



Kosmos and Morocco

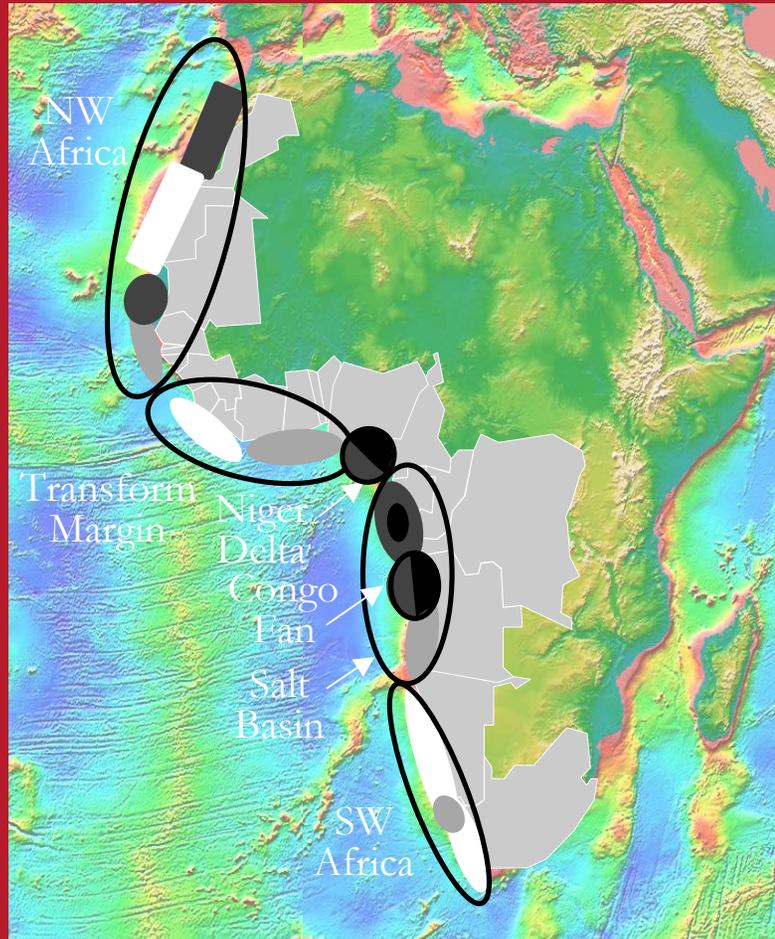
Brian F. Maxted
Founding Partner, Kosmos Energy

Agenda

- Kosmos
 - Business Plan and Execution
- Morocco
 - Boujdour Below and Above Ground



Kosmos Focus



 Petroleum Systems

Provinces

 Tertiary Deltas

 Cretaceous basins

 Mesozoic margins

Sectors

 Frontier

 Emerging

 Growing

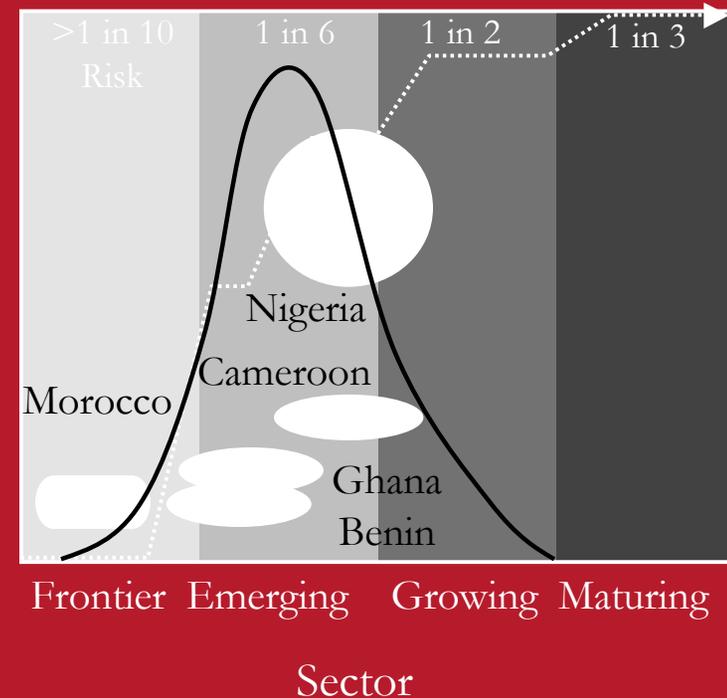
 Maturing



Kosmos Strategy



- Portfolio centered on the *Emerging* sector but also include interests in the *Growing* Sector to manage risk and the *Frontier* sector to provide longer term growth opportunity





Kosmos Portfolio



- Six exploration assets – Ghana (2), Benin, Cameroon (2) and Morocco plus an economic interest in a 7th - Nigeria
- Total gross area c. 125,000 km² (c. 40,000 Km² net) operatorship, working interest up to 100%, average 30%
- Currently pursuing other select new ventures

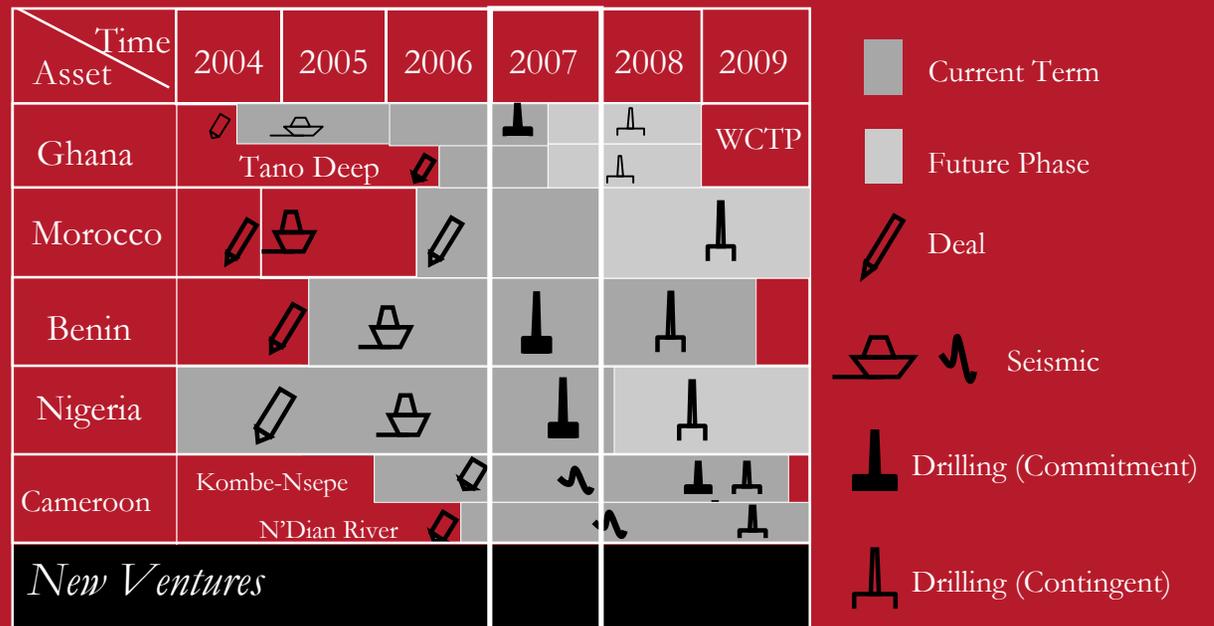




Kosmos Plan



- Three exploration wells in 2007

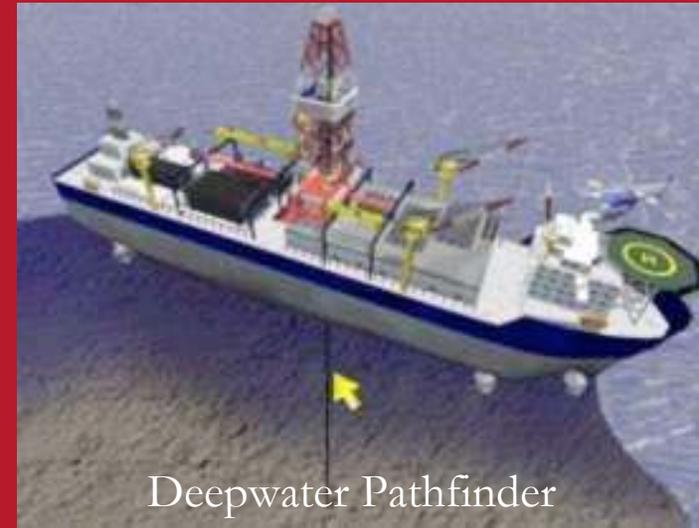




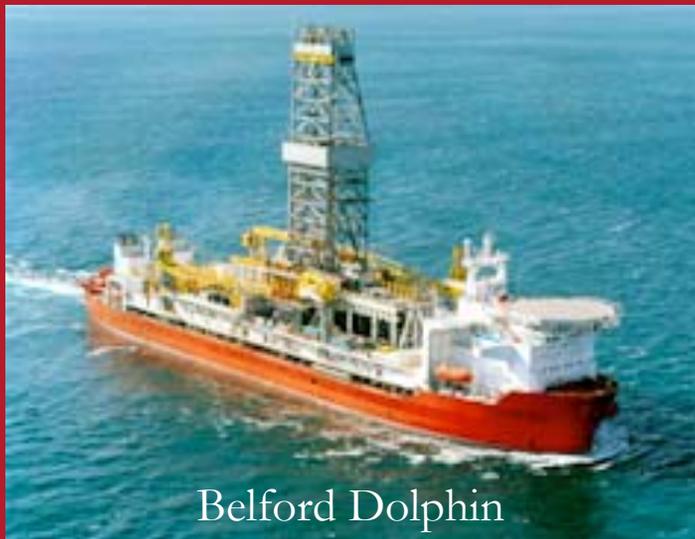
Kosmos Execution



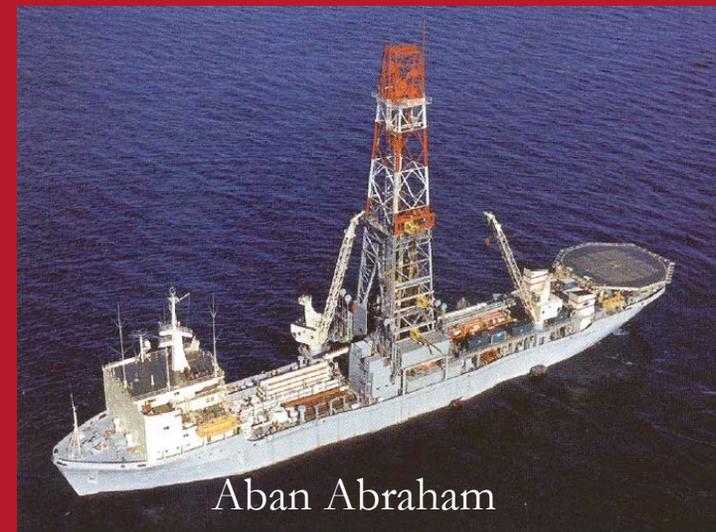
- Belford Dolphin contracted (through Anadarko) to drill Ghana and Benin
- Deepwater Pathfinder hired (through Pioneer) to drill Nigeria
- Dynamically-positioned drillship contracted at very favorable rate for 2 firm and 2 option slots in 2008



Deepwater Pathfinder



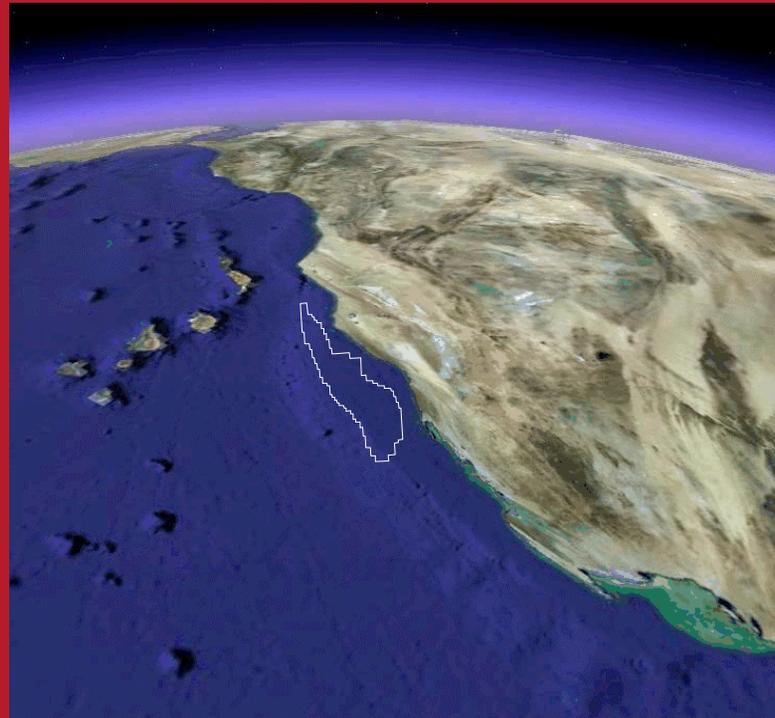
Belford Dolphin



Aban Abraham



Morocco Boujdour Offshore

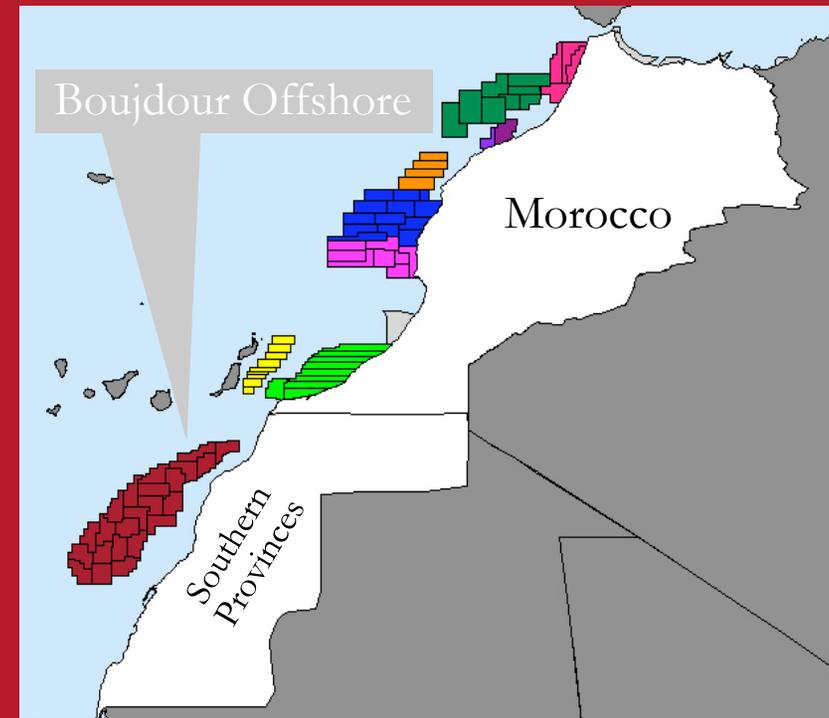




Kosmos in Boujdour Offshore



- 2004
 - Accessed Reconnaissance Permit
- 2005
 - Acquired 500 line km. of infill 2D seismic
- 2006
 - Assumed operatorship and signed Petroleum Agreement with 75% working interest and partner ONHYM 25% (carried through exploration)
- 2007
 - Attract new partner(s)

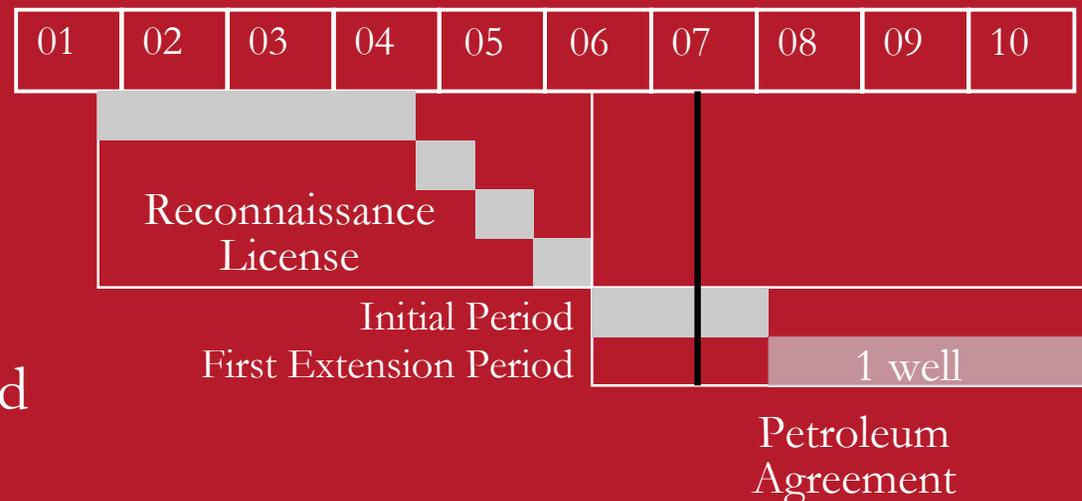




Boujdour Offshore Contract



- Boujdour Offshore blocks I-XXIII
 - Effective date June 26, 2006
 - Area 43,998 km² (I-XXIII sub-blocks)
- Initial Period
 - 1.5 years
 - Commitments - purchase 2D seismic and undertake geological studies (\$2 Million)
- First Extension Period
 - 3 years
 - One exploration well

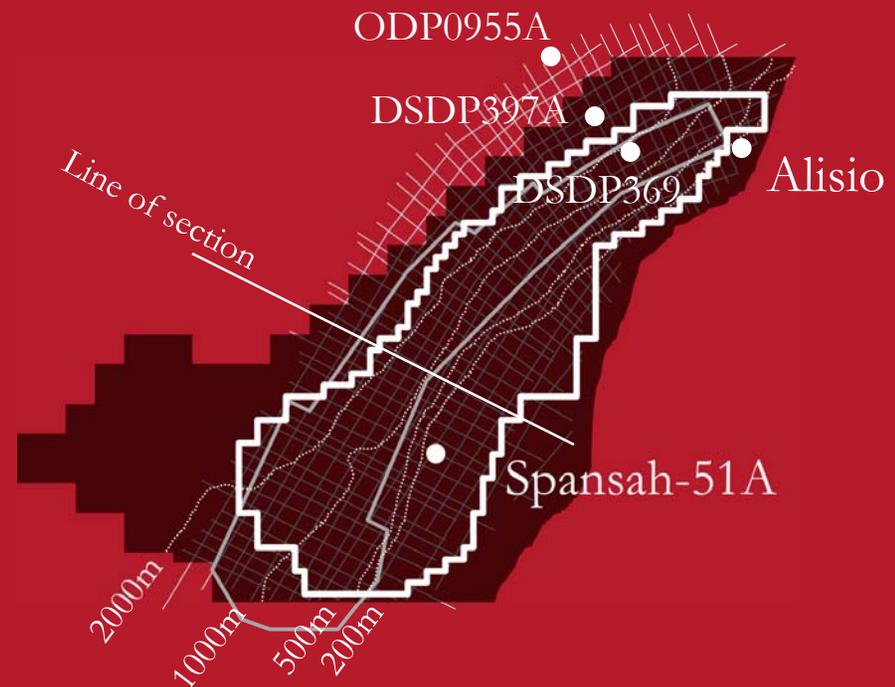




Boujdour Offshore Database



- Acreage is highly under-explored





Boujdour Petroleum Systems

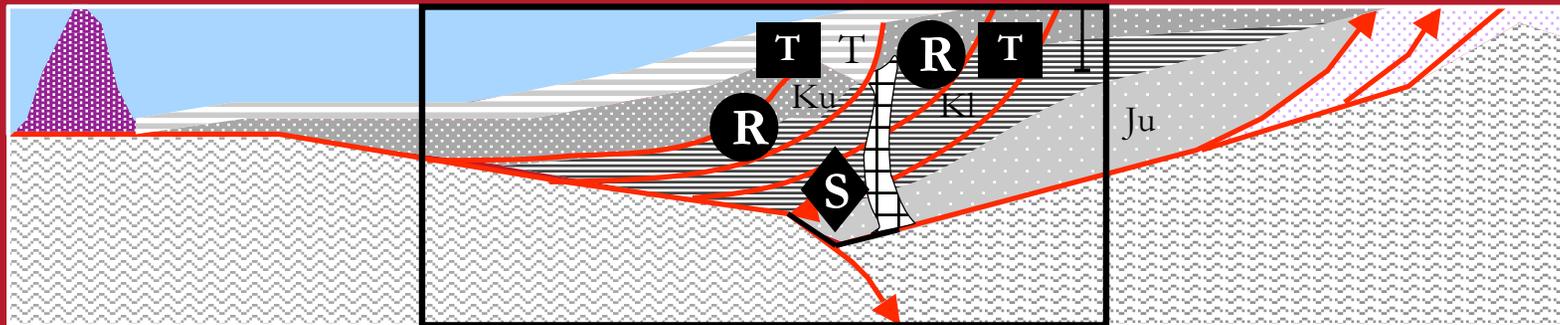


Canary
Islands

Boujdour Block

Spansah-51A

East →

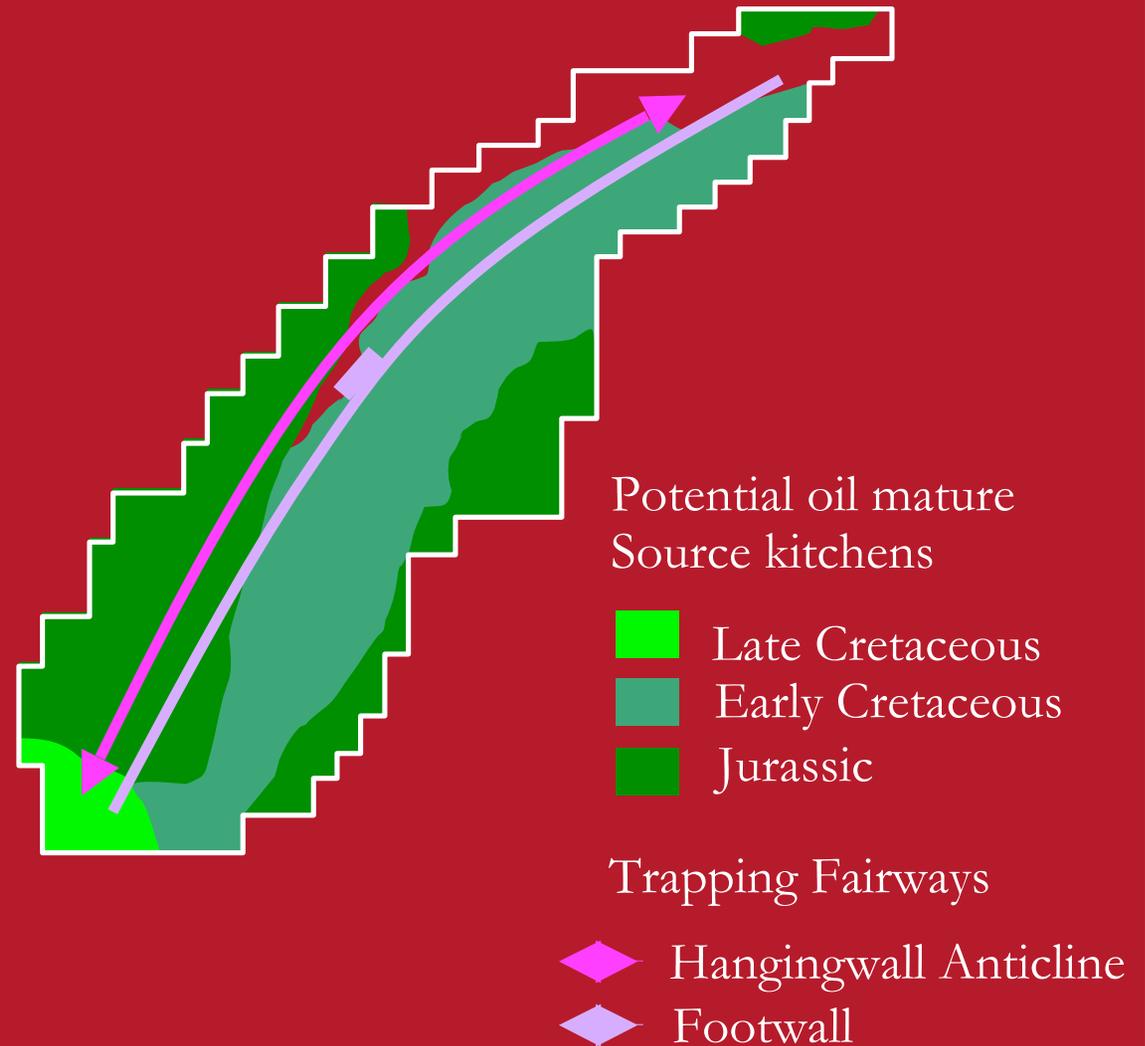


- R** Reservoir
- S** Charge
- T** Trap



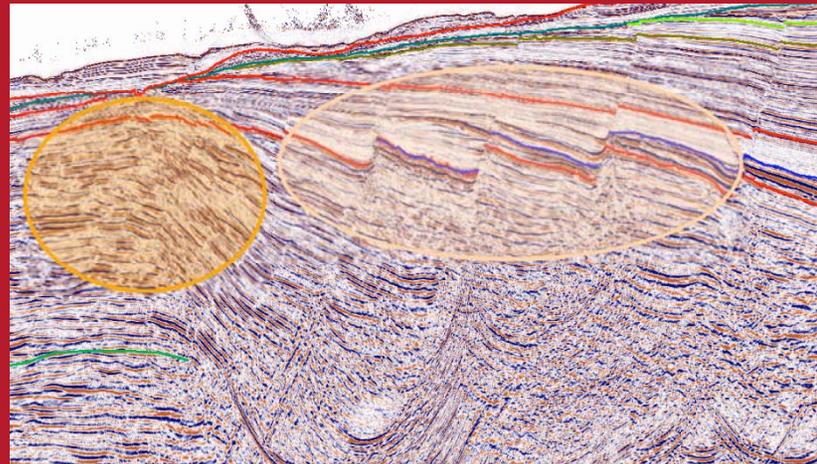
Boujdour Charge

- Multiple potential source rocks modeled as oil mature in kitchen catchment areas of principal trapping fairways
 - Jurassic
 - Early Cretaceous
 - Late Cretaceous



Boujdour Reservoir

- Stacked, good quality Cretaceous reservoirs of the Tan Tan Delta ranging from shallow water clastics (proven in Well Spansah-51A) inboard to outboard deep water turbidite systems (interpreted from seismic)



- Deep water
- Shallow water

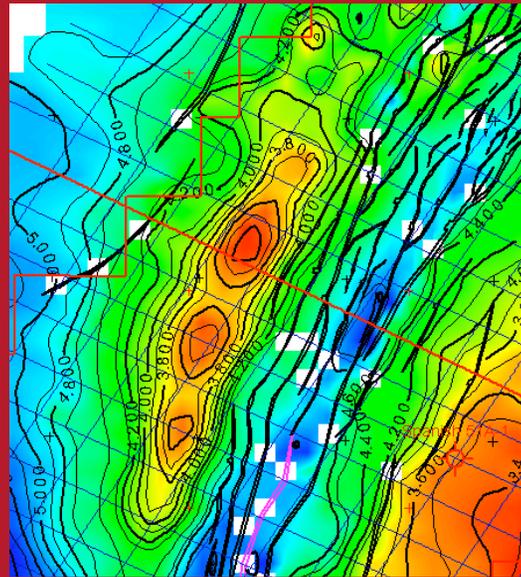
Spansah-51A



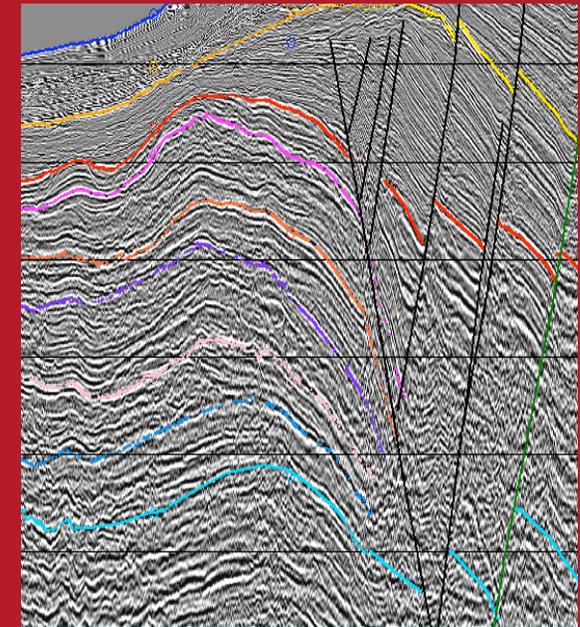


Boujdour Trap

- Very large structural closures
 - Very large four-way hangingwall anticline
 - Multiple fault/three-way footwall culminations



50 km



20 km

Politics

- Substantial recent progress in resolving political situation
 - Following proposals by Morocco and Polisario to the UN in April, UN Secretary General makes recommendation to the Security Council
 - calls upon the parties ‘to enter into negotiations without pre-conditions, with a view to achieving a just, lasting and mutually acceptable political solution that will provide for the self-determination of the people of Western Sahara’
 - US (House of Representatives and State Department, as well as European nations) publicly support Morocco’s proposal
 - call it a ‘serious and credible proposal’ to provide for autonomy of the area and says ‘the new Moroccan proposal provides a realistic framework for a negotiated solution, which is the best way to ensure a lasting peace for all parties’
 - UN Security Council Resolution 1754 of April 30, 2007 passed unanimously
 - calls upon the parties ‘to enter renegotiations without preconditions in good faith, taking into account the developments of the last months, with a view to providing a lasting and mutually acceptable political solution...’
 - requests that negotiations be held under the auspices of the UN Secretary General and with support of the Member States
 - Extends MINURSO mandate to October 31, 2007 and requests progress report June 30 as well as final report



Boujdour Offshore Summary



- Company-making *frontier* exploration opportunity
 - high risk/very high reward
- Significant oil and gas potential
 - very large structural traps with many reservoirs – critical risk is charge
- Strong success economics
 - Favorable commercial/fiscal terms
- New, UN-sponsored initiatives in progress to peacefully resolve political situation
 - Security Council Resolution in April 2007 requests Morocco and Polisario to negotiate unconditionally



KOSMOS ENERGY

www.kosmosenergy.com