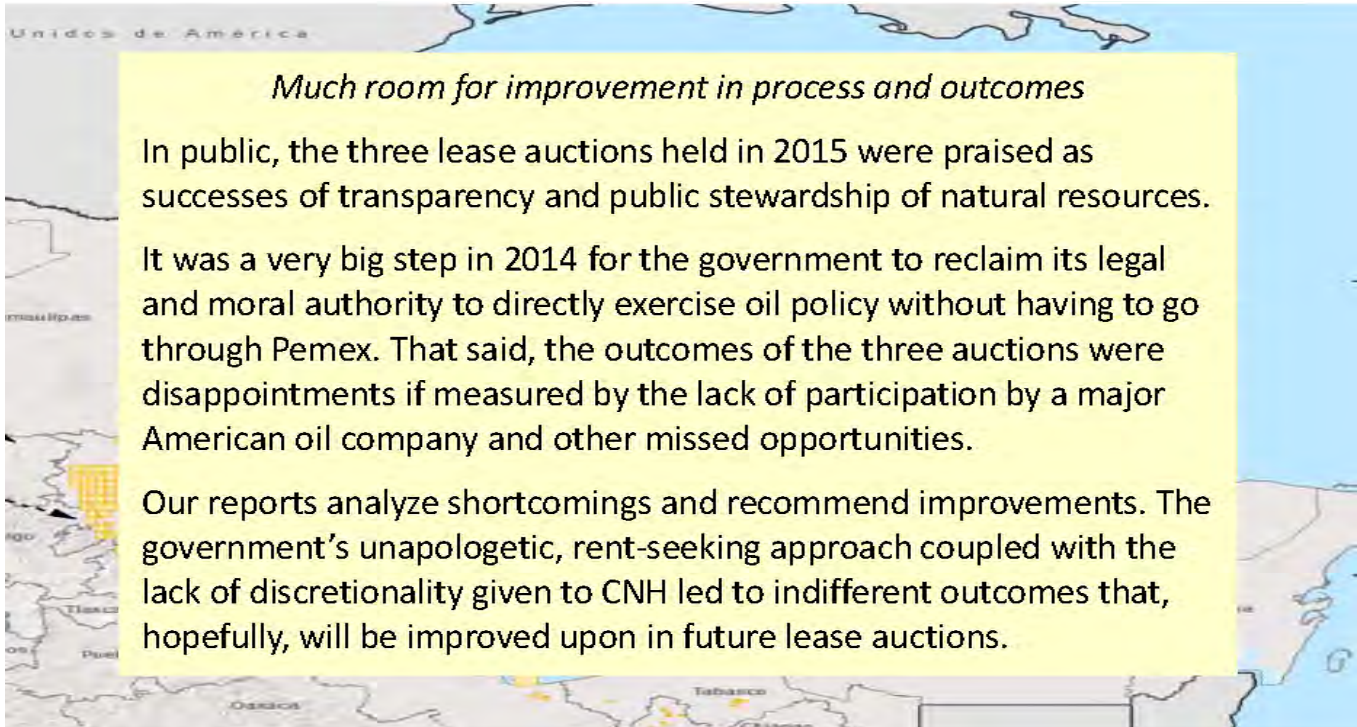




## MEI report titles related to Mexico's Round One



Year	Topic	File #	Pages	Chart
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### 2016

Feb 18, 16	<b>Mexico's Upstream Reform in 2015</b>	803	6	6
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In this report, 26 elements of the Energy Reform of 2013-14 are selected for scoring on a 5-point scale of value creation, where 5 = strong value creation and 1 = severe value destruction. Each element is scored twice, once for political value, second for commercial value. With few exceptions, political values were higher than commercial ones for any given element of the energy reform. This discrepancy is interpreted as the principal reason why in the three bid rounds of 2015, no major American oil company chose to compete. Bid Round 1.4 is seen as the test of whether the government has taken corrective measures.

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Year	Topic	File #	Pages	Chart
<b>2015</b>				
Dec 17, 15	<p><b>CNH Lease Auction 1.3: Jump-starting small oil producers in Mexico</b></p> <p>With an expectation by the Energy Ministry that only 5 of 25 blocks would be awarded the third lease auction of petroleum blocks on December 15, it was an euphoric news that all 25 blocks had been awarded. The Hydrocarbon Commission (CNH) was praised for its efficiency in conducting a transparent process. This report looks at the process and outcome from the perspective of the members of the physical and online audiences: there were many places where there was unnecessary confusion. Table 1 lists bidders and winners in alphabetical order. Table 2 lists forced and unforced errors by CNH.</p>	798	8	2
Sep 24, 15	<p><b>Glossary of CNH Model Contract for Round 1.2: New and old terms and definitions</b></p> <p>Table 1 of this report provides a preliminary, bilingual glossary of some 160 terms and definitions that are used in the model contract for CNH's second auction (known as Round 1.2). Most these terms are from Round 1.1 (held July 15, 2015). The terms (as lexical items) are sorted by their respective auction, then listed alphabetically. In relation to substance, we find some matters still problematic: one of these is administrative rescission. Noting that BP did not lose its license on account of the Macondo accident, Mexican regulations should state that rescission will not be applied in response to any single event.</p>	100210	8	1
Sep 24, 15	<p><b>Glossary of CNH Model Contract for Round 1.2: New and old terms and definitions (See Dictionary)</b></p> <p>X-reference</p>	100210		1
Jul 28, 15	<p><b>What was Lost in Round 1.1: How government expectations were not met</b></p> <p>This report itemizes what went well and what went badly in the seven-month process that culminated in the public auction for 14 exploration blocks that was administered by the Hydrocarbon Commission on July 15 (Tables 1 and 2). For the government, the outcome represented the penultimate worst-case scenario: the worst would have been had there been no bidders at all. We provide consideration for what alternatives could be adopted to minimize the risk of such an outcome happening in the future.</p>	788	10	2
Jul 18, 15	<p><b>SHCP Awards in Round One: How the policy of "zero discretionality" backfired</b></p> <p>The auction of 14 offshore blocks on July 15, 2015, by officials from the Hydrocarbon Commission (CNH) was an historic first in Mexico's century long history as an oil exporter. Credit goes to the Peña Nieto administration; but the blame for the failure of 8 of 14 blocks to receive bids goes primarily to the Finance Ministry (SCHCP), which, by law, set the bidding parameters for the auction. The report asks: What lessons are to be derived from this first auction of petroleum blocks?</p>	1000076	9	4



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Year	Topic	File #	Pages	Chart
Jun 20, 15	<p><b>Anáhuac-Gate: How AHMSA caused the CNH to reset the 3rd cycle of Round One</b></p> <p>This report comments on the decision by the Energy Ministry to remove the Anáhuac non-associated gas field from the list of onshore blocks that had been scheduled for auction in the 3rd cycle of Round One. The decision was prompted by a court order that suspended the right of CNH to award an exploration block in an area where a coal concession had already been granted. In laws and regulations, the Mexican government had defined the terms by which a concession-owner could produce coalbed methane. In asking for injunctive relief, AHMSA claimed that a CNH contractor would violate its rights.</p>	1000074	10	4
May 28, 15	<p><b>Prospective Bidders in Round One: Great, but subtle, expectations</b></p> <p>This report asks about the indirect benefits that are likely to come from successful bidding rounds: As expectations of increasing oil production and oil exports improve, the cost of borrowing in international capital markets will fall, and the exchange rate of the Mexico peso against the dollar will stabilize. Much depends on the character of those companies who actually bid on the initial 14 blocks. Table 1 sorts the names of prequalified bidders for the initial 14 blocks by region and country. Table 2 sorts them by reference to their size or market niche.</p>	784	4	2
Apr 27, 15	<p><b>Ideological Constraints in Mexico's Bid Round One</b></p> <p>In this report, we examine the ideological and political constraints that explain the rationale for the many points of unexpected misalignment between Mexico's new petroleum regime and standard conventions in other jurisdictions. Consider that the petroleum regime must be designed in such a way that it will not become a major campaign issue for populist parties in the general elections of 2018. For this reason alone the regime must give the impression of strict adherence to Mexico's traditional petroleum narrative.</p>	781	9	3
Feb 23, 15	<p><b>Outlook of Round One: Interview with Pedro van Meurs</b></p> <p>Dr. Pedro van Meurs is an expert on petroleum fiscal systems, having advised governments, including the Mexican, around the world. On Jan. 26, 2015, a two-hour discussion took place about aspects of oil policy in Mexico, with emphasis on the enhancements needed to make Round One a success.</p>	012615	9	0
Feb 21, 15	<p><b>Ronda Uno vs. LOPSRM (article by George Baker in Reforma)</b></p> <p>Published in the opinion page of the Business Section of REFORMA on February 20, 2015, this article by George Baker finds fault with the award criteria in the Draft Model Contract of the Hydrocarbon Commission (CNH) on December 11, 2014. He argues that a bidding variable of the highest government percentage is merely the mathematical inverse of the variable of lowest price found in the Public Works Law (LOPSRM). Both variants, he argues, are designed to protect public servants against possible sanctions by future auditors than to serve the public interest.</p>	022015	1	0



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Year	Topic	File #	Pages	Chart
<b>2014</b>				
Sep 19, 14	<b>Pemex's Response to Round Zero Allotments</b> <p>This report argues that Pemex's response to the allotment of producing fields and prospective acreage in Round Zero amounts to a National Hydrocarbon Development Program, the control and administration of which Pemex intends to keep control by means of a vast farm-out strategy. The report notes that the deepwater acreage will not likely produce first oil before a decade. An English translation and index to the presentation of Pemex DG Emilio Lozoya on Aug. 13, 2014, is appended to the report.</p>	100196	5	2
May 29, 14	<b>The Use of Indexes in Upstream Awards: Learning from the Chicontepec Bid Round</b> <p>Normally in Mexico the award of a public tender is given to the bidder with the lowest price. Pemex's Chicontepec bid round of 2013 broke this rule in a unexpected way that opens the discussion of how best to incorporate multiple factors in the evaluation of the technical and economic proposals by bidders. We shall continue with this topic in Market Note 192.</p>	100191	7	4
May 13, 14	<b>Round One First: Why Rounds Zero and 0.5 should be deferred</b> <p>Following the example set by Brazil, and with strong lobbying from Pemex, the Mexican government incorporated into its energy reform legislation the concept of a "Round Cero," to be followed by subsequent rounds in which other companies besides Pemex could compete. In this report, we argue that for the sake of securing international recognition of the robustness and competitiveness of the upstream energy reform package, the holding of Round One is far more important to the government than any confirmation of Pemex's rights in existing and prospective production.</p>	1000031	3	0
Mar 31, 14	<b>Ronda Cero Webcast: Guide for the Perplexed</b> <p>On March 28, 2014, Pemex and SENER held a joint presentation on Round Zero. Each side had its own reasons for wanting to participate in a webcast for investors. Pemex wanted to give the impression that its arguments about the fields it proposed to keep had been given preliminary approval by the Energy Ministry; while the ministry, for its part, wanted to show that it had authority above Pemex. Appended to this report is an annotated version of the Pemex presentation, as well as the 6th Transitory Article of the Energy Reform Decree of December 20, 2014.</p>	100187	6	12