

# COLOMBIA ROUND 2021

# 10 Previous rounds since 2007



## Caribbean Round 2007

Blocks Offered **13** Signed Contracts **9**



## Mini Round 2007

Blocks Offered **38** Signed Contracts **11**



## Heavy Oil

Blocks Offered **8** Signed Contracts **8**



## Mini Round 2008

Blocks Offered **102** Signed Contracts **41**



## Colombia Round 2008

Blocks Offered **43** Signed Contracts **22**



## Open Round Colombia 2010

Blocks Offered **229** Signed Contracts **68**



## Colombia Round 2012

Blocks Offered **115** Signed Contracts **50**



## Colombia Round 2014

Blocks Offered **115** Signed Contracts **50**



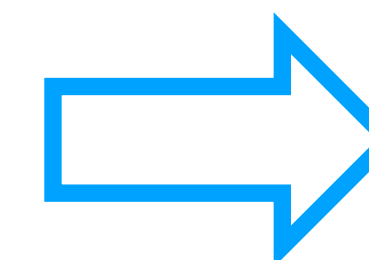
## Permanent Process for Allocation of Areas 2019

Blocks Offered **70** Signed Contracts **26**



## Permanent Process for Allocation of Areas 2020

Blocks Offered **4** Signed Contracts **4**



## Colombia Round 2021

Blocks offered By the ANH **28**  
Free areas open for the nomination of blocks **6**



# Características de la Ronda Colombia 2021

Cuarto ciclo del Proceso Permanente de Asignación de Áreas

28 bloques ofrecidos por la ANH

Áreas libres abiertas para nominación de bloques (6 a la fecha)

Áreas disponibles definidas por la ANH

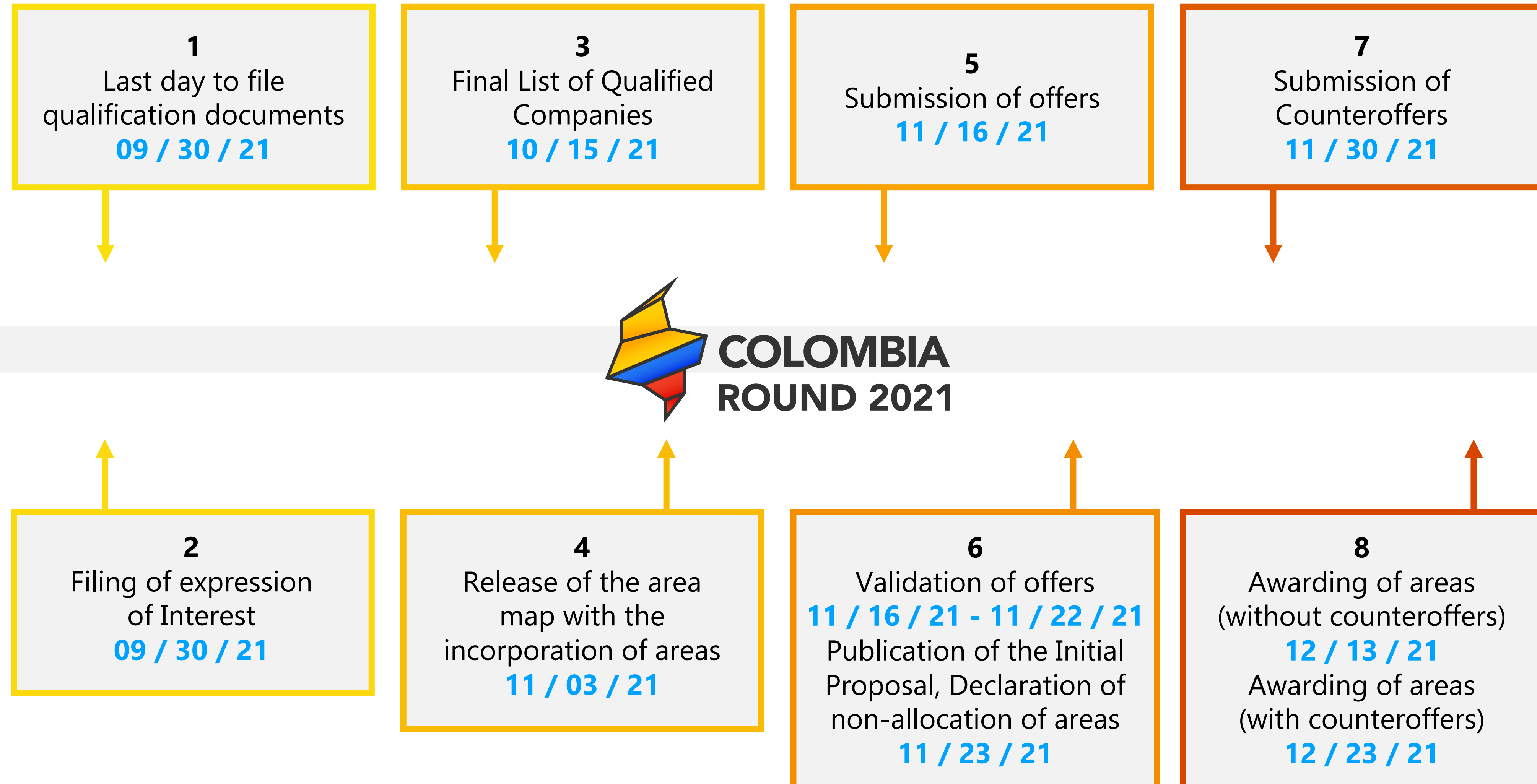
Nuevo modelo de contrato

Posible traslado de inversiones desde bloques contratados

Fases preliminares o fase 0



# Calendar milestones





# Communities' Coordination and Concurrence Process

Progress to date

Entities	Meeting pending	Completed	Progress
231	186	148	79,57%



# Blockchain option to submit bids

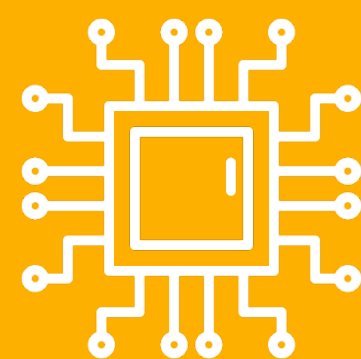
## Main Characteristics



**Safe**



**Transparent**



**Distributed**



**Unchangeable**



**Shared**

The National Hydrocarbons Agency will implement Blockchain technology to guarantee a transparent and secure process that can be used in the different stages of the Round



# Structure and Qualification Requirements



**1**

## Objective

Awarding of areas to carry out exploration and production

**2**

## Types of contracts

Technical Evaluation Agreements, and Exploration & Production Contracts

**3**

## Type of process

Open and competitive closing of a continuous process, now in its 4<sup>th</sup> cycle

**4**

## Types of areas

Both continental and offshore with potential for oil and gas



# Process guidelines: Auction by stages





**Qualification is given to parent / controlling companies**

Capacity	Investor	Operator (30%)
Legal	<b>Required</b>	<b>Required</b>
Economic and financial*	<b>Required</b>	<b>Required</b>
Technical and operational**		<b>Required</b>
Environmental		<b>Required</b>
Corporate Social Responsibility		<b>Required</b>

**Companies qualified in 2020 need not update documents**

\* **2019 financial information accepted**

\*\* **2019 operational information accepted**



# New contract

## Award based on the best offer of Economic Value of the Exclusivity - VEE - to explore

- In terms of equivalent wells to be drilled (1,2,3,...)  
(value per well according to reference table)
- Payment deferred until end of exploration period (netted by incentives)
- Payment guaranteed by bank letter of credit

**Built-in incentive to drill: value of each well drilled is discounted from VEE guarantee**

**Secondary bidding parameter (tie – breaker): % participation of production offer**

**Right to produce after discoveries once all obligations of the exploration period are met**



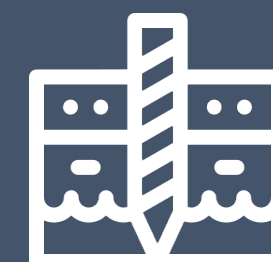
# New Exploration & Production contract



To be awarded on best Economic Value of Exclusivity  
-VEE- offer (in terms of number of wells to be drilled)



VEE deferred until end of exploration  
period – guaranteed by letter of credit



Built-in incentive for  
Drilling of A3 and A2 wells



% participation in production  
as secondary (tie-break) criterion



Free and flexible exploration  
program (6 years - extendable)



Production period  
of 24 years, extendable



Based on private contract law

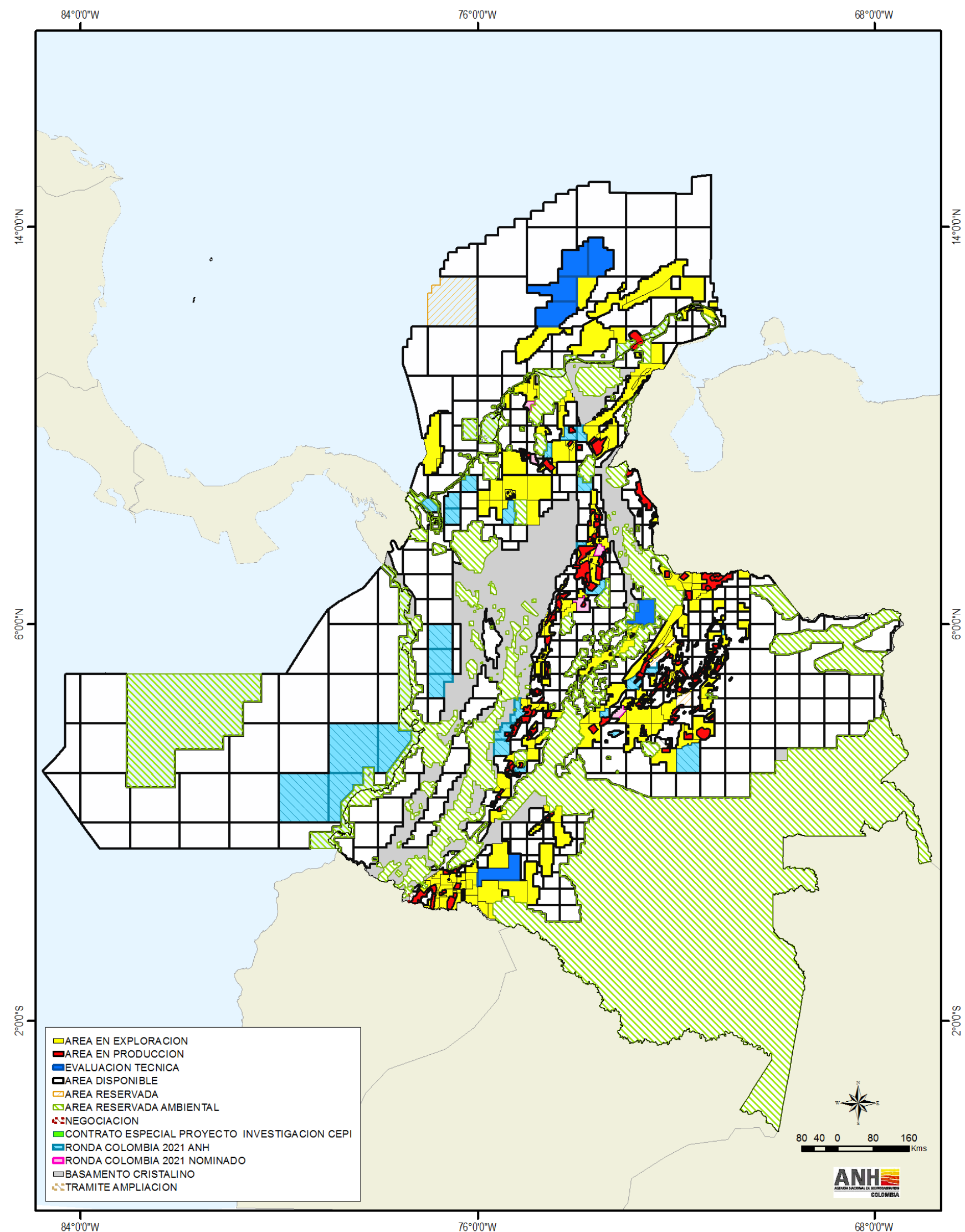


# Available Areas

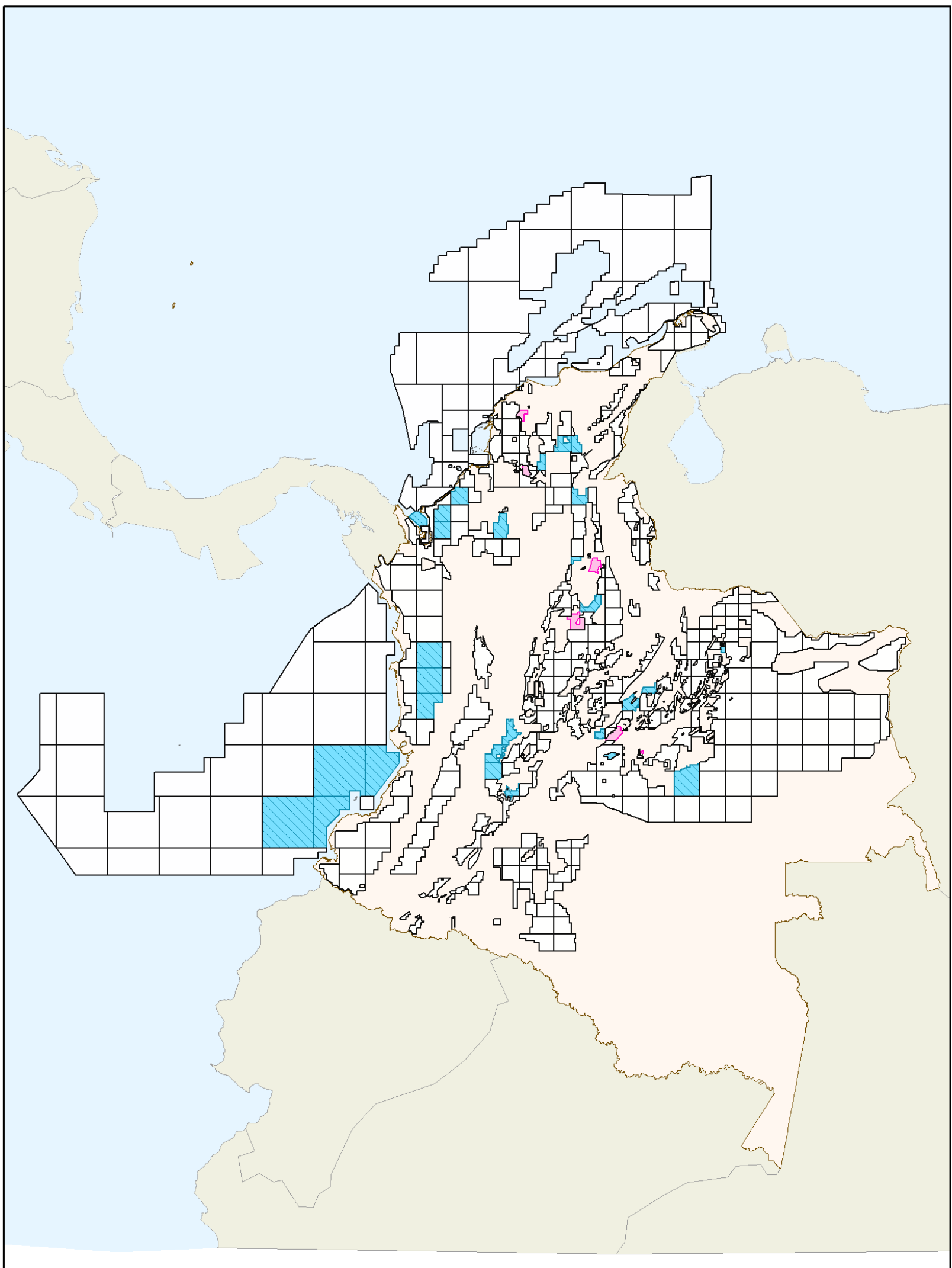


~600 contracts signed since 2004 and ~400 areas still available

Land Map with Grid Lines



Land Map with Available Areas 2021

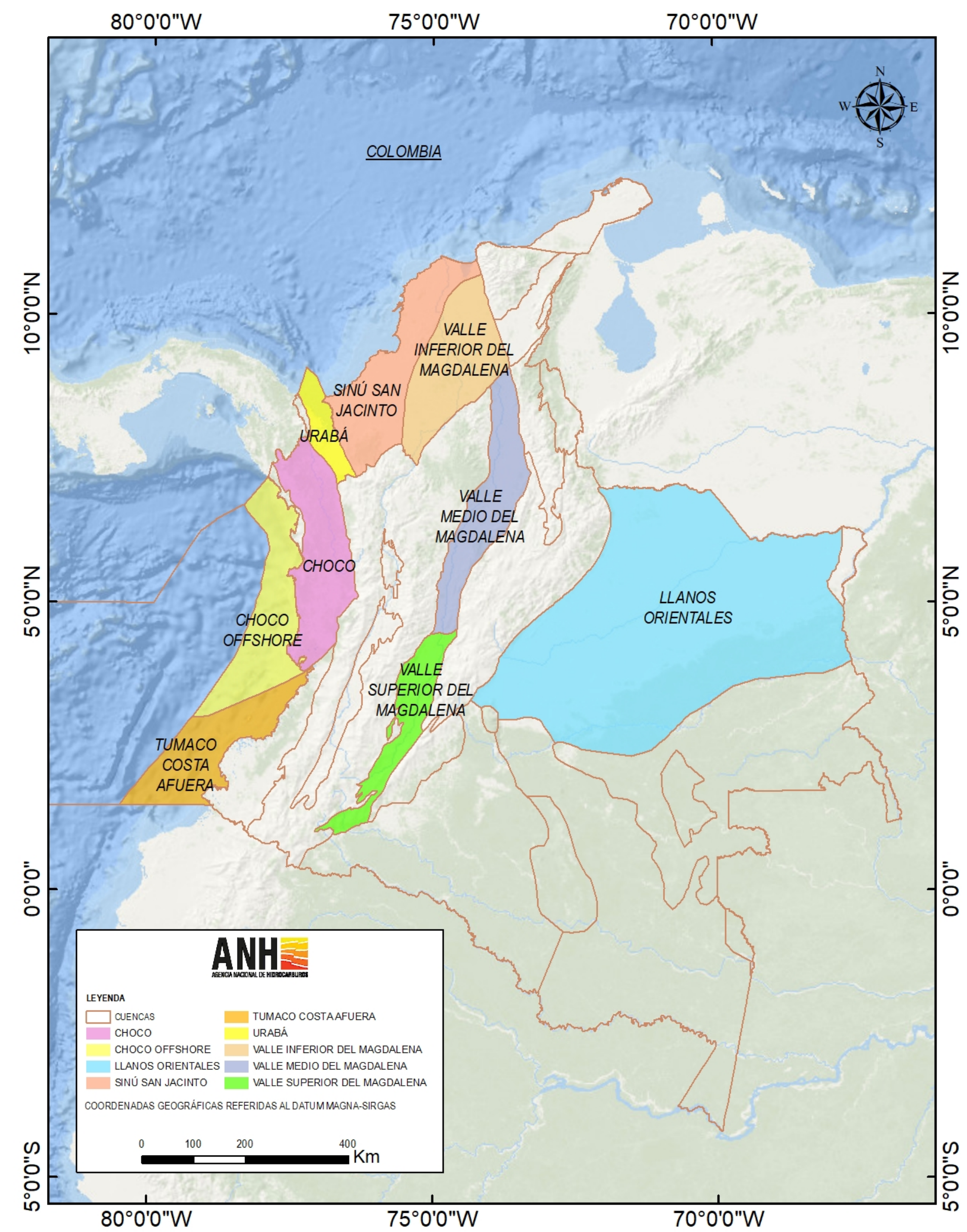




# Areas offered directly by the ANH



# ANH focus on nine basins...



9

## Basins

4

### Frontier

Urabá  
Chocó Onshore  
Chocó Offshore  
Tumaco Offshore

2

### Emergent

Sinú – San Jacinto  
Lower Magdalena Valley

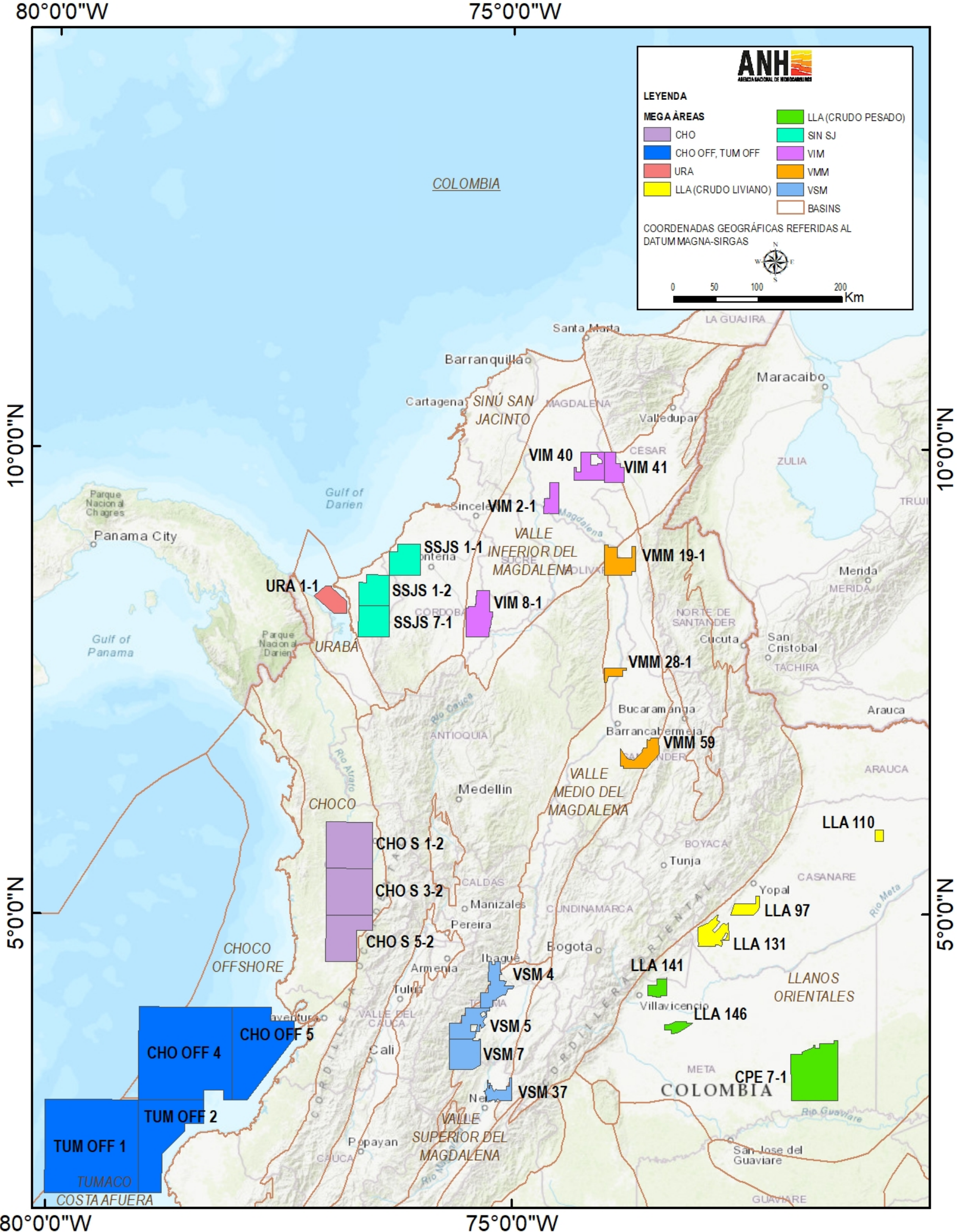
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### Mature

Middle Magdalena Valley  
Upper Magdalena Valley  
Eastern Llanos



...and nine groups of areas on offer...



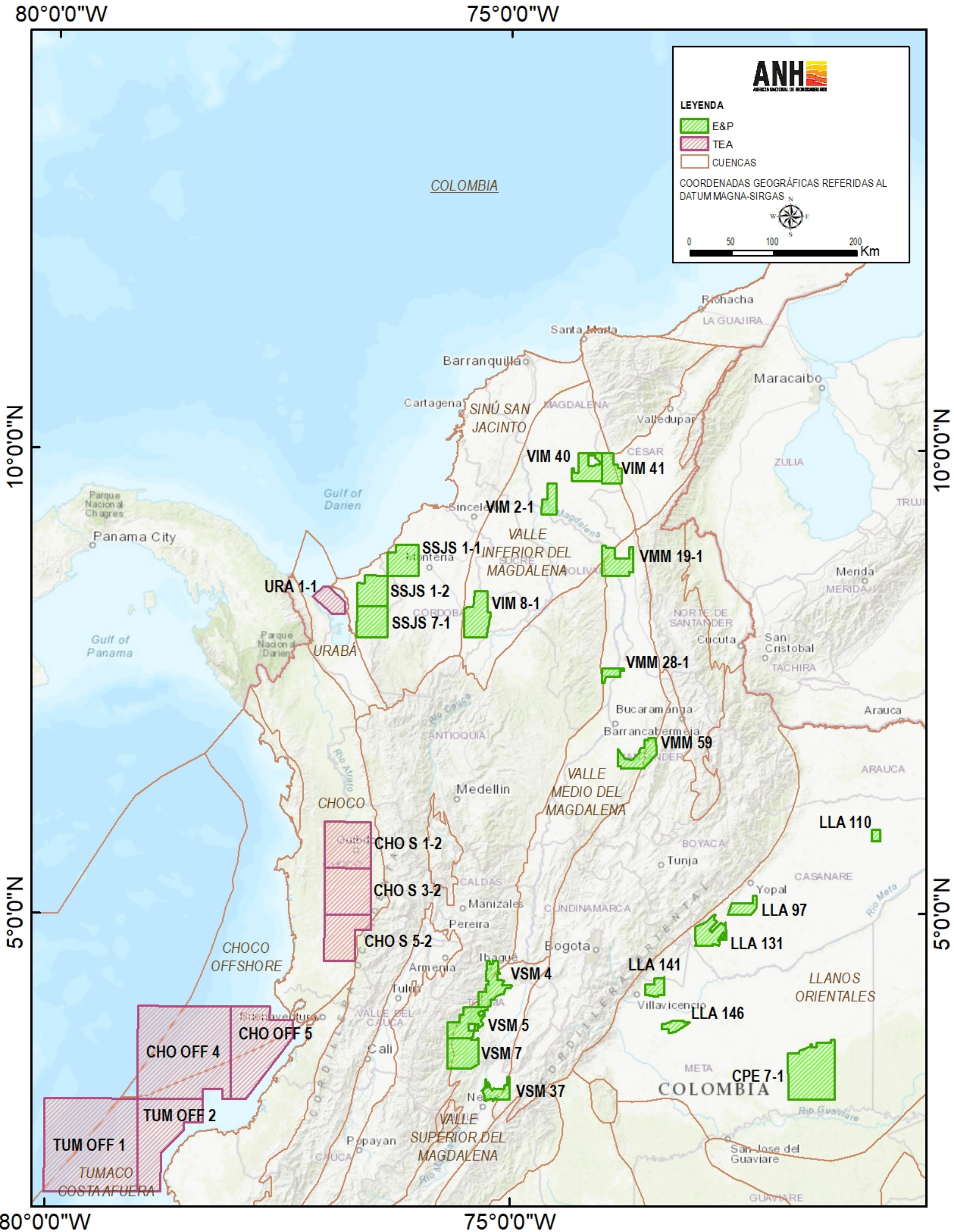
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# Macro Areas

- 1 Urabá
- 3 Sinú - San Jacinto
- 4 Lower Magdalena Valley
- 3 Middle Magdalena Valley
- 4 Upper Magdalena Valley
- 3 Llanos Heavy oil
- 3 Llanos Light oil
- 3 Chocó Onshore
- 4 Chocó - Tumaco Offshore



...with 28 areas on offer directly by the ANH



28

Areas

20

E+Ps

8

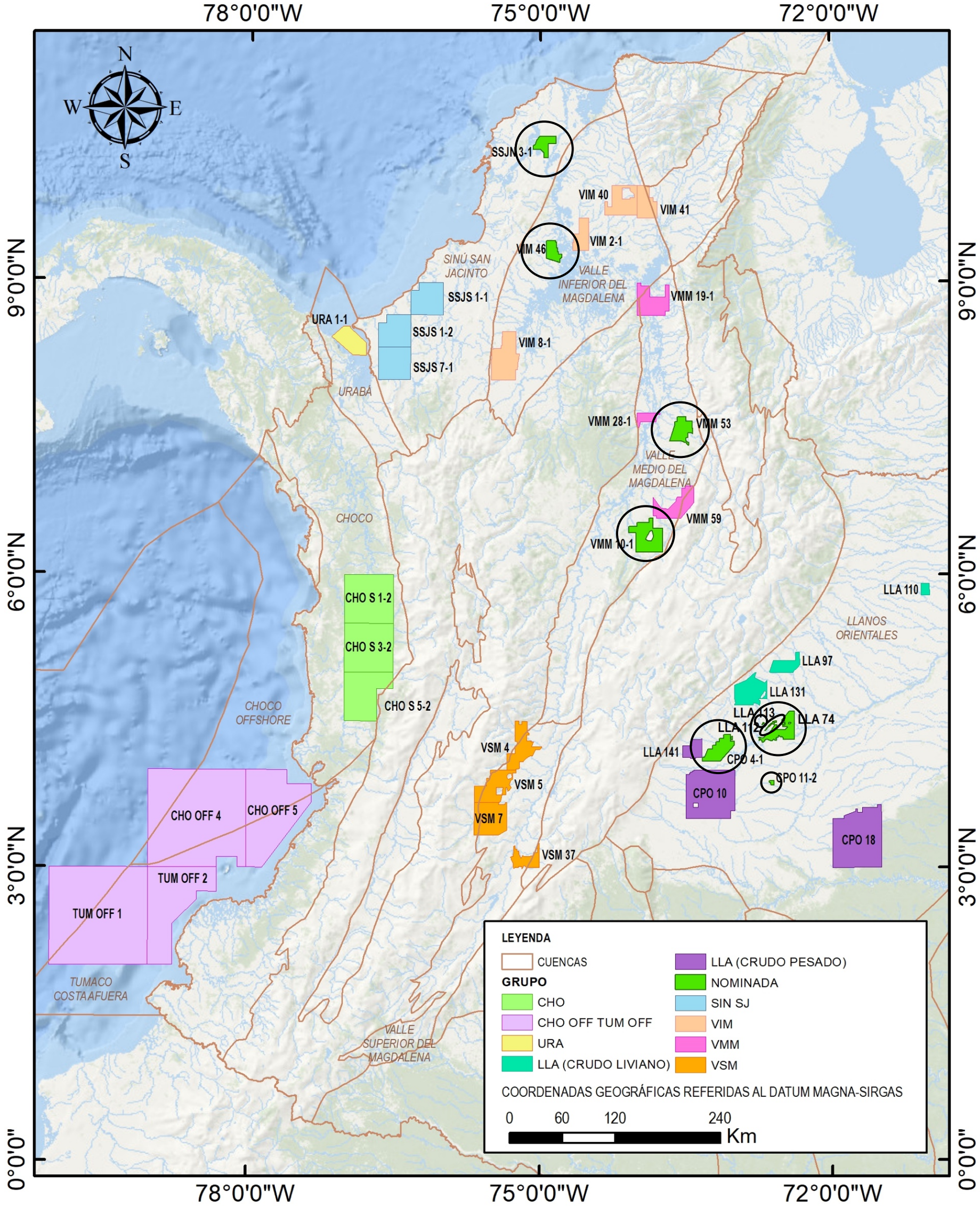
TEAs



# Nominated areas



...plus six areas nominated by qualified operators  
- available for counter-offers



37

Areas so far

28

Proposed Areas by ANH

9

Nominated areas

1

Lower Magdalena

1

Sinú – San Jacinto

2

Middle Magdalena

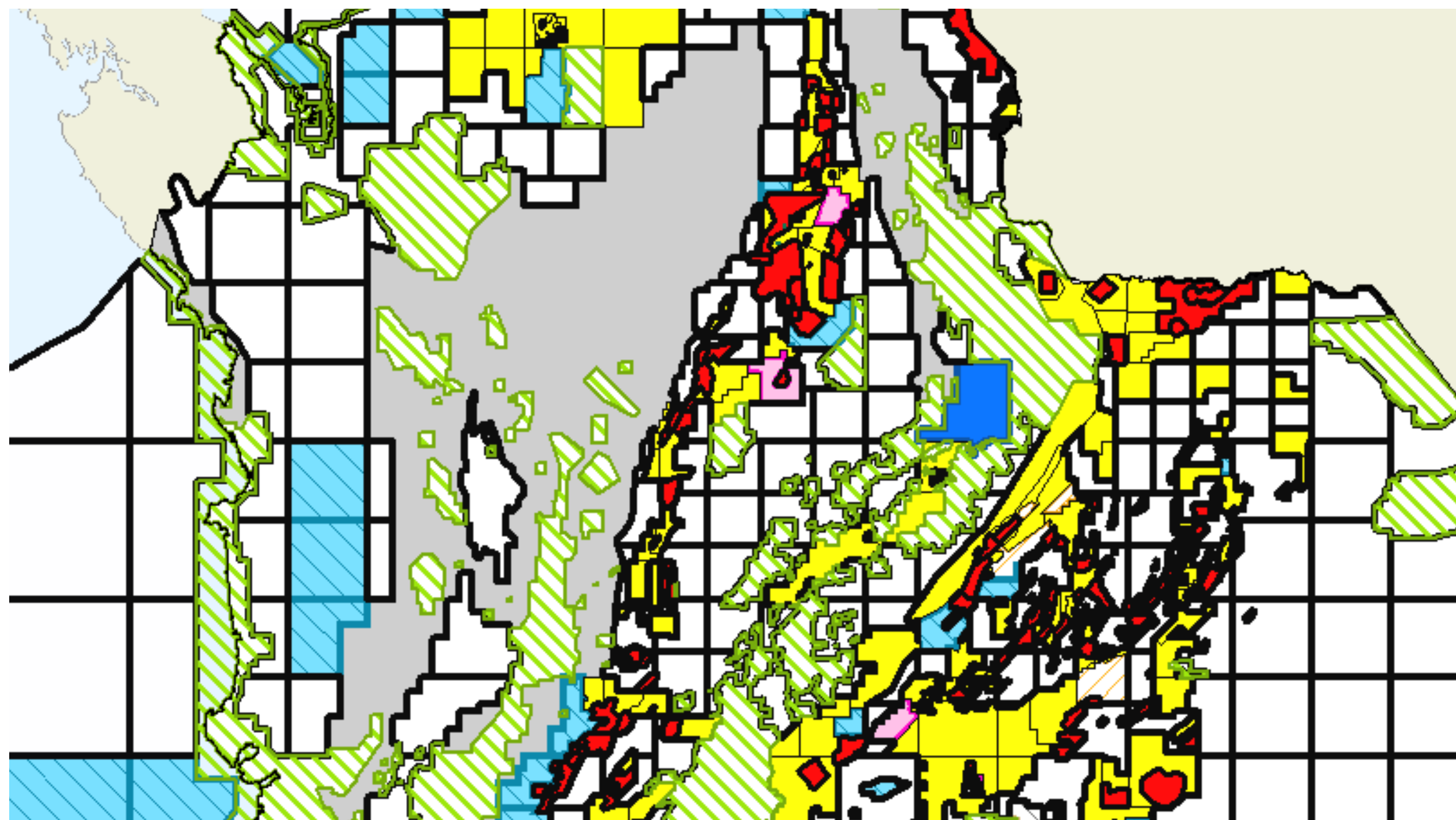
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Llanos

New incorporations accepted until 09/30/2021



# Available areas pre-delimited by the ANH



## Pre-named by the ANH:

Abbreviated name of sedimentary basin

Consecutive numbering within the basin  
(e.g., LLA 106 )

The surface area of each polygon expressed  
in hectares and identified with the flat  
coordinates of the vertices.



# THANKS

<https://www.anh.gov.co/Asignacion-de-areas/Paginas/Ronda2021.aspx>