

Gas found, in insufficient quantity for possible extraction

REPSOL COMPLETES ITS EXPLORATION WELL IN THE CANARY ISLANDS

- **The samples obtained in the exploratory survey known as Sandia confirmed the existence of gas, although without the necessary volume nor quality to consider future extraction.**
- **The *Rowan Renaissance* drillship will return to Angola to continue with Repsol's exploration program in that country.**
- **Around 750 professionals from more than 50 companies, some based in the Canary Islands, have worked on the research project, applying the maximum safety and environmental protection standards.**

Repsol has completed the exploratory well, which began on 18 November 2014 in the Atlantic Ocean about 60 kilometres from Lanzarote and Fuerteventura, to analyse the possible existence of hydrocarbons. The analysis of samples obtained showed the presence of gas (from methane to hexane) but without the necessary volume nor quality to consider future extraction.

The exploratory survey confirmed that oil and gas have been generated in the basin, although the deposits found have been saturated with water and the hydrocarbons present are in very thin, non-exploitable layers.

No further exploratory activity will be carried out in this area, and the *Rowan Renaissance* dynamically-positioned drillship will return to Angola to continue Repsol's exploration campaign in that country.

On 11 January, a total depth of 3,093 metres (882 metres of water depth and 2,211 metres of subsoil) was reached and the collection of data on the traversed geological formations was completed.

The well will be sealed throughout the next week under the strictest safety protocols, the same that have been applied during the entire exploratory drilling campaign.

Around 750 professionals from over 50 companies have worked on the research project, applying the highest safety and environmental protection standards at all times. At the start of this campaign, Repsol estimated the possibility of finding hydrocarbons at between 15% and 20%. The company carried out the campaign in the belief that a discovery of hydrocarbons would be beneficial for the Spanish economy.

The excellence of all operations related to this campaign was achieved thanks to the deployment of top professionals – not only from Repsol, but also from other contracted companies, some of them from the Canary Islands – and the use of cutting-edge technology such as the Rowan Renaissance dynamically-positioned UDW drillship, which was supported by four other vessels.

Repsol has great experience in offshore exploration. The company's reserve replacement ratio (the amount of reserves added by the company compared to the production) was 204% in 2012 and 275% in 2013, among the highest in the industry.