PRESS RELEASE
AUGUST 02, 2021

SECOND OIL FINDING AT BLOCK 10 IN MEXICO

PJSC LUKOIL (hereinafter – the Company) announces a new oil finding in the Sayulita prospecting area of Block 10 offshore Mexico following the drilling of an exploratory well. According to preliminary estimates, the initial geological resources of the new accumulation may contain up to 200 Mboe in place.

The Sayulita-1 EXP well is the second consecutive successful well drilled by the Company in partnership with the operator Eni as part of its Block 10 commitments. It is located approximately 70 kilometers off the coast and just 15 km away from the previous oil discovery of Saasken (2020) that will be appraised toward year-end. The well was drilled by the Valaris 8505 Semisub in a water depth of 325 meters and reached a total depth of 1758 meters subsea level.

The well found 55 meters of oil net pay with excellent reservoir properties in the Upper Miocene sequences. Together with the operator, LUKOIL will immediately start defining the appraisal program of the discovery and identifying potential synergies for a commercial development.

Справка:
The Block 10 Joint Venture includes LUKOIL (20% interest), Eni (operator, 65%) and Capricorn (a wholly owned subsidiary of Cairn Energy PLC, 15%). LUKOIL and Eni signed a farm out agreement on Blocks 10 and 12 in Mexican offshore. The agreement enabled the Company to expand its exploration portfolio in the region, diversify risks and build up exploration competencies.

LUKOIL considers Mexico a strategic region of its overseas operations. In early July 2021, the Company concluded an agreement to acquire the 50% operator interest in the Area 4 project, which includes two blocks with total area of 58 square kilometres with the recoverable hydrocarbon reserves amounting to 564 million boe, more than 80% of which is crude oil. The construction of production facilities is currently being finalized, and production of first oil is scheduled for the third quarter of 2021.

Press Centre PJSC "LUKOIL"
Phone:
E-mail: media@lukoil.com