

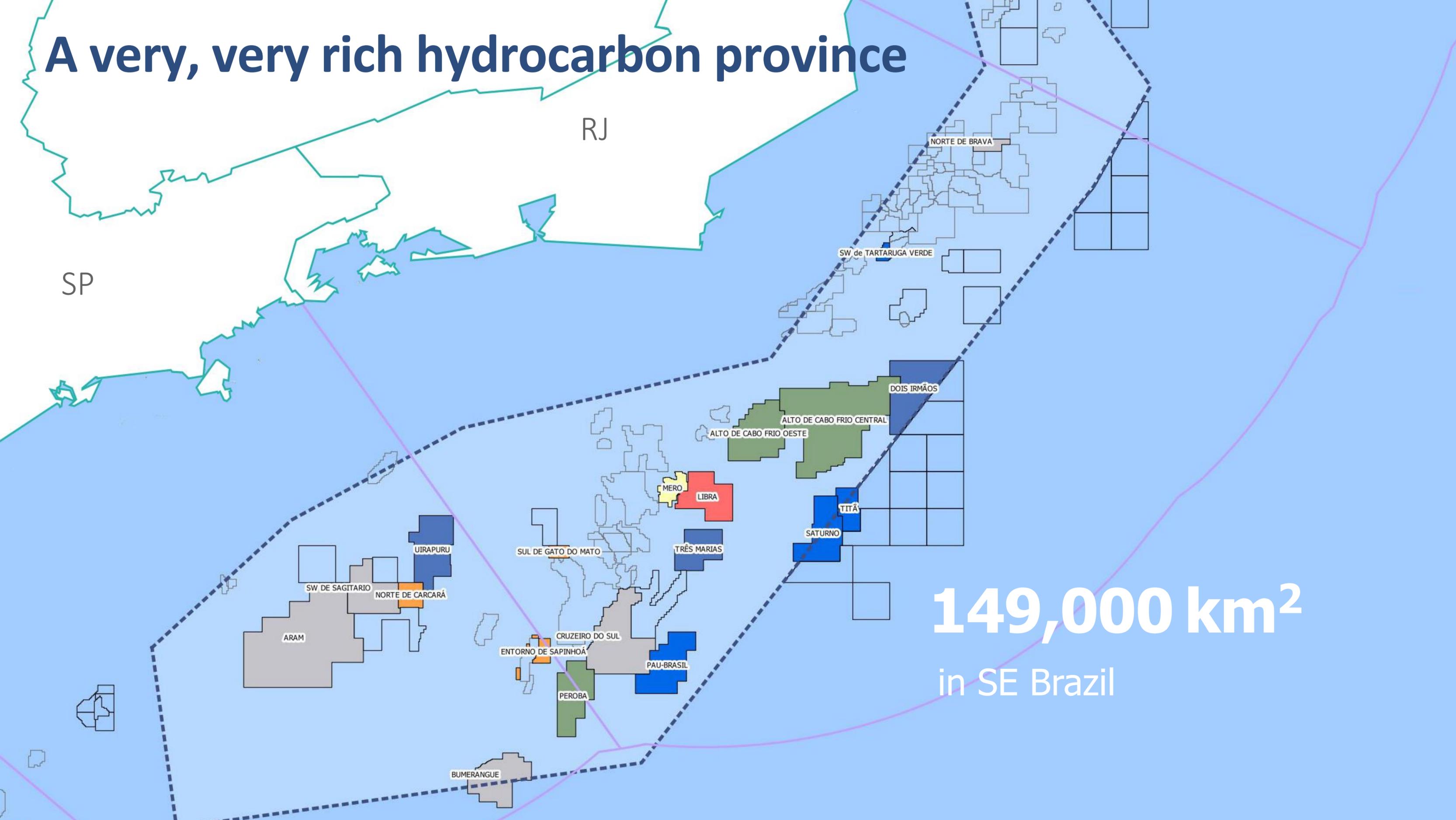
# PPSA: A KEY ACTOR IN THE PRE-SALT POLYGON, BRAZIL

EDUARDO GERK  
CEO

MAY 2019



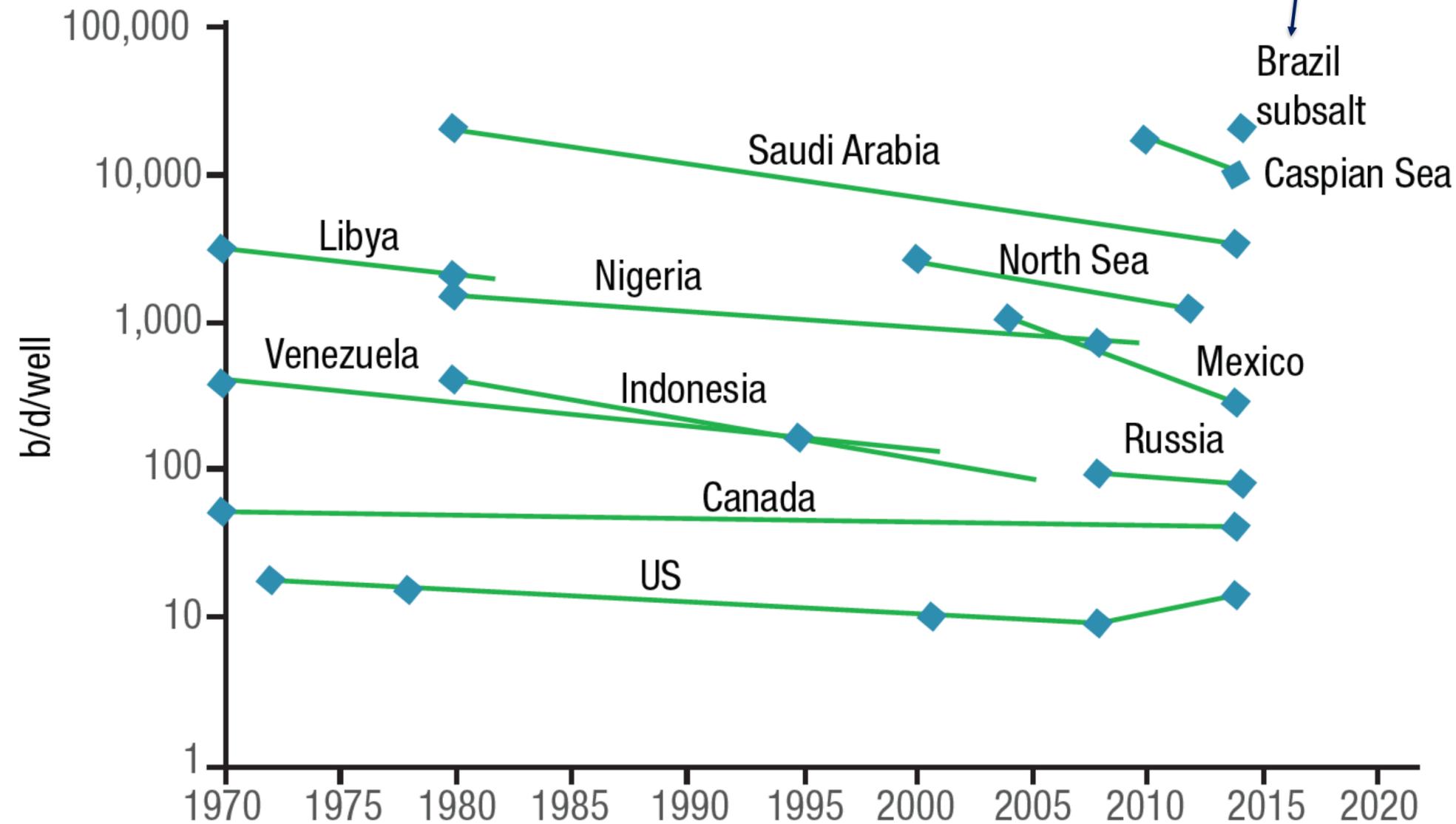
# A very, very rich hydrocarbon province



**149,000 km<sup>2</sup>**  
in SE Brazil

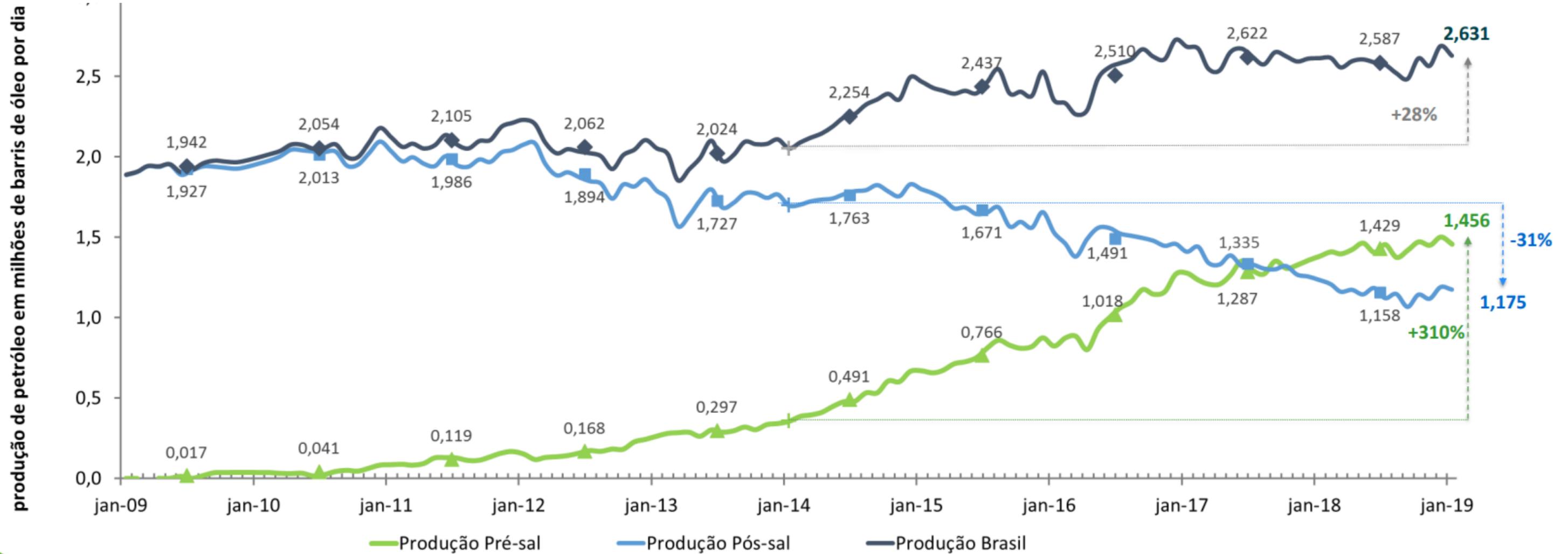
# World's top class reservoirs

## WELL PRODUCTIVITY



\* Sandrea and Goddard, 2016, *New reservoir-quality index forecasts field well-productivity worldwide*, Oil & Gas Journal, 7 p

# The increasing importance of the pre-salt for Brazil

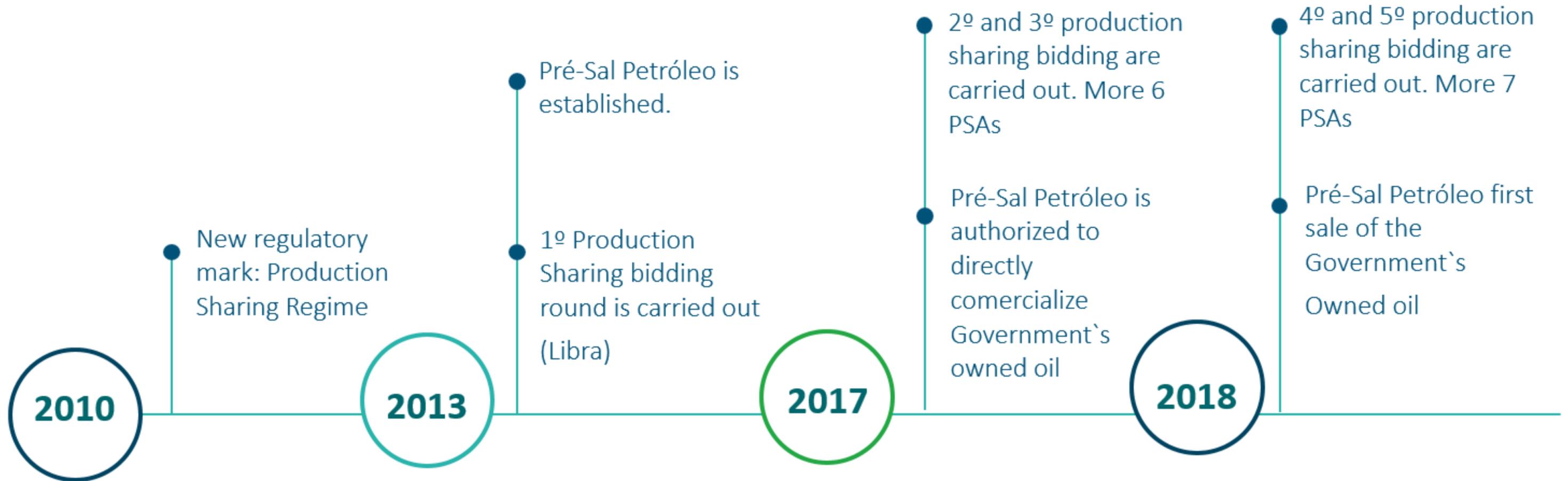


# The fast-track Libra contract

- Early Production System with a single well producing ca. 60,000 boe/d
- First oil only 4 years after PSA execution
- Laboratory for multiple technology development



# Our history



# World-class operators



**14**  
contracts

**5**  
operating  
Companies

# Non-operators from all over the world





# PPSA: Our Foundation



Management  
of production  
sharing  
agreements



Representation of the  
Federal Government in  
the Production  
Individualization  
Agreements  
(unitization)



Commercialization of  
the Federal  
Government's oil and  
gas share

# Our portfolio



**14 Production Sharing Agreements**

**22 Unitization Agreements**

**Oil trade: Mero, Sapinhoá and Lula fields**

# Some of our legal obligations



➤ **Our daily activities are based on:**

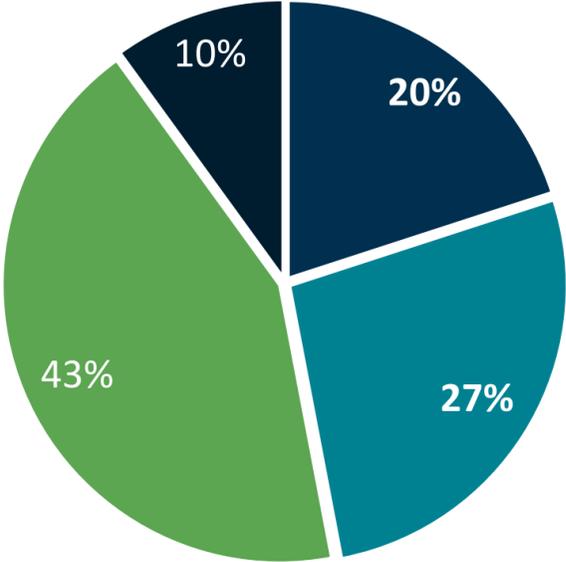
1. Standardization
2. Simplification
3. Transparency

# High performance team

Average experience in the oil & gas industry: 31 years

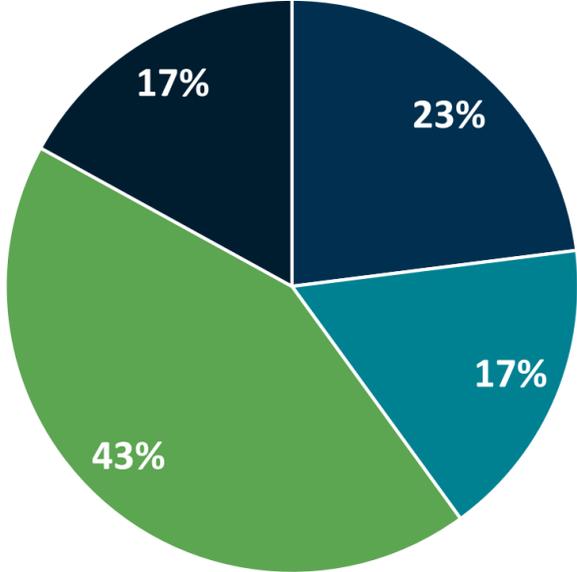


Academic Background



■ PhD ■ Master ■ MBA ■ University

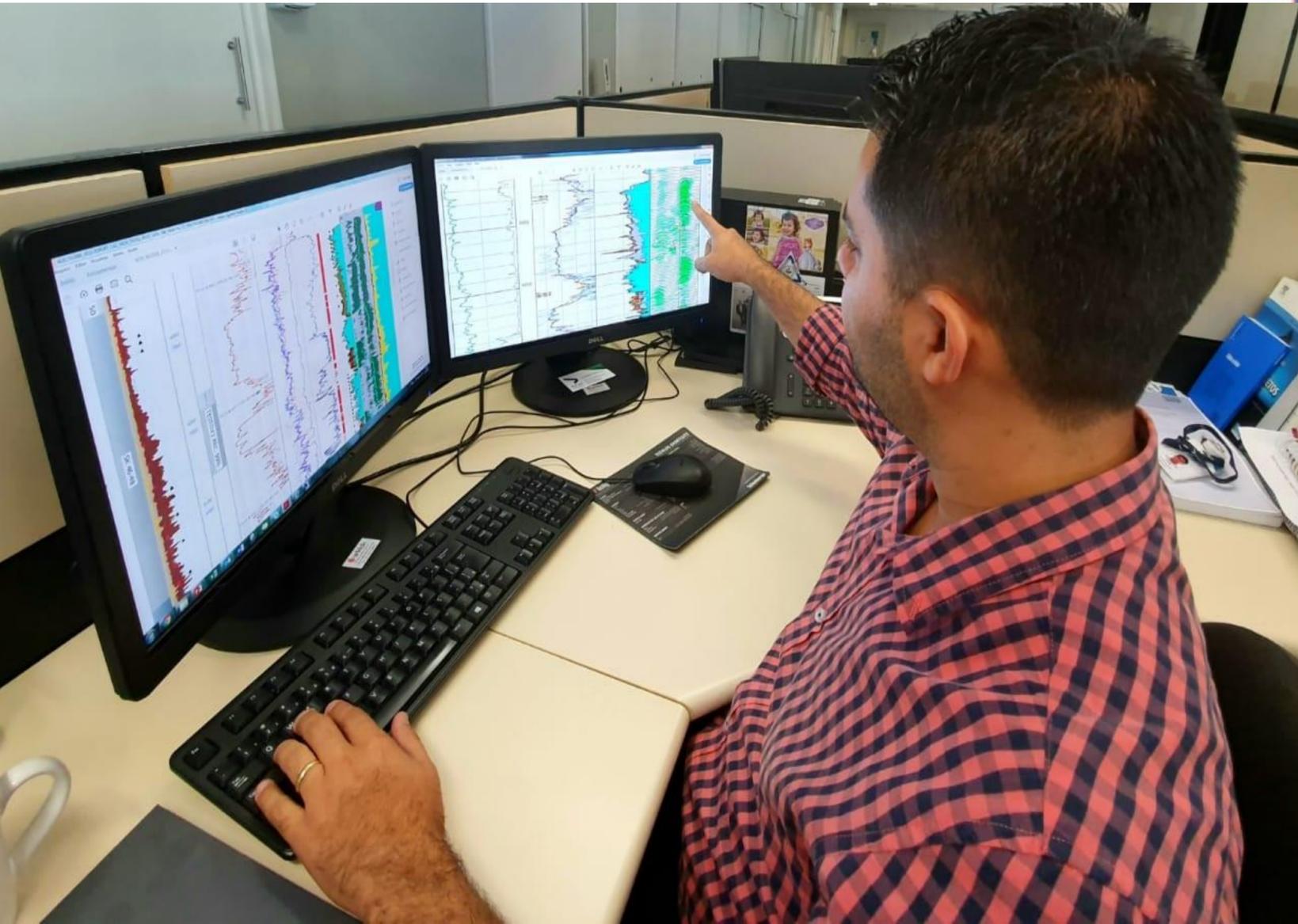
Experience in the oil and gas industry



■ 10 - 20 years ■ 20 - 30 years ■ 30 - 40 years ■ Up 40 years

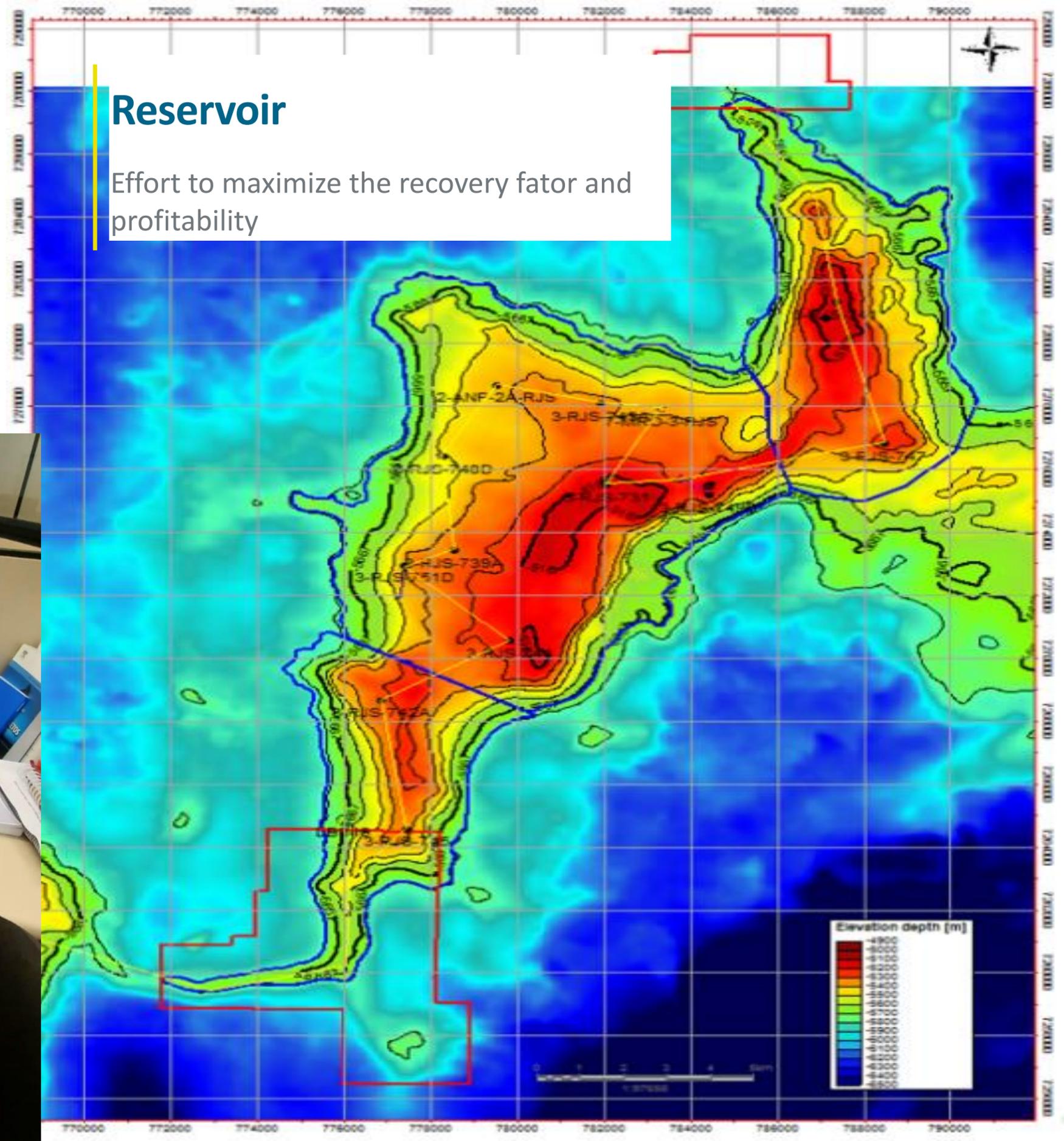
# Exploration

Strong interaction with the operators



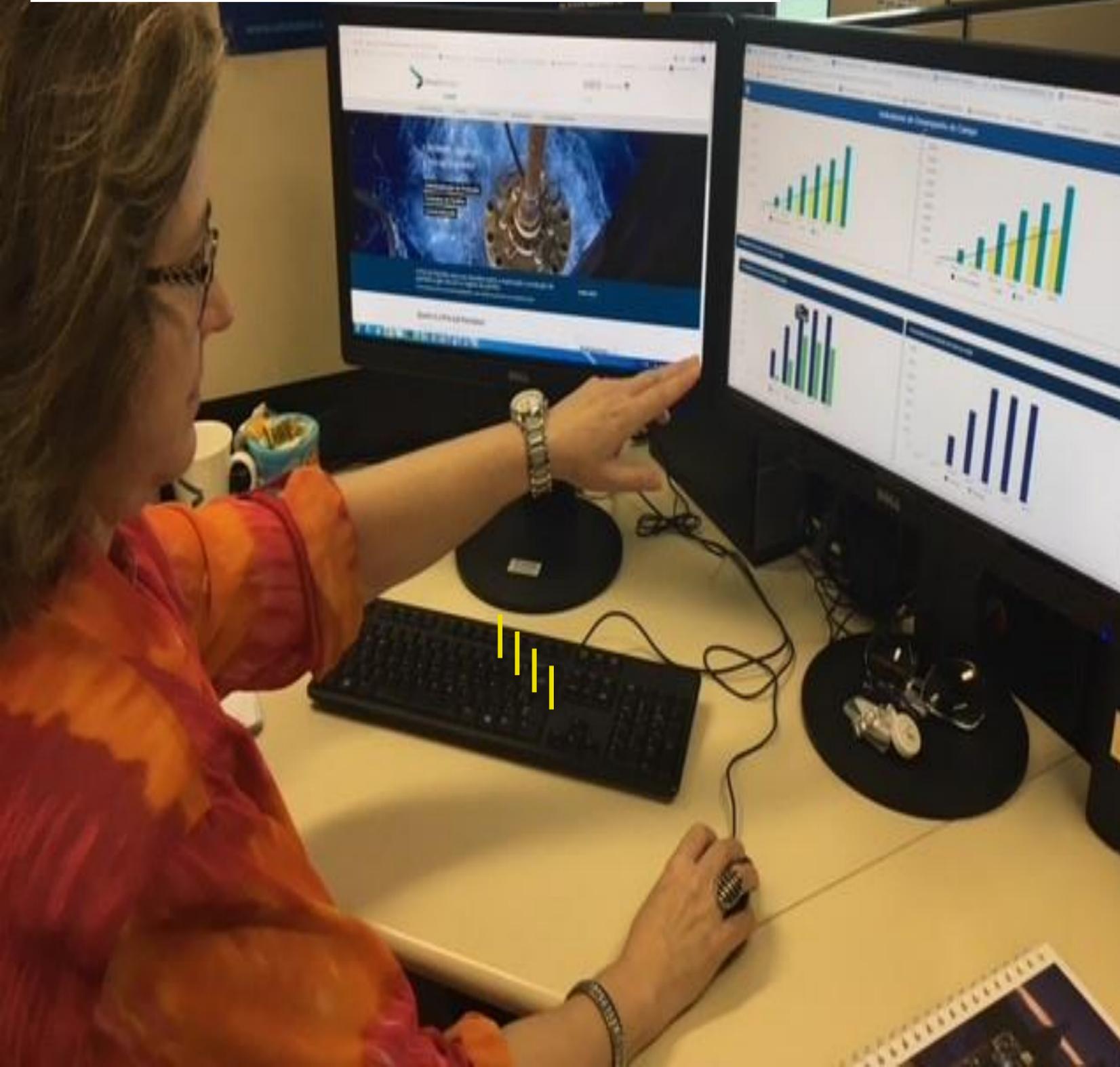
## Reservoir

Effort to maximize the recovery factor and profitability



## Production follow up

Each barrel matters



## Technology innovation

Intensive partnership with consortia aiming at innovation

Pilot plant for testing new gas membranes



# Production Sharing Agreement Cost Recognition Management System (SGPP)

Digital system for the management of the PSAs (total of 10 modules)

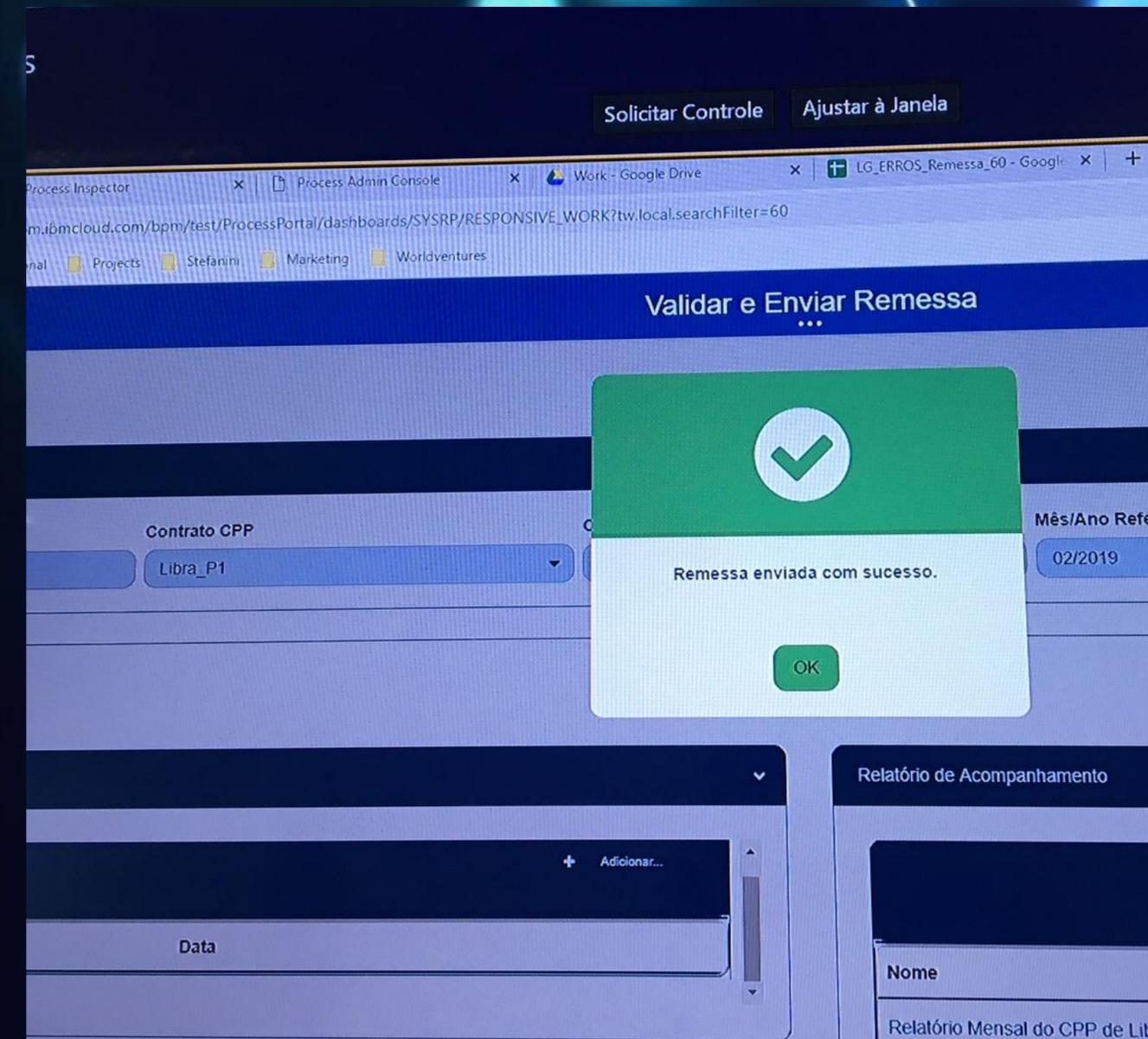
A US\$ 3.6 MM investment

**Significant time reduction in the cost recognition process**

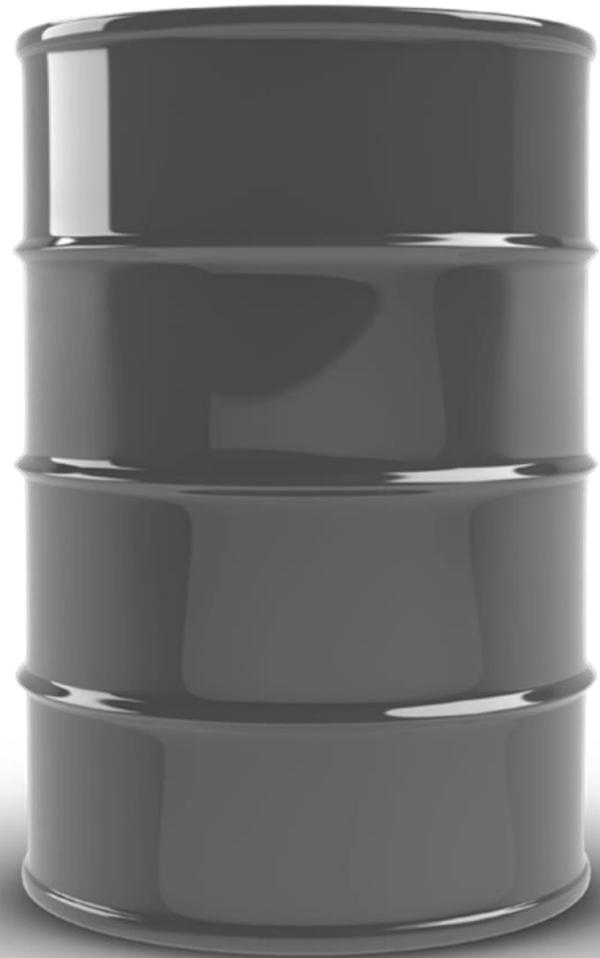
**Gain in data validation: from 4 days to 4 minutes**

**Higher confiability**

**A unique data base for the Brazilian pre-salt**



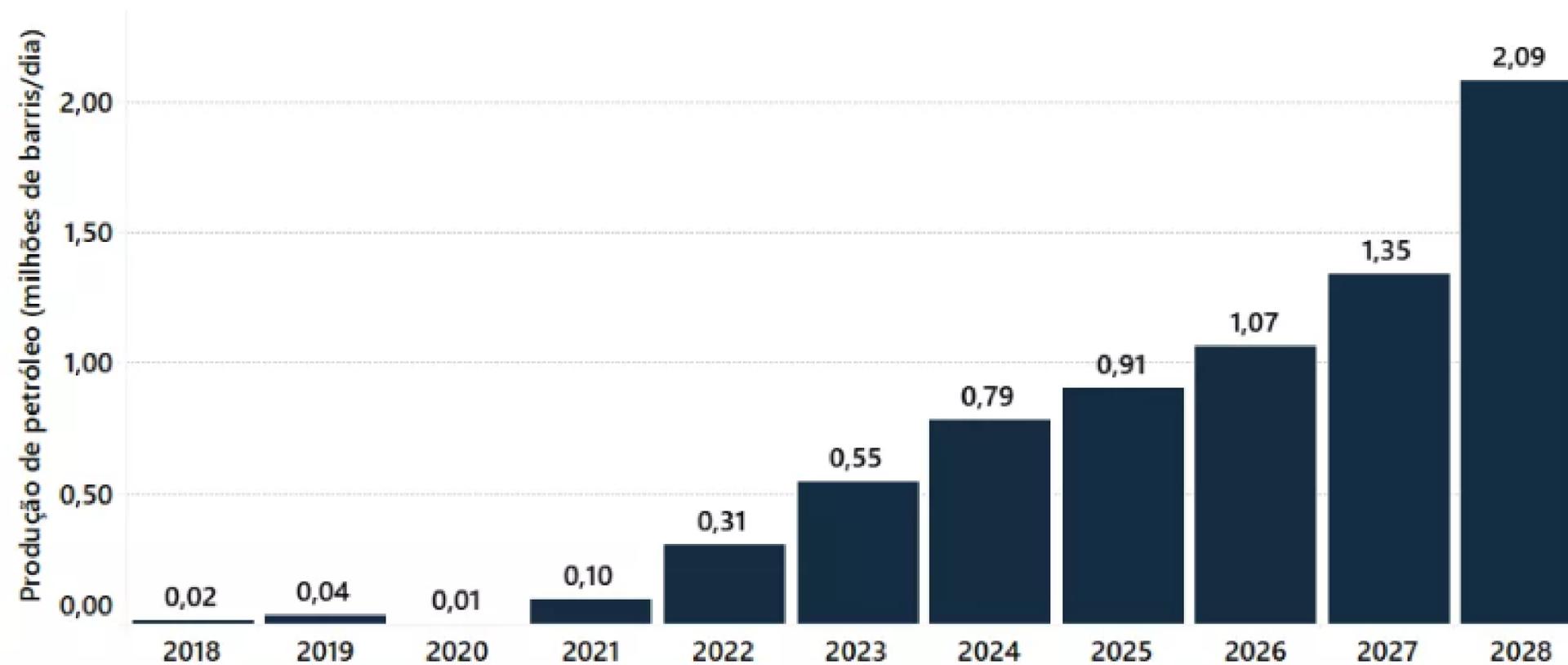
# Estimated production from the 14 PSAs for 2028



**2 million**  
**barrels of oil/day**

Government's share  
**250,000 barrels of oil/day**

# Estimated production curve for the 14 PSAs until 2028



Elaborado pela epbr com dados da PPSA  
20 de novembro de 2018

## Methodology

- 80% exploration success rate rate
- The 14 projects should produce their first oil by 2028

# Investment forecast until 2028



**US\$ 144  
billion until  
2028**

**US\$ 50,4 billion**

Production platforms

---

**US\$ 43,2 billion**

Subsea systems

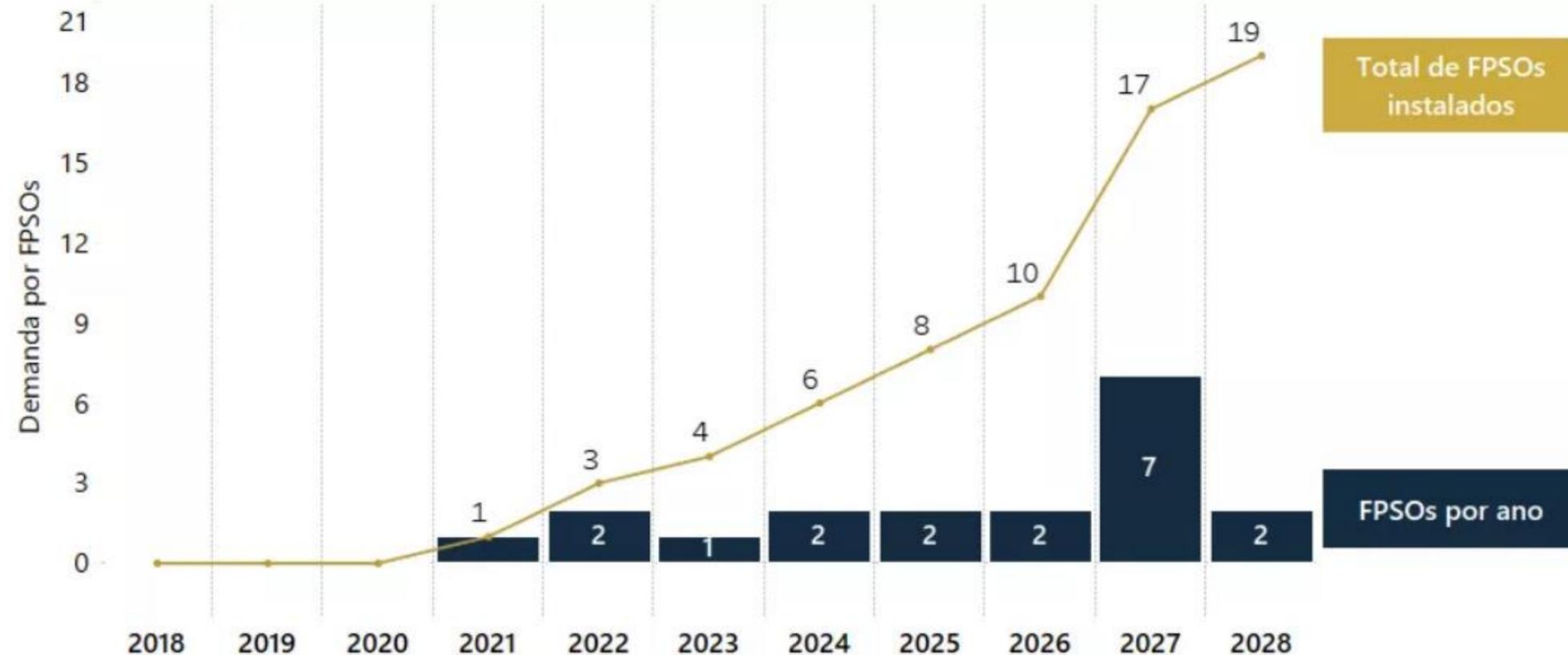
---

**US\$ 50,4 billion**

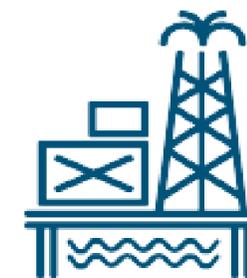
Wells

# High demand for goods and services

## FPSOs contracting curve



Elaborado pela epbr com dados da PPSA  
20 de novembro de 2018



11 exploratory wells \*

316 production and injection wells



19 FPSOs



316 christmas trees

\* minimum

# Concluding remarks

**We know our business. We have a high performance team**

**We have an excellent relationship with operators and non-operators**

**We have the necessary resources to manage the different PSAs**

**We work hard to improve the recovery factor and profitability of each contract**

**The success of the investors is our success**





EDUARDO GERK  
CEO

[eduardo.gerk@ppsa.gov.br](mailto:eduardo.gerk@ppsa.gov.br)