North American Energy Resources Summit



Mexico's Hydrocarbon Potential

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PEMEX

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PEMEX® Forward-Looking Statement and Cautionary Note (1/3)

- If no further specification is included, changes are made against the same period of the last year.
- Numbers may not total due to rounding.
- Excluding (i) budgetary, (ii) volumetric, (iii) revenue from sales and services including IEPS, (iv) domestic sales including IEPS, (v) petroleum products sales including IEPS, and (vi) operating income including IEPS information, the financial information included in this report is based on unaudited consolidated financial statements prepared in accordance with Normas de Informacion Financiera (Mexican Financial Reporting Standards, FRS) -formerly Mexican GAAP- issued by the Consejo Mexicano de Normas de Información Financiera (CINIF).
 - Based on FRS B-10 "Inflation effects", 2010 and 2011 amounts are expressed in nominal terms.
 - Based on FRS B-3 "Income Statement" and FRS "C-10" Derivative Financial Instruments and Hedging Transactions", the financial income and cost of the Comprehensive Financial Result include the effect of financial derivatives.
 - The EBITDA is a non-U.S. GAAP and non-FRS measure issued by CINIF.
- Budgetary information is based on standards from Mexican governmental accounting; therefore, it does not include information from the subsidiary companies of Petróleos Mexicanos.
- Unless otherwise specified, convenience translations into U.S. dollars of amounts in Mexican pesos have been made at the established exchange rate, at March 31, 2011, of Ps. 11.9678 = U.S.\$1.00. Such translations should not be construed as a representation that the peso amounts have been or could be converted into U.S. dollars at the foregoing or any other rate.



PEMEX Forward-Looking Statement and Cautionary Note (2/3)

- Since January 1, 2006, PEMEX has been subject to a new fiscal regime. Pemex-Exploration and Production's (PEP) tax regime is governed by the Federal Duties Law, while the tax regimes of the other Subsidiary Entities continue to be governed by Mexico's Income Tax Law. The most important duty paid by PEP is the Ordinary Hydrocarbons Duty (OHD), the tax base of which is a quasi operating profit. In addition to the payment of the OHD, PEP is required to pay other duties.
- Under PEMEX's current fiscal regime, the Special Tax on Production and Services (IEPS) applicable to gasoline and diesel is regulated under the Federal Income Law. PEMEX is an intermediary between the Secretary of Finance and Public Credit (SHCP) and the final consumer; PEMEX retains the amount of IEPS and transfers it to the Federal Government. The IEPS rate is calculated as the difference between the retail or "final price", and the "producer price". The final prices of gasoline and diesel are established by the SHCP. PEMEX's producer price is calculated in reference to that of an efficient refinery operating in the Gulf of Mexico. Since 2006, if the final price is lower than the producer price, the SHCP credits to PEMEX the difference among them. The IEPS credit amount is accrued, whereas the information generally presented by the SHCP is cash-flow.
- Pursuant to Article 10 of the Regulatory Law to Article 27 of the Political Constitution of the United Mexican States Concerning Petroleum Affairs, (i) PEMEX's reports evaluating hydrocarbon reserves shall be approved by the National Hydrocarbons Commission (NHC); and (ii) the Secretary of Energy will register and disclose Mexico's hydrocarbon reserves based on information provided by the NHC. As of the date of this report, this process is ongoing.
- As of January 1, 2010, the SEC changed its rules to permit oil and gas companies, in their filings with the SEC, to disclose not only proved reserves, but also probable reserves and possible reserves. In addition, we do not necessarily mean that the probable or possible reserves described herein meet the recoverability thresholds established by the SEC in its new definitions. Investors are urged to consider closely the disclosure in our Form 20-F and our annual report to the Mexican Banking and Securities Commission (CNBV), available at http://www.pemex.com/.



PEMEX_® Forward-Looking Statement and Cautionary Note (3/3)

- Only results from bids occurred between January 1 and March 31, 2011 are included. For further information, please access www.compranet.gob.mx.
- This report contains forward-looking statements. We may also make written or oral forward-looking statements in our periodic reports to the CNBV and the SEC, in our annual reports, in our offering circulars and prospectuses, in press releases and other written materials and in oral statements made by our officers, directors or employees to third parties. We may include forward-looking statements that address, among other things, our:
 - drilling and other exploration activities;
 - import and export activities;
 - projected and targeted capital expenditures; costs; commitments; revenues; liquidity, etc.
- Actual results could differ materially from those projected in such forward-looking statements as a result of various factors that may be beyond our control. These factors include, but are not limited to:
 - changes in international crude oil and natural gas prices;
 - effects on us from competition;
 - limitations on our access to sources of financing on competitive terms;
 - significant economic or political developments in Mexico;
 - developments affecting the energy sector; and
 - changes in our regulatory environment.
- Accordingly, you should not place undue reliance on these forward-looking statements. In any event, these statements speak only as of their dates, and we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. These risks and uncertainties are more fully detailed in PEMEX's most recent Form 20-F filing with the SEC (www.sec.gov), and the PEMEX prospectus filed with the CNBV and available through the Mexican Stock Exchange (www.bmv.com.mx). These factors could cause actual results to differ materially from those contained in any forward-looking statement.
- PEMEX is Mexico's national oil and gas company. Created in 1938, it is the exclusive producer of Mexico's oil and gas resources. The operating subsidiary entities are Pemex-Exploration and Production, Pemex-Refining, Pemex-Gas and Basic Petrochemicals and Pemex-Petrochemicals. Its principal subsidiary company is PMI.

Background

Achievements

Strategies

Future scenarios

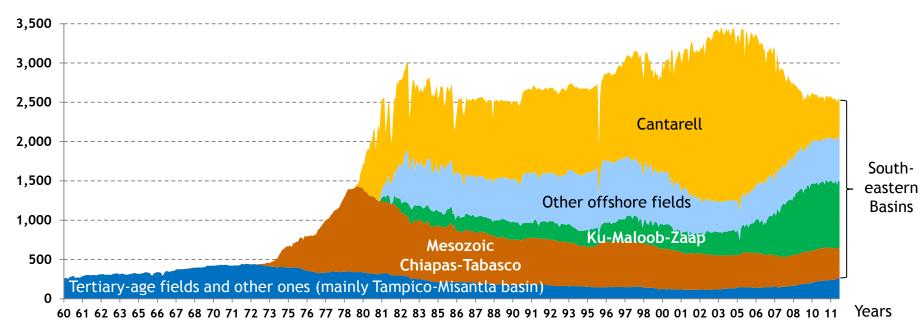
- Reserve replacement
- Production stabilization

- Diversify exploration
- Accelerate new developments
- Improve reservoir performance



Oil production evolution

Thousand barrels per day



- In the 60's the oil production came mainly from Poza Rica and San Andres fields in the Northern Region, as well as from the Cinco Presidentes and Sánchez Magallanes fields in the Southern Region
- In the mid-70's the Samaria, Sitio Grande, Cactus, Agave and Cunduacán fields from the Chiapas-Tabasco Mesozoic were incorporated, all of them part of the Southeastern Basins
- In the late 70's and early 80's, the development of the offshore fields Akal, Nohoch, Ku, and Abkatún was initiated, all of them also located at the Southeastern Basins
- In 2004, the Cantarell field started its predicted natural production decline
- Since 2009 the crude oil production is stabilized



Mexico has produced 51.7 substantial reserves and prospective resources Mexico has produced 51.7 billions boe and still concentrates

| (| (Billions of | f harrels | of oil | equivalent) |
|---|---------------|-----------|--------|-------------|
| | יט בווטווזוטן | , pariets | OI OIL | equivatent) |

| Basin | Total Production | 1P | Reserve 2P | es ¹ 3P | Prospective Resources ² |
|-----------------------------------|---------------------|------|---------------|-----------------------|---------------------------------------|
| Burgos | 2.3 | 0.4 | 0.6 | 0.8 | 2.9 |
| Deep waters in the Gulf of Mexico | 0.0 | 0.1 | 0.2 | 0.5 | 26.5 |
| Sabinas | 0.1 | 0.0 | 0.0 | 0.0 | 0.4 |
| Southeastern | 42.3 | 12.3 | 18.1 | 23.7 | 20.1 |
| Tampico - Misantla | 6.4 | 0.9 | 9.7 | 17.8 | 2.5 |
| Veracruz | 0.7 | 0.2 | 0.2 | 0.3 | 1.6 |
| Yucatan Platform | | | | | 0.5 |
| Total | 51.7 | 13.8 | 28.8 | 43.1 | 54.7 |

¹ As of January 1st ,2011

Oil and associated gas Non associated-gas Sabinas **Burgos** Deep waters Tampicoin the Yucatan Misantla Gulf of **Platform** Mexico Veracruz Southeastern

² As of January 1st ,2012

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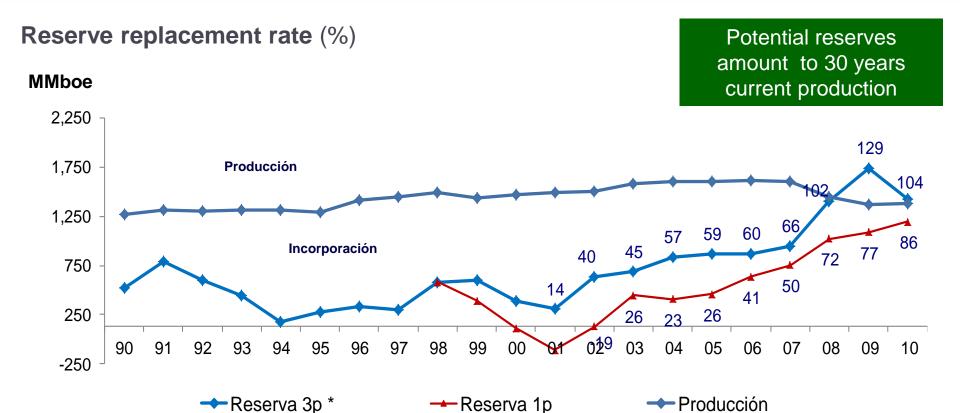
- Reserve replacement
- Production stabilization

- A diversified exploration
- Accelerate new developments
- Improved reservoir performance

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Replacement rates of proved and (1P) reserves have increased steadily



Exploration Investment 9.6 12.1 11.5 5.7 6.1 8.3 7.5 8.1 9.9 8.0 7.5 6.8 13.6 23.9 30.3 21.1 18.7 19.7 34.0 33.1 30.6 (billion pesos @ 2011 prices)

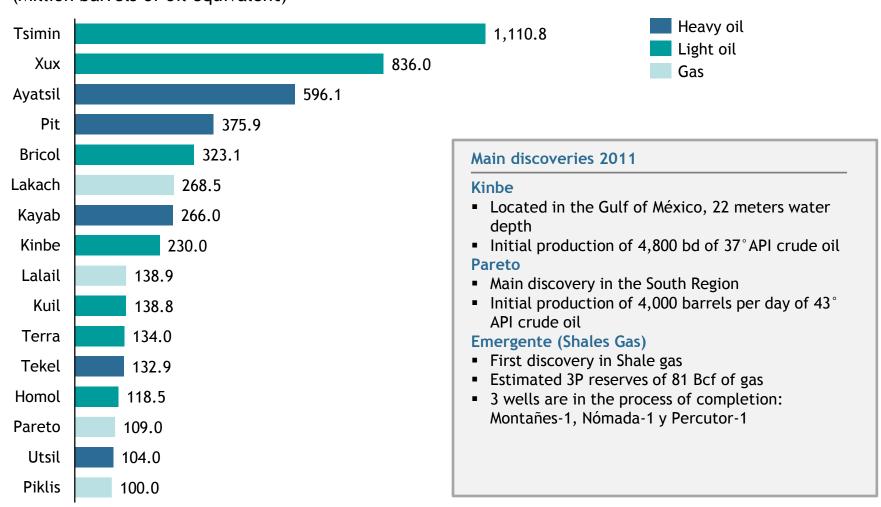
^{*} Discoveries



PEMEX® Main discoveries 2006-2011



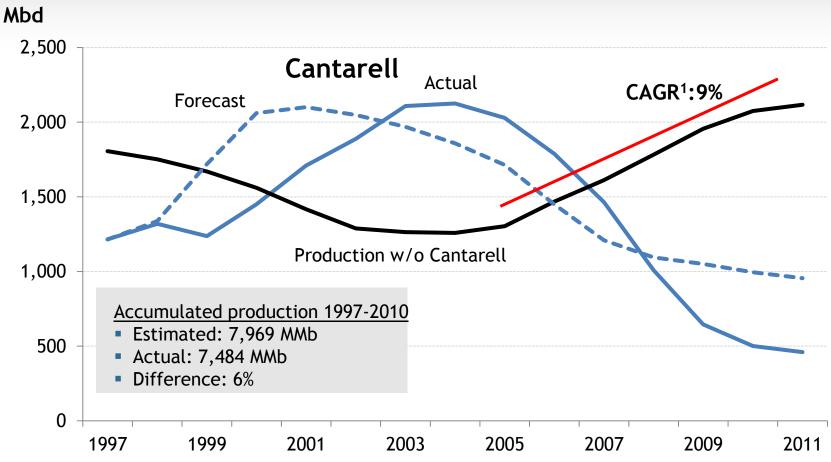
(Million barrels of oil equivalent)





Cantarell declines according to plan, partially offset by other fields





Note: Mexico's CAGR 2005-2010 is -5.8%. Source: Purvin & Gertz 2005-2010.

(1) Compounded Annual Growth Rate



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PEMEX Exploration & Production Strategy

Exploration & Reserve Restitution

- Shallow Water & Onshore
- Deep Water
- Shale Gas / Oil

Production

- Development of ATG
- Reactivation of mature fields
- Reduction of decline trends
- Enhanced Oil Recovery
- Heavy oil technology



Contracting Alternatives: Capability and Execution

- In the short term, PEMEX must leverage the use of Performance Contracts and alternative contracts to develop internal capabilities in core businesses.
- Each project's execution strategy is defined as a function of its complexity and PEMEX's internal capability. The proposed contracting schemes are: Performance Contracts (PC), Field Labs (FL) and Transactional Service Contracts (TSC).

Complexity

| | | Low | Medium | High |
|--------------|-----------|----------------|----------------|----------------|
| ties | High | PC PC | PC FL | FL TSC |
| Capabilities | Medium | PC FL | FL TSC | TSC |
| S | Low | FL TSC | TSC | TSC |
| , | Deep wate | ers Chicontepe | c Mature Field | (Reactivation) |

Internal Capability:

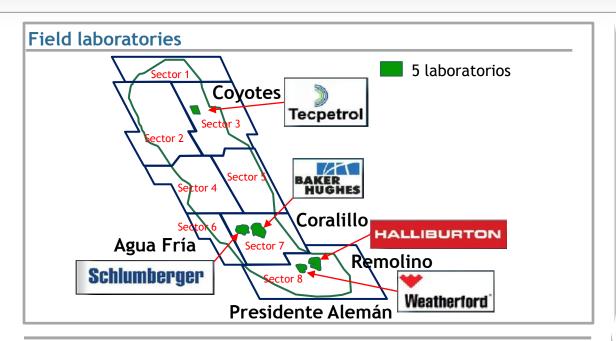
- Human Resources
- Technology
- Cost Efficiency

Complexity:

- Scale
- Technological challenge
- Service Market

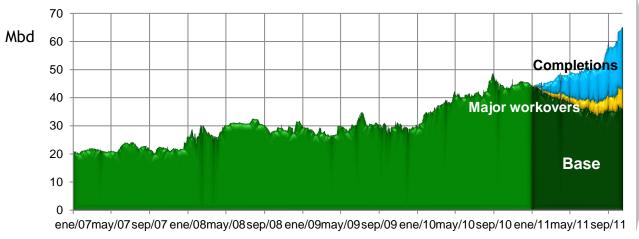


PEMEX_® Improved Exploitation Strategy at ATG



Key activities

- Best drilling practices
- Enhanced recovery
- Cost reduction
- Improvement in decline rates



Early results: production has climbed to 65,000 bd

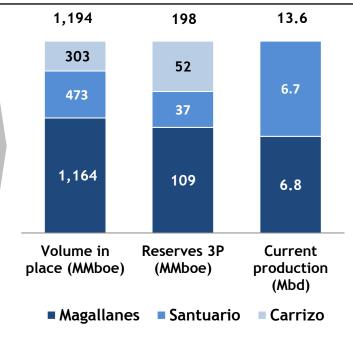


New Business Models - Upstream Successful 1st Round: Southern Region

| Field | Company | Max. Rate (US\$/b) | Rate: winning bid (US\$/b) | Min. Investment (US\$MM) |
|------------|--------------------------------|-----------------------|----------------------------------|-----------------------------|
| Magallanes | Petrofac Facilities Mngt. Ltd. | 9.78 | 5.01 | 205.5 |
| Santuario | Petrofac Facilities Mngt. Ltd. | 7.97 | 5.01 | 116.9 |
| Carrizo | Dowell Schlumberger | 12.31 | 9.40 | 33.3 |
| Mature Fie | lds - Southern Region | | 1.194 | 198 13.6 |



 PEMEX is partnering with the winning companies to complement its capabilities.



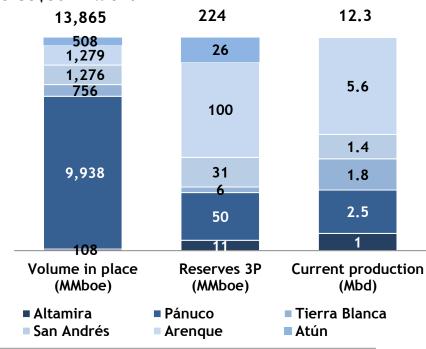
Estimated incremental production: 55 Mbd



PEMEX 2nd Round: Mature Fields Northern Region

- 22 fields in 6 blocks in Mexico's Northern Region.
- The Contracts were approved by the Board of Directors on November 2011.
- Prospective resources of approximately 1,672 MMboe along 6,691 km².
- Bid process expected by end of first half 2012 (1-H 2012).
- The minimum investment per field between US\$25 to US\$50 million.





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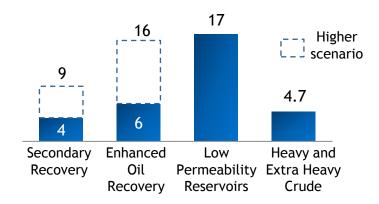
Fothcoming bids (2012)

| | 2011 | | | 2012 | | | | |
|------------------------|------|----|-----|------|---|----|---|----|
| | 1 | II | III | IV | ı | II | Ш | IV |
| Mature fields R. Norte | | | | | | | | |
| ATG / Chicontepec | | | | | | | | |
| Deep waters | | | | | | | | |

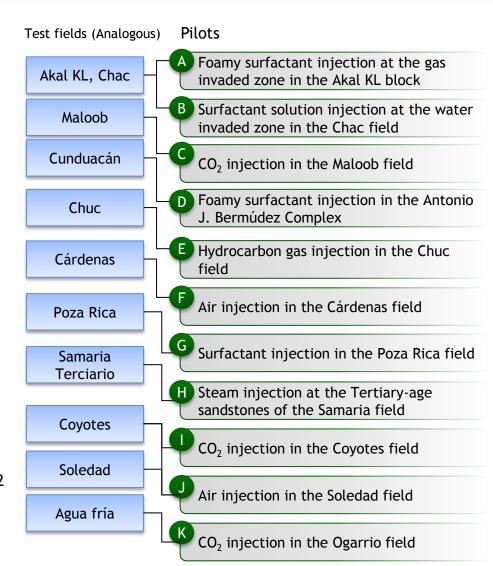


Secondary Recovery and Enhanced Oil Recovery are key factors to reverse production decline and increase recovery factors per field

3P Original Oil In Place related to SR and EOR (MMmboe)

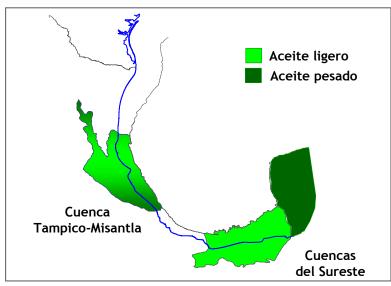


- The resources associated with enhanced oil recovery could represent a potential increase in recovery factor (RF) from 3% to 8%
- The resources associated with secondary recovery represent an increase RF potential 5 to 12%
- Therefore, in 2010 PEMEX started the implementation of a Strategy in Enhanced Oil Recovery at PEP and defined the Secondary Recovery Strategy which will be initiated in 2012
- Eleven pilot projects for EOR have been designed to test different types of technology

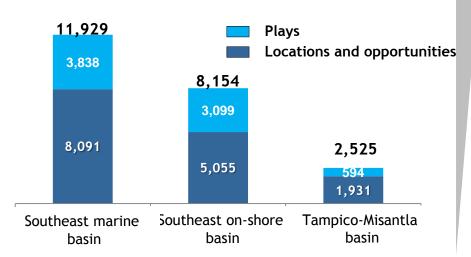




PEMEX® Strategy for shallow water and onshore areas



Prospective resources (22,608 MMboe)



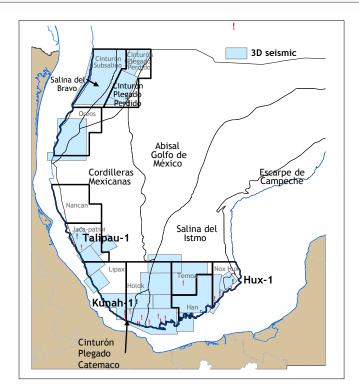
The strategy will be focused on the Southeastern Basins, including both the marine and onshore portions:

- Execute activities to identify the continuity of established plays such as the Cretaceous one
- Increase the activity to identify Tertiary plays for oil resources
- Potential evaluation of pre and sub-salt plays

Additionally, exploration will be reactivated at the Tampico-Misantla Basin with the aim of finding oil opportunities in Mesozoic-age plays



PEMEX Pemex activities in deepwater

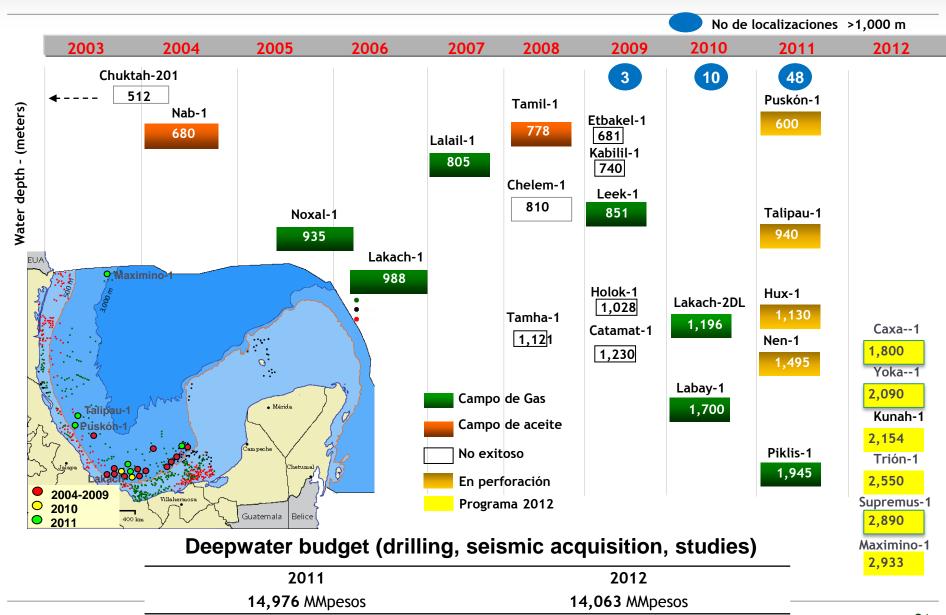


- Total investment 2002-2011: 46 billion pesos
 ~ 3.6 billion USD
- 3D seismic acquisition: 90,000 km²
- Drilled wells: 18 wells, 10 of which were producers
- 3P reserves discovered: 790 MMboe
- Commercial success rate: 44%

- At the Cinturón Plegado Catemaco and Southern Cordilleras Mexicanas provinces, Pemex Exploration and Production discovered a gas play with prospective resources in the range of 5-15 Tcf of gas, where the 2P gas reserve of the Lakach Field amounts to .9 Tcf, and the 3P reserve of the Piklis and Nen fields account for 0.8 and 0.4 Tcf, respectively
- Furthermore, Pemex Exploration and Production has identified heavy and extraheavy oil reservoirs into the Southern portion of the Salina del Istmo Province

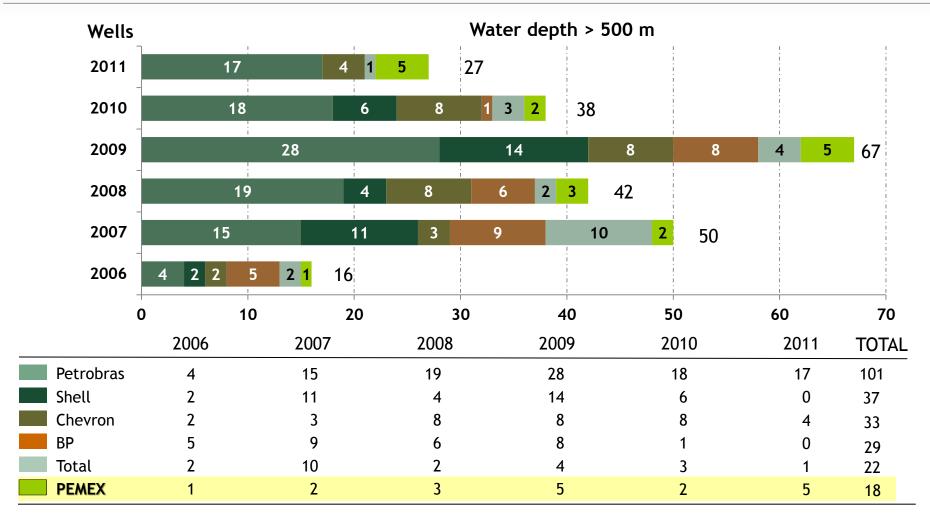


PEMEX® Deepwater drilling. 2004 - 2012





PEMEX® Benchmarking: deepwater drilling

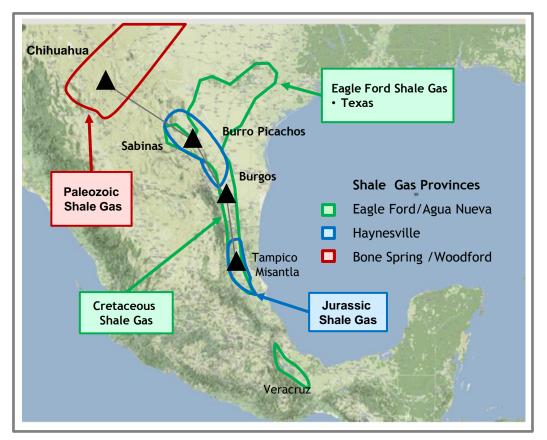


PEMEX has been ranked in the sixth position of deepwater activities (water depth above 500 meters) in the last six years, based on operating rigs and wells drilled

The benchmark study takes into account wells drilled in West Africa, UK, Norway, Brazil and GOM (USA and Mexico). It is important to note that BP and Shell do not report drilling activity in deepwater during 2011



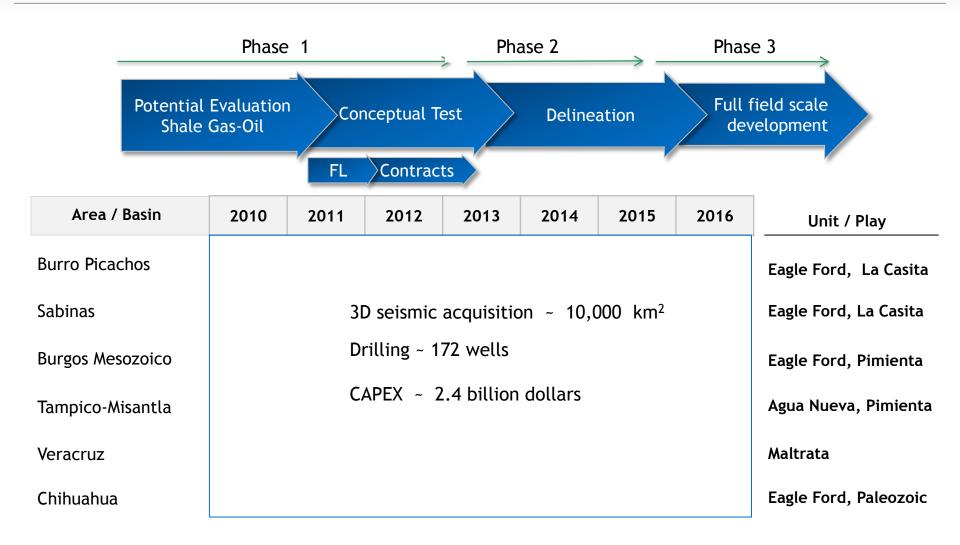
PEMEX® Potential Shale Resources



- PEMEX has identified 5 geological provinces with shale gas potential:
 - Chihuahua
 - Sabinas-Burro-Picachos
 - Burgos
 - > Tampico-Misantla
 - Veracruz
- PEMEX estimates prospective resources of shale gas ranging from 150 to 459 TCF, which represent from 2.5 to 7 times the conventional 3P gas reserves of Mexico
- According to the EIA, Mexico's shale gas resources could reach up to 681 TCF, which is ranked as the fourth largest worldwide reserve
- PEMEX is evaluating the shale gas potential and has concluded the drilling of the Emergente-1 well, and it is in the process of completing 3 wells
- An intensive development scenario shows that gas production could triplicate to 20 bcf per day



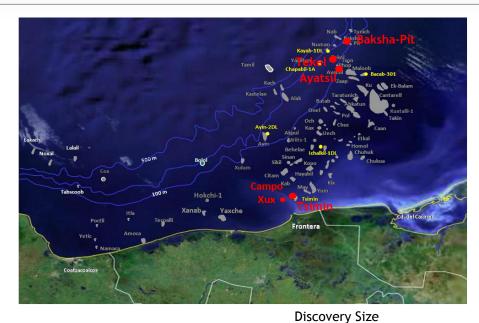
The strategy is focused on delineating shale gas-oil areas and improving prospective resources estimations



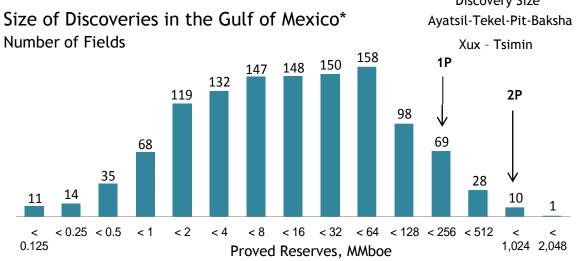


PEMEX® New developments will yield additional production

| Name | Fluid Type | 3P reserves (MMboe) |
|---------------|-----------------------|------------------------|
| Xux-Tsimin | Light Oil (43°API) | 1,947 |
| Ayatsil-Tekel | Heavy Oil (12°API) | 757 |
| Pit- Baksha | Heavy Oil (12°API) | 504 |



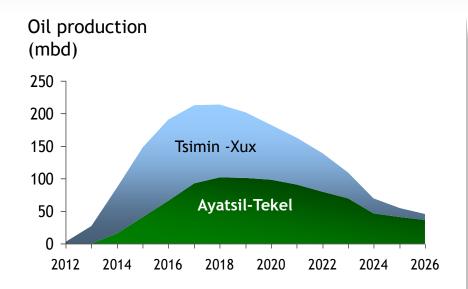
These discoveries are among the biggest found in the Gulf of Mexico



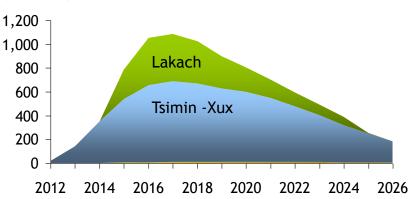
²⁵



PEMEX® Ayatsil-Tekel Project



Gas production (mmcfd)



Main challenges

Ayatsil Tekel:

Development of extra-heavy oil reservoirs

Tsimin Xux:

 Development of gas and condensate reservoirs maximizing the recovery of liquids

Lakach:

First deepwater development

Main activities:

| Project | Wells Number | Platforms Number | CAPEX MM USD |
|---------------|-----------------|---------------------|-----------------|
| Ayatsil-Tekel | 43 | 5 | 3,016 |
| Tsimin-Xux | 61 | 9 | 5,740 |
| Lakach | 7 | | 2,045 |

Background

Achievements

Strategies

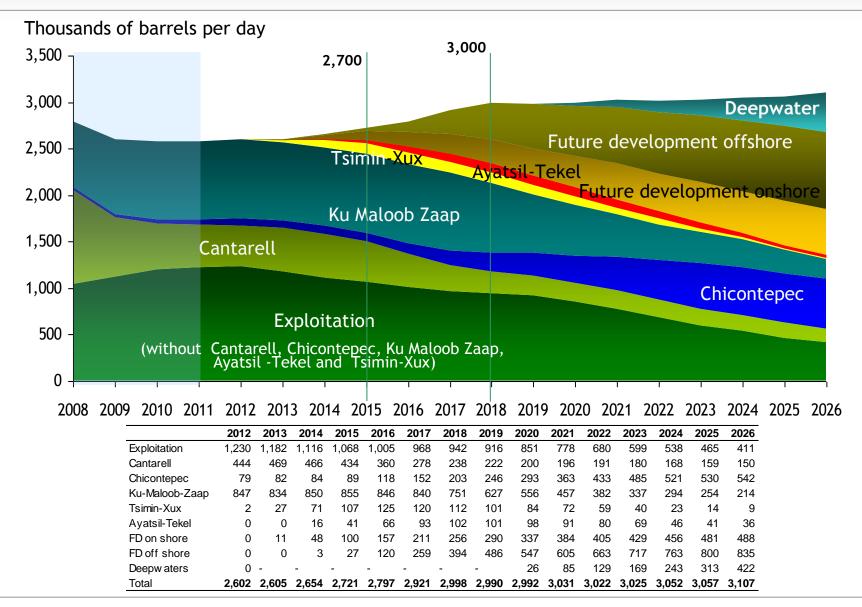
Future scenarios

- Reserve replacement
- Production stabilization

- Diversify exploration
- Accelerate new developments
- Improve reservoir performance

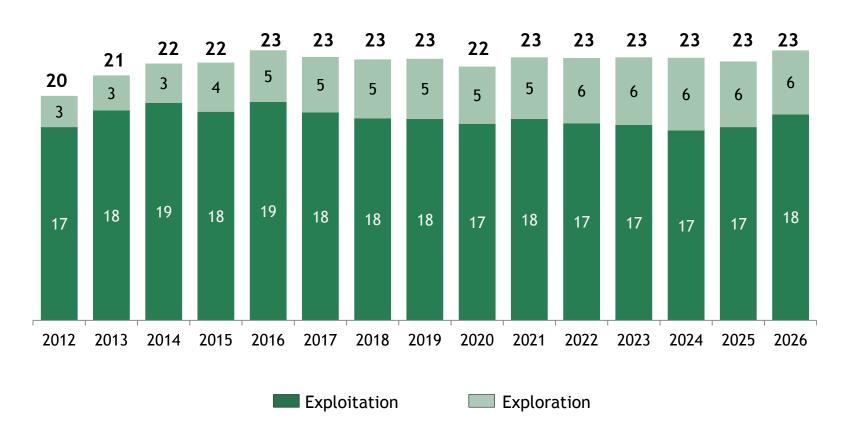


PEMEX® Oil production scenario





Billion dollars

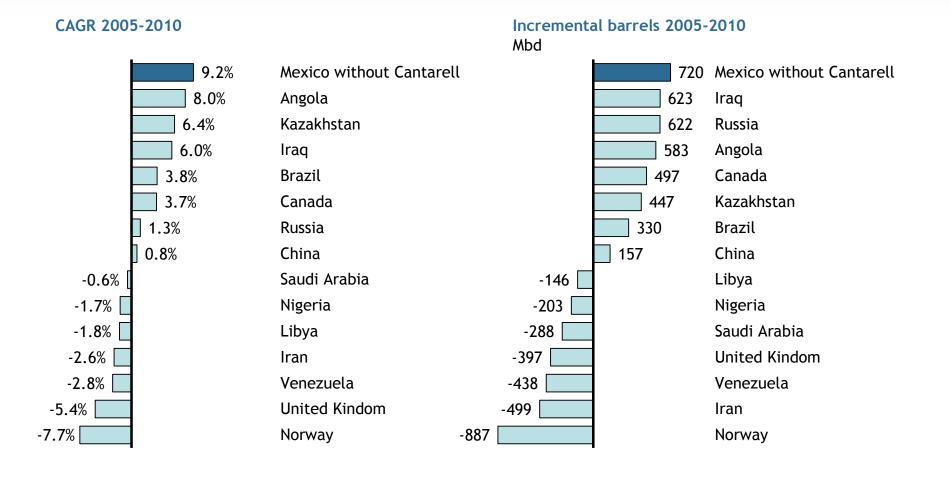


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Without Cantarell, Mexico's production growth outperforms other major producers



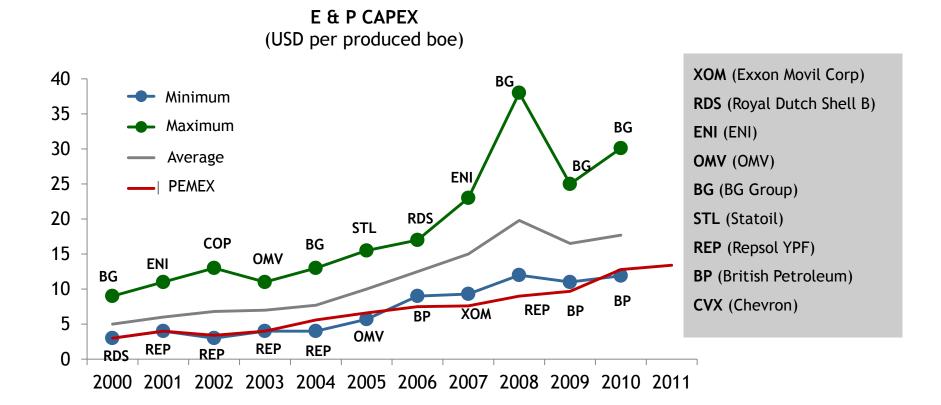
Note: Mexico's CAGR 2005-2010 is -5.8%.

Source: Purvin & Gertz 2005-2010.





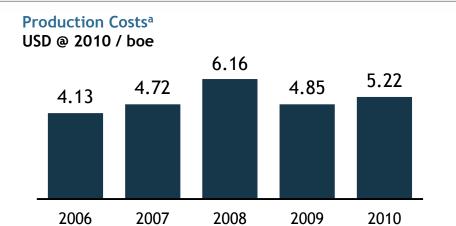
PEMEX Investment benchmarking



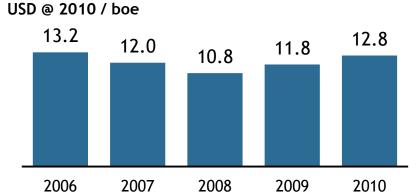
Fuente: J.P. Morgan Cazenov



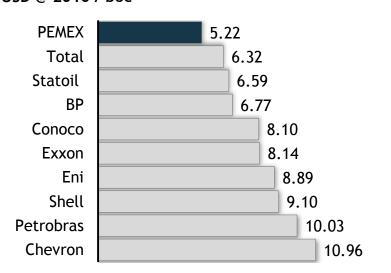
PEMEX® Production and F&D Costs



Finding and Development $Costs^{b,c}$

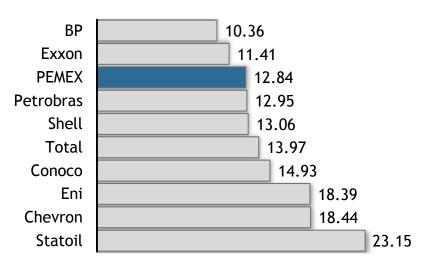


Production Costs¹ USD @ 2010 / boe



Finding and Development Costs²

USD @ 2010 / boe

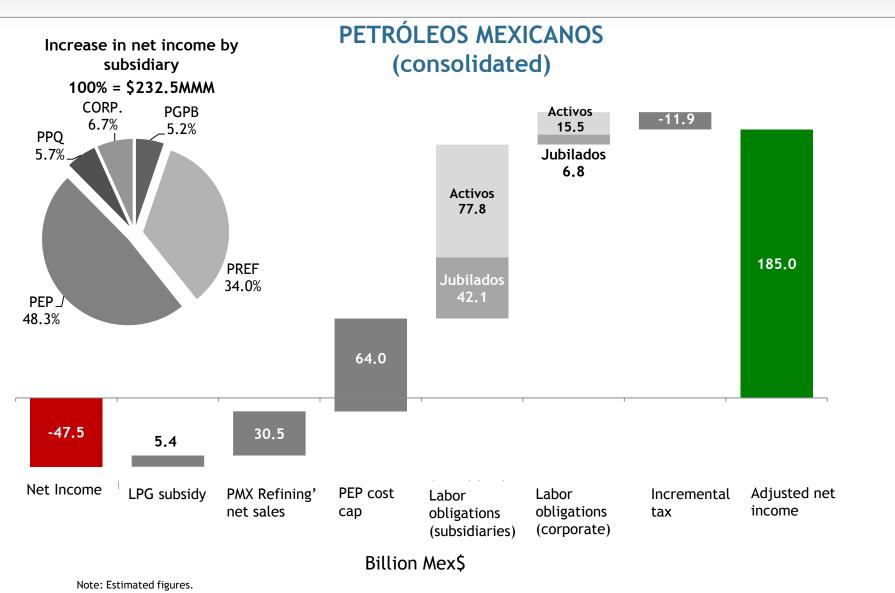


- a) Source: 20-F Form 2010.
-) PEMEX Estimates- 3-year average.
- Includes indirect administration expenses.
- (1) Source: Annual Reports and SEC Reports 2010.
- (2) Estimates based on John S. Herold, Operational Summary, Annual Report and SEC Reports 2010.





Theoretical Adjusted Net Income. 2010





The development of new projects yields additional oil production

