

Energy Alert

July 16, 2015

Mexico's Energy Industry

Results of Ronda Uno, First Tender

On July 15, 2015, the First Tender initially published on December 11, 2014 (**First Tender**), came to a conclusion when the Comisión Nacional de Hidrocarburos (**CNH**) conducted the Opening and Presentation of Bid Proposals Ceremony. This historic event marked the official reopening of the Mexican energy industry to global participants after more than seventy (70) years.

Even though twenty six (26) Individual and Consortium Bidders, representing thirty eight (38) companies from around the world, were prequalified to present bid offers, only nine (9) Bidders attended the Ceremony. The Mexican government established minimum Government Share requirements between 25% and 40% per Contract Area. The results of the First Tender containing fourteen (14) shallow water Contract Areas located in the Gulf of Mexico are listed below:

Results

Contract Area	Result	Minimum Government Share	Government Share Offered	Minimum Program Increase	Weighed Value
1	Vacated (no offers)	40%			
2	Sierra Oil & Gas, Talos Energy and Premier Oil ¹	40%	55.99%	10%	51.972
3	Vacated ²	40%			
4	Vacated ³	40%			
5	Vacated (no offers)	40%			

¹ Hunt's bid for Contract Area 2 came in second place with an offer of 54.55% Government Share and 5% Increase in the Minimum Program, with a Weighed Value of 50.213.

² Bid of 35% Government Share presented by a consortium created by Murphy and Petronas did not reach the minimum Government Share required values.

³ Bid of 35% Government Share presented by a consortium created by Murphy and Petronas did not reach the minimum Government Share required values.

6	Vacated ⁴	40%			
7	Sierra Oil & Gas, Talos Energy and Premier Oil ⁵	40%	68.99%	10%	63.672
8	Vacated (no offers)	25%			
9	Vacated (no offers)	40%			
10	Vacated (no offers)	40%			
11	Vacated (no offers)	25%			
12⁶	Vacated	25%			
13	Vacated (no offers)	25%			
14	Vacated (no offers)	25%			

⁴ Bid of 20% Government Share presented by ONGC Videsh's bid did not reach the minimum Government Share required values.

⁵ Statoil's bid for Contract Area 7 came in second place with an offer of 65% Government Share and 86% Increase in the Minimum Program, with a Weighed Value of 63.136.

⁶ Bid of 20% Government Share presented by ONGC Videsh's bid did not reach the minimum Government Share required values.

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