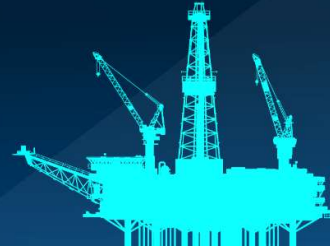


Legal Update

Oil & Gas



Permanent Offer: CNPE Publishes Resolutions Changing Bidding Rounds System

On December 24, 2021, Brazil's National Energy Policy Council ("CNPE") published Resolution No. 27/2021, authorizing the National Agency of Petroleum, Natural Gas and Biofuels ("ANP"), to define and include in the Permanent Offer, under the concession regime, any onshore and offshore block, as well as relinquished fields or those in the process of being relinquished ("Resolution No. 27/2021").

Fields and blocks included in the Pre-salt Area or in Strategic Areas are not covered by the authorization granted to ANP by CNPE. Such fields and blocks may be exceptionally included in the Permanent Offer by means of a specific determination of CNPE, which would define the parameters applicable to each field or block.

Resolution No. 27/2021 also established the Permanent Offer system as preferential for the offer of petroleum, natural gas and other fluid hydrocarbons E&P areas. Please refer to our previous [legal update](#) on the mechanics of the Permanent Offer system.

Moreover, Resolution No. 27/2021 revoked CNPE Resolutions No. 10/2018, No. 03/2020 and No. 07/2020, which among others subjects, addressed the multiyear bidding round calendar. As a result, the blocks that would be offered in the 18th Bidding Round under the concession regime, scheduled to take place in 2022, will now be included in the Permanent Offer.

Observing the provisions of Resolution No. 27/2021, CNPE published on January 05, 2022, Resolution No. 26/2021, authorizing ANP to include 11 blocks under the production sharing regime in the Permanent Offer, as well as approving the respective technical and economic

parameters ("Resolution No. 26/2021"), as detailed in the following table:

Block	Signature Bonus (BRL)	Minimum Percentage of Profit Oil (%)
Esmeralda	BRL 33,736,000.00	10,54%
Ágata	BRL 61,813,000.00	12,58%
Água Marinha	BRL 65,443,000.00	13,23%
Bumerangue	BRL 8,861,000.00	5,66%
Cruzeiro do Sul	BRL 134,035,000.00	14,13%
Norte de Brava	BRL 511,692,000.00	22,71%
Sudoeste de Sagitário	BRL 330,256,000.00	21,30%
Itaimbezinho	BRL 15,641,000.00	11,67%
Turmalina	BRL 9,822,000.00	6,87%
Jade	BRL 104,730,000.00	10,98%
Tupinambá	BRL 7,047,000.00	4,88%

The minimum mandatory local content for such blocks was established as following: (i) exploration phase – minimum global requirement of 18%; and (ii) development phase – 25% for the well construction, 40% for the collection and offloading system, and 25% for the stationary production unit.

Petrobras will have 30 days counted from the publication of Resolution No. 26/2021 to exercise its preferential rights to be the operator with a minimum 30% participating interest in each of the offered areas, as discussed in our [previous Legal Update](#).

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