The Mexico Regional Forum was originated with the intention of spreading IOGP’s knowledge and best practices in safety, environment and standards to Mexican and regional private and public stakeholders, as well as the oil companies interested in making risk investments in Mexico.

We are extremely grateful to speakers and all of those who attended the meeting. After the successes of the event we hope to continue an extensive and rewarding relationship between the two organisations.

Please enjoy this slide pack.
SESSION FOUR: Alignment with regulators

15:00

SPEAKERS

Xenia Baumgarten
General Manager
LUKOIL Overseas

Jaime Buitrago
Exploration Director
ExxonMobil E&P México

Carolina Ortega
Social Performance Manager
Noble Energy

João Figueira
President Director
Petrobras México

John Campbell
Technical Director
IOGP
Perspective on Mexico’s New Regulatory Edifice

Session 4.1
Jaime Buitrago
ExxonMobil E&P México
Collaboration

Existing **formal** mechanisms for stakeholder consultation

**Consejos Consultivos**

Increasing use of **new** mechanisms

*i.e. Sesiones de Trabajo*

**Rapid** insertion of AMEXHI in the conversation

From “send us your comments” to “let’s work together”
Collaboration – ASEA example

AMEXHI Participation

Solicitud de Iniciativa
• Aprobación Jefe Unidad
• Aprobación Gpo. Directivo

Doc. Conceptual 1

Creación de Grupo de Trabajo

Doc. Conceptual 2: Lineamientos
• Validación Gpo. Directivo

Validación Jurídica

SOCIALIZACIÓN

Opinión Dependencias (15 días h)

MIR

Envío ROMR SEMARNAT

Consulta Pública COFEMER (30 días h)
• Atención a Comentarios

Publicación DOF (10 días h)

Source: ASEA
### AMEXHI involvement

<table>
<thead>
<tr>
<th>CNH</th>
<th>ASEA</th>
<th>SENER</th>
<th>CONAGUA</th>
<th>SE</th>
<th>SEMAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metering</td>
<td>Insurance</td>
<td>Land Use</td>
<td>Water Use</td>
<td>Nat. Cont.</td>
<td>NCP</td>
</tr>
<tr>
<td>Reserves</td>
<td>Systems</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gas</td>
<td>E&amp;E</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wells</td>
<td>Wells</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plans</td>
<td>Unconv.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Data</td>
<td>Incidents</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers</td>
<td>3rd Parties</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The Road

- Regulating peers
  - Temptation for the descriptive – “tells us how to do it”
  - Desire to “cover all flanks” – no opening for criticisms
  - Seeking redundancies – diffused regulatory boundaries

- Social regulation
  - Call to protect communities from actions of the authority

- Made in Mexico

- Embrace open participation and competition
  - Performance-based regulation – room for innovation

- Leverage risk transfer
  - Common drivers for optimum performance from industry

- Go global
  - Do not reinvent the wheel (or “the black thread”)
  - Steal shamelessly, but do so selectively and consciously, and do not pile up your plate
After the Crunch - Regulatory Edifice

Consolidate and rationalize
A single regulation in each institution, for the whole activity

Coordinate and simplify
Minimum regulatory burden for maximum benefits to society

Centralize information
One system / database for all O&G regulatory agencies

Improve continuously
Keep teams in place for regulatory improvement

AMEXHI
Asociación Mexicana de Empresas de Hidrocarburos

IAGP
International Association of Oil & Gas Producers
Our Purpose:
Energizing the World, Bettering People’s Lives
Premier Global Operations

- High-Quality, Diversified Asset Base
- Balanced Mix of Geography and Commodity Exposure
- All Core Areas have visible Long-Term Growth Potential / Running Room
- Portfolio Provides High Capital Efficiency / Minimal Maintenance Capex

<table>
<thead>
<tr>
<th>Reserves and 2016 Production Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015 Reserves</td>
</tr>
<tr>
<td>2016E Production</td>
</tr>
<tr>
<td>Location</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Composition</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

Location:
- ~ 72% U.S.
- ~ 28% Int'l

Composition:
- ~ 45% Liquids
- ~ 35% U.S. Gas
- ~ 20% Int'l Gas
Industry Leading Project Execution

• Early Integration of Exploration, Appraisal, Development and Operations
• Early Alignment with Partners, Contractors, Governments and Communities
• Leverage Everyone’s Perspective leading to Innovative Solutions – Greater Value
• Setting New Standards in Safety and Environmental Responsibility – “No Harm” Culture

Tamar (Israel)
- 2.5 years from project sanction to first gas
- World’s longest subsea tie-back

Gulf of Mexico
- 3 years from production to first oil at Big Bend / 2 years at Dantzler
- First permit in U.S. GOM post-Macondo

Aseng FPSO (EG)
- Discovery to Production in 4 Years
- Reached full production rate in 5 days

Integrated Development Plans
- Centralized facilities reduce impact and deliver efficiency
We are committed to achieving NO HARM to the environment, to people and to the communities where we operate.

We provide leadership in safety and environmental management – continuously decreasing the risk of injury, illness and environment impact.

Last year was a record year in combined company and contractor EHS performance
- 45% global reduction in recordable incident rate since 2011
Noble Energy’s Approach to CSR

Energizing the World, Bettering People’s Lives.

- Consistent, company-wide program that builds shared value to communities and the company.
- Align our operations with international standards.
- Contribute to Noble Energy’s ability to be competitive, nimble, flexible, stay on budget and on schedule.
- Leverage our position to build partnerships.
- Focus Social Investments around three pillars:  
  - Workforce development/ education  
  - Health  
  - Environment
Shared Value

Shared value is a strategy through which companies address social needs and improve their competitiveness.

Shared Value is:
Policies and practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates.

Shared Value is NOT:
- Sharing the value already created (philanthropy)
- Personal values
- Balancing stakeholder interests
- Compliance

This means building competitive advantage by solving social problems.

Source: sharedvalue.org
Benefits of Noble Energy’s Approach to CSR

Energizing the World, Bettering People’s Lives

► Sustainable programs
  ▪ Demonstrate value added to the business for competing resources.

► Co-ownership (company and community)
  ▪ Reduce dependency culture.

► Strategic Social investments
  ▪ Support community priorities for sustainable development
  ▪ Mitigate business risks
  ▪ Directly linked to project impacts and opportunities
Local Workforce Development

*Training programs that are based on industry needs and linked to jobs*

- National Technological Institute of Hydrocarbons of Equatorial Guinea (ITNHGE)
  - Training local workforce
  - Some graduates are selected for further study at ASET

- ASET – Aberdeen Skills and Enterprise Training
  - Certificates in Process Operations, Mechanic, Safety, Instrumentation and Electrical trades

- Noble-Ruppin Center for Energy and Natural Gas in Israel
  - 5 year, $3.4 million commitment
Health

Reducing the disease burden among communities

- Partner in the Bioko Island Malaria Control Project and the Equatorial Guinea Malaria Vaccine Initiative
  - Key partners include EG Government, Sanaria and Marathon
  - Trials are underway on a vaccine that could eliminate malaria – 30 participants in 2015
  - Malaria parasite reduced by 70% in children under 15 since 2004

Increasing emergency response capabilities

- Ebola response efforts
  - Support NGO partners in helping the Cameroon government prepare for Ebola infection prevention
  - Project with Marathon Oil, the WHO and the EG government to educate the public on Ebola transmission prevention measures
Environment

Improving waste disposal

- Recycling programs in 2015
  - Equatorial Guinea operation recycled 44.8 tons, accounting for 39 percent of its total waste

Partnering to build local capacity

- Partnership with Wildlife Conservation Society
  - Training on biodiversity, and business skills to communities in protected areas to enhance their livelihood while protecting delicate ecosystems
Conclusion

▶ Successful CSR programs
  ▪ Build shared value
  ▪ Enable business to remain competitive
  ▪ Sustainable
  ▪ Aligned with international standards

▶ Regulation on social issues that is too prescriptive and burdensome stifles a company’s ability to be a successful player in the industry

▶ Governments can play a critical role by taking action to encourage shared value adoption
  ▪ Setting a clear national development agenda
  ▪ Removing policies that create barriers to shared value creation (e.g., regulations that require companies to make social investments in areas outside of the core business)
  ▪ Supporting cross-sector partnerships
Noble Energy … Unique by Design

Unique Purpose

Unique Strategy

Unique Assets

Unique Execution

Unique Growth

Unique Results

Unique Future
Forward-looking Statements and Other Matters

This presentation contains certain “forward-looking statements” within the meaning of the federal securities law. Words such as “anticipates,” “believes,” “expects,” “intends,” “will,” “should,” “may,” and similar expressions may be used to identify forward-looking statements. Forward-looking statements are not statements of historical fact and reflect Noble Energy’s current views about future events. They include estimates of oil and natural gas reserves and resources, estimates of future production, assumptions regarding future oil and natural gas pricing, planned drilling activity, future results of operations, projected cash flow and liquidity, business strategy and other plans and objectives for future operations. No assurances can be given that the forward-looking statements contained in this presentation will occur as projected, and actual results may differ materially from those projected. Forward-looking statements are based on current expectations, estimates and assumptions that involve a number of risks and uncertainties that could cause actual results to differ materially from those projected. These risks include, without limitation, the volatility in commodity prices for crude oil and natural gas, the presence or recoverability of estimated reserves, the ability to replace reserves, environmental risks, drilling and operating risks, exploration and development risks, competition, government regulation or other actions, the ability of management to execute its plans to meet its goals and other risks inherent in Noble Energy’s business that are discussed in its most recent Form 10-K and in other reports on file with the Securities and Exchange Commission. These reports are also available from Noble Energy’s offices or website, http://www.nobleenergyinc.com. Forward-looking statements are based on the estimates and opinions of management at the time the statements are made. Noble Energy does not assume any obligation to update forward-looking statements should circumstances or management's estimates or opinions change.

This presentation also contains certain historical and forward-looking non-GAAP measures of financial performance that management believes are good tools for internal use and the investment community in evaluating Noble Energy's overall financial performance. These non-GAAP measures are broadly used to value and compare companies in the crude oil and natural gas industry. Please also see Noble Energy's website at http://www.nobleenergyinc.com under “Investors” for reconciliations of the differences between any historical non-GAAP measures used in this presentation and the most directly comparable GAAP financial measures. The GAAP measures most comparable to the forward-looking non-GAAP financial measures are not accessible on a forward-looking basis and reconciling information is not available without unreasonable effort.

The Securities and Exchange Commission requires oil and gas companies, in their filings with the SEC, to disclose proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. The SEC permits the optional disclosure of probable and possible reserves, however, we have not disclosed our probable and possible reserves in our filings with the SEC. We use certain terms in this presentation, such as “discovered unbooked resources”, “resources”, “risked resources”, “recoverable resources”, “unrisked resources”, “unrisked exploration prospectivity” and “estimated ultimate recovery” (EUR). These estimates are by their nature more speculative than estimates of proved, probable and possible reserves and accordingly are subject to substantially greater risk of being actually realized. The SEC guidelines strictly prohibit us from including these estimates in filings with the SEC. Investors are urged to consider closely the disclosures and risk factors in our most recent Form 10-K and in other reports on file with the SEC, available from Noble Energy's offices or website, http://www.nobleenergyinc.com.
The role of ARPEL in strengthening the development of the upstream sector in Latin America and the Caribbean

Session 4.3
João Figueira
Petrobras México
Constructive liaison with governments: one industry, a supporting voice - The role of ARPEL in strengthening the development of the upstream sector in Latin America and the Caribbean

Future-proofing the oil and gas industry – a regional forum in Mexico
IOGP/AMEXHI Regional Forum - 25th May, 2016 - Mexico City
SESSION FOUR - Alignment with regulators
Joao Figueira - ARPEL Director
1965

An idea is born

ANCAP
ECOPETROL
ENAP
PDVSA
PETROPERU
PETROBRAS
YPF
YPFB

founded ARPEL
Asistencia
Recíproca
Petrolera
Estatal
Latinoamericana

Headquarters: Montevideo, Uruguay
ARPEL today

REGIONAL ASSOCIATION OF OIL, GAS AND BIOFUELS COMPANIES IN LATIN AMERICA AND THE CARIBBEAN

- Public, Private and Mixed Operators + Service Providers
- Representing + 90% of upstream and downstream operations
- Cooperation, integration and innovation are the key values of ARPEL
Commitments of Companies and Association Members of ARPEL

- Cooperation among peers to achieve Operational Excellence
- Foster regional energy integration aiming at sustainable development
Promote cooperation and reciprocal assistance
Develop “Technical Advocacy”
Foster Regional Energy Integration
Generate Spaces of Dialogue
Perform as an articulator among Member Companies and the national and international institutions related to the sector
Over 300 Expert Delegates and Executives Work in the Technical Committees and Working Groups

EXPLORATION AND PRODUCTION

REFINING AND FUELS

PIPELINES AND TERMINALS

GAS AND ENERGY

ENVIRONMENT, HEALTH AND SAFETY

HUMAN TALENT AND KNOWLEDGE MANAGEMENT

SOCIAL RESPONSIBILITY

COMMUNICATIONS, CLIMATE CHANGE, REGULATIONS, CYBERSECURITY
GUIDELINES, MANUALS AND OTHER PUBLICATIONS

DISPOSAL AND TREATMENT OF PRODUCED WATER

Relations with Communities Management System

July 2009

Manual for Building Relationships with Indigenous Peoples
Cross-check of terminals’ operational management using the ARPEL Manual as a reference

One and only document with a consensus of the three parties on the basis to develop socio-environmental regulations in the Region

“Technical Advocacy” – Examples of successful outcomes
“Technical Advocacy” – Examples of successful outcomes

Promotion to articulate public-private investment
Recommendations to improve the socio-environmental licensing process
Forum of convergence of Hydrocarbon Agencies, Industry and other stakeholders

ARPEL co-ordinates annual meetings of National Hydrocarbon Agencies of the Region
White Paper “Opportunities to develop unconventional oil and gas in Latin America and the Caribbean”
The potential/reality of ARPEL-IOGP Synergies

ARPEL

National Industry Associations

Technical advocacy

Regional approach

International coverage

IOGP/IPIECA

WPC/WEC
REGIONAL ASSOCIATION OF
OIL, GAS AND BIOFUELS SECTOR COMPANIES
IN LATIN AMERICA AND THE CARIBBEAN

Javier de Viana 1018 - Montevideo 11200, Uruguay
Tel. + (598) 2410-6993

www.arpel.org
Regulators and the regulated

Session 4.4
John Campbell
IOGP
Regulations and regulators

✓ Come in all shapes and sizes (and difficulty)
✓ Provide overall direction and policy at:
  • International level
  • Regional level
✓ Establish and oversee rules and permitting at
  • Regional level
  • National or sub-national level
How does the industry interact?

- International industry associations
- National industry associations
- Individual companies
Who are the global players?

- Agreements established under international law
  - UN Law of the Sea
  - Convention on Biodiversity
  - UN Specialist agencies - IMO (MARPOL, SOLAS, etc), ILO
  - “Niche” agreements – IWC, Conv. Migratory Species (CMS)
  - Informal alliances – IRF, IOPER
- Financial institutions
  - World Bank, IFC, consolidated banking groups (ethical investors)
Who are the regional players?

• Regional conventions
  ❖ OSPAR, HELCOM, BARCOM, Abidjan, Kuwait, ASCOBANS, ACCOBAMS …

• “Federal Unions”
  ❖ European Union

• Regional policy forums
  ❖ Arctic Council, APEC…
How do we play?

- Establish and maintain “Observer” status
- Prepare, submit and present technical and position papers
- Attend meetings and contribute to debates
- Swim in a soup of other Observers (many of whom are not too friendly)
- Engage national representatives on key issues
The route map

Them

Us
SESSION FOUR: Photos
Nick - There's 8 here - work your magic!

Walsingham, Ed, IOGP, 09/06/2016
SESSION FOUR: Photos
Nick - Theres 8 here - work your magic!
Walsingham, Ed, IOGP, 09/06/2016
The Mexico Regional Forum took place in Mexico City on the 25 May 2016, jointly hosted by The International Association of Oil and Gas Producers (IOGP) and La Asociación Mexicana de Empresas de Hidrocarburos (AMEXHI). For more information on the event or any future events please contact:

Ed Walsingham ew@iogp.org
IOGP Operations Co-ordination Manager