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Comisión Nacional
de Hidrocarburos



Discussion panel outcomes

Regulatory Agencies and Ministries Meeting

National Core Center
March 21, 2023

Anfitrión







Table 1

Safeguarding the historical inventory of cores and physical well samples.

Participants:

- National Hydrocarbons Commission, Mexico
- Ministry of Natural Resources, Petroleum and Mining, Belize
- Perupetro, Peru
- National Hydrocarbons Agency, Colombia

Conclusions:

- Perupetro and the Ministry of Natural Resources, Petroleum and Mining of Belize showed interest in gaining detailed knowledge of physical sample submission regulation.
- The National Core Center's process for submission, access, and loan of physical samples was explained in detail.
- Academic Institutions are the main users. Digitization of the entire Core Center's image database is the next technological improvement to be implemented.
- Cores are the most consulted samples.
- Processes of physical sample submission and access are similar in Colombia and Mexico.
- It is important to make investments through Agreements.



Table 2

Exploration and development plans.

Participants:

- National Hydrocarbons Commission, Mexico
- National Hydrocarbons Agency, Colombia
- Ministry of Energy and Mines, Peru
- Ministry of Energy and Energy Industries, Trinidad and Tobago
- Bureau of Ocean and Energy Management, United States of America
- ANCAP, (National Administration of Fuels, Alcohols and Portland), Uruguay
- Staatsolie, Suriname
- YPFB (Bolivian National Oilfields), Bolivia

Conclusions:

- It was observed that approval stages in Exploration and Development Plans occur in a similar way.
- Companies must return areas to the State as soon as exploration periods conclude.
- Regulatory Body Flexibility was suggested, from efficient exploration and extraction route incorporation to consideration circumstance changes in the drilling process.
- Follow up meetings will be held, and a work plan will be developed for further specific discussion.



Table 3 Supporting community development.

Participants:

- National Hydrocarbons Commission, Mexico
- Perupetro, Peru
- Bureau of Ocean and Energy Management, United States
- AMEXHI, (National Association of Hydrocarbon Producers), Mexico
- ANPHI, (Mexican Association of Hydrocarbon Companies), Mexico

Participants selected four objectives that were considered most relevant in terms of outcomes. Participants suggested activities to promote each objective.

1) Strengthening technical, undergraduate, and graduate education programs in influence areas.

Activities

- Infrastructure creation in schools located in influence areas.
- Extended internships in universities.
- Specialized studies in local communities.

2) Creating a fund to finance social projects in influence areas.

Activities

- Traceability of resources. Targeting economic resources to a specific social aim.
- Creation of a long-term project pool agreed upon by the community and the State.
- KPIs to follow up on long-term impact and report on resource utilization.

3) Including social impact studies in oil development

Activities

- Creating handbooks for social impact best practice implementation.
- Designing policies to follow up on presented studies.

4) Including follow up models during project development.

Activities

- Creating an autonomous fund to follow up on the benefited area, considering economic, social, educational aspects.



Table 4 Energy regulatory efficiency

Participants:

- National Hydrocarbons Commission, Mexico
- AAPG (American Association of Petroleum Geologists)
- ARPEL (Regional Association of Oil, Gas and Biofuel Sector Companies in Latin America and the Caribbean)
- ANPHI, Mexico
- AMEXHI Mexico

Participants agreed on the following statements:

- a)** Regulation provides legal certainty, which translates into stability for companies.
- b)** Listening to and consulting industry stakeholders is an essential requirement to maintain regulatory efficiency, even if not all proposals can be met.
- c)** Experience in regulatory compliance allows for regulation adjustments that reflect industry reality.
- d)** What was once efficient may not be efficient in the future. Participant operation, contract maturation and compliance with regulation drive regulatory changes.
- e)** There must be coordination between energy, environmental, security and tax authorities, among others, to allow to bring together different regulations that apply to the hydrocarbon industry.
- f)** Energy regulatory efficiency must be dynamic, and must take into consideration timing, industry dynamics, and good industry operation.