



FORUM & EXPOSITION
LATINVE&P
2012

July 11-13
Cartagena de Indias,
Colombia

REPORT



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LATINVE&P 2012

Forum & Exposition

The first edition of the Forum and Exhibition for the Promotion of Investment Opportunities in Exploration and Production in Latin America and the Caribbean, **LATINVE&P 2012**, was held July 11-13, 2012 at the Convention Center of Cartagena de Indias, Colombia.

It was co-organized by the **Regional Association of Oil, Gas and Biofuels Sector Companies in Latin America and the Caribbean (ARPEL)** and the **National Hydrocarbons National Agency of Colombia (ANH)**, with the

support of the **Colombian Petroleum Association (ACP)**.

A significant number of senior executives of regional and international oil companies as well as government officials of the region attended the event.

The topics discussed and the way in which they were presented, as well as the dynamics of interaction among participants, widely met the expectations created by this first edition of **LATINVE&P**. It will be repeated every

two years in different cities in Latin America and the Caribbean, in this two-and-a-half day format of conferences and exhibition.

The first day was devoted to the Hydrocarbons Agencies in the region. They presented the opportunities and conditions for investment in their respective countries. The second day included all the players in the upstream sector for a dialogue about current key issues of the sector. The issues about the host country were addressed on the third day.



GOVERNMENTS' OFFERS

Bid rounds, prospects and
investment conditions



Renato Bertani
WPC

During the conference “Global oil & gas industry outlook and trends”, the President of the World Petroleum Council (WPC), **Renato Bertani**, referred to the challenges the sector will face over the next 20 years: “By the year 2030, the petroleum industry will have to develop some 70 million barrels per day of new sources, a daunting task, but at the same time, a great opportunity for companies that invest in people and technology”.



Luis C. Sánchez
YPFB

These goals would be achieved, according to the expert, from the perspective of governmental entities, “with a stable legal and fiscal framework, the strict compliance with the environmental and safety requirements as well as the commitments agreed upon; a steady offer of E&P investment opportunities, taxation on profit of the companies rather than on investment providing incentives to local goods and services rather than promoting protectionism.”



Silvio Jablonski
ANP Brazil

With reference to the specific opportunities for the countries in the region, in **Bolivia**, **Luis Carlos Sanchez**, Managing Director of Hydrocarbon Resources Evaluation of YPFB, pointed out that the company has an exploration plan developed since 2011 to run until 2020, where 104 areas have been defined, 13 of which are explored by the company through their corporations and another 30 have been arranged through petroleum service contracts and study agreements. Therefore, there are still 61 areas available to be explored.



José A. Ruiz
Ministry of Energy of Chile

Brazil recognizes the special moment its petroleum sector is undergoing and

is trying to make the most of it to foster its own and its people’s development. “It is estimated that investments in E&P in the 2010-2020 period will increase from US\$97 to US\$113 billion,” Chief of Staff of the National Petroleum Agency of Brazil **Silvio Jablonski** said. This prosperous Brazilian scenario is based on the changes that have been created at all levels within the sector to strengthen it.

In 2011, Brazil has reached proven oil reserves of 15 billion bbl and 459 billion m³ of natural gas; 39 national companies and 39 foreign companies operate in the country. Oil exports are 272.7 thousand bbl/day, and gas imports are 28.7 million m³/day. The oil and LNG production increased to 2.2 million bbl/day and gas to 65.9 million m³/day. Prospects in the near future suggest that oil reserves will be duplicated, a goal to be achieved through the development of presalt oil field, from where most of the oil production of the country comes, a small area of 149,000 km², 26% of which is under concession, 3% is under contract, and the remaining 71% is available.

In the case of **Chile**, **Jose Ruiz**, Head of the Hydrocarbons Safety and Marketing Division of the Ministry of Energy, showed concern about the decline in the production of gas in Argentina -which supplies 80% of Chile’s demand for this fuel- and by the significant increase in its domestic consumption. This led the country to decide to build the two gas terminals of Mejillones and Quintero.

Ecuador faces the great challenge to eliminate the gap in the import of

“By the year 2030, the oil industry will have to develop some 70 million barrels per day of new sources, a daunting task, but at the same time, a great opportunity for companies that invest in people and technology.”

Renato Bertani, President of the World Petroleum Council (WPC)



GOVERNMENTS' OFFERS

Bid rounds, prospects and investment conditions



Ramiro Cazar Ayala
Ministry of Hydrocarbons of Ecuador



Gavin Gunter
Petroleum Corporation of Jamaica



Gaspar Franco
CNH Mexico



Pedro Silva
Pemex

fuels, this is 41 million of a total of 83 million barrels. Another challenge is to focus and decrease the amount of the subsidy, as explained by **Ramiro Cazar Ayala**, Vice Minister of Hydrocarbons of Ecuador.

For 40 years now, Ecuador has had an oil production in the northeast of the country and its reserves are now 3,500 million barrels. The calculations made on this amount suggest that the country has reserves for more than 20 years; however, and as the Vice Minister explained, there is interest in conducting a bidding round in the southeast, an area in which they consider there are about 20 blocks.

Gavin Gunter, Senior Geologist of the Petroleum Corporation of **Jamaica**, presented the opportunities in onshore and offshore exploration available in his country, which currently has four onshore blocks and 31 offshore blocks, with eight of the latter already under exploration licenses. There are still 23 offshore blocks and four onshore blocks available for exploration. He also stated that thanks to a very attractive geology and contractual terms, international companies currently operating in his country as well as those that will invest in the country in the future will be successful in their developments.

Gaspar Franco, General Director of Exploitation of the National Hydrocarbons Commission of **Mexico** stated, "The National Development Plan for Mexico effective for the 2007-2012 period should be updated in accordance with the new guidelines of the new government, in terms of competitive economies

and employment generation, which will include the development of the hydrocarbon sector. Also, the powers of the State on reserves, exploration and production of crude oil and gas should be strengthened, and a review of the legal framework should be conducted to improve the development of the sector."

Pedro Silva, Deputy Director of Management of Technical Resources of Pemex, commented that "The great challenge is to stabilize production, and from there on to achieve growth; to mitigate the decline in production, increase the recovery factor; incorporate and remove reserves efficiently; produce extra-heavy crudes; maximize the use of gas and respect the environment". He also said that opening to new investors in the hydrocarbons sector evolves very slowly, through service contracts and comprehensive E&P service contracts.

In **Panama**, the fuel consumed is not 100% imported and refined. From 1919 to 1989, 36 wells were drilled; starting in 2010, 9 sedimentary basins have been identified and 8 blocks have been studied.

"When delimiting the exploratory blocks, all protected areas are left out, such as those inhabited by indigenous people and settlers," **Renza Samudio**, Director of Hydrocarbons of the Ministry of Energy of Panama, said. In particular, in the Bayano-Chucunaque Atrato basin, located onshore, no seismic data has been acquired yet, while in the Garachiné-Sambú basin, located in the Gulf of Panama, seven wells have already been drilled. In both basins, an active

"When delimiting the exploratory blocks, all protected areas are left out, such as those inhabited by indigenous people and settlers"

Renza Samudio, Director of Hydrocarbons of the Ministry of Energy of Panama





Renza Samudio
Ministry of Energy of Panama



Aurelio Ochoa
Perupetro



Marny Daal-Vogelland
Staatsolie



Wilson Lalla
Ministry of Energy and Energy Affairs of Trinidad and Tobago

petroleum system is displayed.

Aurelio Ochoa, President of Perupetro, commented that according to the geological information on Peruvian territory, more exploratory activity is required, since 400 structures have already been discovered, which are waiting to be drilled. **Peru** has great hydrocarbon potential; of its 18 basins -basically on the continental shelf, such as Marañón and Ucayali- only half of them have had some exploratory development and the other half is to be explored. "When exploration in Peru becomes more intense, there will be great surprises both in production and reserves," Mr. Ochoa emphasized.

Marny Daal-Vogelland, Manager of Oil Contracts of Staatsolie, stated that the "Demerara Plateau" -located to the northwest of **Suriname**- will become the focus of attention of the oil industry during the bidding Round scheduled for mid-2013. The blocks to be offered are under study, and it is expected that they will be about ten blocks, depending on the results of the seismic data that should be available by the end of July 2012. Currently, Staatsolie has three fields that produce onshore, the three of them under its exclusive operation. In the practically unexplored offshore it has shared operations with Chevron, Kosmos and other private companies.

Wilson Lalla, Adviser to the Ministry of Energy and Energy Affairs, said that **Trinidad and Tobago** will also conduct a round in October 2012 to offer two onshore blocks. The area offered, located in the southern basin of this Caribbean nation, has several

producing wells. Mr. Lalla added that "the structure of this area is known, there is seismic data that supports this model, which may lead to many opportunities for small and medium companies." Similarly, in April 2012, the government of the Republic of Trinidad and Tobago invited companies to participate in a bidding round for six offshore blocks located on the east coast of marine areas and in the deep region of the Atlantic to enter into production sharing contracts. What was new in this round was the review of contractual terms, a more transparent evaluation process and tax incentives designed to attract potential investors as well as the optimization of revenues for the State.

Uruguay announced the investment of US\$1,562 million and 19 bids for the exploration and exploitation of hydrocarbons in three Uruguayan marine basins: Oriental del Plata, Punta del Este and Pelotas, in 8 of 15 blocks offered, as the main outcome of Uruguay Round II which was closed in March 2012, **Santiago Ferro**, Head of E&P Contracts and Administration of ANCAP, said. More than 50% of the area will be offered with exploration work in charge of four new companies in addition to Petrobras, YPF and GALP in the exploration of the continental shelf. These are: BG and BP, each one with three areas; and Total and Tullow Oil, each one with an area.

As regards the outlook and drivers of investment in E&P in Latin America and the Caribbean, **Bob Fryklund**, Managing Director for Latin America of IHS Cera, commented on the existence of several factors that need to be taken

"When exploration in Peru becomes more intense, there will be great surprises both in production and reserves"

Aurelio Ochoa, President of Perupetro



GOVERNMENTS' OFFERS

Bid rounds, prospects and investment conditions



Santiago Ferro
ANCAP

into account at the time of analyzing this topic:

I) To know what the vision of the overall investment in the upstream sector is; how the operational expenditure (Opex) and capital expenditure (Capex) are invested in each region. It is estimated that investment in Latin America in 2016 will be US\$ 1,600 billion;

(II) To observe the economic growth of countries, emphasizing the expected growth of Peru to 5.3 % and Colombia to 4.9% in 2012;

(III) To consider the analysis of the current situation and prospects of oil

and gas, in order to know the status of the production of these hydrocarbons in the various countries in the region;

(IV) To know which the most important players are -who has moved through the region is another factor to be considered. Petrobras is in many places, and PDVSA retains an interesting presence in the area;

(V) The assessment of the various state companies;

VI) The merger and acquisition of companies is another way to create value. In this regard, it is interesting to analyze the movements that have taken place in Latin America, where this business boomed in 2011.



Bob Fryklund
IHS Cera

A graphic featuring a world map composed of small blue dots. The continent of Latin America is highlighted in a darker blue color. Below the map, there is a quote and the name of the speaker.

"It is estimated that investment in Latin America in 2016 will be US\$ 1,600 billion"

Bob Fryklund, Managing Director for Latin America of IHS Cera



UPSTREAM BUSINESS DEVELOPMENT

Opportunities and strategies,
challenges and solutions



Edgar Kyle Chapman
Weatherford International

Shale gas and tight oil: regional opportunities, access challenges, technological solutions and economic analysis of its exploitation

There is highly specialized and appropriate technology in the market to undertake the exploration and exploitation of unconventional resources, that are a good alternative to cover energy needs. While it is increasingly difficult to find conventional resources and the demand is growing considerably, the need to have access to the reservoirs of unconventional resources becomes greater every day and those companies exploiting them need to have positive results, **Edgar Kyle Chapman**, Vice President for Latin America for Weatherford International, said.

that the United States has been favored by the development of this industry, where investment in the development of unconventional resources amount to US\$200,000 million. As a result, the gas resource base in this country has increased significantly, which "will be destined for domestic supply in the next 100 years", Mr. Chuchla added. He concluded by saying that "the behavior of some of the oil fields with unconventional resources in the United States has changed the way of valuing them in regard to E&P: the Bakken-Three Forks play, located in Montana and North Dakota, is the oldest and its production in oil shale has shot up dramatically, and this has become very attractive and an employment generator."



Richard Chuchla
ExxonMobil

In this regard, **Richard Chuchla**, Vice President of Exploration in Latin America of ExxonMobil, emphasized



Andrew Derman
Thompson & Knight

Socio-environmental licensing: dialogue on regulatory issues, key challenges and search for solutions to expedite licensing process

In the past few years, the already growing demand for socio-environmental licensing has increased; for this reason, it has become necessary to implement the training of the State to address this issue in such a way as to respond to the needs of the industry, complying with the environmental requirements of the country.

which allows knowing in advance the areas suitable to move forward with E&P processes; (III) Developing projects with a responsible commitment to the operation in order to contribute to their viability and sustainability and not simply to obtain authorization for their development; (IV) greater State supervision for the development of E&P projects; (V) Greater communication between investors and regulators to better understand the needs of all players in these processes; and (VI) Investors should make genuine commitments in their projects and not only recommendations to preserve the resources of States.



Raymundo Sánchez
A.T. Kearney

The experts of the panel came to the conclusion that this requires: I) Establishing standards when evaluating projects subject to the definition of the terms of reference; (II) Conducting a zoning of the country,

Access to markets and capital: economic and regulatory context, licensing dynamics, funding sources and access mechanisms, critical business advisory services

According to **Andrew Derman**, Partner of Thompson & Knight, in 2020 there will be a petroleum oversupply by more than 49 million barrels per day (mbd).

This is equivalent to more than half of the current capacity of the world production (93 mbd), which could be increased to 110.6 mbd once adjustments are made to the figure of substantial growth -taking into account risk factors that affect the current performance of projects on a country-by-country basis, rates of depletion of productive fields and growth of their reserves. This increase in production will come primarily from Iraq,

the United States, Canada and Brazil. By such date, only four of the current major suppliers of oil will face a reduction in its production capacity: Norway, the United Kingdom, Mexico and Iran, Mr. Derman concluded.

With reference to service contracts with financing, **Guillermo Jalfin**, Vice President of Production Management for Latin America of Schlumberger, spoke

about a new risk-reward scheme. In this regard, he referred to a successful service contract implemented in Ecuador for the development of the largest oil field in the country: Shushufindi. The duration of the contract is fifteen years, capital expenditures (Capex) are financed 100% by contractor, operating expenditure (Opex) are entirely funded by Petroecuador and remuneration for the parties is a fixed fee of one dollar per barrel on incremental production. As a contribution to the country, the transfer of advanced technology



José Carlos Vilar Amigo
Petrobras

and training of personnel during the period of exploration and production became an important added value to the implementation of this new contract scheme.

For mature fields, it was different; "There was no contract model for financing with contribution of technology. The latter took more time. As a general result of this process, all contracts could be converted into service contracts," Mr. Jaffin added.

Raymundo Sánchez, Principal of the Consulting Firm A. T. Kearney, referred



Steven Crowell
Pluspetrol

to the critical moments companies may undergo, and how consultants can guide them to identify and prevent them -or eventually mitigate them quickly: "In business that require large investments of capital, there are operational and financial risks, but there are also the so-called catastrophic risks, which are caused by ignorance or non-application of processes that protect the business from such accidents", Mr. Sanchez said. In these cases, "it is necessary to perform a strict follow-up and insurance in major capital projects", he added.



Evandro Correa
Repsol

Regional business expansion: drivers and strategies, experiences and lessons learned by companies in the development of a regional sustainable investment portfolio

The discovery of pre-salt reserves made Brazil change the course of its business plan worldwide. "In the short term, Petrobras will invest US\$10.7 billion worldwide, of which US\$5.4 billion will be for the region. This new positioning will bring about changes also in E&P activities. There will be fewer resources for investment abroad, projects to be undertaken must be self-funded and supplemental to business developed in Brazil," **Jose Carlos Vilar Amigo**, Chief Executive Officer for Latin America, International Area of Petrobras, explained.

Following the discovery of pre-salt reserves, as explained by the representative of Petrobras, the company will divest assets abroad in the amount of US\$14.8 billion. The company has also made decisions so that oil derivatives respond to the import parity price and maintain its grade rating.

For Pluspetrol, an independent E&P company that focuses its activities on developing countries, "working in these nations means more than a search for opportunities, it means creating a real business. For us it is important that the country where we operate receives something from every project; it is not only about accepting challenges, we are committed to building a business, not just a project. We understand the success in the countries where we operate when we build relationships based on a continuous and meaningful dialogue; it is more than just tolerating diversity. Success means true cooperation, an unwavering commitment and a vision of confidence in growth," **Steven Crowell**, President of Pluspetrol, said emphatically.

"Being the owner or manager of the mine resources does not guarantee sustainability of the society where it operates. The government, the company and communities should aim at having a productive cooperation rather than stimulating a fruitless confrontation. The dialogue is only the first step; we should strive to obtain a social license to operate; stakeholders and companies should discuss about

common goals and obtain mutual benefit." This was the conclusion raised by **Luis Pacheco**, Vice President of Pacific Rubiales.

Evandro Correa, Executive Director of the Pacific region of Repsol, noted that the global demand for gas will increase steadily, and that the natural gas will play a vital role in the energy matrix in the future. He commented that Latin America has four percent (4%) of the worldwide gas reserves; it produces five percent (5%) and consumes five percent (5%).

The representative of Repsol shared his vision with respect to the challenges that these countries will be faced with. In this regard, he mentioned that Bolivia will have to develop new projects in the medium term reactivating exploration investments; Argentina will have to solve the internal distortion of the gas price; Brazil will have to develop the great potential projects and discoveries made in recent years; Chile will have to increase its production; and Peru will have to increase its transport capacity in line with the growing demand, among others.



COLOMBIA UPSTREAM

Business context,
investment opportunities and
development challenges

Colombia: key E&P infrastructure & operational challenges, strategies and solutions

E&P companies in Colombia know that transport of hydrocarbons is not their business, but recognize that they would be interested in participating in road infrastructure projects, as it is considered attractive and because doing so would reduce the costs of their operations. Their involvement in the hydrocarbons transport business would depend on compliance with

the economic, legal and technical terms for its feasibility.

In turn, the representatives of the public sector claim that they are working on improving the port infrastructure, roads and pipelines to improve the transport of hydrocarbons, and in particular, in the construction of unloading areas to facilitate the connection

with the oil production pipelines located in hard-to-reach fields. Cenit, the company recently created as a separate entity from Ecopetrol, would undertake this responsibility.

These assertions summarize the most important conclusions reached by the panelists, representatives of Ecopetrol, Perenco Colombia, Parex Resources and Campetrol.

In his speech, **Juan Quintero**, Manager of the Crude Oil Evaluation Program of Ecopetrol, referred to the port infrastructure regarding which, despite continuing to result in a negative balance, Ecopetrol has made efforts to improve in recent years. At the port of Coveñas, where the Caño Limón-Coveñas pipeline ends, works have been done to ensure a greater export capacity, and thus larger vessels may be loaded.

The Bicentenario pipeline would allow transporting 120-150,000 barrels of crude oil a day that need to go from Llanos Orientales to the interior of the country, between the stations of Aruaney, located in Yopal-Casanare and the marine terminal of Coveñas. With respect to the condition of the pipeline of the Pacific, Quintero reported that they are currently working on this project in conjunction with Ecuador, and that they expect to have the conceptual engineering structured and completed by the end of this year. In this way, it is sought that Cenit starts to make decisions on its construction. In addition, there are medium-term plans for the development of the port on the Pacific.

Andres Mejía, Manager of Exploration and New Opportunities of Perenco Colombia, said that at present they have a bottleneck in the Aruaney- Bosconia section for the transport of crude oil as it has to be done by tank trucks. As an alternative, they are studying the possibility of using the riverbed of the Magdalena River to transport crude oil on barges, until a final solution is found and the pipelines can transport the crude oil volumes that are produced.

“Colombia has remaining reserves of conventional hydrocarbons of 3.2 billion BOE. Other success indicators

indicate that while an average of 15 wells was being drilled in 2003, 74 wells were drilled in 2012. At the beginning of the decade, barely 17 E&P contracts were signed, while today 50 contracts are signed. Seismic data has also increased considerably, which has led to an increase in the production level”, **Alejandro Martínez**, President, Colombian Petroleum Association said.

The President of the National Hydrocarbons Agency (ANH), **Orlando Cabrales**, said that “the goal for mid-2014, end of the Santos Administration, is to produce 1,150,000 barrels of oil per day and sign 205 E&P and technical evaluation contracts.

At present, there is an average production of 935,000 barrels per day, double of the production six years ago. The levels of seismic data acquisition have also increased, “today we are at 11,274 km, and the goal for the end of 2012 is to reach 18,000 km. The goal for this year as regard the drilling of exploratory wells is 150 wells. This represents an investment of US\$770 million,” Mr. Cabrales said.

The new aspect of the Colombia Round 2012 is that it includes indications to develop unconventional resources. Based on the information available today, it is estimated that out of the 115 blocks offered, 30 would be attractive for unconventional resources.

In the 2012-2020 period, the estimated investment by Ecopetrol will be US\$80 billion (most of it earmarked for E&P). It will be composed as follows: 87% in the upstream, 8% in the downstream and 5% in the midstream, **Oscar Villadiego**, Vice President of HSE and Operational Sustainability of the company, said during the closing ceremony of **LATINVE&P 2012**.



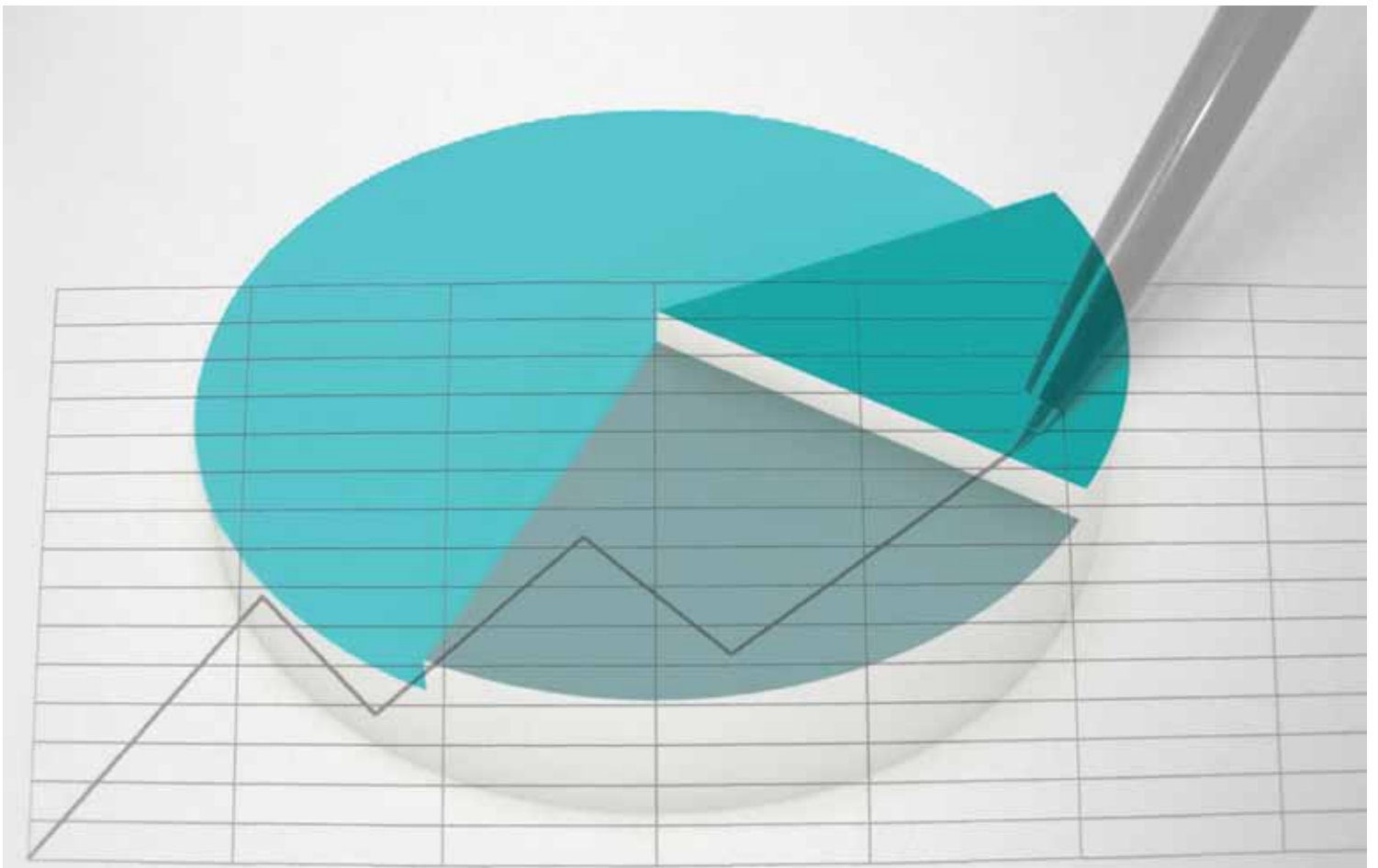
Alejandro Martínez
ACP



Orlando Cabrales
ANH



Oscar Villadiego
Ecopetrol



INTERACTIVE SURVEY RESULTS

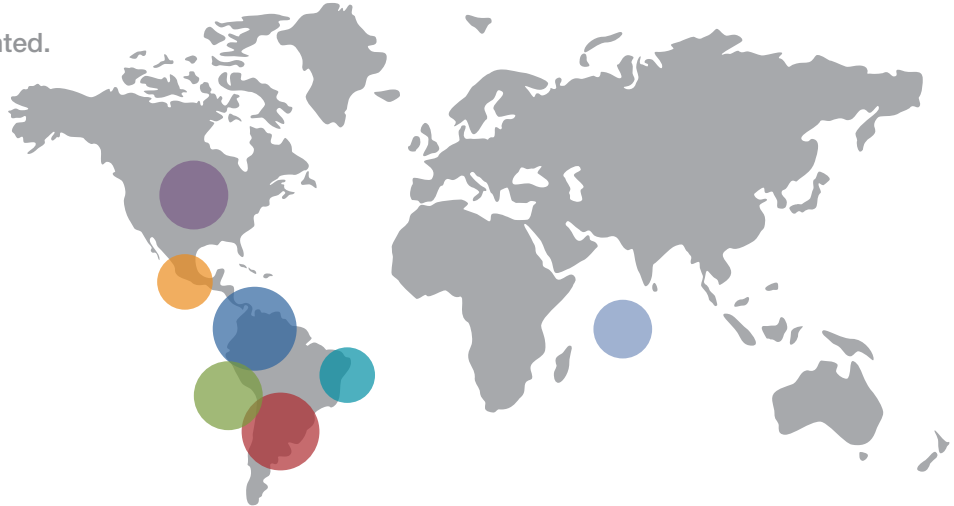


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SESSION 1

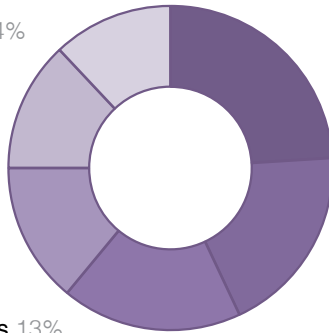
Survey participants: 150
 Countries/Regions represented.

- Colombia 19%
- Southern Cone 18%
- Pacific Coast 15%
- USA & Canada 15%
- Other 13%
- Brazil 10%
- Mexico 10%

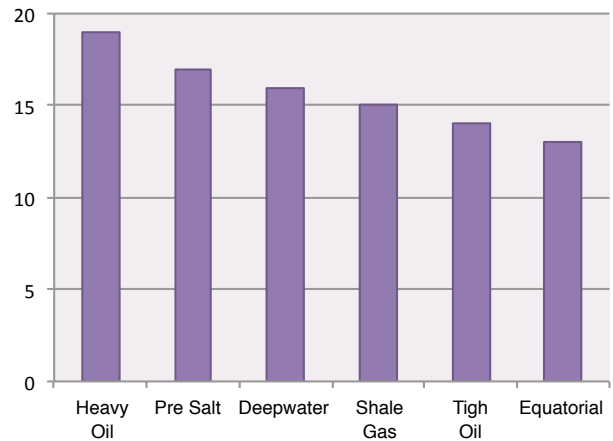


Survey participants: 150
 Company Groups represented.

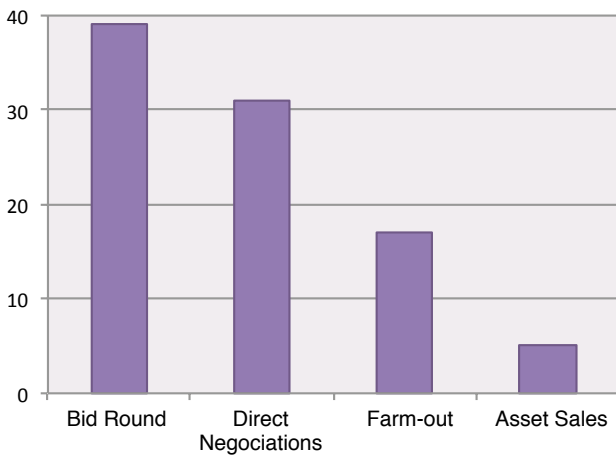
- National Oil Companies 24%
- Oil Field Services Companies 19%
- Exploration and Production Companies 18%
- Others 14%
- International Oil Companies 13%
- Consulting Companies 12%



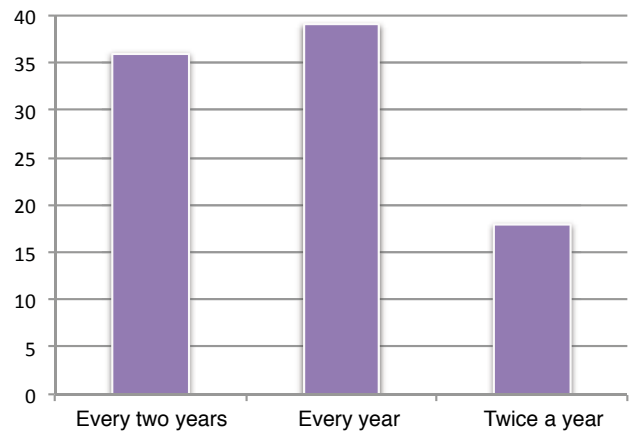
Rank from greatest to lowest their potential for additional resources in the region.



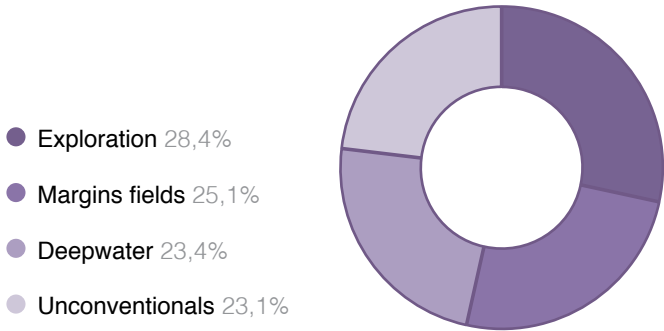
What is your preferred business opportunity access method?



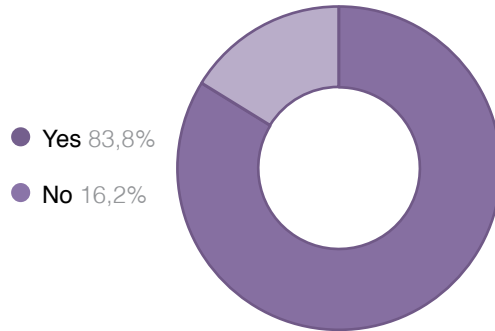
What is the proper frequency for holding Bid Rounds?



Rank from greatest to lowest your interest in the following type of Bid Rounds.



Do you think that unconventionalals deserve a special fiscal regime?



SESSION 2

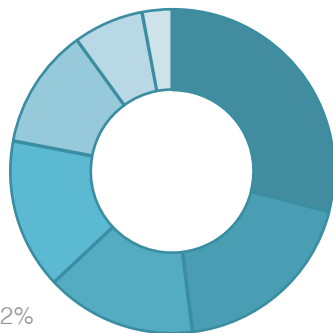
Survey participants: 150
Countries/Regions represented.

- Colombia 18%
- USA & Canada 16%
- Southern Cone 14%
- Mexico 12%
- Other 12%
- Pacific Coast 11%
- Brazil 10%
- Northern SA 7%

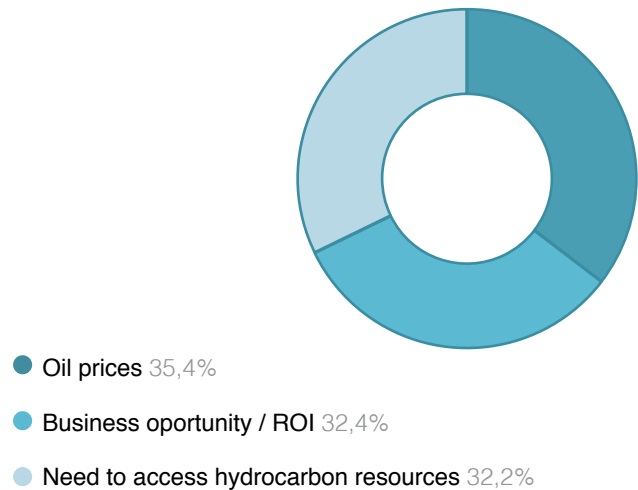


Survey participants: 150
Company Groups represented.

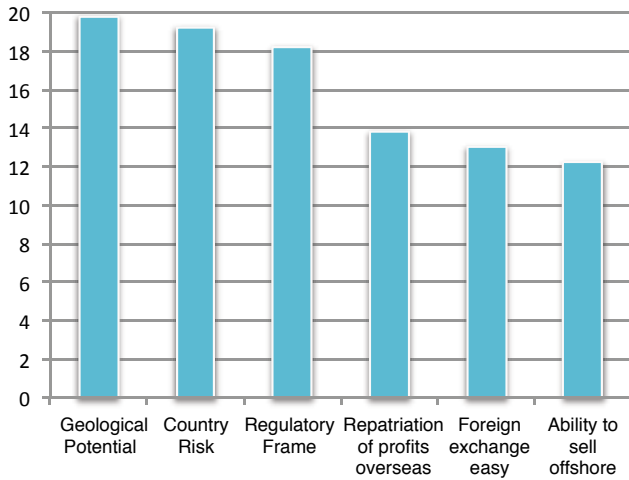
- National Oil Companies 29%
- Oil Field Services Companies 19%
- Exploration and Production Companies 15%
- Consulting Companies 15%
- International Oil Companies 12%
- Others 7%
- Banking 3%



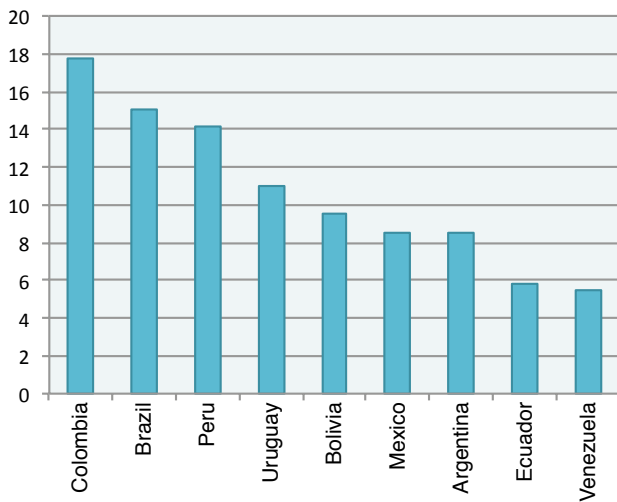
Rank from most to less important the weight of each factor in determining investment.



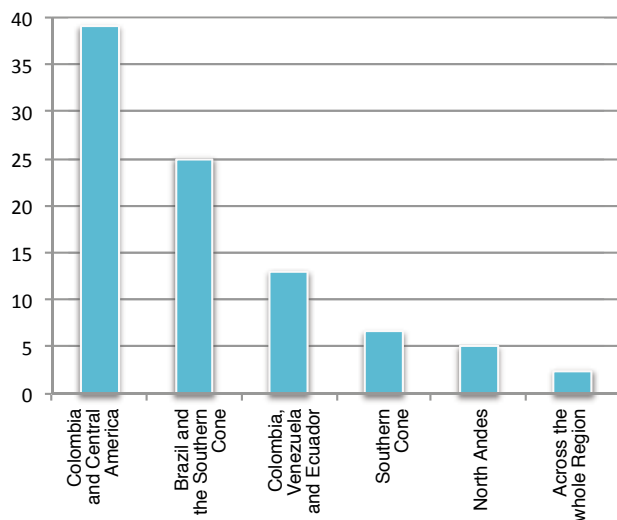
Rank from most to less important the weight of each factor in determining investment.



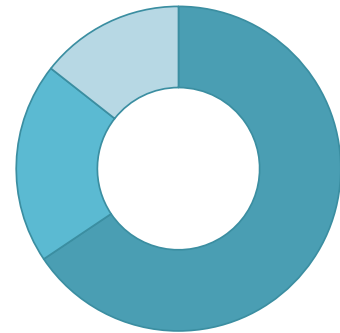
Rank from most to least attractive the investment climate in the following countries.



Where do you think energy integration will happen first in?

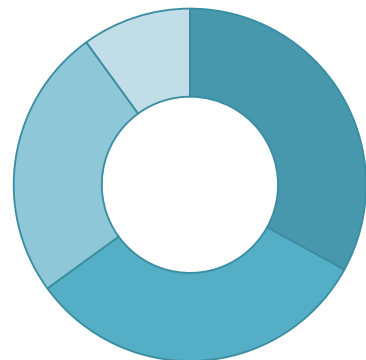


Are current regulatory framework, contract conditions and fiscal incentives the most important factors for the greater flow of investments into Latin America?



- Very much so 65,6%
- Moderately so 20%
- No, there are other factors 14,4%

Will regional energy integration evolve positively in the near future?



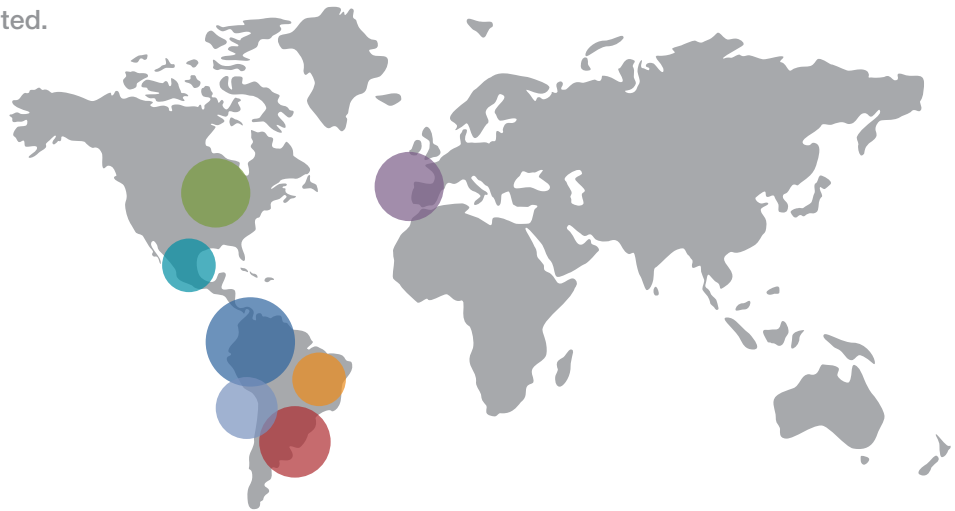
- Yes, bilaterally between neighbouring countries 33%
- Progressively, but a common regional vision is needed 32%
- No, due to lack of political will and conflicts of interest 25%
- Definitely; the topic is already in most agendas 10%

SESSION 3

Survey participants: 150

Countries/Regions represented.

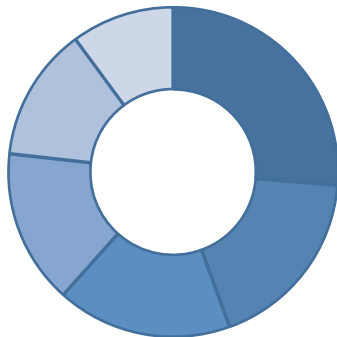
- Colombia 25%
- Southern Cone 16%
- USA & Canada 15%
- Other 15%
- Pacific Coast 12%
- Mexico 9%
- Brazil 9%



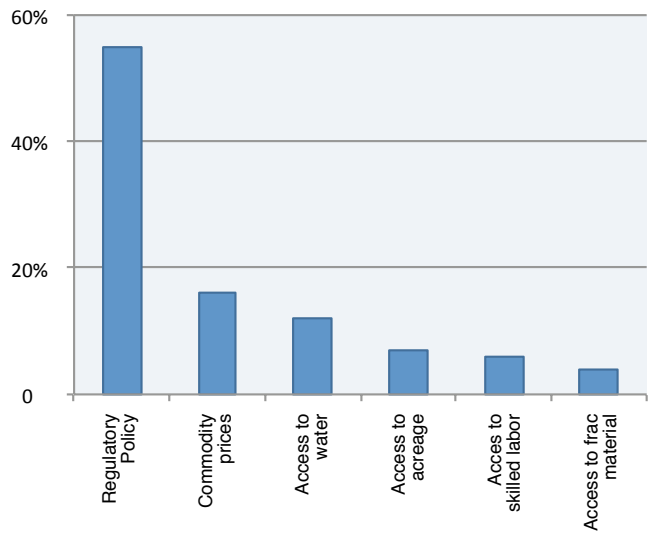
Survey participants: 150

Company Groups represented.

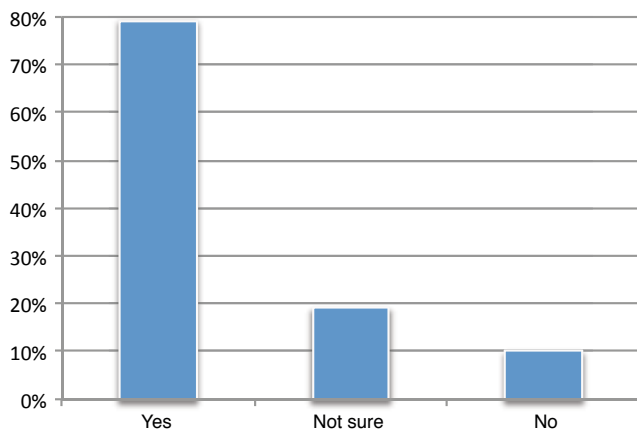
- National Oil Companies 26%
- Oil Field Services Companies 18%
- Exploration and Production Companies 17%
- International Oil Companies 15%
- Others 13%
- Consulting Companies 10%



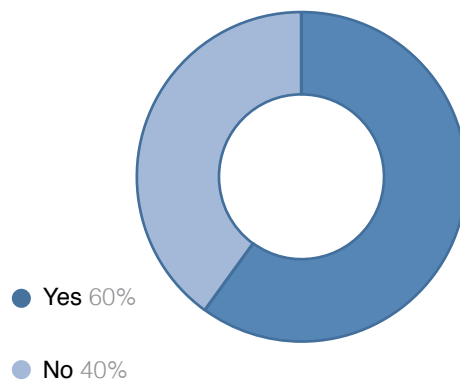
What will affect the development pace of unconventional the most?



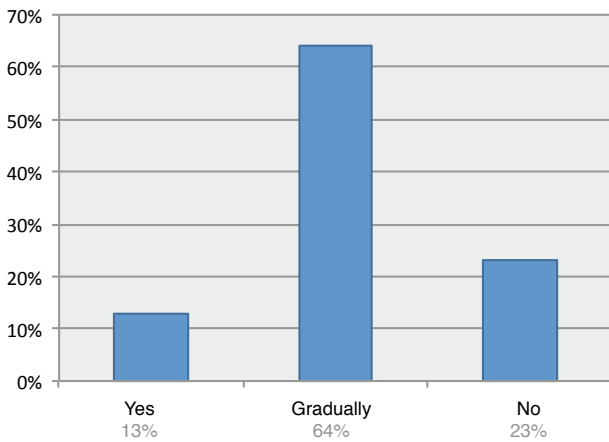
Tight oil has added a million barrels a day in production in North America... Do you think this can happen in Latin America?



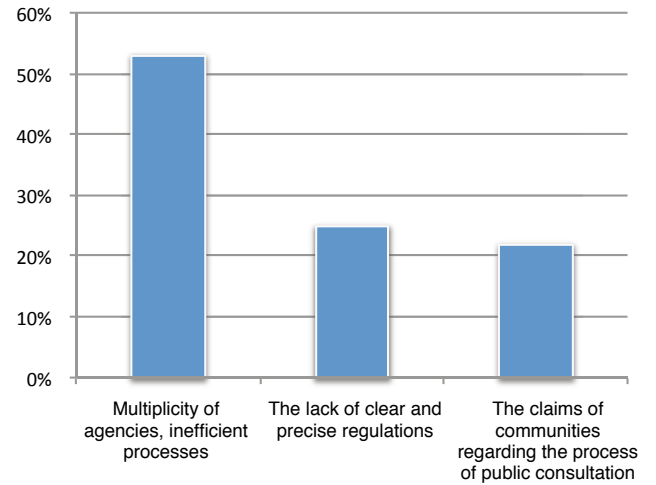
Do you believe shale gas will be a game changer in Latin America on a par with North America?



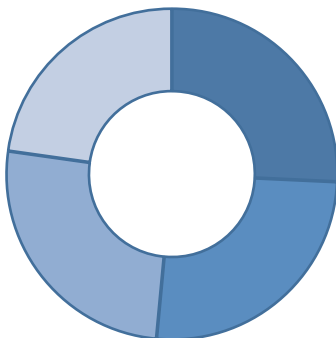
Will unconventional compete with traditional reserves in the near future?



Which aspect concerns your company most in relation to the process of socio-environmental licensing for oil and gas E&P projects?



Our region have lots of sensitive areas environmentally with many native people. Rank from most to least effective what companies can do to ensure a balanced development.

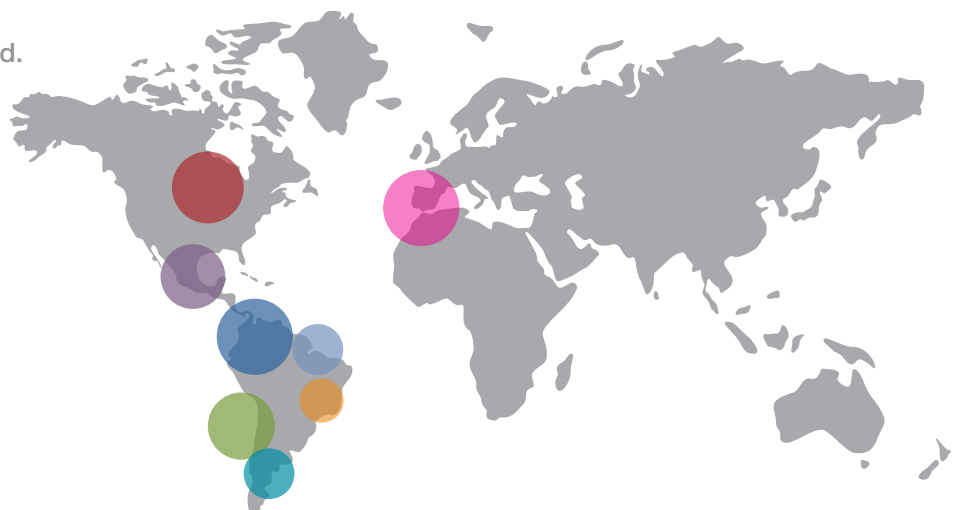


- Focus on community education 26%
- Promote sustainable community projects 26%
- Foster participative socio-environmental monitoring 26%
- Improve previous consultation process 23%

SESSION 4

Survey participants: 150
Countries/Regions represented.

- Colombia 18%
- Other 18%
- USA & Canada 16%
- Pacific Coast 14%
- Mexico 13%
- Northern SA 8%
- Southern Cone 8%
- Brazil 6%

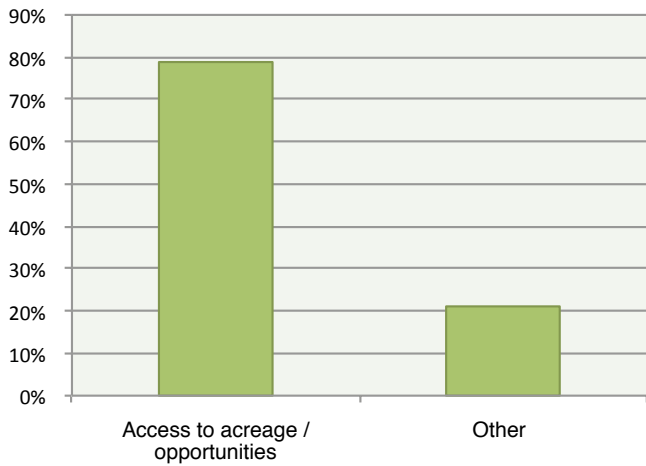


Survey participants: 150
 Company Groups represented.

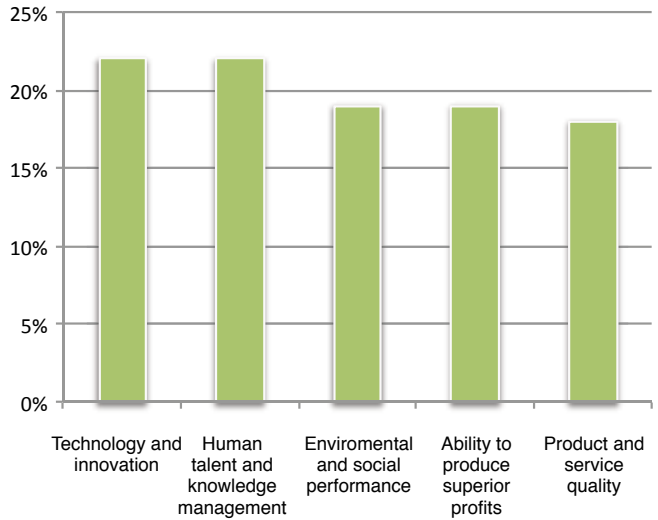
- National Oil Companies 23%
- Consulting Companies 18%
- Exploration and Production Companies 16%
- International Oil Companies 15%
- Others 15%
- Oil Field Services Companies 14%



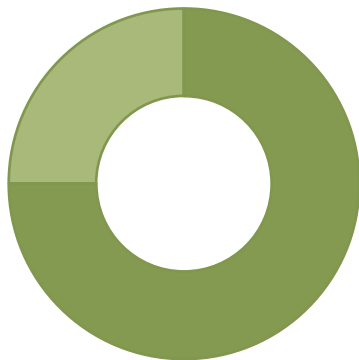
Latin America supports many independents.
 What makes it so attractive?



Rank from greatest to lowest the impact of the following factors in competitive growth.

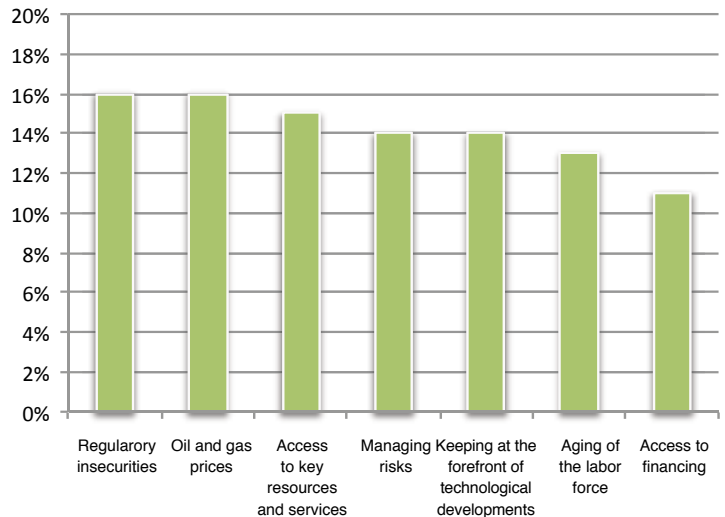


Has the recent increase in country risk and resource nationalism changed your investment strategy and goals?

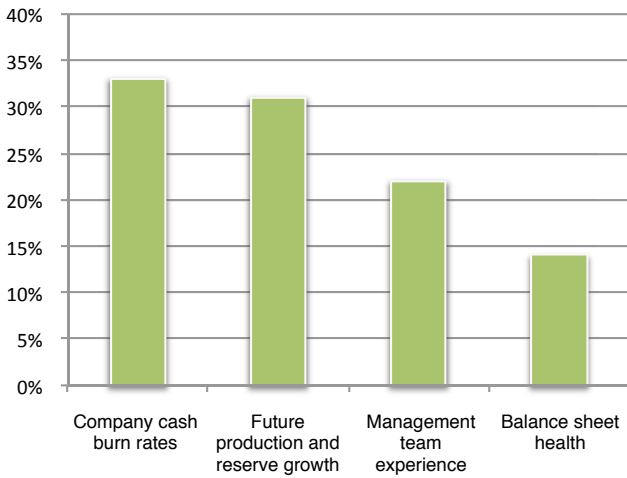


- Yes 75%
- No 25%

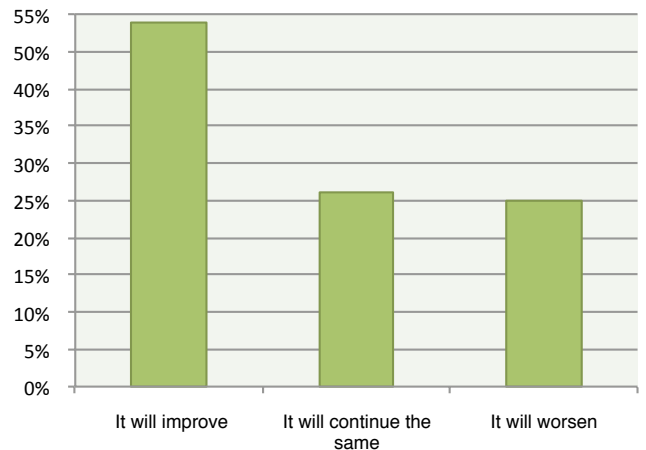
Rank from greatest to lowest the challenges you anticipate your company will face in the development of business in the coming years.



Funding- what are the main criteria banks use to make investments?



How do you see funding in E&P evolving over the next 5 years in the region?



SESSION 5

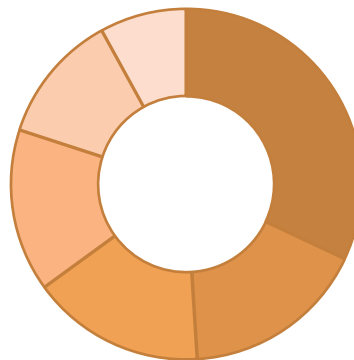
Survey participants: 150
Countries/Regions represented.

- Colombia 33%
- Other 16%
- Pacific Coast 15%
- Southern Cone 14%
- NAM, CAM, & the Caribbean 14%
- Brazil 8%

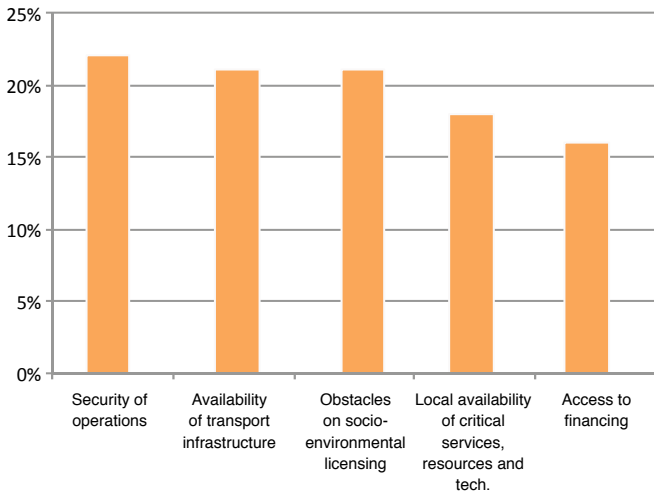


Survey participants: 150
Company Groups represented.

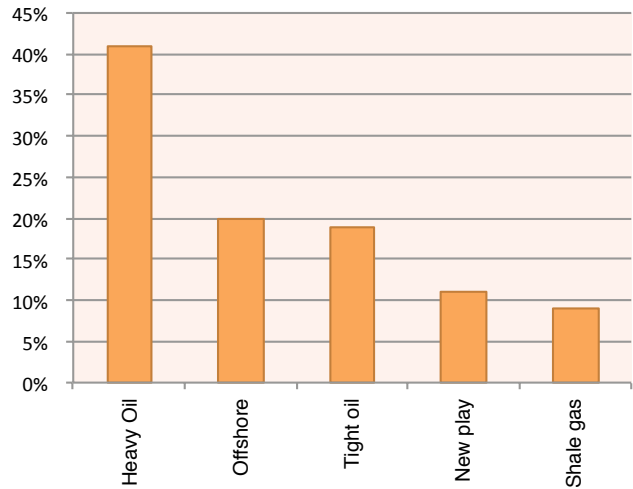
- National Oil Companies 32%
- Exploration and Production Companies 17%
- Oil Field Services Companies 16%
- International Oil Companies 15%
- Others 12%
- Consulting Companies 8%



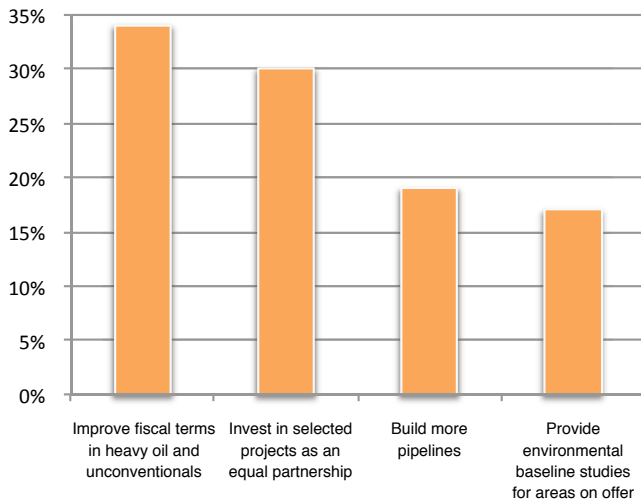
Rank from greatest to lowest the relevance of each challenge in the development of the upstream business in Colombia.



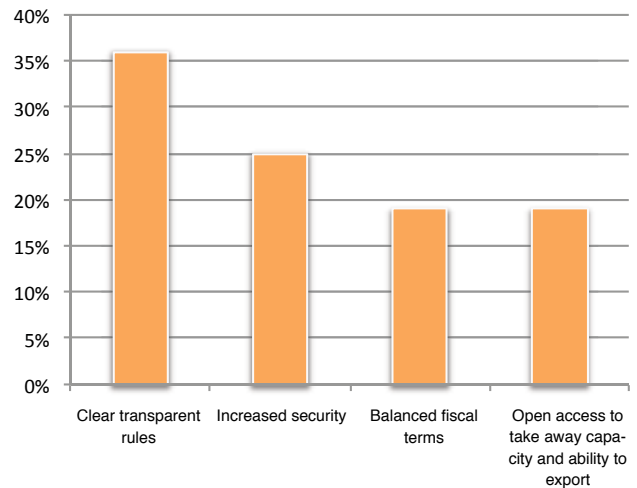
Where do you see Colombia next major growth coming from?



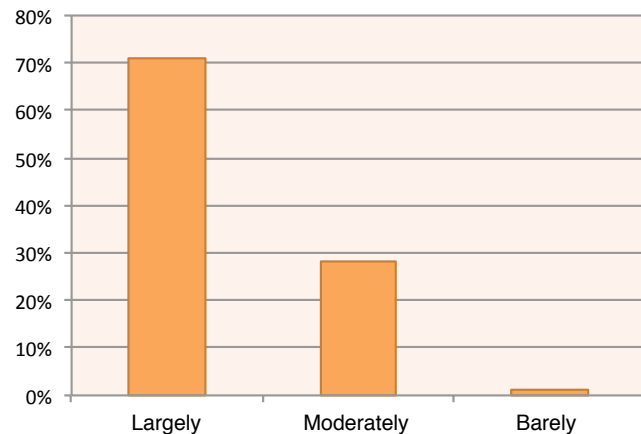
What can Colombia do to attract more E&P investment?



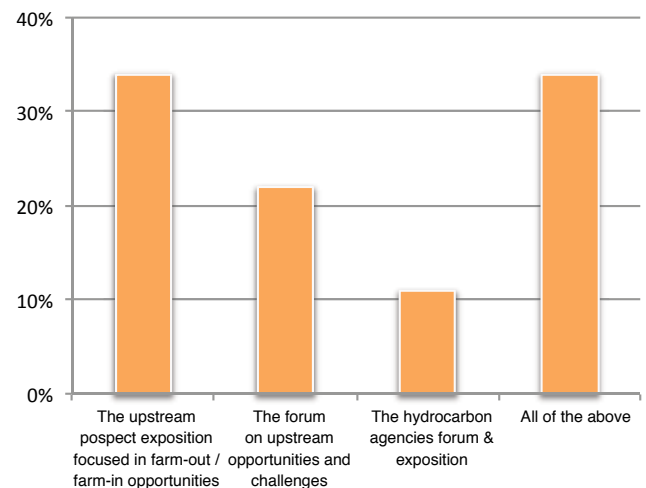
What lessons can other regions learn from Colombia's great success in increasing its production?



Did LATINVE&P meet your expectations?



What would you reinforce at next LATINVE&P?





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About the organizer

A 48 years old association whose purpose is to promote industry integration, competitiveness and growth, while ensuring the sector maximizes its contribution to a sustainable energy development in Latin America and the Caribbean.

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REGIONAL ASSOCIATION OF
OIL, GAS AND BIOFUELS SECTOR COMPANIES
IN LATIN AMERICA AND THE CARIBBEAN