

The President of Mexico Announces Pemex's Discovery of the Largest Onshore Reservoir in the last 15 years

Enrique Peña Nieto, President of Mexico, announced today the discovery of an important reservoir with excellent quality light-crude oil and gas. This finding is the most important onshore discovery made by Petróleos Mexicanos in the last 15 years.

Through the drilling of Ixachi-1 well, 72 kilometers south of the port of Veracruz, and close to Cosamaloapan, Pemex discovered this field with an original volume of over 1,500 million barrels of oil equivalent (boe), which could represent total reserves of approximately 350 million boe. This volume is similar to the findings reported by private companies a few months ago at the Zama-1 well.

The reservoir possesses great economic value due to its closeness to existing infrastructure from production wells to the National Pipeline System, and can therefore begin production in a shorter period of time. Based on preliminary studies it is considered that this reservoir could be extended further, and even double its initial estimated size. In the short and medium term, this discovery will help satisfy the domestic demand of wet gas and light crude oil.

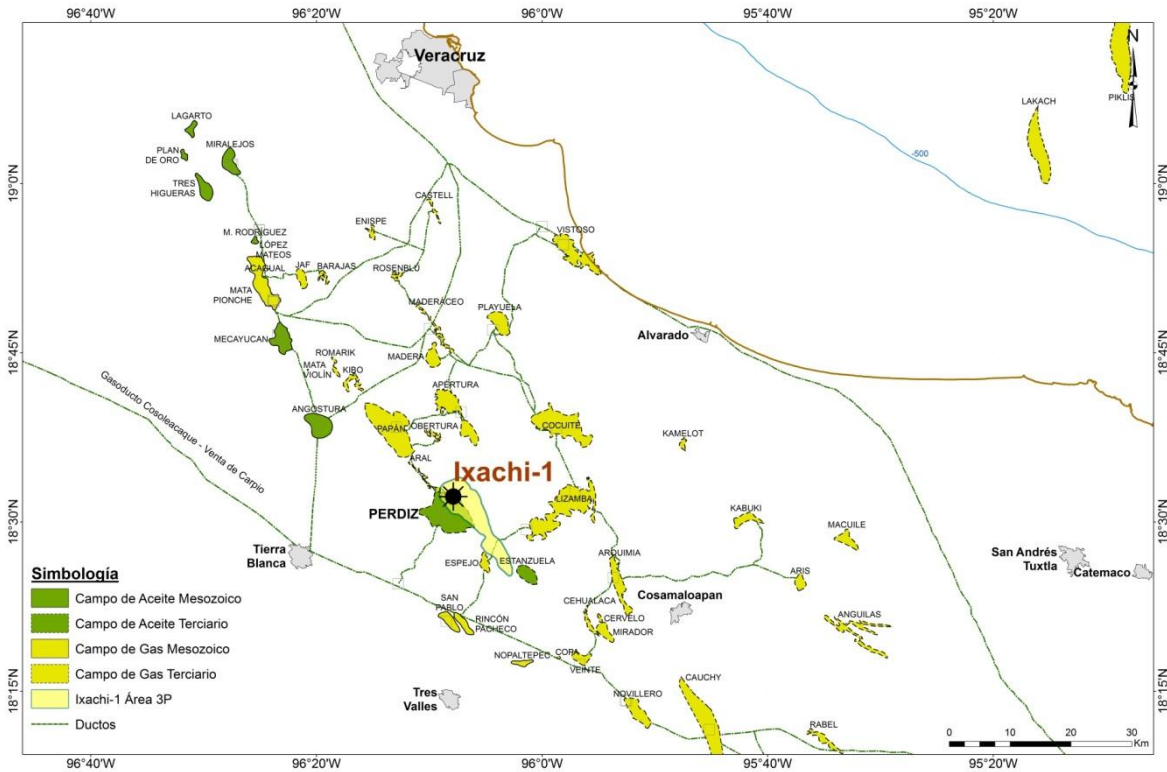


Figure 1. Location of the Discovery of Ixachi-1 well in the Veracruz Basin.

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