

Brazil: Second Transfer of Rights Surplus Volume Bidding Round: Draft Tender Protocol and Draft of the Production Sharing Agreements

On June 2, 2021, Brazil's National Agency of Petroleum, Natural Gas and Biofuels ("ANP") published the draft tender protocol ("Draft Tender Protocol") of the 2nd Bidding Round under the Production Sharing regime for the Surplus Volume contracted under the Transfer of Rights ("2nd Bidding Round"). The Draft Tender Protocol established the procedures and rules for participation in the bid and provided information on the draft production sharing agreements, the preliminary schedule, and information on the offered areas.

The 2nd Bidding Round will offer the development areas of the Atapu, with 228,89 km,2 and Sépia, with 157.25 km,2 located in the Santos Basin.. Petrobras exercised its preferential right to be the Operator, having at least 30% participating interest in both offered fields.

The Draft Tender Protocol established the following amount for Signature Bonuses:

Block	Signature Bonus (BRL):	Minimum Percentage of Oil Surplus (%)
Atapu	4.002.000.000,00	5,89
Sépia	7.138.000.000,00	15,02

The technical data package will be available to bidders who (i) submit the electronic application form to the ANP, (ii) submit proof of payment of the participation fee and (iii) present the confidentiality terms of the technical data package and prove the powers of its signatory.

An additional technical data package will also be made available and consist of a collection of technical data selected by Petrobras. To access the additional technical data package, bidders must follow the procedures described above and present the other documents related to expression of interest and qualifications.

The 2nd Bidding Round will follow the schedule below:

Even	Date
Publication of the pre-tender protocol and draft of the production sharing agreement.	June 2, 2021
Commencement of the period for delivery of documentation of expression of interest, qualification and payment of the participation fee.	June 2, 2021
Technical data package and additional technical data package become available.	June 2, 2021
Deadline for comments on the pre-tender protocol and the draft of the production sharing agreement and end of the public consultation period.	June 28, 2021
July 7, 2021	July 7, 2021
Technical seminar.	To be determined
Publication of pre-tender protocol and draft of the production sharing agreement.	October 15, 2021
Environmental and fiscal-legal seminars.	To be determined
Deadline for delivery of documentation of expression of interest, qualification and payment of participation fee.	November 1, 2021
Deadline to present the bid guarantees.	November 25, 2021
Deadline to present the waiver declaration, according to section 8.	December 3, 2021
Public session for the presentation of bids.	December 17, 2021
Awarding and ratification of the bidding procedure.	January 7, 2022
Deadline for submitting documents related to (i) the execution of the production sharing agreements; (ii) the additional bid guarantee, as applicable; and (iii) the qualification of the affiliate appointed to execute the contract, where applicable.	February 18, 2022
Deadline for payment of the signing bonus and sending proof of payment.	February 18, 2022
Execution of the production sharing agreement (deadline).	April 29, 2022

The Draft Tender Protocol and the draft of the production sharing agreement may be accessed on the [ANP/Rodadas](#) website (in Portuguese only). All documents are available

for public consultation until June 28, 2021, and inputs may be made by both the industry and the general public.

We will keep you posted on the development of the 2nd Transfer of Rights Surplus Volume Bidding Round through our Legal Updates.

For more information related to this Legal Update, please contact us at EnergypartnersTC@mayerbrown.com.