

Press release  
Madrid, November 22<sup>nd</sup> 2011  
Number of pages: 3

They visited the Margarita gas field, discovered by Repsol,  
together with international financial analysts

## ANTONIO BRUFAU REAFFIRMS REPSOL'S INVESTMENT IN BOLIVIA ALONGSIDE EVO MORALES

- They toured the construction works of the new gas processing plant in the Margarita field, which are part of the development plan located in the Caipipendi area, including the Margarita and Huacaya fields, both discovered by Repsol.
- The Caipipendi area is located in the department of Tarija in southern Bolivia. The consortium is operated by Repsol, BG Bolivia Corporation Bolivia Branch and PAE E&P Bolivia Ltd., under the operating contract signed with YPFB.
- Phase I of the development plan for the Caipipendi project will triple production capacity in the area from the current 3 million cubic meters of gas a day to nine million in 2012 that will be used for the domestic and International markets.
- The second phase will increase the daily output to 14 million cubic meters of production from 2014 onwards.
- Antonio Brufau reaffirmed Repsol's commitment with Bolivia and its investment plan in the country which amounts to 640 million dollars for the 2010-2014 period.
- Evo Morales highlighted that "it is the most important investment underway in this sector" in the country.



Repsol Chairman, Antonio Brufau, and the Bolivian President, Evo Morales visited the Margarita gas field in Bolivia today, with a group of international financial analysts.

They toured the construction works of the new gas processing plant. This facility is part of a development plan located in the Caipipendi area that includes the Margarita and Huacaya fields, both discovered by Repsol

At the end of the visit, Repsol's Chairman reaffirmed the company's commitment to Bolivia and to the approved development project for the Caipipendi area that envisages an increase in natural gas production capacity and delivery from the current three million cubic meters to nine million by 2012, thus guaranteeing the volumes committed to YPFB.

Evo Morales welcomed the Repsol executives and the analysts that visited the Margarita Project. He highlighted that Repsol's investment is the "most important underway in this sector" in Bolivia. He added that "investment and private property are guaranteed and that any investor not only has the right to recover their investment but also to profit from it", emphasising the good relationship maintained with Repsol.

The meeting between Morales and Brufau took place alongside the visit from the international financial analysts at Repsol's operations in Bolivia, one of the company's strategic projects worldwide.

The Caipipendi area is located in the department of Tarija in southern Bolivia. The consortium is operated by Repsol, BG Bolivia Corporation Bolivia Branch and PAE E&P Bolivia Ltd., under the operating contract signed with YPFB. The area development plan for the Margarita-Huacaya fields is one of the key projects in Repsol's Horizon 2014 Strategy. For the 2010-2014 period, Repsol plans to make investments of up to is \$640 million in Bolivia.

Phase I of the development plan for the Margarita-Huacaya fields is currently being implemented, with an investment of approximately \$500 million. This includes the construction of the new gas processing plant in Margarita, the construction of evacuation and collection lines, installation of a water injection plant and development of wells to be in production from April 2012 to ensure the provision of domestic and international markets, increasing the current production to 9 million cubic meters.



Subsequently, in Phase II, an investment of \$660 million is being considered for the construction of a new module in the plant and the drilling of four wells, which will increase production to 14 million cubic meters per day from 2014.

In addition, Repsol participate in YPFB Andina, a company where the main shareholder is the state owned corporation YPFB.