Energy Fortnightly News

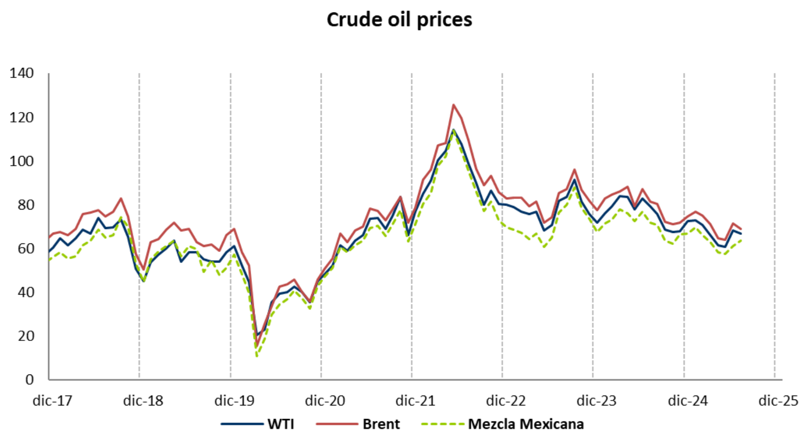
July 1-15, 2025

Table of Contents

Fortnightly review

* 14/07/2025

*MME US/BD**	*63.79*
MME US/BD PEF SHCP*	*58.40*
Dif. MME AVG. 2025 vs. MME PEF SHCP	*5.40*
NG price HH US/MMBTU*	*3.46*
Mx crude production MMbd – May	*1.37*
Mx NG production MMpcd – May	*4,543*
US crude production MMbd - April	*13.46*
*FX Rate**	*18.75*



Source: EIA. El Reforma, Pemex, Banxico, and CNH

Oil & Gas - Mexico

Pemex bets on private partnerships, 14 companies express interest in mixed projects – *Energía a Debate*

Pemex, has launched a new strategy for 2025, aiming to reverse years of falling production and mounting debt by entering mixed development contracts with private partners. At least 14 private companies have expressed interest in participating in 6 of the 11 mixed exploration and hydrocarbon extraction projects, alongside the state-owned company Pemex.

Harbour would be interested in participating in the Och assignment, which could potentially yield an incremental production of 3.4 thousand bpd (mbpd) of crude oil and 6.7 mmpcd of natural gas. Sinopec, C5M, Chame, and Diavaz could partner with Pemex for the Tamaulipas Constituciones project, with a production of 3.2 mbd and 3.5 mmpcd of oil and gas, respectively.

Additionally, the Chinese firm Sinopec, CESIGSA, and also Chame would be involved in the Agua Fría project, which could produce an incremental 1.7 mbd of crude oil and 2.7 mmpcd of gas. For Madrefil-Bellota, Harbour and Cheiron would support a production of 0.6 mbd and 0.8 mmpcd.

Meanwhile, Jaguar, C5M, and Diavaz would sign up for the Cuervito mixed project, which includes the Cuervito, Topo, and Fronterizo assignments, with an expected production of 7.1 mmpcd. Carso Energy, a subsidiary of Carlos Slim Grupo Carso, had already expressed interest in the Ixachi field, one of the country's leading gas producers. In terms of incremental recovery, the federal government's estimates point to 18.7 mbd of crude oil and 153.3 mmpcd of gas.

It is worth remembering that Slim benefited from the previous administration by being given the opportunity to partner with Pemex for the development of the Lakach natural gas mega-field, a project long coveted by Pemex but virtually abandoned for years, mainly due to the geological and infrastructure challenges it presents. Also notable is that Carso acquired a significant stake in the Zama field project through its subsidiary Zamajal, in a deal announced in December 2024.

According to a document from Pemex, the other mixed projects, which currently have no interested parties, are:

Homol, with an expected production of 4.2 mbd and 29.5 mmpcd; Sini-Caparroso, with 3.2 mbd and 8.2 mmpcd; Cinco Presidentes, with 0.8 mbd and 0.9 mmpcd and Bakte, with 33.6 mbd and 392.8 mmpcd, all of which represent crude oil and natural gas production, respectively

Pemex projects that these partnerships will add 69,400 bpd and 609.5 million cubic feet of gas per day, representing about 4.2% and 13.4% of current production, respectively. The total value of signing bonuses for these deals is estimated at $8.06 billion.

Pemex requests authorization to issue debt of US$3.8 billion – *El Economista*

Pemex has submitted a request for authorization to the Mexican government to list bonds that are already in circulation on the Mexican Stock Exchange (BMV). These are foreign debt securities amounting to $3.777 billion, originally issued on the Luxembourg Stock Exchange, with a maturity date in 2031 and an annual interest rate of 5.95%.

The request was submitted to the BMV with the aim of listing these bonds on the International Quotation System (SIC), a platform that allows Mexican investors to purchase securities listed on other markets. This move is part of the state-owned oil company's strategy to strengthen its financial position and fund various projects within its energy and infrastructure sectors. If the request is approved, Pemex' bonds, identified by the ticker symbol PEM0131, will begin trading on the SIC starting July 17.

Mexico eyes refinancing plan for Pemex's US$120 Bn debt – *Mexico Business News*

Mexico's federal government is working to refinance Pemex debt, which totals more than US$120 billion. The strategy involves leveraging credit lines from the World Bank and international financial institutions, including Deutsche Bank. These funds are primarily intended to pay Pemex's suppliers.

As reported by El País, the initiative includes factoring schemes where banks would purchase Pemex's debt at a discount, with backing from the Mexican government. For Pemex's financial debt, discussions are focused on whether the Ministry of Finance will absorb a portion or continue with direct capitalizations. This year, Pemex received a budgetary line of MX$136 billion (US$7.294 million) from the federal government to cover short-term liabilities.

Pemex's total debt stood at US$101 billion as of March, with an additional nearly US$20 billion owed to suppliers. Luz Elena González, Minister of Energy; Edgar Amador, Minister of Finance; and Víctor Rodríguez, Pemex Director, are working on this plan. Pemex faces US$6.4 billion in short-term debt due in 2025, with a total of US$47.1 billion due by the end of the current administration.

US trade group alleges Pemex owes $1.2 billion to its members – *Upstream Online*

Energy Workforce and Technology Council is asking Mexico President Claudia Sheinbaum to intervene in a $1.2 billion debt dispute with Mexico's state-owned Pemex, according to a letter from the group to the country's leader. The letter from the Energy Workforce & Technology Council (EWTC) is the latest development to add pressure to Pemex, which reported debts of $101.1 billion at the end of the first quarter this year and last month was threatened with a supply shutdown by the Mexican Association of Oil Services Companies over outstanding payments to its members, which according to Reuters includes US heavyweights Baker Hughes, SLB and Halliburton.

The EWTC letter said it has a "growing concern" for its members' ability to operate in Mexico because of "non-payments by Pemex". "Our members have continued to operate in good faith under these difficult conditions, but the risk of operational shutdowns and service interruptions will grow should this remain unresolved," EWTC president Tim Tarpley wrote in the letter.

Upstream has attempted to contact Sheinbaum's office and Pemex through email submissions online. The EWTC claims Pemex owes its member companies $1.2 billion for work already invoiced in 2024 and 2025, including $871 million for 2024. The group said its members' Mexico efforts in 2025 have already reached $983 million, though some of that work has not been officially billed yet.

The group also said its members are contracted with Pemex for $2.5 billion worth of work in 2026.

Tarpley's letter asked Sheinbaum for a "high-level dialogue" with Pemex and Mexico Secretary of Energy Luz Elena Gonzalez. It also calls for Pemex to clarify its debts by issuing billing codes, provide "immediate reinstatement" to Pemex's electronic invoicing system and develop a "clear mechanism and timeline" for future payments.

"EWTC wants to work constructively with your government and Pemex to ensure the continued investment, employment and operational stability of Mexico's energy system," Tarpley wrote. "Our member companies remain committed to operating in Mexico but must be able to operate in a predictable and solvent environment."

Pemex ups capex estimate for Veracruz fertilizer plant to US$1.55bn – *Bnamericas*

Pemex has increased the estimated capital expenditure for its planned fertilizer plant in Veracruz, Mexico, to US$1.55 billion. This new figure is included in an environmental impact assessment submitted to the environment ministry. The project is part of the Mexican government's strategy to boost domestic fertilizer production and improve food security.

The original cost estimate for the plant was US$1.2 billion, and the increase to US$1.55 billion reflects a more comprehensive evaluation of the project's requirements. Pemex hired Portuguese group Mota-Engil to build and operate the plant, which will utilize natural gas supplied by Pemex and is expected to produce over 700,000 tons per year of urea and AdBlue. The plant is planned for the Escolín petrochemical complex and will have a 21-year operational lifespan. This investment is part of a broader initiative by the Mexican government to reduce reliance on imported fertilizers and enhance food security. The project is also linked to Pemex's broader strategy to revitalize its petrochemical sector and improve its financial standing.

Pemex has sent more oil to Cuba, in addition to ammonia – *Ciber Cuba*

Mexico exported 19.6 thousand barrels of oil per day to Cuba in the first quarter of 2025. The transactions are managed by Gasolinas Bienestar. Gasolinas Bienestar was created to avoid international sanctions and to manage oil shipments to Cuba without involving PMI, the subsidiary of Pemex that conducts transactions in the international payment system. This accounts for 3.3% of the total crude oil exports of Pemex, as well as 1.9% of the total shipments of gasoline and other petroleum products.

“The sales of Gasolinas Bienestar are conducted through contracts denominated in pesos at the current market rates. We have procedures in place to ensure that these sales are carried out in compliance with applicable legislation,” is stated in the Pemex document to the SEC.

Since 2023, shipments are managed through Gasolinas Bienestar, a wholly owned subsidiary of Pemex, which acquires crude oil from some of the affiliates of the state-owned company for its export to the regime. The shipments are estimated to have a total value of 3.1 billion pesos (approximately $166,568,270), marking the seventh consecutive quarter in which hydrocarbon shipments have been exported to the island.

The exchanges began during the term of office of AMLO. In 2024, Gasolinas de Bienestar exported to the island 20,100 bpd of crude oil and 2,700 bpd of petroleum products, operations valued at 600 million dollars, according to reports sent by Pemex to the United States Securities and Exchange Commission. In 2023, shipments had begun in July and totaled 16,800 bpd of crude oil and 3,300 bpd of refined products, amounting to 400 million dollars.

Power/Renewable Energy – Mexico

Sheinbaum pledges 60 CFE combined cycle plants – *Mexico Business News*

President Claudia Sheinbaum has committed to building 60 combined cycle power plants through CFE during her six-year term, aiming to generate 26,000MW. She made the announcement during the inauguration of a new combined cycle plant in Villa de Reyes, San Luis Potosi.

Sheinbaum stated that the nation's energy development primarily rests with CFE, asserting that the company is being "renationalized" and regaining its essence as a public enterprise. She acknowledged CFE workers, crediting them with preventing the company's privatization, which she attributed to past neoliberal governments. The president emphasized that energy-related constitutional reforms approved this year have restored CFE and Pemex as public enterprises belonging to the people of Mexico.

The new combined cycle plant in Villa de Reyes represents a public investment of US$350 million. It is expected to provide electricity to over 2,400 homes sustainably, reducing pollutant emissions by 53% and saving 40% of water in its operation.

Luz Elena González Escobar, Energy Minister, highlighted that the plant contributes to a presidential commitment to ensure accessible and priced electricity for all. She noted a goal of achieving 100% electricity coverage in Mexican homes during this administration. Emilia Esther Calleja, CEO of CFE, highlighted that the plant's construction created over 1,200 jobs and is expected to generate approximately 3,500 MWh annually. She also mentioned a planned investment of $12.331 billion for the 2024-2030 period, aimed at increasing electricity generation capacity across Mexico.

CNE issues first generation permits to CFE – *Mexico Business News*

The newly established National Energy Commission (CNE) approved six permits for electricity generation to CFE. Among the approved permits, four are for CFE and two for CFE Generación III, focusing on strategic locations.

Three diesel-fueled mobile power plants were authorized for Quintana Roo: Central Eléctrica Móvil Cancún (48.933MW), Central Eléctrica Móvil Xcalacoco (52.785MW), and Central Eléctrica Móvil Nizuc (56.52MW), all slated for operation by July 31, 2025. Another diesel plant, Central Eléctrica Móvil Chankanaab (22.28MW), was approved for Cozumel, Quintana Roo, with a similar operational timeline.

Additionally, two natural gas-fired mobile power plants were authorized for Tijuana, Baja California. Central Eléctrica Móvil La Estrella (180.704MW) and Central Eléctrica Móvil La Herradura (176.4MW) are also expected to begin operations by July 31, 2025. These plants will interconnect with the National Electric System (SEN) to supply the Wholesale Electricity Market.

All six permits are valid until Dec. 31, 2025. CNE will require regular progress reports and compliance with various obligations, including obtaining municipal and state authorizations, submitting detailed operational information, and adhering to national and market regulations.

Oil & Gas - LATAM

Petrobras and Solstad formalize $84M vessel deal – *Offshore Energy*

Norwegian shipping company Solstad Offshore has received board approval for an anchor handling tug supply from its fleet to carry out a multi-year assignment with Brazil’s state-owned energy Petrobras. Solstad confirmed that the four-year contract for Normand Turquesa, which was announced in May, has now been formally approved by the board and signed. Set to start in February 2026, the contract has a gross value of around $84 million.

The 2007-built Normant Turquesa can accommodate 30 persons. When the deal was announced, Solstad stated the vessel will now be fully committed until February 2030.

Perenco pushes ahead with Estero drilling plans in Colombia – *Bnamericas*

Anglo-French firm Perenco has advanced in the permitting process for two oil and gas projects in eastern Colombia, according to documents filed with national licensing authority Anla.

The company presented new documents related to a modified environmental impact assessment for the Estero A (Chaparrito/Abejas) and Estero B (Los Toros) blocks in the Trinidad and Paz de Ariporo areas of Casanare department. The project entails the development of hydrocarbons that include associated interconnecting infrastructure. Initial investment is expected to reach 73.5bn pesos (around US$18mn).