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2017 Energy Symposium Managing Energy Resources Across International Boundaries

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1. The Agreement between the United Mexican States and the United States of America concerning transboundary hydrocarbon reservoirs in the Gulf of Mexico (the Agreement)



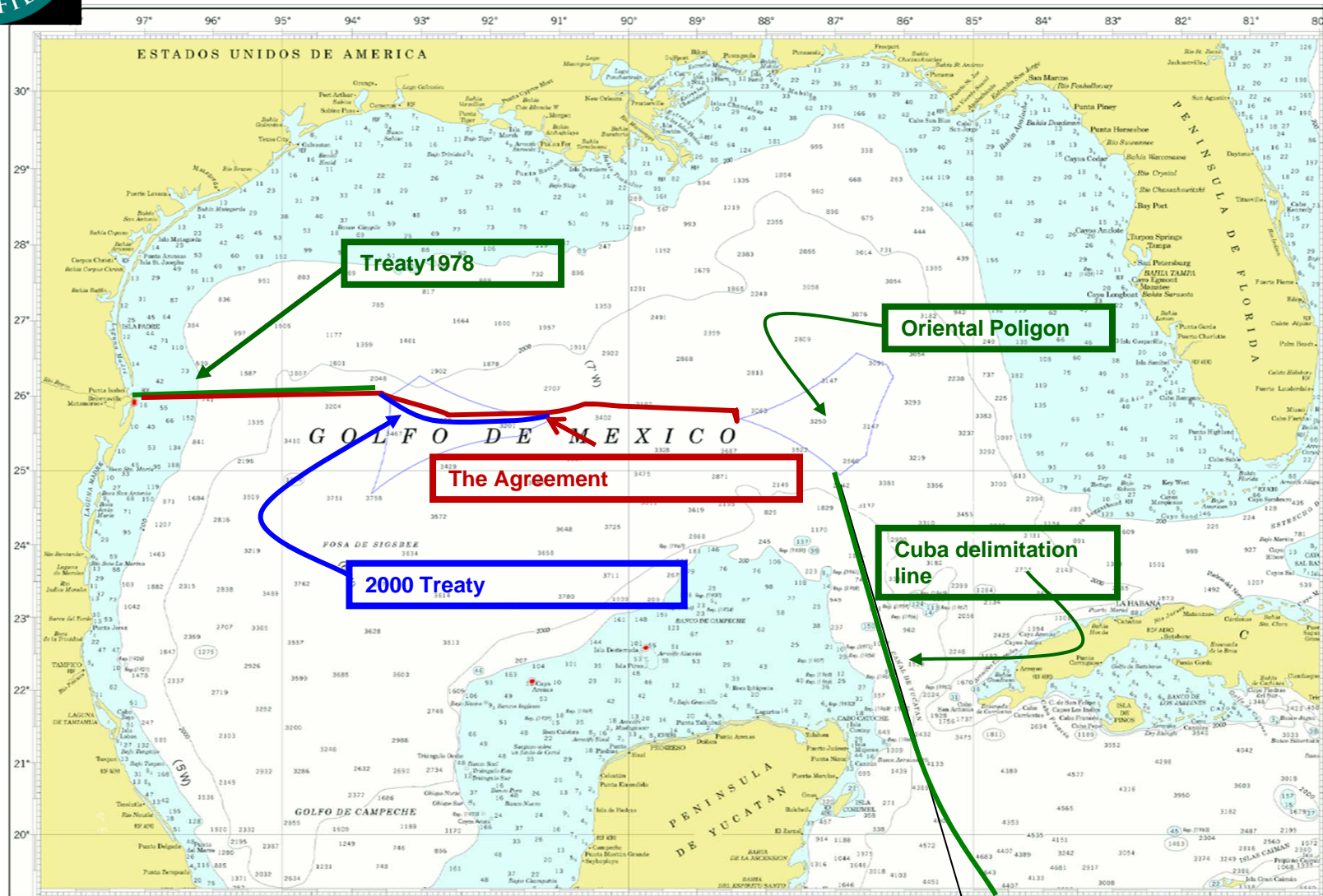
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1. The Agreement in a nutshell

1. A shared reservoir of hydrocarbons
 1. Explore and produce
 2. Prevent physical waste and maximize recovery
 3. Protect correlative rights of parties with title
 4. Promote and expedite exploration and development
2. A location / facility "near" the delimitation line







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2. The Mexico Energy Reform

1. Open exploration & production to private parties (midstream and downstream, as well as energy)
2. Trión bid
3. Next rounds



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Trion

EL FINANCIERO

ECONOMÍA

El primero

Pemex propuso migrar el campo Trion a un nuevo tipo de contrato que permita un socio.





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3. The next steps

1. TB

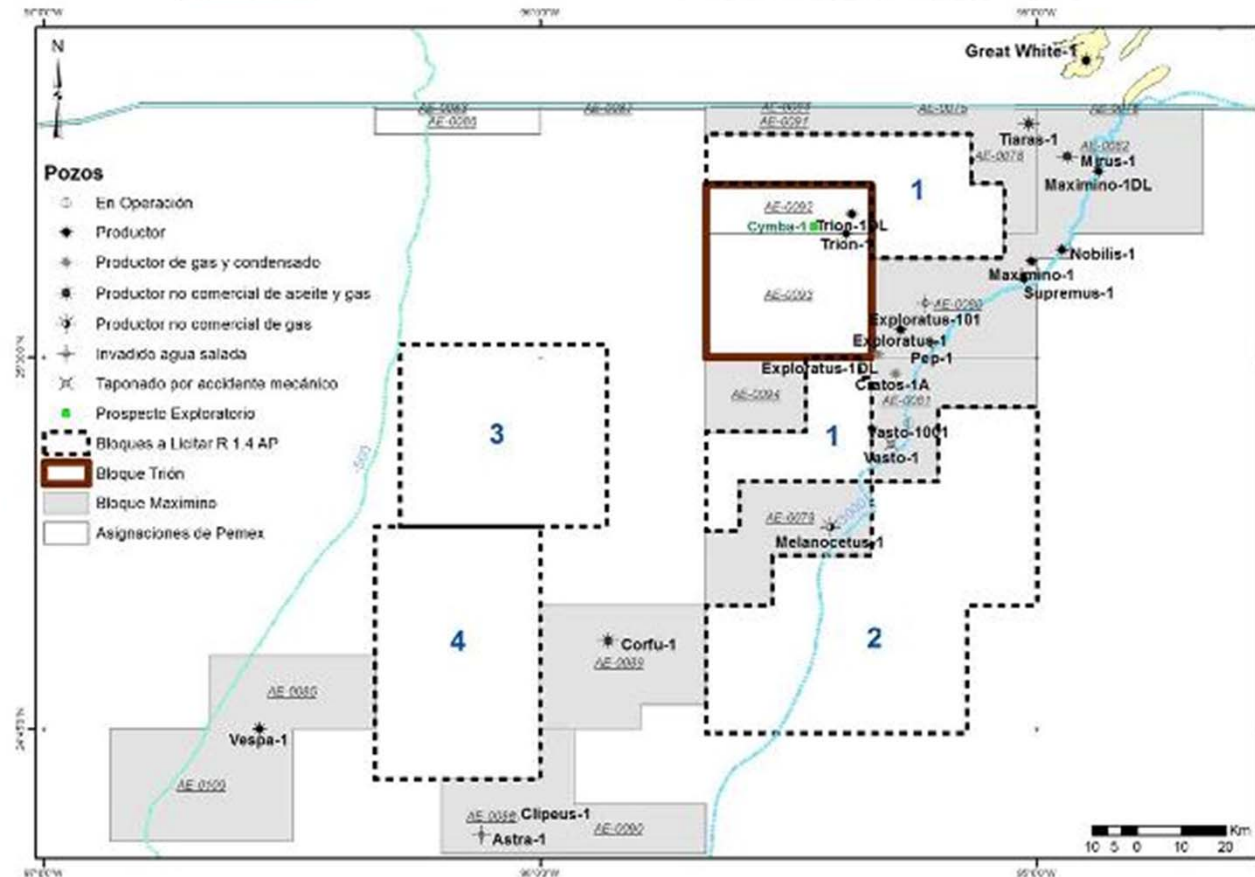
2. Near the delimitation line



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After Trion...





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3. Cooperation Option



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The shortcomings of the Agreement:

1. Maritime extension not covered

1. The Texas maritime boundary with México (9 nautical miles)
2. The Eastern GAP (México, USA and Cuba)
3. Pacific Ocean

2. Onshore extension not covered

1. All terrestrial boundary

3. Time

1. No retroactive for licenses already granted

4. Jurisdiction

1. UNCLOS – continental shelf / basis for entering into the Agreement



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If you have any questions or wish to discuss the TB Agreement, the Energy Reform or Mexico's energy sector in further detail, contact **José Luis Herrera** (jherrera@nhg.com.mx)