



# DOMINICAN REPUBLIC 1<sup>ST</sup> LICENSING ROUND

## Qualification and Awarding Process

Juan Agudelo, Director Consulting - Wood Mackenzie

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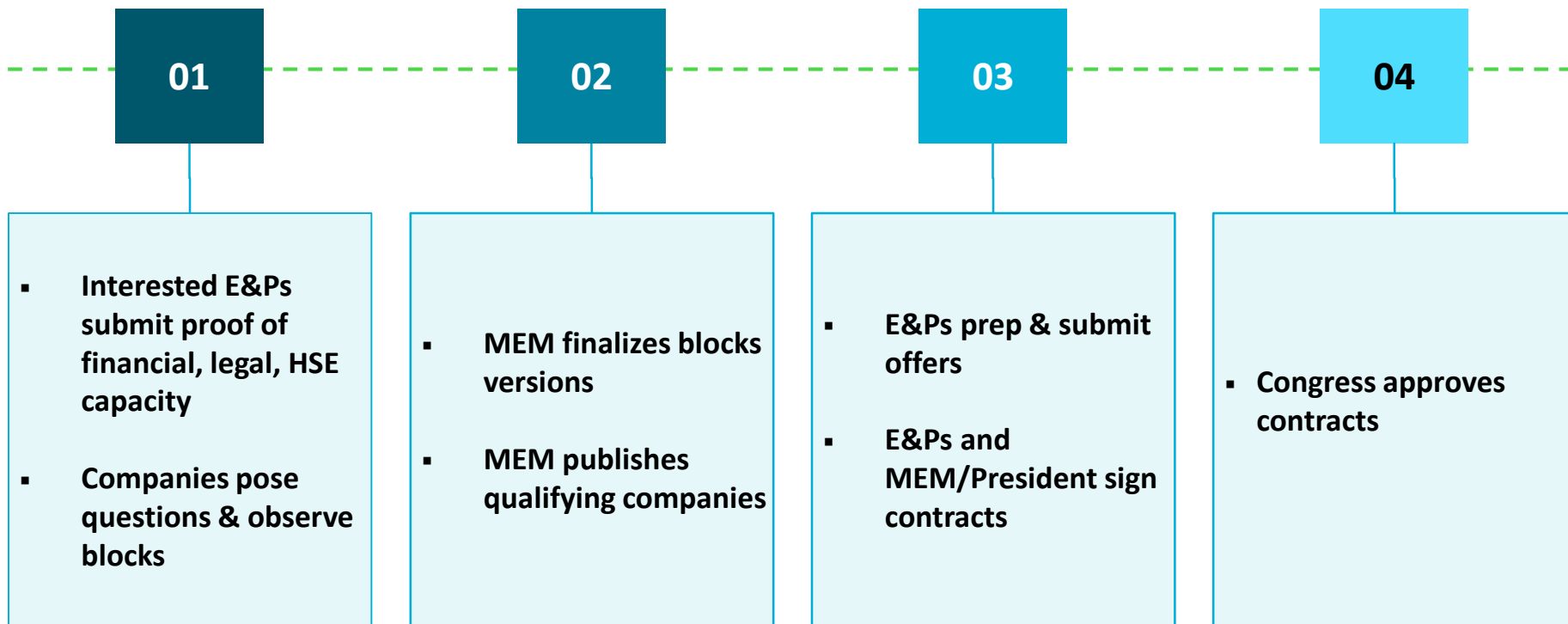
## AGENDA

**1. QUALIFICATION GUIDELINES**

2. AWARDING CRITERIA

3. ROUND TIMELINE

# The qualification and awarding process in 4 simple steps



# E&P companies may participate as an operator or non-operator as part of a consortium

Criteria	Company	Variable	Onshore	Shallow water	Deep Water
Financial	Operator	Shareholder Equity	US\$60 mm	US\$120 mm	US\$350 mm
		Net working capital	US\$15 mm	US\$30 mm	US\$60 mm
	Non Operator	Shareholder Equity	US\$30 mm	US\$60 mm	US\$175 mm
		Net working capital	US\$7.5 mm	US\$15 mm	US\$30 mm
Technical	Operator	Operated Exploration wells over last 5 years	3 wells	2 wells	1 well
		Minimum average operated production in 2018	2,000 boe/d	5,000 boe/d	10,000 boe/d
	Non Operator		No applicable		
HSE	Operator	• ISO 14001 and OHSAS 18001 Certification or Company HSE Policy			
	Non Operator	No applicable			

- Companies will have to provide 20F, 10K or audited financial statements and applicable certifications
- Operators will need to fulfill either exploration wells or operated production qualifying criteria and a minimum Working Interest of 30%
- Operators that meet qualifications for Deepwater are considered qualified for shelf and onshore and operators who qualify for shelf are considered qualified for onshore
- Companies belonging to the “Energy Intelligence Top 100” will be exempt from all requirements



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# The Awarding Criteria was designed to be simple and transparent

## Minimum work commitment



- All blocks will have a minimum work commitment measured in working units (WU), equivalent to an USD amount

## Awarding Criteria



- Companies must offer an additional work commitment measured in WU, applicable to the 1<sup>st</sup> exploration phase
- The company/consortium offering the highest additional work commitment, wins the block

## Tie breaker Additional work commitment



- In case of a tie, the company/consortium offering the highest additional work commitment for a tie, wins the block

# The work commitments are flexible while incentivizing exploration activities

## 1 Minimum work commitments

- Work units are valued at US\$5,000 per WU
- Minimum work commitment of 400 WU for **onshore** blocks (~US\$ 2 million)
- Minimum work commitment of 800 WU for **offshore** blocks (~US\$ 4 million)

## 2 Exploration period work commitments

- **1<sup>st</sup> exploration period:** minimum + additional offered in bid round
- **2<sup>nd</sup> exploration period:** 2X minimum work commitment on 1<sup>st</sup> exploration phase
- **3<sup>rd</sup> exploration period:** 1 exploration well

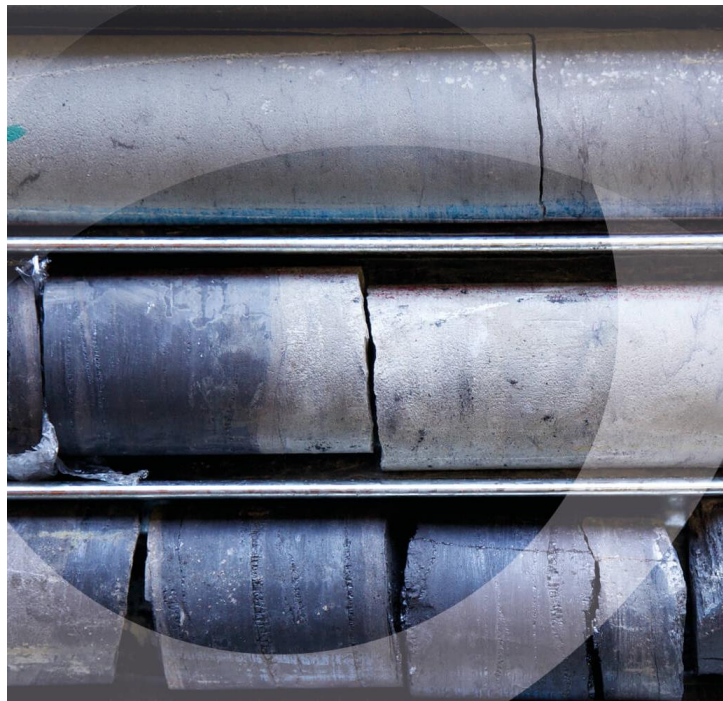
# The value of the Working Units reflects the expected cost of the exploration activities – Onshore Values



Activities	Unit of Measurement	Unit value UTE
2D Seismic	Km	8.00
3D Seismic	Km <sup>2</sup>	12.00
2D Reprocessing	Km	0.12
3D Reprocessing	Km <sup>2</sup>	0.12
Magnetometry/Gravimetry Helicopter	Km	0.05
Magnetometry/Gravimetry Fixed wing	Km	0.03
Geochemistry	Points	0.10



# The value of the Working Units reflects the expected cost of the exploration activities – Offshore Values



Activities	Unit of Measurement	Unit value UTE
2D Seismic	Km	0.240
3D Seismic	Km <sup>2</sup>	2.200
2D Reprocessing	Km	0.030
3D Reprocessing	Km <sup>2</sup>	0.150
Magnetometry/Gravimetry Helicopter	Km	0.050
Magnetometry/Gravimetry Fixed wing	Km	0.030
Magnetometry/Gravimetry Ship	Km	0.007
Geochemistry	Points	0.100



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[Info@roundsDR.gob.do](mailto:Info@roundsDR.gob.do)



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*Thank you!*

