

**Closing Ceremony for the 2022 Onshore and Nearshore Competitive Bid  
Round.**

**Location: Doddridge Alleyne Conference Room, Level 26**

**Time: 1:30 to 2:30 p.m.**

Remarks by the Minister of Energy and Energy Industries and Minister in the Office of the Prime Minister, the Honourable Mr. Stuart R. Young, M.P.

Salutations

Permanent Secretary Penelope Bradshaw-Niles

Permanent Secretary (Ag.) Sandra Fraser

Representatives of the Energy Industry

Specially invited guests

Colleagues

Members of the Media

A pleasant good afternoon to each of you. I would like to welcome you all to the Closing Ceremony of the 2022 Onshore and Nearshore Competitive Bid Round. Thank you for joining us today.

Trinidad and Tobago has a long and rich history in the oil and gas industry, with over 100 years of production both onshore and offshore. Cumulative production has reached over three billion barrels of oil.

The Ministry of Energy and Energy Industries is committed to encouraging exploration for future reserves both onshore and offshore Trinidad and Tobago. As you may be aware, the Ministry has launched a series of bid-rounds including the deep-water bid-round in December 2021 and the Onshore bid-round in 2022, with plans to launch a Shallow Water bid round in the near future.

On July 8<sup>th</sup> 2022, the Petroleum Regulations (Onshore and Nearshore Bidding) Order was published in the Gazette, signalling the start of the 2022 Onshore and Nearshore Competitive Bid Round. A total of eleven (11) blocks were made available for bidding including Aripéro, Buenos Ayres, Charuma, Ciperó, Cory D, Cory F, Guayaguayare, South West Peninsula Onshore, South West Peninsula Offshore, St. Mary's and Tulsa.

These blocks are located in the Southern Basin, an area known for its transpressional thrust system and Cretaceous-aged Naparima Hill source rock, equivalent to the

prolific La Luna Formation of South America, with significant untapped potential for future discoveries.

In order to support interested parties in the bid round, the Ministry compiled extensive technical data for each block, which was made available to all bidders. Interested parties were able to pay the bid fee in TT currency equivalent, to encourage as much access as possible to the data provided. In addition, the Ministry has actively promoted the bid round through participation in local and international conferences and events.

Furthermore, by utilizing stakeholder feedback, the Ministry has updated its Exploration and Production licence to ensure that it is as robust as possible through rigorous standardization and optimization of provisions and agreements.

The bid proposal will be evaluated based on the provisions outlined in the Order, including a Point System, which considers a minimum exploration work program for each block, including geophysical commitments (typically acquisition and/or reprocessing of seismic data), geological and geophysical studies, and drilling (which awards points based on cumulative footage).

Today, six (6) months after the launch of the bid round, we are here to mark the end of the bidding process. The successful bids will be announced by the Ministry of Energy and Energy Industries in three months' time. Upon being notified of their

success, the successful bidder will be required to execute an Exploration and Production (Public Petroleum Rights) License with the state within 30 days. The initial license period will be six contract years, with the possibility of renewal for an additional 25 years. The term may even be further extended for periods of five years.

In addition to the minimum exploration work program, the successful bidder will also be required to meet key financial obligations, including a biddable signature bonus, production bonus, technical equipment bonus, environmental bonus, royalties, minimum payments, training and research and development contributions, scholarships and annual surface rental. These payments must be satisfied at the contractor's own expense and are intended to support the ongoing development and exploration of the energy resources of Trinidad and Tobago.

Looking ahead, the Ministry is planning its Shallow Water Competitive Bid Round, which is expected to be launched within the first quarter of 2023. Over twenty blocks are available for inclusion in this bid round. The Ministry is committed to transparent and fair bidding processes and will continue to work with all stakeholders to ensure the success of this and future bid rounds.

Once again, I would like to thank all of you for your participation in the 2022 Onshore and Nearshore Competitive Bid Round. We look forward to announcing

the successful bids in the coming months and continuing to work with you to explore and develop the energy resources of our country.

Thank you.