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Round 3.1 Results

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On March 27, 2018 Mexico's National Hydrocarbons Commission ("CNH") awarded 16 of the 35 Production Sharing Contracts ("PSC") for shallow water blocks in "Round 3.1."

Pemex was the biggest winner of this bidding procedure by winning one block as an individual bidder and six blocks in several consortiums with companies such as DEA, Compañía Española de Petroleos (CEPSA), Total and Shell.

CNH expects production from the awarded blocks to start in 2022, with oil production peaking at 235,000 BOPD by 2025, and natural gas output peaking at 220 MMCFPD.

Highlights:

- Sixteen PSCs were awarded, representing a total area of 11,020 km²
- The Southeast Basin was awarded more PSCs than any other area
- Tiebreaker payments totaled US\$124 million
- Expected investment totaled US\$3.8 billion
- The Mexican government will receive between 72 percent and 78 percent of profits generated under the awarded contracts
- The Mexican government has awarded 107 E&P contracts since Round 1.1 for shallow water exploration blocks

The results of this bidding process are the following:

AREA	COMPANY	HYDROCARBON	STATE PARTICIPATION PERCENT	ADDITIONAL INVESTMENT FACTOR	WEIGHTED ECONOMIC OFFER	TIEBREAKER (USD)
AREA 1 (Burgos Area)	No bids were submitted	Wet gas	-	-	-	-
AREA 2 (Burgos Area)	No bids were submitted	Light oil and wet gas	-	-	-	-
AREA 3 (Burgos Area)	No bids were submitted	Wet gas	-	-	-	-
AREA 4 (Burgos Area)	No bids were submitted	Wet gas	-	-	-	-
AREA 5 (Burgos Area)	Winner – Repsol	Light oil and wet gas	56.27	0.0	56.270	-
	2 nd Place – Pemex		23.89	0.0	23.890	
AREA 6 (Burgos Area)	No bids were submitted	Light oil and wet gas	-	-	-	-
AREA 7 (Burgos Area)	No bids were submitted	Light oil and wet gas	-	-	-	-
AREA 8 (Burgos Area)	No bids were submitted	Light oil and wet gas	-	-	-	-

AREA	COMPANY	HYDROCARBON	STATE PARTICIPATION PERCENT	ADDITIONAL INVESTMENT FACTOR	WEIGHTED ECONOMIC OFFER	TIEBREAKER (USD)
AREA 9 (Burgos Area)	No bids were submitted	Light oil and wet gas	-	-	-	-
AREA 10 (Burgos Area)	No bids were submitted	Light oil	-	-	-	-
AREA 11 (Burgos Area)	Winner – Premier Oil	Light oil and wet gas	29.43	0.0	29.430	-
AREA 12 (Burgos Area)	Winner – Repsol	Light oil and wet gas	48.17	0.0	48.170	-
AREA 13 (Burgos Area)	Winner – Premier Oil	Light oil and wet gas	34.73	0.0	34.730	-
AREA 14 (Burgos Area)	No bids were submitted	Light oil and wet gas	-	-	-	-

AREA	COMPANY	HYDROCARBON	STATE PARTICIPATION PERCENT	ADDITIONAL INVESTMENT FACTOR	WEIGHTED ECONOMIC OFFER	TIEBREAKER (USD)
AREA 15 (Tampico- Misantla-Veracruz Area)	Winner – Capricorn in consortium with Citla	Light oil and dry gas	27.88	0.0	27.880	-
AREA 16 (Tampico- Misantla-Veracruz Area)	Winner – Pemex in consortium with Deutsche and Compañía Española	Light oil and dry gas	24.23	0.0	24.230	-
AREA 17 (Tampico- Misantla-Veracruz Area)	Winner – Pemex in consortium with Deutsche and Compañía Española	Light oil	35.51	0.0	35.510	-
AREA 18 (Tampico- Misantla-Veracruz Area)	Winner – Pemex in consortium with Compañía Española	Light oil	40.51	0.0	40.510	-

AREA	COMPANY	HYDROCARBON	STATE PARTICIPATION PERCENT	ADDITIONAL INVESTMENT FACTOR	WEIGHTED ECONOMIC OFFER	TIEBREAKER (USD)
AREA 19 (Tampico- Misantla-Veracruz Area)	No bids were submitted	Light oil and dry gas	-	-	-	-
AREA 20 (Tampico- Misantla-Veracruz Area)	No bids were submitted	Light oil and dry gas	-	-	-	-
AREA 21 (Tampico- Misantla-Veracruz Area)	No bids were submitted	Light oil and dry gas	-	-	-	-
AREA 22 (Tampico- Misantla-Veracruz Area)	No bids were submitted	Dry gas	-	-	-	-
AREA 23 (Tampico- Misantla-Veracruz Area)	No bids were submitted	Dry gas	-	-	-	-

AREA	COMPANY	HYDROCARBON	STATE PARTICIPATION PERCENT	ADDITIONAL INVESTMENT FACTOR	WEIGHTED ECONOMIC OFFER	TIEBREAKER (USD)
AREA 24 (Tampico- Misantla-Veracruz Area)	No bids were submitted	Dry gas	-	-	-	-
AREA 25 (Tampico- Misantla-Veracruz Area)	No bids were submitted	Dry gas	-	-	-	-
AREA 26 (Tampico- Misantla-Veracruz Area)	No bids were submitted	Wet as and dry gas	-	-	-	-
AREA 27 (Tampico- Misantla-Veracruz Area)	No bids were submitted	Wet as and dry gas	-	-	-	-

AREA	COMPANY	HYDROCARBON	STATE PARTICIPATION PERCENT	ADDITIONAL INVESTMENT FACTOR	WEIGHTED ECONOMIC OFFER	TIEBREAKER (USD)
AREA 28 (Southeast Basins)	Winner – Eni in consortium with Lukoil	Light oil	65.00	1.5	73.967	US\$59,823,145.00
	2 nd Place – Deutsche in consortium with Premier		65.00	1.5	73.967	US\$14,170,000.50
AREA 29 (Southeast Basins)	Winner – Pemex	Light oil	65.00	1.5	73.967	US\$13,075,075.00
	2 nd Place – Deutsche in consortium with Premier and Sapura		65.00	1.0	70.978	-
AREA 30 (Southeast Basins)	Winner – Deutsche in consortium with Premier and Sapura	Light oil	65.00	1.5	73.967	US\$51,147,000.25
	2 nd Place – Eni in consortium with Lukoil		65.00	1.5	73.967	US\$46,869,235.00

AREA	COMPANY	HYDROCARBON	STATE PARTICIPATION PERCENT	ADDITIONAL INVESTMENT FACTOR	WEIGHTED ECONOMIC OFFER	TIEBREAKER (USD)
AREA 31 (Southeast Basins)	Winner – Pan American Energy	Light oil, heavy oil and wet gas	65.00	1.0	70.978	-
	2 nd Place – Eni in consortium with Lukoil		42.35	1.0	47.032	
AREA 32 (Southeast Basins)	Winner – Total in consortium with Pemex	Heavy oil and dry gas	40.49	0.0	40.490	-
	2 nd Place – Sapura in consortium with Galem		30.16	1.0	34.145	
AREA 33 (Southeast Basins)	Winner – Total in consortium with Pemex	Superlight oil	50.49	1.0	55.638	-
	2 nd Place – Eni in consortium with Lukoil		40.35	0.0	40.350	

AREA	COMPANY	HYDROCARBON	STATE PARTICIPATION PERCENT	ADDITIONAL INVESTMENT FACTOR	WEIGHTED ECONOMIC OFFER	TIEBREAKER (USD)
AREA 34 (Southeast Basins)	Winner – Total in consortium with BP and Pan American Energy	Wet gas	50.49	1.0	55.638	-
	2 nd Place – Shell in consortium with Pemex		40.36	0.0	40.360	
AREA 35 (Southeast Basins)	Winner – Shell in consortium with Pemex	Extra heavy oil	34.86	0.0	34.860	-
	2 nd Place – Total in consortium with BP and Pan American Energy		30.49	0.0	30.490	