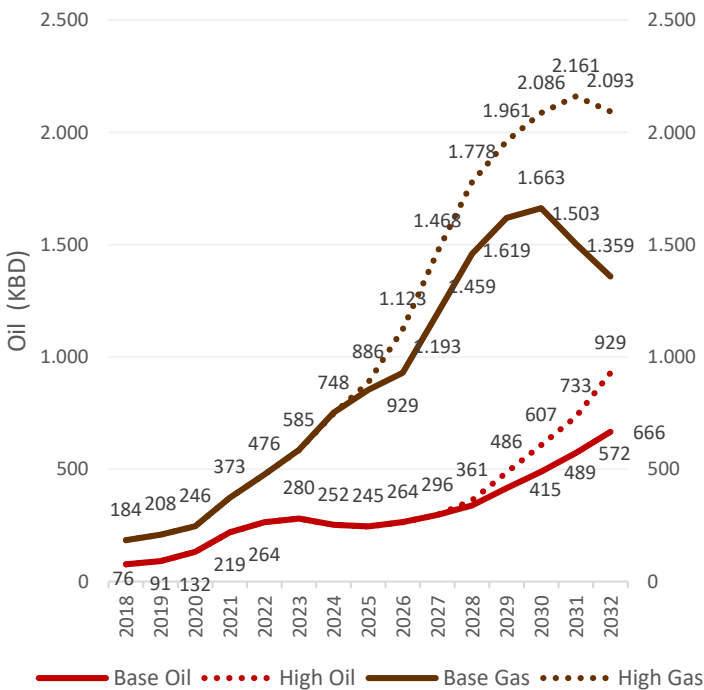




# Production Projections for the Tampico-Misantla Basin

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## Tampico-Misantla Basin Oil and Gas Prospective Production (2018-2032)<sup>1</sup>



Tampico-Misantla is Mexico's largest basin in terms of prospective resources, and holds 21% of the nation's 2P reserves of crude oil equivalent as of 2018. In 2032, its estimated production potential could range between 666 and 929 MB/D of oil, and between 1,359 and 2,093 MMCF/D of natural gas.

The volume of potential production was estimated taking into consideration entitlements (license areas) as well as existing and future contractual areas.

Prospective production takes into account conventional and unconventional prospective resources in the areas included in the 5-Year Plan, assuming yearly tenders of a total of 30 blocks with a 60% award rate, in addition to 6 E&P projects undertaken by Petroleos Mexicanos.<sup>2</sup>

In the case of tenders of conventional areas, expected production curves are estimated according to the identified exploratory opportunities. In the case of unconventional, 20% recovery of prospective resources identified in the area is assumed, and using international analogues.

KBD: Thousands of barrels per day, MMCFD: millions of cubic feet per day.  
 To estimate the production potential of the basin, it is assumed that all future contracts with unconventional activities begin to produce in year 4 after having been awarded. In base scenarios, recovery of up to 40% of the P50 of prospective block of resources is considered, while the high estimate assumes recovery of up to 40% of the P10 of prospective resources block in each successful exploratory attempt.  
 1/ Considering the observed average production from January to August 2018.  
 2 / For blocks awarded in conventional onshore areas, three exploratory attempts are assumed, while for unconventional onshore areas and shallow waters, two exploratory attempts per opportunity are assumed. Only those blocks whose net present value is positive after expenses are considered.  
 Source: National Hydrocarbons Commission.