



March 25th, 2021

Zoomcast Pre-launch of Colombia Round 2021

1. What is the cost of access to the data room?

A: If the company is qualified, no cost will be generated to access the data room. Otherwise, they may contact the Geological Service to make the respective purchase of the information or wait until they are enabled for free access.

2. Access to information the shared instructions indicate that each company must receive an email with an invitation from Microsoft. How should one proceed to start the process of access to information and receive the email referred to in the instructions?

A: This information is exclusively for authorized companies. In case you are already authorized and have not received the email with the account to access, please write to ppaa@anh.gov.co to provide you with the respective access.

3. Scope of the process: Does it include production of hydrocarbons from unconventional reservoirs? (from source rock using the fracking method).

A: Taking into account that by order of the Council of State the technical regulations that allow the Exploration and Production of Hydrocarbons in Unconventional Reservoirs are provisionally suspended, this round is limited to the Exploration and Production of Hydrocarbon Reservoirs in Traps or Conventional Reservoirs.

4. What is the procedure and who do we contact to have access to the ANH information of the blocks that are available and obtained free of charge?

A: This information is exclusive for qualified companies. In case you are already authorized and have not received the email with the information to access, please write to ppaa@anh.gov.co to provide you with the respective access along with the required information of the blocks. It is worth clarifying that some of them are still under review.

In case you are not qualified, for the moment you will only be able to access the information of the Zoomcast every Thursday and the technical workshops offered on Fridays by the ANH free of charge.

5. We would like to have access to the Piston Core and Heat Flow information that the ANH has in the Colombian Caribbean in order to integrate it to the Multi-Client Project. How can we have access to this information? Should we pay for it? What is the procedure?

A: This information is exclusive for authorized companies, in case you are already authorized and have not received the email with the information to access, please write to ppaa@anh.gov.co to provide you the respective access together with the required information of the blocks at no cost. In case you are



not qualified, for the moment you will only be able to access the information of the Zoomcast of every Thursday and the workshops by basin offered by the ANH on Fridays, or in case you are not qualified, please contact the EPIS.

6. How much oil and gas reserves are projected in the blocks expected to be auctioned?

A: Recoverable Prospective Resources (best estimate):

- Offshore gas 12.25 TCFs
- Onshore gas 0.63 TCFs
- Offshore oil 1074 mmboe
- Onshore oil 607 mmboe.

7. May you send a list of the information that is available in the data room?

A: The request has already been escalated to the technical area of the National Hydrocarbons Agency, so we invite you to access the following link: <https://www.anh.gov.co/Asignacion-de-areas/Paginas/Ronda2021.aspx> where you will find the most updated versions of the data room information that will be updated on a weekly basis with the seismic and wells catalogs. It is important to emphasize that only authorized companies can access the data room free of charge.

8. If the area of interest to the company I represent is not among the blocks offered but is available, what should be done?

A: The entire qualification process must first be carried out. Once it has been satisfactory, the company may nominate the area, ex. request its incorporation process.

9. Can each operator draw the outlines of the free areas according to its own analysis of structures or should Mr. de Armas' outlines be left still for the areas to be proposed by each operator?

A: The areas offered by the ANH must follow the pre-established grids of the land map; however, as a company you can nominate a specific area if required.

10. Are the prospective resources presented recoverable P50?

A: Yes, they are.

11. In addition to the technical brochures, is there any preliminary assessment of the socio-environmental conditions of the areas offered?

A: The Agency has the studies, evaluations and primary information on all the technical aspects, which, in turn, will also be available on the site dedicated to the Colombia Round 2021 on the Agency's website.



Regarding socio-environmental conditions: coordination and concurrence processes are currently being initiated and the results of these socio-environmental conditions will continue to be published in real time on the web page.

12. How many blocks will be available in total? Can you share the presentation?

A: The presentation and recording of the Zoomcast will be shared on the website. Currently there are 32 blocks offered by the ANH; the remaining free areas are available for nomination and the company nominating a free area has the right to match any proposal that improves it.

All the information will be available, in principle, for the companies that are pre-qualified. In the meantime, the Agency's information can be downloaded. On the other hand, the information owned by the Geological Service can be viewed but not downloaded and must be acquired -purchased- from them.

13. What are your administration's policies on foreign investment?

A: Broadly speaking, the foreign investment policy is a harmonic policy with the general policy of the State in which foreign investment and domestic investment do not have any differentiation; meaning that foreign investment cannot be discriminated over domestic investment; therefore, the policy is the same for all.

14. Are the areas that have already been nominated previously included in this process?

A: Within this process are those that will be nominated. Currently, there are some areas that were nominated after the June cut-off last year, since it is an ongoing process. Therefore, the company that has already nominated an area continues the nomination. Likewise, it is worth clarifying that the process is the same even though it is continuously being improved and simplified. We are currently in the fourth cycle.

15. What are the minimum requirements to qualify for this process?

A: The minimum requirements to qualify are published in the regulation found on the ANH website and are the same as last year. This is also under review.

16. Are there plans to publish an updated version of the land map?

A: The updated version of the land map is planned to be published every month.

17. How much investment is estimated?

A: In principle, the minimum investment expected in an area will be the equivalent of one exploratory well in each area. However, this is under review as it will be regulated after consultations. Likewise, the investment initially offered will be a mandatory investment.



18. When will there be a round of minor fields?

A: Minor fields round is not being initiated for the time being. It is not left aside; however, for now it is not being prepared because priority has been given to the Integral Research Pilot Projects and the Colombia Round 2021.

19. Can TEAs be requested in free areas?

A: TEAs are possible in free areas; however, priority will be given to E&P areas. It is worth clarifying that this item will be regulated later as it has been discussed previously.

20. Under what terms will it be possible to nominate areas? Are the same TOR used in principle as in the last cycle or should we wait for the publication of the new TOR?

A: In principle, they are the same TOR but will be improved throughout the process.

21. In the process, will projects by areas be available in Petrel or DS type applications, as was the case in previous Rounds?

A: The request has already been submitted.

22. Will there be a possibility to migrate existing contracts to the new enhanced contract?

A: A note will be taken to determine the feasibility of this proposal as this item has not been considered thus far.

23. With the recoverable oil/gas volumes and existing infrastructure, do you believe that the investments have a positive return at current market prices, particularly for the offshore areas?

A: With the existing infrastructure, oil and gas volumes will be affordable. Therefore, only each company will be able to define these criteria. Likewise, it must be taken into account that we are currently in the first approach to these areas which, upon reaching the expected volumes, by economy of scale can be classified as world class basins, which is why they could be considered affordable.

24. When will the terms of reference be updated?

A: A first version of the update will be available in approximately two months as it must be approved by the Board of Directors. The terms of reference will be published at the formal launch of the Colombia Round, which will be chaired by Minister Diego Mesa Puyo.

25. Will the land map include the nominated areas as of October 1?



A: Yes, by October 1st we expect to have a formal map for this round in which both the areas that were nominated and accepted as well as those offered by the ANH will be defined; all of these with a coordination and concurrence process which is mandatory.

26. Will companies that have updated their qualification in Oct 2020 be qualified for this Cycle IV?

A: Companies that were updated in 2020 must send updated information in order to be qualified within the 4th cycle. It is important to keep in mind that this is a permanent qualification update process.

27. Is the VEE going to be in addition to the guarantee of fulfillment?

A: The economic value of exclusivity is expected to replace the guarantee of fulfillment. This would facilitate administration and lower the cost. Likewise, once the economic value is deposited, which will be the result, at least, of an exploratory well or of a bid, it will be up to the companies to carry out the activity or not. If they do not, they lose the deposit. This, with the purpose of investing the sense of the incentives, since currently there are several incentives oriented to delay the activity, ask for extensions, make a transfer, among others. Therefore, by reversing the direction of the incentives, for example, by reimbursing a well, there will be a need to do it faster. This is the difference with the current system of guarantees.

28. How does this exercise of assigning areas relate to or go hand in hand with environmental licensing? In order to avoid having areas in which, due to licensing, no activity can be carried out?

A: The delimitation of areas has not taken into account environmental restrictions but is a purely practical delimitation as is done in other countries. This is to facilitate the nomination and subsequent allocation. However, environmental restrictions must be taken into account when making the nomination request.

(This Zoomcast took place on March 25)