

MEXICO ENERGY INTELLIGENCE®

CATALOG OF REPORTS, ARTICLES AND BRIEFING TITLES (1995-2012)

YEAR	MARKETS	POLICY	PEMEX	SPECIAL	BRIEFINGS
2012	CRUDE OIL	ENERGY SECTOR	GOVERNANCE	RESOURCE BASE	UPSTREAM
2011	NATURAL GAS	PRESIDENCY	CORPORATE	PERSPECTIVES	NATURAL GAS
2010	LPG	SENER	PMI	SHALE OIL & GAS	DOWNSTREAM
2009	LNG	CRE	PEP	CROSS-BORDER	FCPA RISK
2008	REFINED PRODUCTS	CNH	PREF	DEEPWATER	ADVANCED ENGLISH
2006	PETROCHEMICALS	CFC	PGPB	MACONDO	ADVANCED SPANISH
2005	ELECTRIC SECTOR	CFE	PPQ	INCENTIVE CONTRACTS	TRANS-BOUNDARY AGREEMENT
2004	RENEWABLES	ASF	ITS	ENERGY REFORM	EAGLE FORD IN MEXICO
2003	BAJA CALIFORNIA	SCJN	IMP	SECURITY AND RISK	
2002	JALISCO	SFP	STPRM	LEGAL	
2001	NUEVO LEON	NEXT GOV'T	LEADERS	POLITICS	
2000	OTHER REGIONAL			CULTURE & HISTORY	
1999	OILFIELD SERVICES			INTERNATIONAL	
1995				FINANCE & ACCOUNTING	
1997				CONFERENCES	
1996				TRANSLATIONS	
1995				MEDIA & ACADEMIA	
				NAFTA / TPP	

Abbreviations and terminology

MEI reports on Pemex's Risk-Service Contractors

File #	Published	Updated	Topic	Year	Table/ Pages	graph
1998						
281	• Jul 08, 98		Risk Contracts in Mexico?		2	0
<p>This report inquires into the state of the discussion about risk contracts for resource development in Mexico. In relation to risk contracts for oil & gas development projects in Mexico, two questions are often asked by international observers: (1) Why is this policy option not seriously considered? (2) Why is it almost impossible to hold even a hypothetical conversation in Mexico about this subject with officials in the Government or in Pemex?</p>						
2001						
539	• Sep 11, 01	Mar 14, 03	Triangulated upstream messages: Preview of Multiple Service Contracts		5	0
<p>This report comments on the presentation at the Houston Geological Society on August 28, 2001 by Alfredo Guzmán, a senior Pemex geologist, on the subject of "Exploration and Production in México: Opportunities and Challenges." The presentation included an overview of Pemex's proposed Multiple Service Contracts.</p>						
543	• Oct 19, 01		Will there be a role for oil companies in Mexico, 2001-25?		18	0
<p>This report is based on the oral presentation given at the Energy & Law conference co-sponsored by the ITAM and the Mexican Academy for Energy Law, which was held in Mexico City at the ITAM campus on October 11-12, 2001.</p>						
548	• Nov 04, 01		Benchmarking Rumors on Multiple Service Contracts		7	0
<p>This report brings together a number of the press leaks and comments given in industry and academic forums in recent months in relation to the new round of "multiple service contracts" that, for the first time, are intended to attract investments by oil and gas operating companies.</p>						
555	• Dec 11, 01		Pemex's Multiple Service Contracts: Preliminary analysis of policy, legal and political		7	1
<p>This report reviews the highlights of the proposed Multiple Service Contracts (MSC) that are intended to bring oil and gas companies into Mexico in an operational role. The report includes a comparison of the features and context of the new dry gas initiative with those of the legal figure of the Independent Power Producer (IPP).</p>						
556	• Dec 18, 01		Virtual upstream opening in Mexico		8	1
<p>This report reviews points of law, politics, history and language related to the breakfast presentation on December 6th of the Multiple Service Contract (MSC) by Pemex and the Energy Ministry. What was presented in bureaucratic language as business as usual (but with a twist of lemon) is the beginning of an upstream opening in Mexico.</p>						



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2002						
562	• Jan 04, 02		Mexican media events: Akemashite Omedetou Gozaimasu		4	0
			A public relations fire broke out on January 2, 2002, the day after New Year's Day when most senior government officials and Pemex executives had not yet returned from holiday. The "fire" concerned a story published in Tokyo that JNOC, a Japanese state-owned oil company, had received exclusive production rights in the Chicontepec Basin. Two independent readings (lecturas) emerge as to its origin and meaning.			
574	• Mar 02, 02		The future of Multiple Service Contracts in Mexico: 3 readings		4	0
			International observers cite multiple reasons why Pemex's proposal for a contractual framework to attract operating companies to develop natural gas basins (discussed in Oil & Gas Journal, Feb. 11, 2002) may never get off the ground. This report identifies three of these reasons.			
591	• Jun 06, 02		MSCs: new questions and concerns		6	0
			In late May and early June 2002 new questions arose about the proposed Multiple Service Contracts for dry gas production in the Burgos Basin. Some of these concern the legality of the Multiple Service Contract (MSC) framework, others with the commercial attractiveness of that framework considered in the light of the disappointments and write-offs associated with comparable programs in Venezuela. This report itemizes concerns among prospective contractors abroad and legislators in Mexico.			
585	• Jun 15, 02		Draft MSC model of June 13, 2002: Finessing objections		4	0
			On June 12, 2002, the Fox administration sent to the Congress its generic contract in draft form. The next day Pemex Exploration & Production (PEP) posted this draft on its web site. This report briefly examines the way that the draft document handles several of the items and issues of controversy.			
586	• Jun 26, 02		Upstream gas conference: Concepts and body language		5	0
			This report provides an overview of the Mexican gas conference held in Mexico City June 20-21, 2002. Emphasis is given to the basic concepts presented by Pemex and to the coded messages contained in a number of the presentations.			
589	• Jul 24, 02		Evolution of projects in Burgos: from Pidiregas to MSC		5	5
			This report provides a comparison between two development programs and budgets for the Burgos Basin: one of the Zedillo administration in 1996 for the period 1997-2012 and another, of the Fox administration in 2001 for the period 2002-2021. The Fox program suggests a much greater degree of difficulty and risk than had been foreseen previously.			
613	• Nov 14, 02	Dec 10, 02	Advances and delays in Pemex's Multiple Service Contracts		6	3
			This report asks about the real reasons for the postponement on October 14, 2002, of the first international tenders of Pemex's Multiple Service Contracts (MSC). At the CBI conference on Mexican energy held in Houston Oct. 28-29, 2002 a Pemex representative gave an estimate of the cost advantage of MSC gas over imported gas in the year 2006.			



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2003						
629	• Feb 03, 03	Sep 4, 03	Odyssey of Pemex’s Multiple Service Contracts, 1991-2003		10	1
<p>This report traces the unpublished highlights of the evolution of the MSC strategy from the early 1990s through August 2003, and identifies some of the pluses and minuses of the concept from the point of view of prospective bidders for whom to bid or not to bid is the question. Update 1 (Sept. 5, 2006) examines the revised version of the concept as promoted by the Fox administration in the final months of its term.</p>						
640	• May 02, 03	May 22, 03	Pemex MSC Technical Workshop		6	9
<p>Pemex’s final orientation workshop for prospective bidders and contractors for the upcoming tenders of the Multiple Service Contracts (MSC) was held at its Data Room in Reynosa on April 28-29, 2003. This report provides an overview of topics discussed (and not discussed), tables and two approximate maps showing the political divisions in which the blocks are located. A partial list of participating companies, by category, is also included.</p>						
645	• Aug 15, 03	Apr 21, 04	MSCs: Congress pushes back—but too late?		13	1
<p>This report examines Pemex’s original arguments supporting the MSCs and the criticism, doubts and concerns that have come to surround them. The MSC program is seen as a catalyst that has opened Pemex’s political culture. This report was updated on April 21, 2004 after the vote in the Lower House not to proceed with a request for a constitutional review by the Supreme Court.</p>						
652	• Sep 04, 03		Crystal-balling the winners of the MSC tenders		10	3
<p>This report identifies qualitative factors that could favor the outcome of the tenders for Pemex’s first round of tenders for the Burgos Multiple Service Contracts. The predictions are based on the relative interest shown by prospective bidders at site visits, taking also into account Pemex’s traditional preferences in out-sourcing services by international companies.</p>						
2004						
661	• Jan 19, 04	Sep 5, 06	MSCs: Retrospect and outlook		13	2
<p>This report examines the motives—for and against—participating in the first round of Pemex’s Multiple Service Contracts. Up to 1958 production sharing and equity rights to oil production were permitted in Mexico. A comparison of the Oil Law of 1958 (which governed the MSCs) with those of the prior law of 1941 suggests that major oil companies would have been more motivated to participate in the MSCs under the earlier framework. By August 2006 Pemex had developed new models of the MSCs.</p>						
676	• Aug 18, 04		Pemex’s MSC Round Two: Mexicanization		12	8
<p>This report asks about the purposes, postures and features of the Second Round of Pemex’s Multiple Service Contracts. Attention is given to the MSC press briefing of July 29, 2004 as well as to the arguments of critics of the Fox administration in the PRI and PRD. The report features hyperlinks to related documents and to others by opponents in the Mexican congress.</p>						

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2007						
716	• Dec 30, 07		The upstream procurement system in Mexico: organization and outlook		8	12
			<p>This report examines the system of upstream procurement of goods, services and technology by Pemex and offers a look into how such procurement might look under liberalized policies. One of the seemingly intractable questions in Mexico in recent years has concerned what is called "access" to deepwater technology by Pemex. The report gives special attention to the role of SIDOE as the upstream facilities department; then looks at options and organizations for a future that could involve IOCs.</p>			
2010						
100036	• Mar 31, 10		Pemex's Performance Contracts: What Story Can Pemex Sell?		1	15
			<p>This report consists of an introductory page in PowerPoint and 15 pages of a hypothetical Pemex slide presentation the purpose of which would be to "sell" the Pemex story about the upcoming performance contracts.</p>			
100040	• Apr 27, 10		Rumaila and Chicontepec: Two Versions of a TSA		3	2
			<p>This report examines the similarities and differences between the contract by the BP-led consortium in Iraq in the Rumaila field and the contractual model under development by Pemex for Chicontepec.</p>			
100068	• Nov 27, 10		Pemex's EP Contract: The Voting by the Corporate Board		5	1
			<p>This report draws principally on the documentation related to the voting at the session of November 24, 2010, of the Pemex Board of Directors. At this session the Pemex EP Contract Model received unanimous support save for the one dissenting vote of Rogelio Gasca Neri. This report reviews his legal and economic arguments against approval of the contract model.</p>			
764	• Dec 01, 10		Pemex's EP Contract Model: Board Objections and Concerns		9	2
			<p>This report examines the arguments and concerns of two outside board members, Rogelio Gasca and Fluvio Ruiz, in relation to the voting on November 24, 2010, on the EP Contract Model. Dr. Gasca was alone in voting against approval of the contact model; while Dr. Ruiz voiced concerns about how the model should be implemented. Table 1 compares the concepts of the EP Contract to those of the Multiple Service Contract (MSC).</p>			
100070	• Dec 09, 10		Pemex's First Bid Round: Mature Fields		2	0
			<p>This report, prepared by geologist Colin Stabler, assesses the first three blocks that have been designated by Pemex for its first bid round. The report comments on the upside potential and downside risk associated with each block: Magallanes, Santuario and Carriso.</p>			



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2011						
100078	Jan 31, 11	Feb 3, 11	Pemex's Integrated EP Contracts: Highlights of the AIPN Conference		5	2
			On January 27, 2011, at a sold-out, all-day seminar held in Houston, the law, economics and regulations of Pemex's new "Integrated EP Contract" were put under a microscope by lawyers, consultants and contractors-as well as by Pemex and Mexico's National Hydrocarbons Commission. This report identifies concerns expressed during the seminar as well as in post-session discussions at two nearby bars.			
100081	Feb 25, 11		PEMEX Contract Discretionality: An Inconvenient Translation		7	2
			This report examines the use of <i>conveniente</i> and <i>inconveniente</i> , words that--despite the obvious English cognates--do not generally translate as "convenient" and "inconvenient." In a recent seminar, many in the audience were disoriented by the provision in the Pemex Specimen Contract of November 24, 2010, that permits Pemex to cancel a contract if a project becomes "inconvenient or unprofitable." The report provides context-sensitive translations for each occurrence of this slippery term.			
50111	May 01, 11		Mexico Comes Calling: A new Pemex contract model is designed to increase the role of		3	1
			This article is an introduction to the new Pemex contract model and the "computational gymnastics" of the compensation formulas. A quantitative example is given that shows the results of these formulas, assuming given volumes, oil price and API, sorting for the fiscal effect on marginal vs. standard oilfields. OIL & GAS INVESTOR (May 2011).			
100096	Aug 21, 11	Dec 21, 11	Pemex's Mature Fields Awards		12	5
			The work of over a year by Pemex's Office of New Ventures produced a measure of success on August 18, 2011, when 11 companies presented bids to redevelop 3 blocks under the terms of a new, and untested, commercial model that provides payment to contractors on the basis of a fee/barrel. This report identifies the legal and institutional drivers at work behind the protocol; it also asks about the disadvantages to Pemex of a "lowest-price" approach to selecting EP contractors. Can the model be used outside of PEP?			
100099	Sep 06, 11	Sep 18, 11	Pemex Protocols for Bidding and Awarding Incentive Contracts		12	1
			This report identifies the concerns expressed by bidders and observers of the first round of incentive contracts and restates them as suggestions for improvement for the next round. The concerns deal with the bidding criteria, the selection of qualified bidders, the use of maximum and minimum bids, tie-breaking rules, Pemex equity participation, and the protocol for making the awards.			
100104	Oct 11, 11		Outlook for Pemex Incentive Contracts: Press Q&A		3	0
			This report provides a summary of the questions and answers posed by a journalist from EL NORTE in a telephone interview with George Baker on October 11, 2011, the day the sanctions concerning Pemex officials in the Office of New Ventures became public. One of the questions concerns the likelihood of delays in the initiation of the Second Round of Incentive Contracts. The reply given was that there would likely be delays owing to the additional time that Pemex would need to absorb the lessons from the first round.			



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2012						
100113	Jan 26, 12		Pemex’s Hybrid Contracts: How Pemex tropicalized global contract models		18	3
			<p>This report examines the Pemex upstream outsourcing since 2003 for oil and gas production, starting with the Multiple Service Contract of 2003-05. The report discusses three common legal models that contributed to the Pemex hybrid: Farm-out, Production Sharing Contract (PSC) and Incremental Oil Contract. The report concludes that the farm-out model is the closest to Pemex’s hybrid contract, as it confers on the contractor a legal, revenue interest in production.</p>			
100111	Feb 02, 12		Pemex’s Farm-Out Program: How to Evaluate Its Efficiency?		19	3
			<p>This report proposes that the term "farm-out" best captures the sense of Mexican energy policy since 1992 in power, gas and the upstream. The report examines alternative approaches to evaluating the success of the decade-old farm-out program in Pemex E&P, a program that, to date, has yet to be evaluated by Pemex’s board or auditors from the government (SFP) or Congress (ASF). The report provides several optics by which the success of the program may be evaluated.</p>			
100131	Jun 27, 12	Jul 3, 12	Chevron and the Seven Dwarfs: An Upstream Fairy Tale		13	0
			<p>A saying in Mexico is that “Truth is told in fiction, while fiction is told in truth.” A critique of Pemex’s second bid round, which culminated in awards on June 19, 2012, for four of the six blocks, is told in the language of a fairy tale of the Middle Ages.</p>			
100133	Jul 04, 12	Jul 17, 12	Pemex’s Mature Fields Auction (Round 2): What Went Wrong?		9	2
			<p>The Pemex 2nd round of bidding for the six blocks in its Northern Region was a disappointment: First, no IOC submitted a bid, which was particularly painful in relation to the Arenque Block, whose bid package Chevron had purchased. Neither of the 2 offshore blocks were awarded, on questionable grounds in each case. Mexico’s bid round held on June 19th earned just \$40 million; the US GOM bid round, held on June 20, earned US\$2.6 billion. The report urges a legal review of aspects of Pemex’s bid protocols.</p>			