

During the 2014-2015 winter exploration campaign in an oil-rich area

REPSOL COMPLETES SUCCESSFUL TESTING AT TWO OIL WELLS IN ALASKA

- **The wells successfully drilled and tested during the latest exploratory campaign add to encouraging results from previous campaigns that indicate an area of significant potential.**
- **Production tests yielded good quality crude from wells which have encountered multiple pay areas.**
- **Alaska's North Slope is an especially promising area for Repsol as it has already shown high oil potential.**
- **Repsol operates the discovering consortium with a 70% stake, in association with 70 & 48 LLC, a subsidiary of Armstrong Oil and Gas, (22.5%) and GMT Exploration Company (7.5%).**

Repsol has completed testing in two wells during its winter exploration campaign in Alaska with better-than-expected yields of good quality crude which, added to the positive results from previous campaigns, confirm the significant development potential of the area.

This campaign brings to 16 the number of positive wells drilled, including sidetracks, in Repsol's acreage of the resource-rich North Slope region during the four winter exploratory campaigns that the company has completed since it acquired the assets in 2011. Exploration can only be carried out during four months of the year, when the terrain is frozen.

During the current campaign, The Qugruk 8 (Q-8) well flowed 30 degree API gravity crude at rates of up to 2,160 barrels of oil per day (BOPD), and Qugruk 301 (Q-301) horizontal well yielded rates as high as 4,600 BOPD.

Repsol operates the discovering consortium with a 70% stake, together with US companies 70 & 48 LLC, a subsidiary of Armstrong Oil and Gas, (22.5%) and GMT Exploration Company (7.5%).

The consortium will continue with an additional drilling program during the next winter and has already begun the process to obtain permits for a development phase in the Nanushuk and Alpine areas.

"We are very satisfied with the latest results from Alaska," said Luis Cabra, Executive Vice President of Exploration and Production for Repsol. "The positive news from this year's exploration campaign, combined with the recent changes in the state's tax structure, make Alaska a compelling area to continue to invest and generate the potential for development."

Repsol has greatly increased its presence in the United States in the last few years. The company has assets in Alaska, the Gulf of Mexico and the Mississippian Lime, to which it has added significant unconventional assets in Eagle Ford and Marcellus through the purchase this year of Talisman Energy. Repsol currently produces nearly 200,000 barrels of oil equivalent a day in North America, which includes 135,000 from the United States.

LOCATION MAP

