

## Corzo in Journal of Petroleum Technology on Mexican Offshore Bidding

---

February 2, 2018 Eduardo Corzo

---

**PRACTICES** Mexico, Energy, Power and Natural Resources, Oil and Gas

---

The *Journal of Petroleum Technology* quoted Haynes Boone Counsel [Eduardo Corzo](#) on the latest round of bidding for Mexican offshore oil and gas exploration permits.

The *Journal* [reported](#):

Mexico's second deepwater bid round failed to disappoint as 19 of 29 blocks were awarded, including nine to Anglo-Dutch supermajor and Mexican offshore newcomer Shell. Eleven firms from 10 countries bidding individually and in consortia won blocks—thought to be mostly oil-rich—in the Perdido Fold Belt, Cordilleras Mexicanas area, and Salina basin of the Gulf of Mexico.

Nineteen firms from 15 countries placed 39 bids overall. The winning bids comprised 44,178 sq km, 23 well commitments, and \$525 million in tiebreak payments. Mexico's National Hydrocarbons Commission (CNH) announced the results 31 January in Mexico City. ...

Estimates prior to the event, including those of the government, had approximately 7-10 blocks being awarded.

Instead, about two-thirds of all available blocks were doled out, making Round 2.4 “a great success for the Mexican government,” said Eduardo Corzo Ramos, counsel with international corporate law firm Haynes & Boone. “Very important companies participated and in the bid values you can see how interested these companies are in Mexico's energy sector.”

Ramos said he was impressed by the strength of the bids and high-dollar tiebreakers placed by the participating firms. “If you look at the winners, everyone was hitting the maximum [royalty of 20 percent] with a maximum investment factor.” Competition was particularly fierce for Salina basin Blocks 29 and 21, respectively won by Shell and a consortium led by Repsol with tiebreak bonuses of \$110 million and \$151 million. ...

Excerpted from the *Journal of Petroleum Technology*. To read the full article, click [here](#).