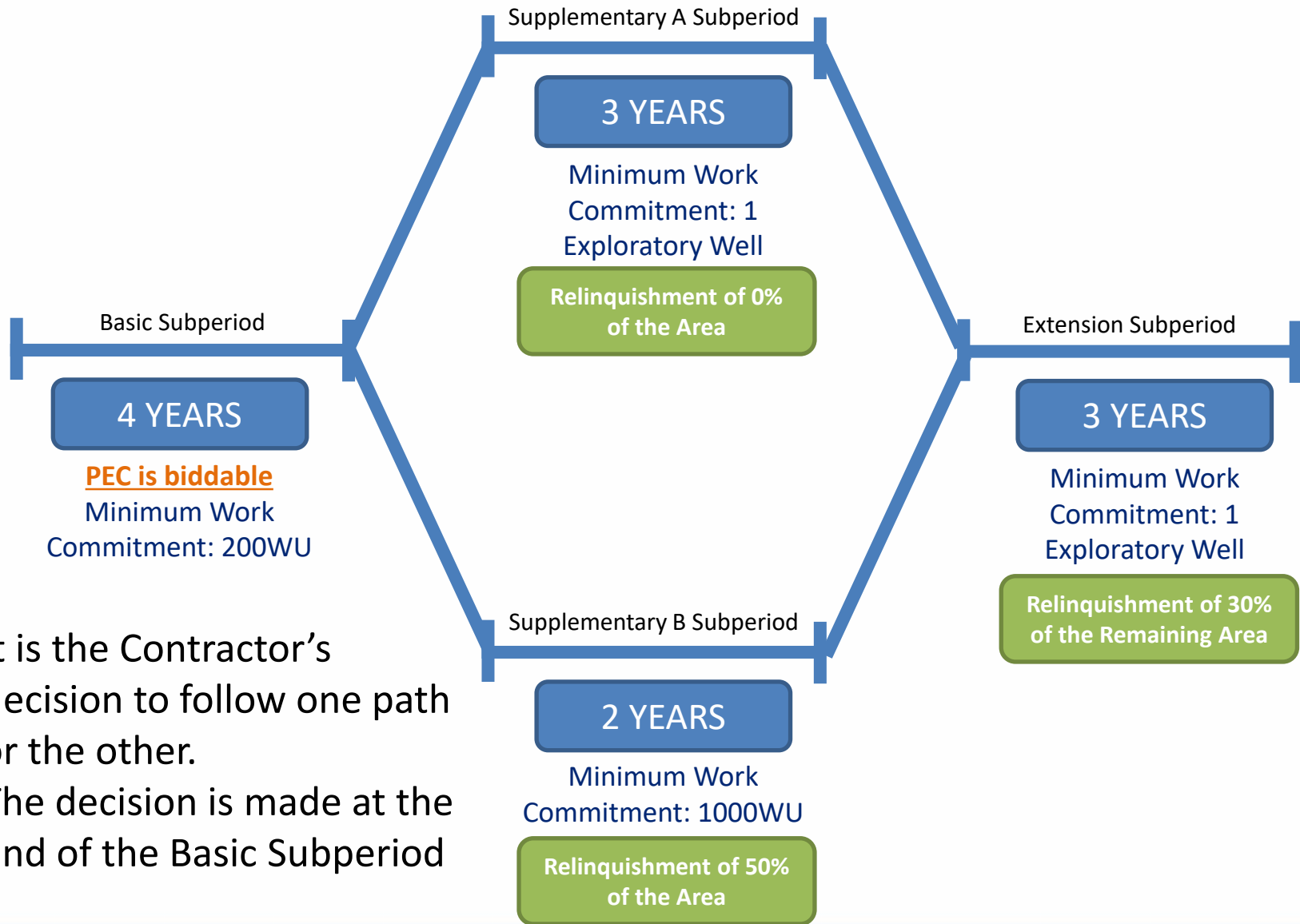
- 30 years which can be extended to 40 years
- EXPLORATION:
 - Pathway A: 11 years (4 + 3 + 3 + 1*)
 - Pathway B: 10 years (4 + 2 + 3 + 1*)
 - *In case there is a discovery in the last year of the Extension Period, the Contractor can have the option to an extra year for the appraisal
- EXPLOITATION: 25 years subject to maximum contract term.

Exploration Term - ONSHORE



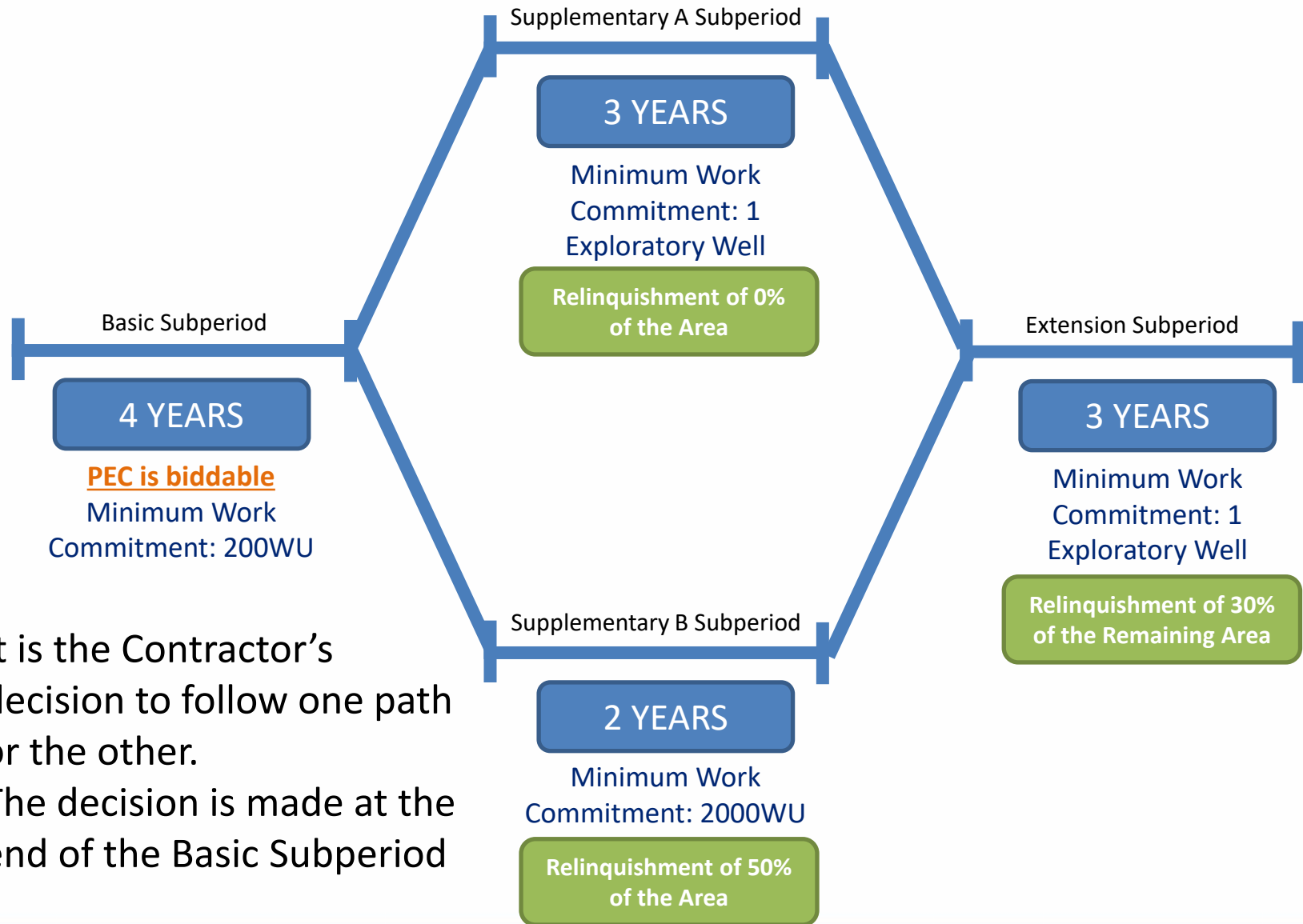
- It is the Contractor's decision to follow one path or the other.
- The decision is made at the end of the Basic Subperiod

Exploration Term – Shallow OFFSHORE



- It is the Contractor's decision to follow one path or the other.
- The decision is made at the end of the Basic Subperiod

Exploration Term – Deep OFFSHORE



- It is the Contractor's decision to follow one path or the other.
- The decision is made at the end of the Basic Subperiod

Guarantees

- Parent Company Guarantee
- Financial Guarantee
 - Exploration:
 - The higher value between these 2:
 - 10% of the value of the New Field Activities of the Exploratory Program
 - 100.000US\$ (for onshore areas); 500.000 (for shallow offshore areas); 1.000.000US\$ (for deep offshore areas)
 - Guarantees can be reduced after exploratory works are finished (with the minimums of bullet above)
 - Exploitation:
 - 5% of Investments on Development. Reduced up to a 50%.

Contractor's Economy

- Contractor's compensation
 - Cost oil
 - Recovery limit 60% in case of oil production and 80% in case of natural gas production
 - Costs recovered quarterly and investments recovered in 20 quarterly installments.
 - Profit oil
 - Variable according R factor. **Profit oil split is biddable.**
- Contractor has the right to freely dispose hydrocarbons warranted from its compensations.
- ANCAP has the preferential right to purchase such hydrocarbons for domestic demand only.
- Hydrocarbons valued at international market prices.

ANCAP's Association Option

- ANCAP's right
- **Limit of ANCAP's association is biddable**
- Exercised within 120 days as from the demarcation of the Exploitation Lot
- Payment within 180 days as of the execution agreement, % of:
 - Productive exploratory wells, plus
 - Evaluation wells (up to 25% non productive wells), plus
 - 15% of the above for indirect costs

Main features of contract model

Typical Production Sharing Agreements for which Contractor assumes all risks, costs and responsibilities of the activity.

No Bonus

No Royalties

Term: 30 years (40)

Exploration: 10 (or 11) years

First Exploration Period: Committed Exploratory Program

Exploitation: 25 years

Contractor's Economy

Production split in 3 portions:

Cost Oil Contractor (CAPEX and OPEX)

Profit Oil Contractor

Profit Oil Uruguayan State

Profit Oil subject to Income Tax 25%

ANCAP's Association Option

ANCAP's right

Limit of ANCAP's association is biddable

Exercised after there is a commercial discovery

ANCAP is only carried through exploration

Items in orange are biddable

Taxation

- Income Tax
 - Corporate Income Tax (IRAE)
 - Income Tax on Non Residents (IRNR)

IRNR in Exploration phase was exempted in Uruguay Round II for subcontractors by a special Decree

- Tax on Net Worth (IPAT)
 - Consumption Taxes
 - Value Added Tax (IVA)
- Specific Consumption Tax (IMESI)
- Custom Taxes

EXEMPTED
(Hydrocarbons Law)

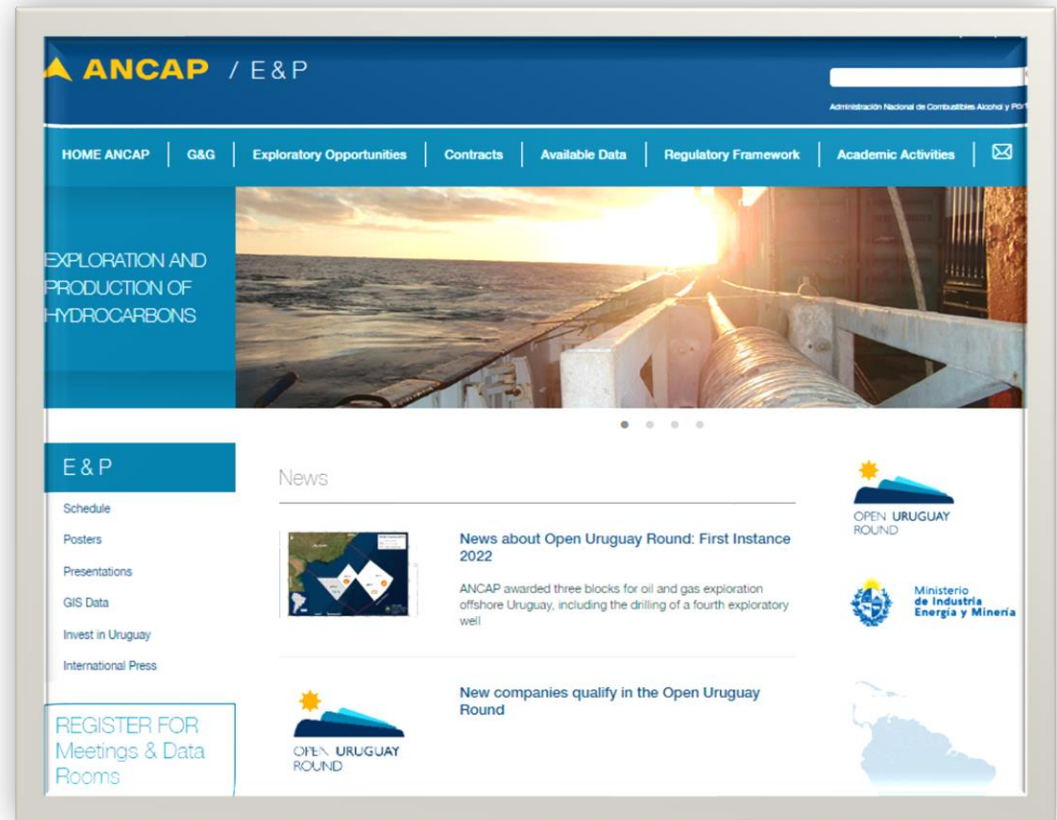
- Social Security Contributions (CESS)

Index

- General Features
- Qualification of Oil Companies
- Database
- Offers Comparison
- Final Remarks of the bidding process
- Contract Model
- **Final Remarks**

WEB PAGE: exploracionyproduccion.ancap.com.uy
www.rondauruguay.gub.uy

- Geological information about Uruguayan offshore and onshore basins
- Available E&P database and prices
- Posters
- Bidding round terms
- Contract Model
- Map of offered areas
- Presentations
- Spreadsheet for comparison of offers
- Q&A



All relevant information regarding Open Uruguay Round is being uploaded and posted at this web page

Uruguay Open Round

Summary of 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 May and at the end of November
- 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 Area for 6 years before committing a well

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 >40.000 km² of 3D seismic or Raya well
- Many play types yet to be tested both onshore and offshore
- 6 Areas offshore and 5 Areas onshore will be offered in Open Uruguay Round
- Very large Areas
- Book Data Rooms or Meetings with ANCAP anywhere at any time
- 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

