



Exploring Brazil's E&P Bidding Rounds and Regulations

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Outline

Brazil's E&P Landscape

Navigating the Regulatory Framework for Open Acreage Bidding Process

Unveiling the Petroleum Potential of the Citrino, Onix and Larimar Blocks

Key Insights and Takeaways

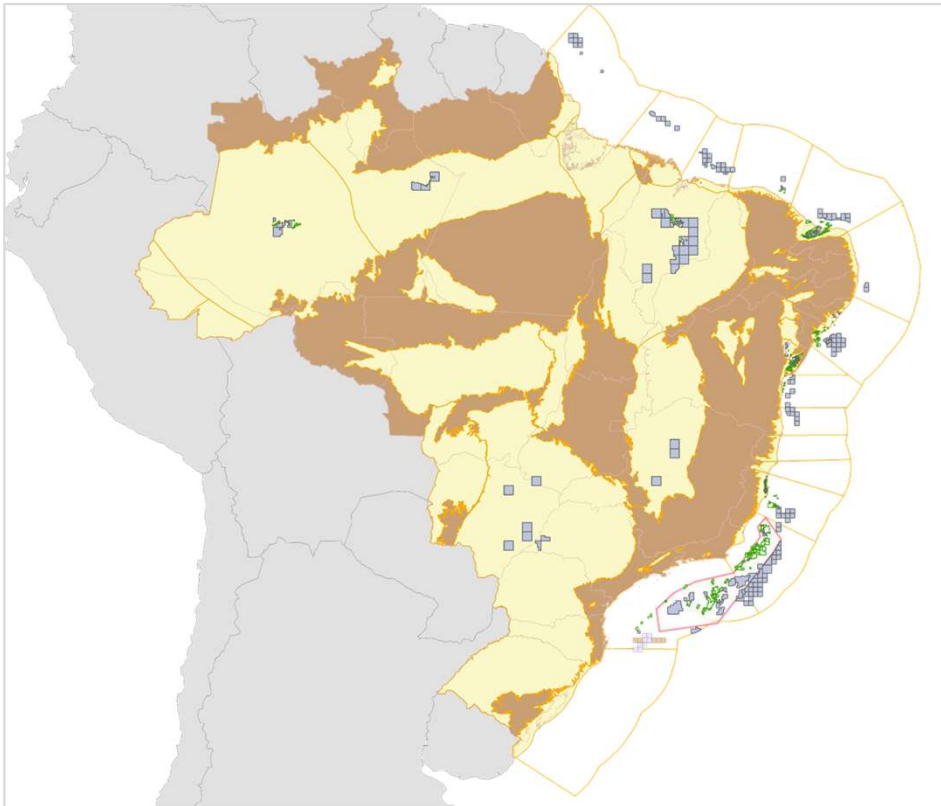
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#1

Brazil's E&P Landscape

Brazil's E&P Landscape



Area under concession

~185,000 km²

239 Blocks

278 Fields

Production

(Jul, 2023)

Oil: 3,51 million bbl/d

Natural Gas: 154 million m³/d

Proved Reserves

(Dec, 2021)

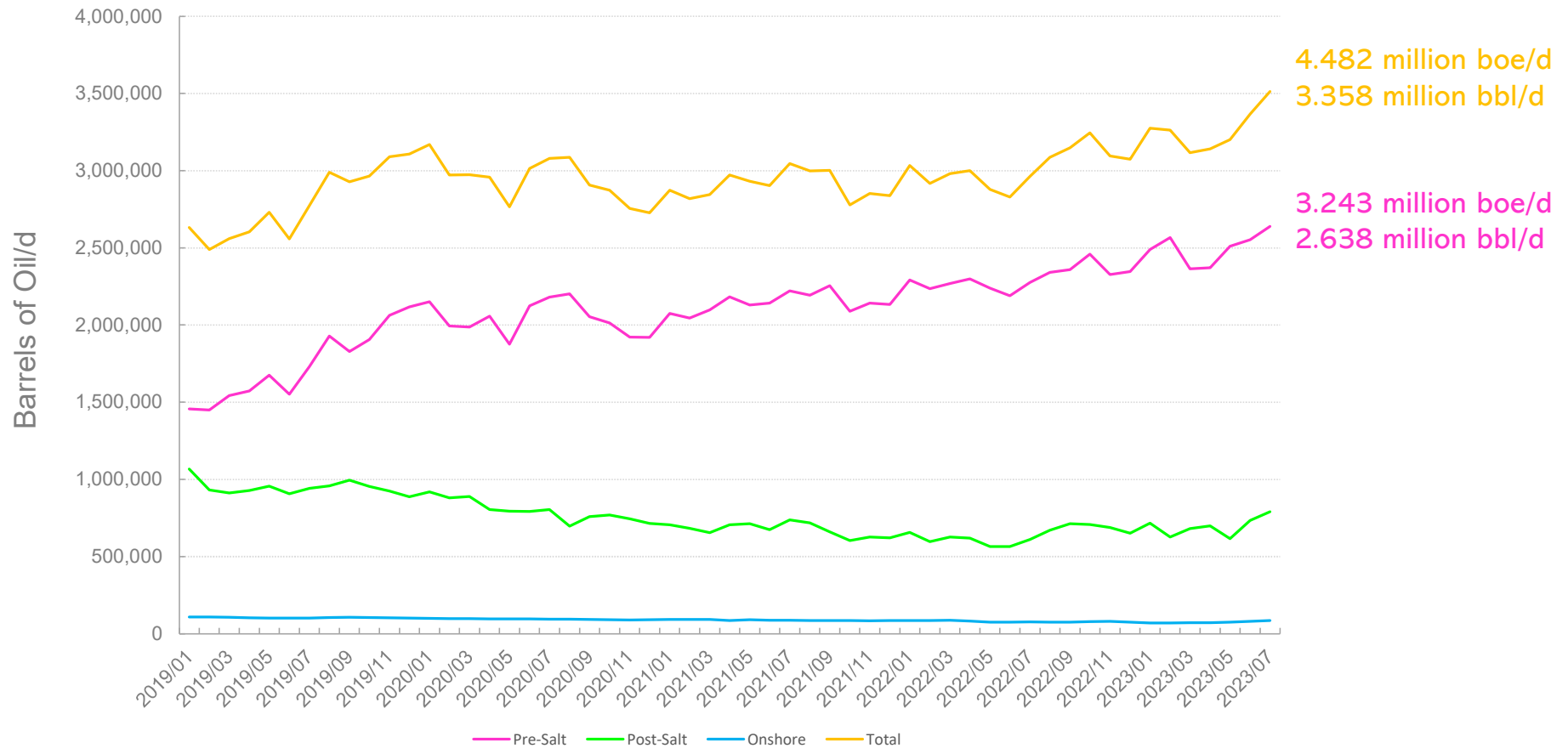
Oil: 15 billion bbl

Natural Gas: 406 billion m³

**9th World's largest oil producer* and
Latin America's largest producer**

** BP Statistical Review, 2023*

Brazil's Oil Production





#2

Navigating the Regulatory Framework for Open Acreage Bidding Process



Open Acreage

- Continuous offering of blocks and mature fields.
- Companies can bid on blocks that were unsold in previous auctions.
- Applications can be submitted at any time, not just at designated points.
- It is the preferred bidding process for offering areas for exploration and production.
- This process aims to promote exploration activities in Brazil and attract energy investors.
- It provides oil companies with the opportunity to study areas without time limitations and acquire assets on demand.

Regulatory Framework for the Open Acreage

concession

The ANP is authorized to define and auction blocks in onshore and offshore basins, as well as to bid on fields that have been returned or are in the process of being returned



production sharing

Fields or blocks in the Pre-Salt or strategic areas can only be offered through the Open Acreage system by specific decision of the CNPE, which defines the parameters for each field or block



Macroprocess of publishing Open Acreage bidding round notices

Geological Evaluation
ANP Board of Director/CNPE approval

Obtaining Environmental Guidelines for the selected blocks

Calculation of the Technical-economic parameters

Preparing the bidding documents and concession/production-sharing contract drafts

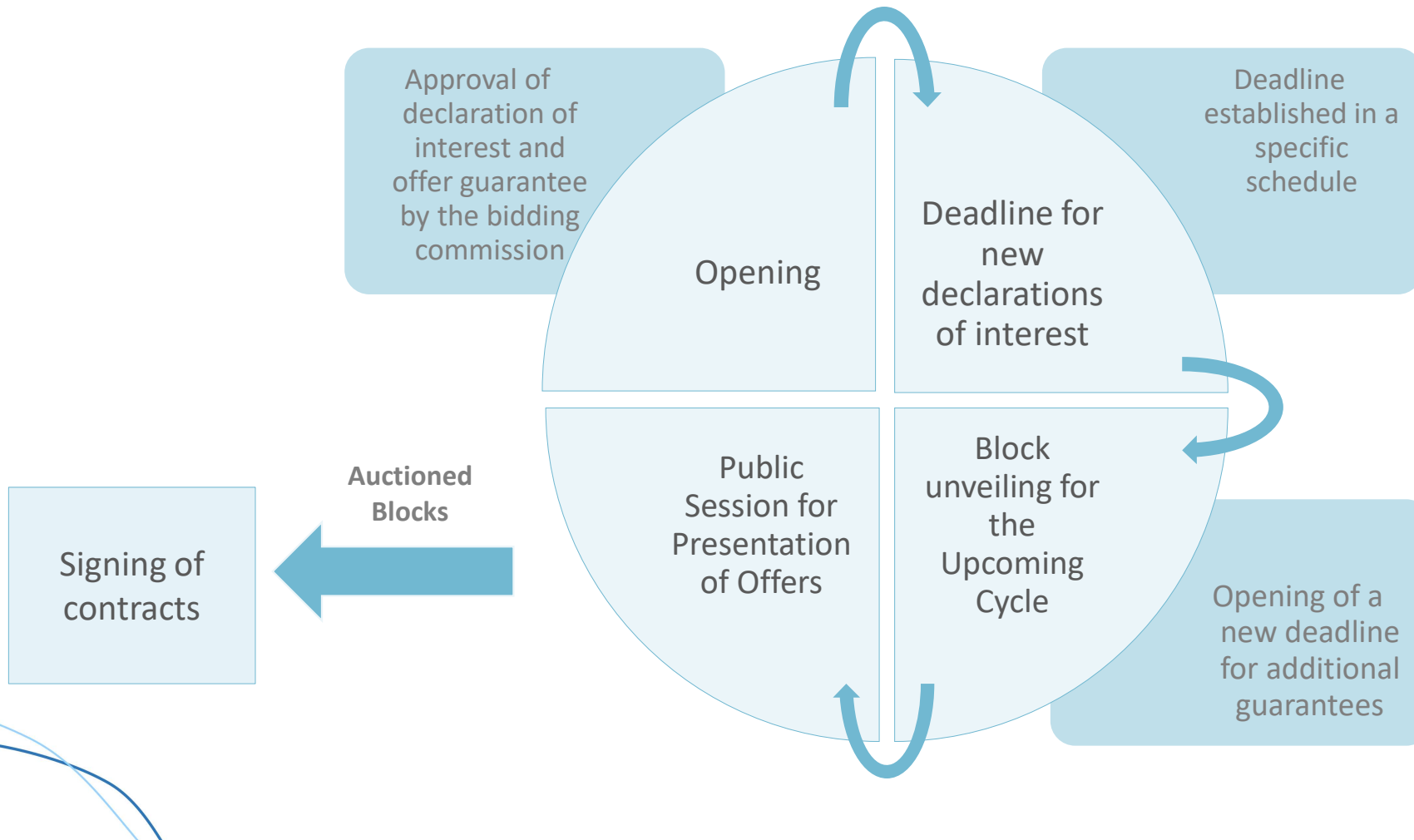
Consultation and Public Hearing

Evaluates the received contributions and prepares the final versions of the bidding instruments

Submits the bidding documents to the Board of Directors and Ministry of Mines and Energy

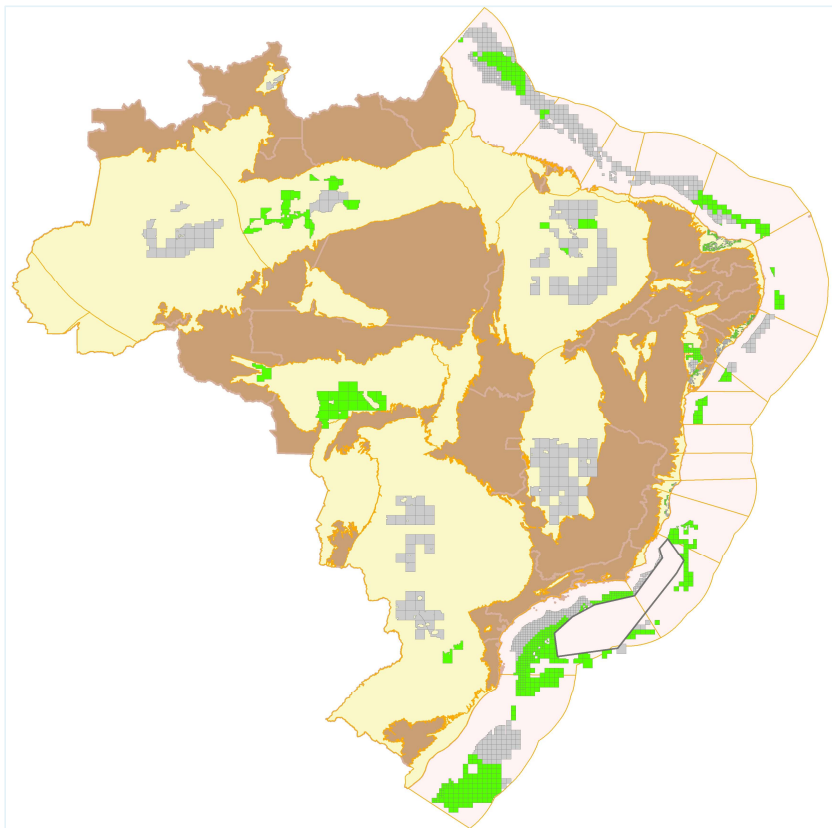
Publishes the final versions of the bidding documents and contract drafts

Open Acreage Process Timeline: Up to 120 days



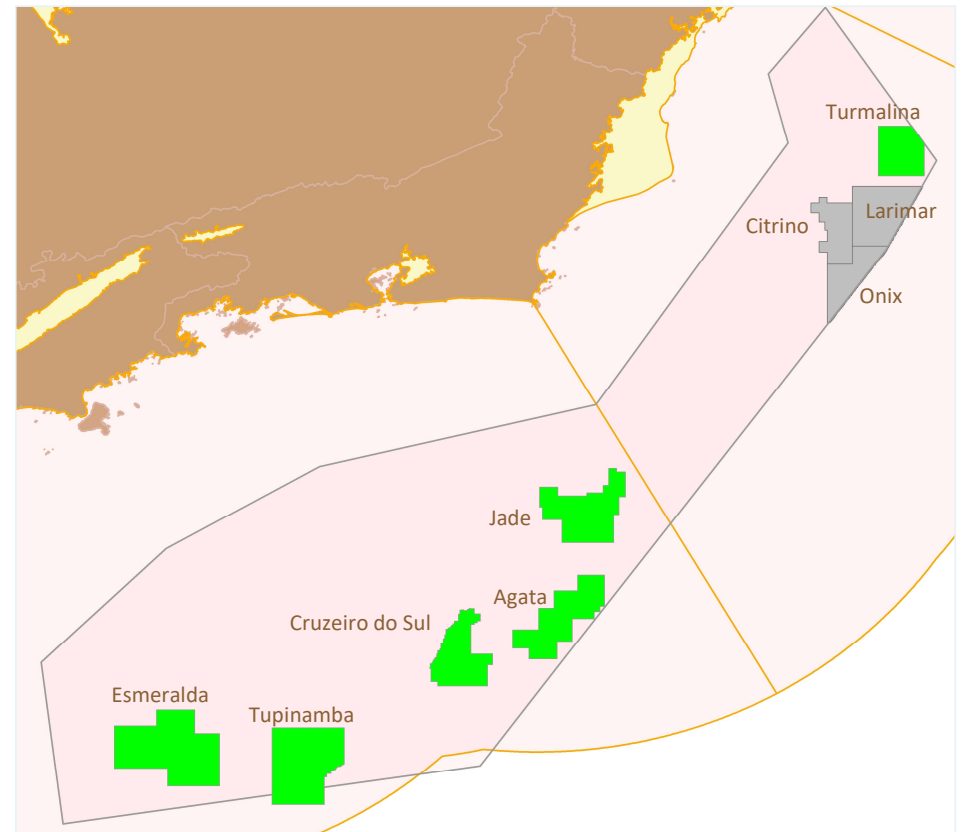
Areas up for offer

concession



 Block on offer  Block under G&G Evaluation

production sharing





#3

**Unveiling the Petroleum
Potential of the Citrino, Onix
and Larimar Blocks**

Extraordinary potential
to be unlocked

IHS has estimated that the Pre-salt play
has potential for discoveries of more than
50 billion barrels of oil equivalent

IHS Markit YTF resource estimates

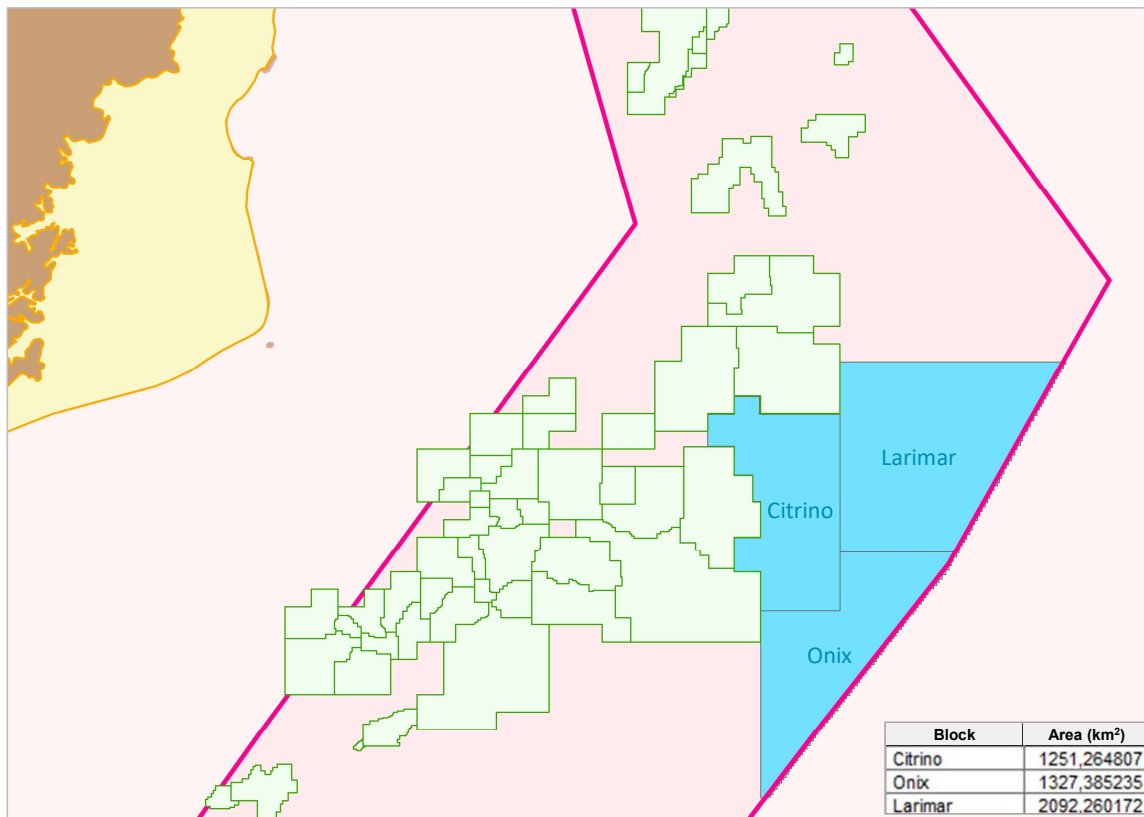
Basin name	Play name	Total (billion boe)
Sergipe-Alagoas	Deepwater cretaceous ⁽¹⁾	6.92
Espirito Santo	Pre-salt	1.60
Campos	Post-salt ⁽²⁾	1.26
	Pre-salt	18.00
Santos	Post-salt ⁽²⁾	1.78
	Pre-salt	36.01

Note: (1) Estimated in 4th quarter of 2019; (2) Estimated in 1st quarter of 2020.

Source: IHS Markit

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Citrino, Onix and Larimar Blocks

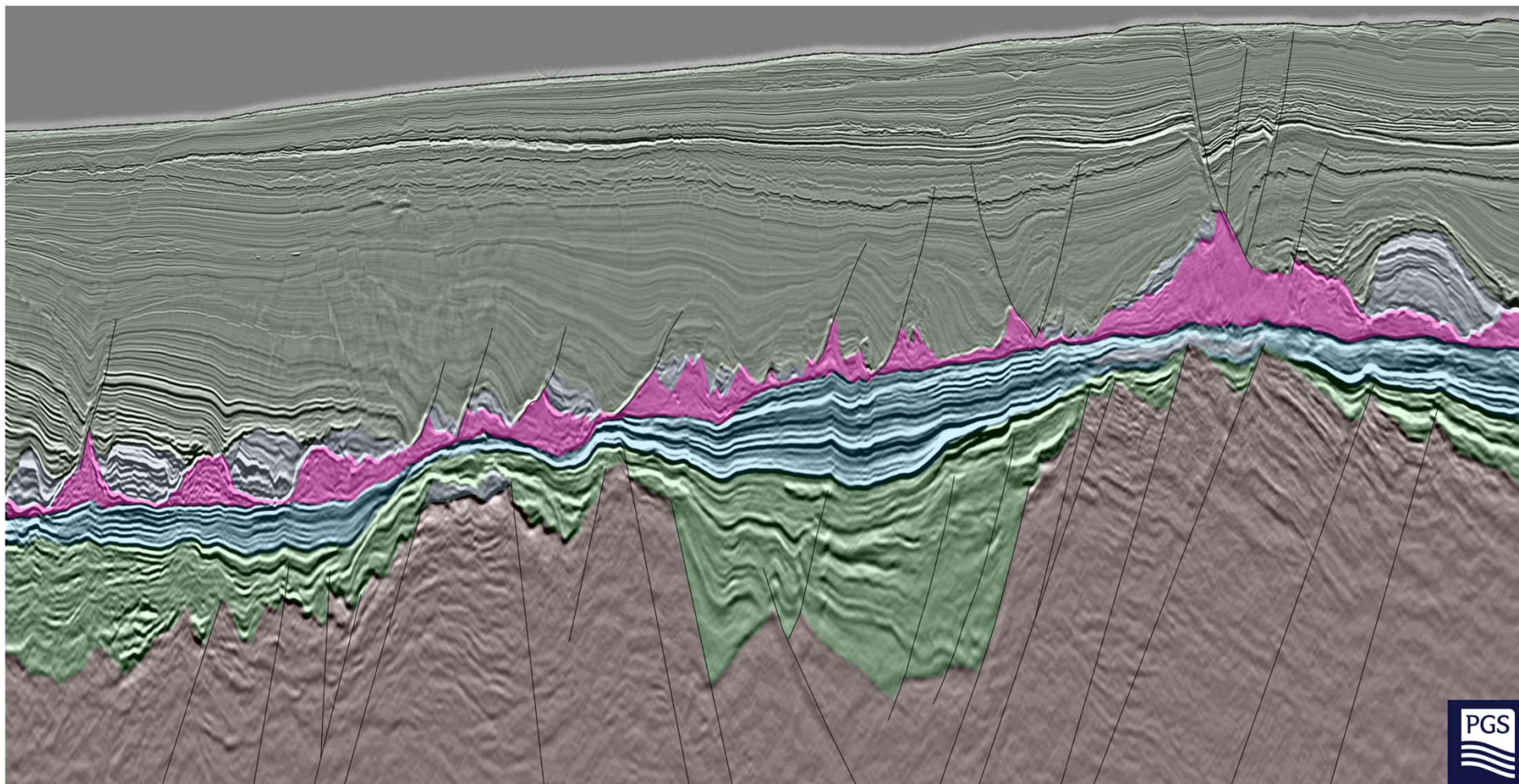


New blocks in the prolific Pre-salt Province within the Campos Basin are set to be included in the Open Acreage Bidding Round.

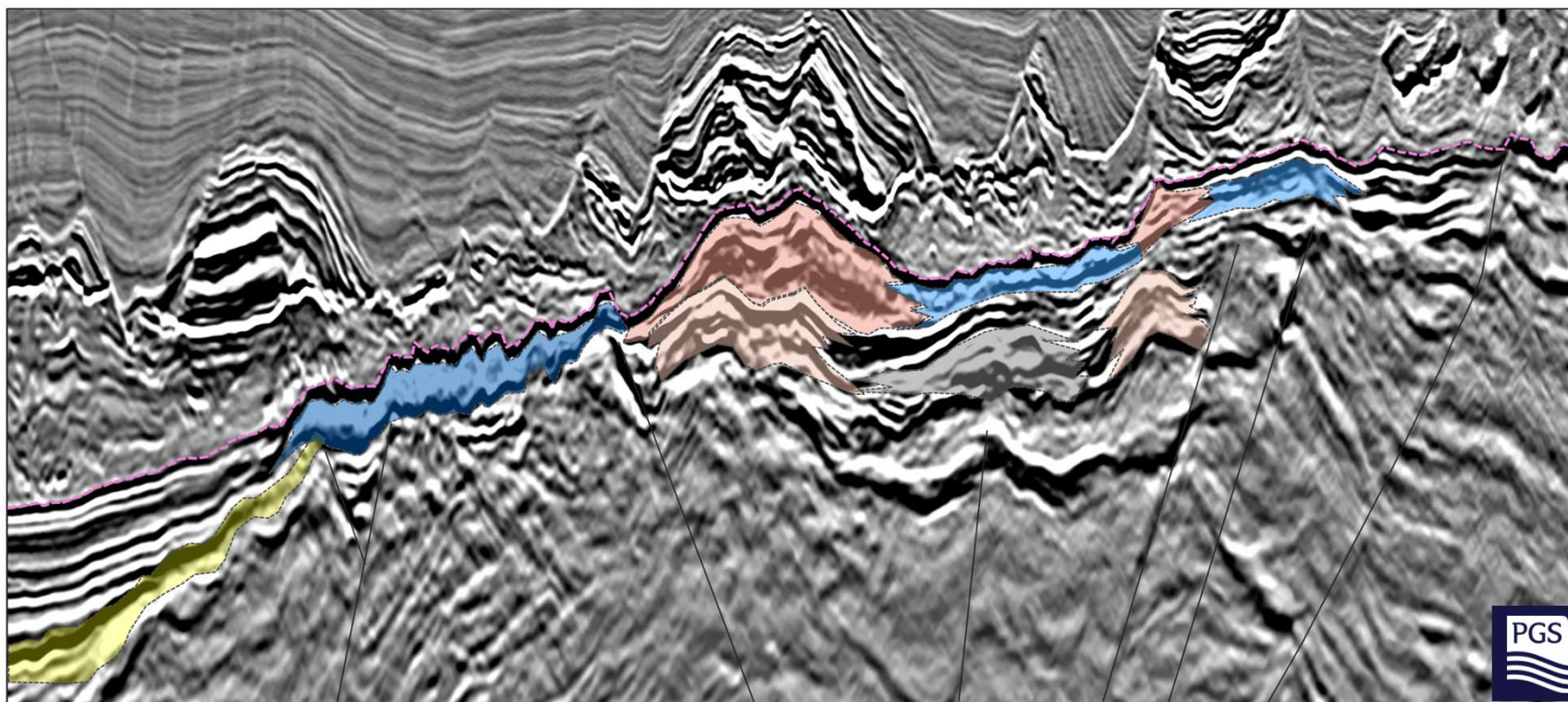
Total Area: ~ 4,700 km²
Water Depth: 1,000 to 2,750 m

- Block awaiting CNPE approval
- Pre-salt Polygon
- Offshore basin
- Onshore basin
- Basement

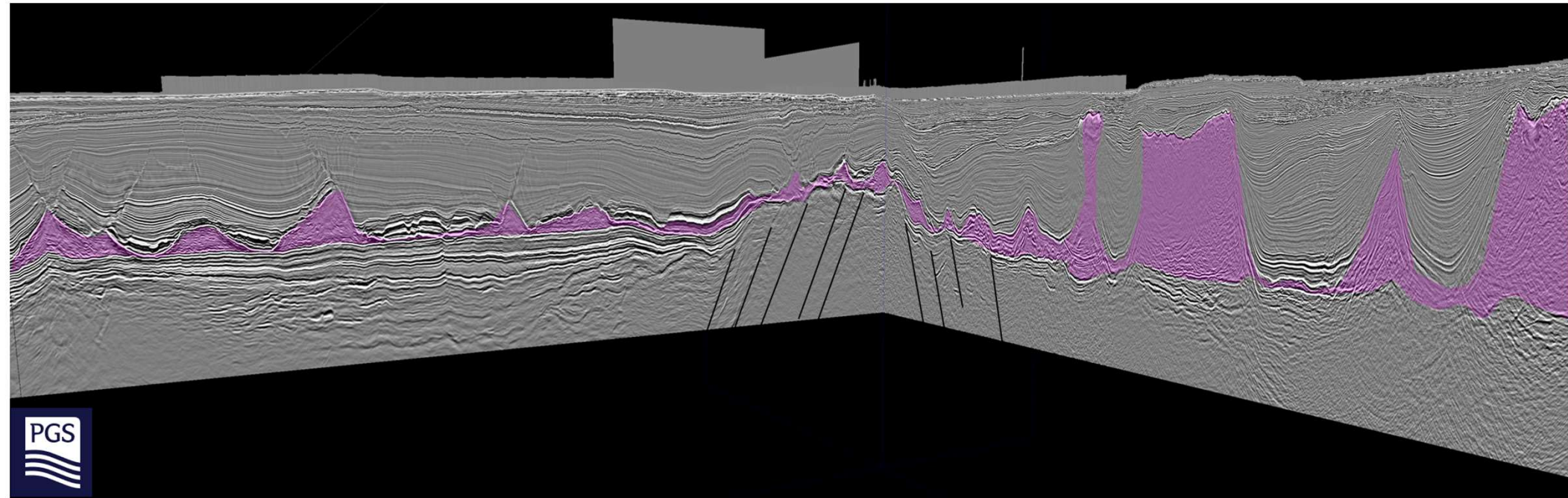
Citrino and Onix



Citrine and Onyx blocks Close-up



Larimar



VOOIP Estimated in Onix, Citrino & Larimar Blocks

BLOCK	PROSPECT	FLUID	ESTIMATED UNRISKED VOLUME
Citrino	Citrino + six exploration upsides	Oil	3.54 bbo
Onix	Onix + several exploration upsides (in the pre-salt play)	Gas condensate	1.79 bboe
Larimar	Larimar + several exploration upsides (in the pre-salt play)	Gas condensate	1.46 bboe

Key Highlights of Onix, Citrino & Larimar Blocks

All the blocks offer economic viability and are strategically located near existing production infrastructure, particularly in the highly developed oil & gas infrastructure of the Campos Basin

Citrine

- Features a larger main prospect within a combination trap.
- Offers a higher volume potential, albeit with a slightly elevated geological risk.
- Primarily oil-prone.

Onix and Larimar

- Main prospects are situated within traditional four-way closures.
- While they may have a smaller Original Oil in Place (OOIP) compared to Citrine, they have a lower exploration risk.
- They primarily condensate-prone.



#4

Takeaways



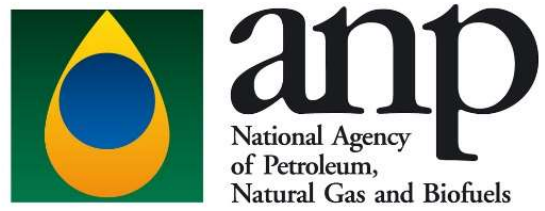
*Recent stromatolites from Shark Bay, WA
Source: Department of Mines and Petroleum of Australia*

The Brazilian Pre-salt is renowned as one of the world's premier deepwater plays.

Open Acreage is the primary bidding process for Oil & Gas blocks in Brazil.

New blocks in the Pre-salt Province within the Campos Basin are set to be included in the Open Acreage Bidding Round.

All these blocks offer economic viability and strategic proximity to existing production infrastructure in the Campos Basin.



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