Annex 6

EXPLORATION OPPORTUNITIES IN COTE D'IVOIRE

...The Next DeepWater Producer in the Gulf of Guinea
The government of Côte d'Ivoire is offering promising exploration concessions in deepwater offshore as well as in shallow waters and onshore.

Encouraged by the recent exciting confirmation drilling for oil in deepwater block CI-40, Côte d'Ivoire starts a new exploration and production era of great promise.

Côte d'Ivoire is intent upon creating an attractive and secure investment climate.

Companies investing in exploration can expect a reasonable return from any discovery. The hydrocarbon code is clearly documented and available for review. A brief summary of the geology of the sedimentary basin, along with a light review of exploration and production data, is highlighted in this brochure. More detailed information may be obtained through Petroci.

**Concessions Offered**

Seventeen offshore and onshore exploration concessions are currently being offered to the international petroleum industry. They include:

- Five (5) deepwater blocks: CI-100, CI-101, CI-105, CI-109 and CI-400, most of them close to the Espoir producing field and to the Baobab oil field;

- Eight (8) offshore blocks in shallow water: CI-12, CI-24, CI-104, CI-107, CI-108, CI-110, CI-111 and CI-202, in which attractive prospects have also been mapped;

- Four (4) onshore blocks: CI-300, CI-301, CI-302 and CI-303, which display very attractive prospects, highlighted by latest vintage seismic.

Recent geological and geophysical studies and actual drilling confirm that large reserves of oil and gas are present in the deepwater blocks. Indeed, the recent success of the Baobab-2X well in deepwater block CI-40 is a confirmation that the deep offshore of Côte d'Ivoire is a western extension of the Gulf of Guinea oil and gas province.
COTE D’IVOIRE

**Petroleum Exploration Concessions**

March 2002
Overview of the Geology of the Côte d’Ivoire Sedimentary Basin

The Côte d’Ivoire sedimentary basin is one of the West African basins formed by the break-up of the continents and the spreading of South Atlantic Ocean during the Lower Cretaceous.

The basin comprises a trough measuring some 600 km (E-W) by 150 km (N-S). Its eastern part, which is the most explored area, is called the “Abidjan Margin” and its western part is known as the “San Pedro Margin”.

The basin developed as part of the transform margin between the Saint Paul and the Romanche fracture zones, while Africa separated from South America. The movement and the associated sedimentation are separated into three distinctive stages referred to as pre-rift and post-rift. These tectonic stages have strongly influenced the type of sediments and the deformational history of the basin.

The basin presents interesting sections including the prospective Cretaceous (Albian - Maastrichtian) interval:

- **The Albian sequence**: the oldest sediments reached by drilling are dated Middle Albian. However, the Albian sequence has not been completely penetrated, but it is thought to have been laid down on an Upper Aptian sequence. It is heterogeneous and composed of black shales interlayered with silty or sandy sediments. The Albian source rocks have produced significant amounts of hydrocarbons. The reservoir rocks comprise a series of major sandy intervals interbedded by shaly sequences. The reservoir rock characteristics are good.

- **The Cenomanian sequence**: this sequence is deposited over the eroded surface of the Albian rift series. It consists of shale with fine-grained sandstone interbeds. Channel systems including coarser-grained sandstone are likely to be present in deeper offshore areas. Platform carbonates are present mainly in the lower section of the Cenomanian. The Cenomanian sediments generally contain fair to good source rocks. The reservoir characteristics are also good. The petroleum potential is fair to good.

- **The Senonian sequence**: this sequence is composed of clastic material from the top of the slopes and accumulated in the depocenters. The lower section generally comprises clastic sediments containing a few streaks of limy shale. The North-South orientation of conglomeratic, coarse-grained sandstones, which change progressively upward into finer-grained sands, constitute good reservoirs. The conglomerates change progressively upward into finer-grained sands and constitute good reservoirs.

- **The Maastrichtian sequence**: this sequence represents the youngest interval with hydrocarbon potential. It is composed mainly of shales with occasionally fine to medium coarse-grained sandstones, which constitute good-quality reservoirs in the eastern part of the “Abidjan margin”. All of the elements necessary to create a favorable hydrocarbon system are present: mature source rocks, high quality reservoir rocks, and both structural and stratigraphic trapping mechanisms.
Seismic Section IWG97-136B Highlighting Structural and Stratigraphic Prospects in Deepwater Blocks CI-205 & CI-206

Schematic of Prospects Displayed in Seismic Section above
Section through Baobab Discovery and Espoir Field
Exploration Activities

Exploration activities have been carried out in the Côte d’Ivoire sedimentary basin since the early 1950s. At present more than 300,000 km of both 2D and 3D seismic data have been acquired, and more than 150 wells, for exploration and development, have been drilled. All these data as well as related data (seismic tapes, drilling cores, well test reports, etc...) are available and most of them may be reviewed by interested oil companies.

Côte d’Ivoire has had many oil and gas discoveries and has produced more than 75 million barrels of oil and 300 BCF of gas. Two oil fields (Espoir and Lion) and two gas fields (Panthere and Foxtrot) are currently being produced. Most important, plans for further appraisal of the recent deepwater discovery, Baobab, are being formulated. Thus, the Kossipo structure is being drilled.

Overview of Incentives of the Petroleum Legislation

A legal framework for Production Sharing Contracts (PSC) is designed to encourage investments in hydrocarbons exploration and production activities in Côte d’Ivoire. Companies investing in these activities may take advantage of incentives such as:

- Exploration period: the exploration period may last as long as 9 years for deepwater activities;
- Cost recovery: this factor may reach up to 75 percent for deep offshore operations;
- Stepwise approach: a study agreement step may precede PSC execution;
- Reduction of income tax rate.

COVER ILLUSTRATIONS

The Front Cover shows a seismic section through a prospect in Deepwater Block CI-112.

The top of the Back Cover shows the drill stem test being performed on the Baobab discovery, while the bottom shows the Espoir FPSO.
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