

**PEMEX BlackRock Project Management Office
MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding ("MOU") is effective as of 29th of May, 2015 between Petróleos Mexicanos, ("Pemex") and BlackRock Financial Management, Inc. ("BlackRock") (each, a "Party", and collectively the "Parties"). Each Party acknowledges that this MOU applies and extends to its respective affiliates, subsidiaries and successors. Other than as expressly provided herein, this MOU, is for discussion purposes only, is not a binding commitment in any respect and is not to be interpreted in any respect as a binding commitment to negotiate, enter into, or consummate the transactions contemplated hereby, therefore the terms included herein remain subject to further legal and tax analysis.

This MOU is executed by the Parties subject to, and in compliance with applicable laws in effect as of the date hereof. It is acknowledged that nothing in this MOU releases Pemex or BlackRock from complying with all their obligations pursuant to any applicable law, nor obligates the Parties to act or agree to anything beyond the scope and extent of applicable laws. Consequently, nothing in this MOU shall be construed to have been executed with a view towards incurring into a violation of any applicable legal provision and, hence, if any provision herein is determined to be invalid, inoperative or unenforceable, the Parties agree to modify this MOU so as to effect the original intent of the Parties as closely as possible in an acceptable manner. This MOU does not constitute either an offer to sell or an offer to purchase securities.

Context

Due to the Constitutional Energy Reform, Pemex has transformed into a State Productive Enterprise. As a result, Pemex is reviewing and prioritizing its investment program to enhance its market position and maximize its value to Mexico. The Constitutional Energy Reform provides Pemex with added flexibility to optimize its balance sheet and liquidity through the use of third party financing, including partnerships, joint ventures and other structures. Optimizing the delivery and financing of the broad diversity of capital projects strategically important to PEMEX will require consideration of different capital structures and ownership models.

BlackRock, the largest investment manager in the world with \$4.652 trillion of assets under management (AUM) at December 31, 2014, is a leader in investment management, risk management and advisory services for institutional and retail clients worldwide. In Mexico, where it is already the leading institutional asset manager with \$25 billion of AUM, Blackrock is committed to building the leading infrastructure investment platform for the benefit of its local and international clients, leveraging BlackRock's unparalleled industry expertise, risk management capabilities and global reach.

This MOU sets out the key principles to engage in good faith negotiations to further agree upon the establishment by PEMEX and BlackRock of a joint Project Management Office to identify, prioritize and promote the efficient development and financing of a pipeline of energy and related infrastructure projects of strategic and commercial importance to PEMEX on a non-exclusive basis.

Key Objectives of Project Management Office

1. The scope of the Project Management Office will include major greenfield and brownfield energy and related infrastructure projects where Pemex intends to fund the development and construction through a combination of third party finance and investment by Pemex.
2. The Project Management Office will develop an overall cohesive "Financing Plan" for identified projects to meet Pemex's objectives.

3. The Project Management Office will be responsible for developing optimum capital structures and contract structures for each project, consistent with the Financing Plan, and supporting the process of executing the financing for each project.
4. The Project Management Office will advise on the allocation of key project roles to relevant Pemex affiliates and third parties, as appropriate, and will also advise on the appointment of advisors as necessary.
5. Pemex and BlackRock will each appoint a senior executive as a "Project Lead" and will commit additional resources as reasonably required and appropriate for the Project Management Office purposes.
6. Pemex and BlackRock will establish a Steering Committee to oversee the Project Management Office. The Steering Committee will be comprised of three senior PEMEX executives and three senior BlackRock executives and will meet at least bi-monthly.
7. The Steering Committee will prepare a report semi-annually on the activities and progress of the Project Management Office which shall be delivered to the Chief Executive Officers of both Pemex and BlackRock.
8. For all identified projects, Pemex will determine the amount of "Project Equity" it wishes to retain.
9. For Projects requiring third party financing, Project Equity (not retained by Pemex) will be offered to the market by the Project Management Office, to be bid on a competitive basis.
10. Eliminado: Inciso 10 (Un párrafo con 4 renglones).
Artículo 113, fracciones IV y VIII, Artículo 116, Criterio IFAI 023/10
Motivación: Contiene la participación y porcentaje de inversión de BlackRock en los contratos que se llegasen a firmar entre ambas partes.
11. Pemex and BlackRock expect the price for Pemex and/or BlackRock to invest in a project will be set by the market, and BlackRock and Pemex shall be permitted to invest on equal terms for such investment as any third parties.
12. To the extent a Party does not take up its option to invest for its allocation of Project Equity, such allocation will be made available to the other Party and any such Project Equity not funded by the Parties will be offered to the market.
13. To the extent there is a shortfall of third party investment for Project Equity offered to the market, the Parties will be permitted to fund such shortfall on a historic cost basis, allocated consistent with the above principles.
14. In return for the services provided under the Project Management Office for each project, to the extent permitted by applicable law, PEMEX and BlackRock will receive a market based consideration to be shared equally and funded from third party financing raised.
15. The Project Management Office will be established for an initial term of three years.

Confidentiality

The provisions of this MOU, including its existence, as well as any future information and/or documentation which may be shared by the parties for the purposes hereof are confidential, and as such are hereby agreed to being shared and/or disclosed by the Parties within the scope and extent of articles 116 or the General Law of Transparency and Access to Public Information, and 18 of the Federal Law of Transparency and Access to Governmental Public Information (Ley

General de Transparencia y Acceso a la Información Pública y la Ley Federal de Transparencia y Acceso a la Información Pública Gubernamental). Therefore, no documentation or information may be disclosed by BlackRock or PEMEX to any third party without the other Party's express written consent, other than to (i) each Party's officers, employees, directors, officers, affiliates, advisors, financing sources and agents involved in the evaluation and/or negotiation of this Memorandum of Understanding and the transactions contemplated hereunder, or (ii) pursuant to law or legal process. In addition, no public announcement of this Memorandum of Understanding or the transactions contemplated hereby (or BlackRock's or PEMEX's potential involvement therein) shall be made by either party hereto without the prior written consent of the other Party.

Costs

Each Party shall be solely responsible for its own costs incurred in connection with all activities to be performed under this MOU. Neither party shall have the authority to incur in any monetary or other obligations or liabilities on behalf of the other Party.

Termination

Each Party may, at any time, terminate this MOU by providing thirty days prior written notice to the other Party, provided that the provisions of the "Confidentiality" section above shall survive for a period of one year after the effective date of such termination.

Governing Law

This MOU shall be governed by and construed in accordance with the laws of Mexico, without regard to conflicts of law provisions thereof.

No Binding Effect or Liability

The Parties understand and acknowledge that this MOU is not a legally binding agreement enforceable against either Party to this MOU (except for the provisions contained in the sections entitled "Confidentiality", "Governing Law", "No Binding Effect or Liability" "Amendments" "Costs" "Termination" and "Counterparts; Effectiveness", which sections shall be binding on the Parties hereto).

Neither Party shall be liable to the other for any other direct, indirect, consequential, punitive or similar indirect loss or damage, (including loss of profit or loss of business opportunity, or any other cost or expenses of any nature) arising out of or in connection with this MOU.

Under no circumstances shall any employee, consultant or agent of either Party participating in the MOU be considered an employee, consultant or agent of the other Party.

Amendments

Any amendments to this MOU shall be effective only if agreed by mutual written consent and signed by the duly authorized representatives of the Parties.

Counterparts; Effectiveness

This MOU shall be executed in two counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument.

Executed this 29th day of May, 2015

Petróleos Mexicanos

By: _____

Name: Mario Beauregard

Title: Chief Financial Officer

BlackRock Financial Management, Inc.

By: _____

Name: David O'Brien

Title: Director

Witnessed by:

James Barry
Managing Director
BlackRock Infrastructure Investment Group